龍源電力集團股份有限公司
CHINA LONGYUAN POWER GROUP CORPORATION LIMITED*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 00916)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2024

FINANCIAL HIGHLIGHTS

- For the six months ended 30 June 2024, revenue amounted to RMB18,883 million, representing a decrease of 4.9% over the corresponding period of 2023
- For the six months ended 30 June 2024, profit before taxation amounted to RMB5,681 million, representing a decrease of 18.9% over the corresponding period of 2023
- For the six months ended 30 June 2024, net profit attributable to equity holders of the Company amounted to RMB4,020 million, representing a decrease of 21.6% over the corresponding period of 2023
- For the six months ended 30 June 2024, earnings per share amounted to RMB0.4767, representing a decrease of RMB0.1234 over the corresponding period of 2023

The board of directors (the "**Board**") of China Longyuan Power Group Corporation Limited* (the "**Company**") is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2024, together with comparative figures for the corresponding period of 2023. The results were prepared in accordance with the International Accounting Standards ("**IAS**") 34, *Interim Financial Reporting*, issued by the International Accounting Standards Board ("**IASB**") and the disclosure requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2024 – UNAUDITED

(Expressed in thousands of Renminbi)

		Six months ended 30 June	
		2024	2023
			(Restated)*
	Note	***RMB'000***	*RMB'000*
Revenue	4	**18,883,467**	19,860,414
Other net income	5	**624,659**	664,938
Operating expenses			
Depreciation and amortisation		**(5,588,297)**	(5,291,379)
Coal consumption		**(1,619,618)**	(1,726,852)
Coal sales costs		**(1,509,942)**	(1,468,421)
Personnel costs		**(2,357,904)**	(2,182,457)
Material costs		**(49,231)**	(57,793)
Repairs and maintenance		**(368,033)**	(312,552)
Administrative expenses		**(382,511)**	(331,503)
Other operating expenses		**(514,301)**	(524,695)
Impairment reversals/(losses) on financial assets, net		**26,567**	(6,303)
		(12,363,270)	(11,901,955)
Operating profit		**7,144,856**	8,623,397
Finance income		**125,884**	215,036
Finance expenses		**(1,745,898)**	(1,783,481)
Net finance expenses	6	**(1,620,014)**	(1,568,445)

* Comparative information has been restated due to a business combination under common control during the first quarter of 2024.

		Six months ended 30 June	
		2024	2023
			(Restated)
	Note	***RMB'000***	*RMB'000*
Share of profits less losses of associates and joint ventures		**155,792**	(53,303)
Profit before taxation	7	**5,680,634**	7,001,649
Income tax	8	**(989,028)**	(1,164,467)
Profit for the period		**4,691,606**	5,837,182
Other comprehensive income/(losses):			
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:			
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax		**1,411**	12,104
Other comprehensive losses that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		**(15,474)**	(6,652)
Exchange differences on net investments in foreign operations		**(3,857)**	(2,025)
Other comprehensive (losses)/income for the period, net of tax	9	**(17,920)**	3,427
Total comprehensive income for the period		**4,673,686**	5,840,609

		Six months ended 30 June	
		2024	2023
			(Restated)
	Note	***RMB'000***	*RMB'000*
Profit attributable to:			
Shareholders		**3,985,864**	5,029,637
Holders of other equity instruments		**34,605**	97,393
Non-controlling interests		**671,137**	710,152
Profit for the period		**4,691,606**	5,837,182
Total comprehensive income attributable to:			
Shareholders		**3,966,731**	5,031,022
Holders of other equity instruments		**34,605**	97,393
Non-controlling interests		**672,350**	712,194
Total comprehensive income for the period		**4,673,686**	5,840,609
Basic and diluted earnings per share *(RMB cents)*	10	**47.67**	60.01

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2024 – UNAUDITED

(Expressed in thousands of Renminbi)

	Note	**30 June 2024** *RMB'000*	31 December 2023 *(Restated*)* *RMB'000*
Non-current assets			
Property, plant and equipment		**170,050,720**	162,648,278
Right-of-use assets		**5,735,682**	5,766,435
Intangible assets		**4,924,009**	5,142,222
Goodwill		**195,617**	195,617
Investments in associates and joint ventures		**6,267,016**	5,994,794
Other assets		**5,534,275**	4,987,556
Deferred tax assets		**829,132**	853,607
Total non-current assets		**193,536,451**	185,588,509
Current assets			
Inventories		**953,052**	727,196
Trade and bills receivables	11	**40,981,251**	35,732,322
Prepayments and other current assets		**3,279,396**	3,126,020
Tax recoverable		**48,255**	102,234
Other financial assets		**484,230**	459,073
Restricted deposits		**318,349**	346,789
Cash at banks and on hand		**3,027,236**	4,562,082
Total current assets		**49,091,769**	45,055,716

* Comparative information has been restated due to a business combination under common control during the first quarter of 2024.

	Note	**30 June 2024**	31 December 2023 *(Restated)*
		RMB'000	*RMB'000*
Current liabilities			
Borrowings		**56,104,225**	49,498,691
Trade and bills payables	12	**6,395,735**	7,250,223
Other current liabilities		**16,939,015**	13,874,041
Lease liabilities		**122,627**	176,218
Tax payable		**448,996**	457,625
Total current liabilities		**80,010,598**	71,256,798
Net current liabilities		**(30,918,829)**	(26,201,082)
Total assets less current liabilities		**162,617,622**	159,387,427
Non-current liabilities			
Borrowings		**74,137,085**	73,309,092
Lease liabilities		**1,301,008**	1,468,447
Deferred income		**796,350**	845,360
Deferred tax liabilities		**258,622**	259,521
Other non-current liabilities		**1,528,852**	1,283,013
Total non-current liabilities		**78,021,917**	77,165,433
NET ASSETS		**84,595,705**	82,221,994

	Note	30 June 2024	31 December 2023 (Restated)
	Note	***RMB'000***	*RMB'000*
CAPITAL AND RESERVES			
Share capital		**8,359,816**	8,381,963
Treasury shares		**–**	(56,648)
Other equity instruments		**2,057,482**	2,022,877
Reserves		**62,240,309**	60,428,121
Total equity attributable to equity holders of the Company		**72,657,607**	70,776,313
Non-controlling interests		**11,938,098**	11,445,681
TOTAL EQUITY		**84,595,705**	82,221,994

Notes

1 BASIS OF PREPARATION

This unaudited consolidated interim results have been prepared in accordance with the applicable disclosure provisions of the Listing Rules, including compliance with IAS 34, *Interim financial reporting*, issued by the IASB.

The interim financial information has been prepared assuming the Group will continue as a going concern notwithstanding the fact that the Group had net current liabilities as at 30 June 2024 amounting to RMB30,918,829,000 (31 December 2023: RMB26,201,082,000). The Board are of the opinion that, based on a review of the forecasted cash flows of the Group, the unutilised banking facilities and the unutilised credit lines with banks as at 30 June 2024, the Group will have necessary liquid funds to finance its working capital and capital expenditure requirements within the next twelve months.

The unaudited consolidated interim results have been prepared in accordance with the same accounting policies adopted in the 2023 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2024 annual financial statements. Details of any changes in accounting policies are set out in Note 2.

The preparation of unaudited consolidated interim results in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The unaudited consolidated interim results contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2023 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by KPMG 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 Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). KPMG's independent review report to the board of directors is included in the 2024 interim report.

2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has applied the following new and amendments to IFRS Accounting Standards issued by the IASB to this interim financial report for the current accounting period:

Amendments to IAS 1	*Presentation of financial statements: Classification of liabilities as current or non-current (the "2020 Amendments")*
Amendments to IAS 1	*Presentation of financial statements: Non-current liabilities with covenants (the "2022 Amendments")*
Amendments to IFRS 16	*Leases: Lease liability in a sale and leaseback*
Amendments to IAS 7 and IFRS 7	*Statement of cash flows and Financial instruments: Disclosures – Supplier finance arrangements*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. Impacts of the adoption of the amended IFRS Accounting Standards are discussed below:

(i) Amendments to IAS 1, *Presentation of financial statements ("2020 and 2022 amendments")*

The IAS 1 amendments impact the classification of a liability as current or non-current, and are applied retrospectively as a package.

The 2020 amendments primarily clarify the classification of a liability that can be settled in its own equity instruments. If the terms of a liability could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instruments and that conversion option is accounted for as an equity instrument, these terms do not affect the classification of the liability as current or non-current. Otherwise, the transfer of equity instruments would constitute settlement of the liability and impact classification.

The 2022 amendments specify that conditions with which an entity must comply after the reporting date do not affect the classification of a liability as current or non-current. However, the entity is required to disclose information about non-current liabilities subject to such conditions in a full set of financial statements.

Upon the adoption of the amendments, the Group has reassessed the classification of its liabilities as current or non-current and did not identify any reclassification to be made.

(ii) Amendments to IFRS 16, *Lease: Lease Liability in a Sale and Leaseback*

The amendments clarify how an entity accounts for a sale and leaseback after the date of the transaction. The amendments require the seller-lessee to apply the general requirements for subsequent accounting of the lease liability in such a way that it does not recognise any gain or loss relating to the right of use it retains. A seller-lessee is required to apply the amendments retrospectively to sale and leaseback transactions entered into after the date of initial application. The amendments do not have a material impact on these financial statements as the Group has not entered into any sale and leaseback transactions.

(iii) Amendments to IAS 7, *Statement of cash flows and IFRS 7, Financial instruments: Disclosures – Supplier Finance Arrangements*

The amendments introduce new disclosure requirements to enhance transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments do not have a material impact on these financial statements as the Group does not have any supplier finance arrangements.

3 SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by types of business. Consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following reportable segments:

– Wind power: this segment constructs, manages and operates wind power plants and generates electric power for sale to external power grid companies.

– Coal power: this segment constructs, manages and operates coal power plants and generates electric power for sale to external power grid companies and coal trading business.

– PV power: this segment constructs, manages and operates photovoltaic power plants and generates electric power for sale to external power grid companies.

The Group combined other business activities that are not mentioned above in "All others". Revenue included in this category is mainly from the manufacturing, the provision of consulting services, maintenance and training services to wind power plants, and other renewable power generation and sale.

(a) Segment results

In accordance with IFRS 8, segment information disclosed in the interim financial statements have been prepared in a manner consistent with the information used by the Group's senior executive management for the purposes of assessing segment performance and allocating resources between segments. In this regard, the Group's senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. Segment revenue and expenses do not include share of profits less losses of associates and joint ventures, net finance expenses and unallocated head office and corporate expenses.

The measure used for reporting segment profit is the operating profit. Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2024 and 2023 is set out below:

For the six months ended 30 June 2024:

	Wind power *RMB'000*	Coal power *RMB'000*	PV power *RMB'000*	All others *RMB'000*	Total *RMB'000*
Revenue from external customers					
– Sales of electricity	**13,760,081**	**1,853,690**	**944,882**	**6,939**	**16,565,592**
– Others	**20,636**	**2,196,786**	**–**	**100,453**	**2,317,875**
Subtotal	**13,780,717**	**4,050,476**	**944,882**	**107,392**	**18,883,467**
Inter-segment revenue	**–**	**–**	**–**	**374,215**	**374,215**
Reportable segment revenue	**13,780,717**	**4,050,476**	**944,882**	**481,607**	**19,257,682**
Reportable segment profit (operating profit)	**6,758,769**	**178,943**	**339,257**	**101,182**	**7,378,151**
Depreciation and amortisation before inter-segment elimination	**(5,007,150)**	**(126,743)**	**(420,011)**	**(56,582)**	**(5,610,486)**
Reversal of impairment losses of trade and other receivables	**24,778**	**–**	**–**	**1,789**	**26,567**
Interest income	**42,100**	**935**	**162**	**16,020**	**59,217**
Interest expense	**(1,208,268)**	**(29,561)**	**(96,959)**	**(307,978)**	**(1,642,766)**
Expenditures for reportable segment non-current assets during the period	**5,275,477**	**82,985**	**5,852,450**	**408,059**	**11,618,971**

For the six months ended 30 June 2023:

	Wind power	Coal power	PV power *(Restated)*	All others	Total *(Restated)*
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Revenue from external customers					
– Sales of electricity	15,208,729	1,900,503	474,080	6,876	17,590,188
– Others	5,865	2,202,915	488	60,958	2,270,226
Subtotal	15,214,594	4,103,418	474,568	67,834	19,860,414
Inter-segment revenue	–	–	–	191,618	191,618
Reportable segment revenue	15,214,594	4,103,418	474,568	259,452	20,052,032
Reportable segment profit (operating profit)	8,337,331	208,421	238,954	7,712	8,792,418
Depreciation and amortisation before inter-segment elimination	(4,984,807)	(158,614)	(162,556)	(18,764)	(5,324,741)
(Provision)/reversal of impairment losses of trade and other receivables	(6,973)	–	–	670	(6,303)
Interest income	39,670	1,911	1,309	121,949	164,839
Interest expense	(1,407,102)	(31,527)	(84,355)	(131,726)	(1,654,710)
Expenditures for reportable segment non-current assets during the period	3,671,507	147,118	5,755,951	84,710	9,659,286

(b) Reconciliations of reportable segment revenue and profit or loss

	Six months ended 30 June	
	2024	2023
		(Restated)
	RMB'000	*RMB'000*
Revenue		
Reportable segment revenue	**19,257,682**	20,052,032
Elimination of inter-segment revenue	**(374,215)**	(191,618)
Consolidated revenue	**18,883,467**	19,860,414
Profit		
Reportable segment profit	**7,378,151**	8,792,418
Elimination of inter-segment profit	**(88,054)**	(47,993)
	7,290,097	8,744,425
Share of profits less losses of associates and joint ventures	**155,792**	(53,303)
Net finance expenses	**(1,620,014)**	(1,568,445)
Unallocated head office and corporate expenses	**(145,241)**	(121,028)
Consolidated profit before taxation	**5,680,634**	7,001,649

(c) Geographical information

As the Group does not have material operations outside the People's Republic of China ("**PRC**"), no geographic segment reporting is presented.

(d) Seasonality of operations

The Group's wind power business generally generates more revenue in the first and fourth quarters, comparing to the second and third quarters in the year, as the wind speed is more beneficial to power generation in spring and winter. As a result, the revenue from the wind power business fluctuates during the year.

4 REVENUE

The amount of each significant category of revenue recognised during the period is as follows:

For the six months ended 30 June 2024

	Wind power *RMB'000*	Coal power *RMB'000*	PV power *RMB'000*	All others *RMB'000*	Total *RMB'000*
Types of goods and services					
Sales of electricity	**13,760,081**	**1,853,690**	**944,882**	**6,939**	**16,565,592**
Sales of steam	**–**	**441,595**	**–**	**–**	**441,595**
Sales of coal	**–**	**1,541,501**	**–**	**–**	**1,541,501**
Others	**20,636**	**213,690**	**–**	**100,453**	**334,779**
	13,780,717	**4,050,476**	**944,882**	**107,392**	**18,883,467**
Geographic markets					
Chinese Mainland	**13,429,510**	**4,050,476**	**944,882**	**107,392**	**18,532,260**
Canada	**108,273**	**–**	**–**	**–**	**108,273**
South Africa	**173,507**	**–**	**–**	**–**	**173,507**
Ukraine	**69,427**	**–**	**–**	**–**	**69,427**
	13,780,717	**4,050,476**	**944,882**	**107,392**	**18,883,467**
Timing of revenue recognition					
Goods transferred at a point of time	**13,773,585**	**3,952,922**	**944,882**	**35,421**	**18,706,810**
Services transferred over time	**7,132**	**97,554**	**–**	**71,971**	**176,657**
	13,780,717	**4,050,476**	**944,882**	**107,392**	**18,883,467**

For the six months ended 30 June 2023

	Wind power	Coal power	PV power	All others	Total
			(Restated)		*(Restated)*
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Types of goods and services					
Sales of electricity	15,208,729	1,900,503	474,080	6,876	17,590,188
Sales of steam	–	442,199	–	–	442,199
Sales of coal	–	1,506,651	–	–	1,506,651
Others	5,865	254,065	488	60,958	321,376
	15,214,594	4,103,418	474,568	67,834	19,860,414
Geographic markets					
Chinese Mainland	14,871,621	4,103,418	474,568	67,834	19,517,441
Canada	102,218	–	–	–	102,218
South Africa	179,533	–	–	–	179,533
Ukraine	61,222	–	–	–	61,222
	15,214,594	4,103,418	474,568	67,834	19,860,414
Timing of revenue recognition					
Goods transferred at a point of time	15,208,729	4,005,369	474,568	6,876	19,695,542
Services transferred over time	5,865	98,049	–	60,958	164,872
	15,214,594	4,103,418	474,568	67,834	19,860,414

5 OTHER NET INCOME

	Six months ended 30 June	
	2024	2023
		(Restated)
	RMB'000	*RMB'000*
Government grants	**534,212**	608,598
Rental income from investment properties	**–**	4,985
Gain on disposal of property, plant and equipment	**1,602**	638
Gain on a bargain purchase arising from acquisitions of subsidiaries	**19,186**	–
Gain on disposal of an associate	**6,257**	–
Others	**63,402**	50,717
	624,659	664,938

6 FINANCE INCOME AND EXPENSES

	Six months ended 30 June	
	2024	2023
		(Restated)
	RMB'000	*RMB'000*
Interest income on financial assets	**59,217**	164,839
Dividend income	**3,812**	2,988
Net unrealised gain on trading securities and derivative financial instruments	**17,346**	47,069
Foreign exchange gains	**45,509**	140
Finance income	**125,884**	215,036
Less:		
Interest on bank and other borrowings	**1,761,060**	1,818,223
Interest on lease liabilities	**39,577**	27,993
Less: Interest expenses capitalised into property, plant and equipment	**(157,871)**	(191,506)
	1,642,766	1,654,710
Foreign exchange losses	**82,839**	106,192
Bank charges and others	**20,293**	22,579
Finance expenses	**1,745,898**	1,783,481
Net finance expenses	**(1,620,014)**	(1,568,445)

The borrowing costs have been capitalised at rates of 1.80% to 4.32% per annum for the six months ended 30 June 2024 (six months ended 30 June 2023: 1.10% to 4.83%).

7 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

	Six months ended 30 June	
	2024	2023
		(Restated)
	RMB'000	*RMB'000*
Amortisation		
– intangible assets	**271,190**	297,257
Depreciation		
– investment properties	**–**	295
– property, plant and equipment	**5,249,669**	4,924,782
– right-of-use assets	**67,438**	69,045
(Reversal)/provision of impairment losses		
– trade receivables and other receivables	**(26,567)**	6,303
Cost of inventories	**3,178,790**	3,253,066

8 INCOME TAX

(a) Taxation in the interim consolidated statement of profit or loss and other comprehensive income represents:

	Six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
Current tax		
Provision for the period	**942,918**	1,132,099
Underprovision in respect of prior years	**22,534**	14,162
	965,452	1,146,261
Deferred tax		
Origination and reversal of temporary differences	**23,576**	18,206
	989,028	1,164,467

(b) Reconciliation between tax expenses and accounting profit at applicable tax rates:

	Six months ended 30 June	
	2024	2023
		(Restated)
	RMB'000	*RMB'000*
Profit before taxation	**5,680,634**	7,001,649
Notional tax on profit before taxation	**1,420,159**	1,750,412
Tax effect of non-deductible expenses	**27,848**	12,046
Tax effect of share of profits less losses of associates and joint ventures	**(38,948)**	13,326
Effect of differential tax rate of certain subsidiaries of the Group *(note(i))*	**(529,968)**	(652,337)
Use of unrecognised tax losses in prior years	**(21,969)**	(40,037)
Tax effect of unused tax losses and deductible temporary differences not recognised	**109,372**	66,895
Underprovision in respect of prior years	**22,534**	14,162
Income tax	**989,028**	1,164,467

Note:

(i) The provision for income tax of the PRC subsidiaries of the Group is calculated based on the statutory rate of 25% of the assessable profits of the Group as determined in accordance with the relevant PRC income tax rules and regulations for the six months ended 30 June 2024 and the six months ended 30 June 2023, except for certain subsidiaries of the Group, which are taxed at preferential rates of 0% to 15% according to the relevant tax authorities' approvals.

Pursuant to CaiShui [2008] No. 46 Notice on the Execution of the Catalogue of Public Infrastructure Projects Entitled for Preferential Tax Treatment, certain subsidiaries of the Group, which are set up after 1 January 2008 and are engaged in public infrastructure projects, are each entitled to a tax holiday of a 3-year full exemption followed by a 3-year 50% exemption commencing from their respective first operating income generating year.

According to the Announcement on Continuation of Enterprise Income Tax in West Development published by the Ministry of Finance of the People's Republic of China (the "**Ministry of Finance**"), the State Taxation Administration and the National Development and Reform Commission (the "**NDRC**") on 23 April 2020, the subsidiaries established in the Western Region of the PRC are authorised to be taxed at a preferential income tax rate of 15% till 31 December 2030.

Hero Asia Investment Limited, a subsidiary of the Group incorporated in Hong Kong, is subject to Hong Kong income tax at 16.5%. Pursuant to the rules and regulations of the British Virgin Islands ("**BVI**"), Hero Asia (BVI) Company Limited, a subsidiary of the Group, is not subject to any income tax in the BVI.

Hero Asia Investment Limited and Hero Asia (BVI) Company Limited, being overseas enterprises controlled by a PRC enterprise, are considered as the PRC tax residents in accordance with GuoShuiFa [2009] No. 82. Accordingly, they are subject to the PRC income tax at 25%, and dividends receivable by these two companies are exempted from the PRC dividend withholding tax.

Longyuan Canada Renewables Ltd., a subsidiary of the Group in Canada, is subject to income tax at a rate of 26.5%. Longyuan South Africa Renewables Proprietary Ltd., a subsidiary of the Group in South Africa, is subject to income tax at a rate of 27%. Ukraine Yuzhne Energy Co.,Ltd., a subsidiary of the Group in Ukraine, is subject to income tax at a rate of 18%.

9 OTHER COMPREHENSIVE INCOME

	Six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Equity investments at fair value through other comprehensive income ("FVOCI"):		
– Changes in fair value recognised during the year	**1,881**	15,069
– Tax expense	**(470)**	(2,965)
Net of tax amount	**1,411**	12,104
Other comprehensive losses that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations:		
– Net of tax amount	**(15,474)**	(6,652)
Exchange differences on net investment in foreign operations:		
– Net of tax amount	**(3,857)**	(2,025)
Other comprehensive (losses)/income	**(17,920)**	3,427

10 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity holders of the Company for the six months ended 30 June 2024 of RMB3,985,864,000 (six months ended 30 June 2023 (restated):RMB5,029,637,000) and the weighted average number of shares in issue during the six months ended 30 June 2024 of 8,360,847,000 (six months ended 30 June 2023: 8,381,963,000 shares).

(b) Diluted earnings per share

There was no difference between the basic and diluted earnings per share as there were no dilutive potential shares outstanding for the periods presented.

11 TRADE AND BILLS RECEIVABLES

	30 June 2024	31 December 2023 *(Restated)*
	RMB'000	*RMB'000*
Amounts due from third parties	**41,200,596**	35,820,648
Amounts due from fellow subsidiaries	**108,944**	235,328
Amounts due from associates	**8,051**	34,036
	41,317,591	36,090,012
Less: Loss allowance	**(336,340)**	(357,690)
	40,981,251	35,732,322
Analysed into:		
Trade receivables	**40,961,455**	35,628,795
Bills receivable	**19,796**	103,527
	40,981,251	35,732,322

At 30 June 2024, the Group endorsed certain bills receivable accepted by banks in Mainland China to certain suppliers in order to settle the trade payables due to these suppliers with a carrying amount in aggregate of RMB18,993,000 (31 December 2023: RMB34,096,000) and factored certain bills receivable accepted by banks in Mainland China with a carrying amount of RMB194,381,000 (31 December 2023: RMB730,000,000) (the "**Derecognised Bills**"). In the opinion of the Board, the risk of the Group being claimed by the holders of the Derecognised Bills is remote in the absence of a default of the accepted banks. The Group has transferred substantially all risks and rewards relating to the Derecognised Bills. Accordingly, it has derecognised the full carrying amounts of the Derecognised Bills and the associated trade payables.

The ageing analysis of trade and bills receivables of the Group, based on the invoice date and net of loss allowance, is as follows:

	30 June 2024	31 December 2023
		(Restated)
	RMB'000	*RMB'000*
Within 1 year or no invoice date specified	**40,967,972**	35,698,101
Between 1 and 2 years	**1,192**	13,571
Between 2 and 3 years	**4,264**	12,028
Over 3 years	**7,823**	8,622
	40,981,251	35,732,322

The Group's trade and bills receivables are mainly wind power, coal power, PV power sales receivables and tariff premium of renewable energy receivables from local state grid companies. Generally, these receivables are due within 15 to 30 days from the date of billing, except for the tariff premium. The collection of such tariff premium is subject to the allocation of funds by relevant government authorities to local state grid companies, which consequently takes a relatively long time for settlement.

Pursuant to Caijian [2020] No. 4 *Notice on Promoting the Healthy Development of Non-aqueous Renewable Energy Power Generation* (關於促進非水可再生能源發電健康發展的若干意見) and Caijian [2020] No. 5 *Notice on the Measures for Administration of Subsidy Funds for Tariff Premium of Renewable Energy* (可再生能源電價附加資金管理辦法) jointly issued by the Ministry of Finance, the NDRC of the PRC and the National Energy Administration in January 2020, a set of new standardised procedures for the settlement of the aforementioned renewable energy tariff premium have come into force since January 2020 and approvals on a project-by-project basis are required before the allocation of funds to local grid companies. Caijian [2012] No. 102 *Notice on the Interim Measures for Administration of Subsidy Funds for Tariff Premium of Renewable Energy* (可再生能源電價附加補助資金管理暫行辦法) jointly issued by the Ministry of Finance in March 2012 was repealed at the same time.

As at 30 June 2024, most of the Group's related projects have been approved for the tariff premium of renewable energy and certain projects were in the process of applying for the approval. The Board are of the opinion that the approvals will be obtained in due course. The tariff premium receivables are settled in accordance with the prevailing government policies and prevalent payment trends of the Ministry of Finance. There is no due date for settlement. The Board considered the probability of default of trade receivables from the tariff premium is remote since such tariff premium is funded by the PRC government and taking into account the past payment histories of the local grid companies, adjusted for general economic conditions of the new energy industry and an assessment of both current as well as forecast direction of market conditions at the reporting date. Accordingly, the Board are of the opinion that the credit risk of trade receivables from the tariff premium is limited.

The Group has applied the simplified approach to measure the provision for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected credit loss provision for all trade receivables. To measure the expected credit loss of trade receivables excluding tariff premium receivables, trade receivables have been grouped based on shared credit risk characteristics and the ageing.

12 TRADE AND BILLS PAYABLES

	30 June 2024	31 December 2023
		(Restated)
	RMB'000	*RMB'000*
Bills payables	**3,292,544**	6,175,103
Trade payables	**2,841,844**	934,732
Amounts due to associates	**52,962**	18,765
Amounts due to fellow subsidiaries	**208,385**	121,623
	6,395,735	7,250,223

The ageing analysis of trade payables by invoice date is as follows:

	30 June 2024	31 December 2023 *(Restated)*
	RMB'000	*RMB'000*
Within 1 year	**6,304,600**	7,221,790
Between 1 and 2 years	**64,027**	11,680
Between 2 and 3 years	**11,372**	9,261
Over 3 years	**15,736**	7,492
	6,395,735	7,250,223

13 DIVIDENDS

(i) Dividends payable to shareholders attributable to the interim period

The Board do not recommend the payment of any interim dividend for the six months ended 30 June 2024 (six months ended 30 June 2023: nil).

(ii) Dividends payable to shareholders attributable to the previous financial year, approved during the interim period

	Six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
Final dividend in respect of the financial year ended 31 December 2023, approved during the following interim period, of RMB0.2225 per share (2022: RMB0.1171 per share)	**1,860,113**	981,528

Dividends in respect of the financial year ended 31 December 2023 have been fully paid on 6 August 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

(Unless otherwise specified, the following information disclosure was based on financial information prepared in accordance with IFRSs)

I. INDUSTRY REVIEW

(I) Operational Environment

In the first half of 2024, the overall performance of China's economy remained stable with progress being made. Production recorded stable growth, demand continued to recover, employment and prices were generally stable, residents' incomes continued to increase, new growth drivers accelerated, and new progress was made in high-quality development. The country's Gross Domestic Product (GDP) for the first half of the year increased by 5.0% year on year. However, it is important to note that the current external environment is complex, domestic effective demand remains insufficient, and the foundation of the economic recovery still needs to be consolidated.

In the first half of 2024, China's energy consumption continued to grow, supply capacity steadily improved, and energy supply and demand were in balance. According to the statistics from the National Energy Administration and China Electricity Council, in the first half of 2024, the electricity consumption in the PRC amounted to 4,657.5 billion kWh, representing a year-on-year increase of 8.1%, while the power generation from national scale power plants in the PRC was 4,435.4 billion kWh, representing a year-on-year increase of 5.2%.

From January to June 2024, the accumulated average utilisation hours of power generation facilities across the country were 1,666 hours, representing a decrease of 71 hours as compared with the same period of the previous year. Among them, 1,134 hours of on-grid wind power, representing a decrease of 103 hours as compared with the same period of the previous year; and 626 hours of solar power, representing a decrease of 32 hours as compared with the same period of the previous year.

As of 30 June 2024, the power generation installed capacity across the country was 3.07 billion kW, representing a year-on-year increase of 14.1%. Among them, 470 million kW of wind power, representing a year-on-year increase of 19.9%; 710 million kW of solar power, representing a year-on-year increase of 51.6%; and 430 million kW of hydroelectricity, representing a year-on-year increase of 2.2%.

(II) Policy Environment

1. *Establishing comprehensive regulatory rules to support the sustainable and compliant development of clean energy projects*

In January 2024, the National Energy Administration issued the Work Points for Energy Regulation in 2024, emphasizing green development and focusing on strengthening the regulation of clean energy development. In promoting the participation of new energy in market transactions, a comprehensive mechanism for green electricity trading will be established to gradually expand the scale of green electricity trading and address issues such as the high demand for green electricity by enterprises and the difficulty of cross-provincial and cross-regional green electricity trading. In enhancing fair and open regulation of the power grid, grid operators will be regulated to provide non-discriminatory grid connection services to new energy projects. Additionally, an exploratory regulatory approach will be taken to deeply regulate issues such as difficulties in grid connection for new energy and unreasonable utilisation of energy storage.

In February 2024, the National Development and Reform Commission issued the Supervisory Measures for Full Guaranteed Purchase of Renewable Energy (《全額保障性收購可再生能源電量監管辦法》), which came into effect on 1 April. The measures focus on achieving optimised resource allocation through market-oriented means. Regarding the acquirers, the power grid serves as the ultimate consumer for multiple market participants in a coordinated manner. In terms of electricity pricing mechanisms, a combination of government pricing and market pricing models shall be implemented. In terms of regulatory focus, the measures emphasize the priority of renewable energy in grid connection, dispatch, and trading.

2. *Continuously improving support policies to accelerate the overall societal green and low-carbon transformation*

In March 2024, the National Energy Administration issued the Guiding Opinions on Energy Work in 2024, proposing to thoroughly implement the dual carbon goals, vigorously promote the high-quality development of non-fossil energy, consolidate and expand the favorable development momentum of wind power and photovoltaics, continuously improve the policy system for green and low-carbon transformation, accelerate the cultivation of new energy formats and models, sustainably promote clean energy substitution in key areas, and provide guidance on hydrogen energy industry, ultra-high voltage projects, coal, natural gas, wind power and photovoltaic base construction, hydropower and nuclear power development construction, and other aspects in 2024.

In March 2024, the National Development and Reform Commission, the National Energy Administration, and the Ministry of Agriculture and Rural Affairs jointly issued the Notice on Organizing the Wind Power Coverage Action in Thousands of Villages (《關於組織開展「千鄉萬村馭風行動」的通知》), pointing out the full utilisation of wind energy resources and scattered idle non-agricultural land in rural areas to carry out the "Wind Power Coverage Action in Thousands of Villages". Firstly, opening up new growth areas for wind power development. With the gradual maturation of low wind speed power generation technology, it is increasingly feasible and economical to develop wind power locally and nearby in the central and southeast regions. Secondly, promoting the rural energy revolution by implementing the "Wind Power Coverage Action in Thousands of Villages", complementing distributed photovoltaics and biomass power generation to assist in achieving carbon peak and carbon neutrality. Thirdly, supporting rural revitalization through "village-enterprise cooperation" in developing wind power projects to share benefits, provide employment, increase farmers' income, and empower rural revitalization.

3. *Continuously optimizing price mechanisms to ensure the efficient consumption of electricity generated from new energy sources*

In February 2024, the National Development and Reform Commission and the National Energy Administration issued the Notice on Establishing and Improving the Price Mechanism for Power Ancillary Services Market (《關於建立健全電力輔助服務市場價格機制的通知》), requiring regions to reasonably determine the peak-shifting ancillary service price mechanism based on the principle that the consumption cost of new energy projects should not exceed the generation value. The issuance of this notice effectively prevents some regions from consuming new energy electricity at a cost higher than the revenue level of new energy projects, which is beneficial for reducing the ancillary service cost burden on new energy operators. This ensures that the consumption of new energy electricity is reasonable while meeting the economic requirements of the projects.

In May 2024, the National Energy Administration issued the Notice on Ensuring the Consumption of New Energy to Safeguard High-Quality Development of New Energy (《關於做好新能源消納工作保障新能源高質量發展的通知》). The notice proposed that grid enterprises should further increase the proportion of new energy transported through inter-provincial and inter-regional power transmission channels, equitably utilize various adjustment resources, and construct an intelligent dispatching system. It emphasized the need to fully leverage the role of the electricity market mechanism, accelerate the construction of the electricity spot market, and further promote the participation of new energy in the electricity market. Barriers between provinces should be broken down, and inter-provincial new energy transactions should not be restricted. Exploring ways for distributed new energy to participate in market transactions in an orderly and fair manner through aggregation and agency methods was also mentioned. Furthermore, the notice put forward the idea of scientifically determining the new energy utilisation rate targets in various regions.

II. BUSINESS REVIEW

In the first half of 2024, the Group deeply studied and implemented the spirit of the 20th National Congress of the Communist Party of China and the Second Plenary Session of the 20th Central Committee, and fully implemented the development strategy of "one goal, three roles, six commitments"; focused on the diversified, rapid, large-scale, efficient, and scientific development of new energy, and continued to advance the construction of new Longyuan with the principles of "inherent safety, doubled scale, digital transformation, innovation-driven leadership, and proactive growth", persisting in scale development and innovation, laying a solid foundation for accomplishing the annual target tasks.

In the first half of 2024, the Group launched 47 new projects with consolidated installed capacity of 2,286.73 MW, of which 7 were wind power projects with the consolidated installed capacity of 595.00 MW, and 40 were photovoltaic projects with the consolidated installed capacity of 1,691.73 MW, including 7 acquired projects with the consolidated installed capacity of 495.40 MW. In the first half of 2024, the accumulated power generation of the Group amounted to 40,081,845 MWh, representing a year-on-year increase of 0.84%, of which wind power generation amounted to 31,584,604 MWh, representing a year-on-year decrease of 4.60%; coal power generation amounted to 4,907,935 MWh, representing a year-on-year decrease of 2.39%; photovoltaic and other renewable energy power generation amounted to 3,589,306 MWh, representing a year-on-year increase of 122.87%.

(I) Solidifying the safety foundation, and stabilizing the safety and environmental protection situation

In the first half of 2024, the Group consistently adhered to the important expositions and instructions of General Secretary Xi Jinping on production safety, carefully coordinated production safety with various relationships, and insisted on high-quality development and high-level safety benign interaction. We detailed and decomposed the "No.1 document", formulated and implemented a three-year action plan for tackling the root causes of production safety issues, known as "1+3," and strengthened the governance of safe and civilized production. Standardization construction was vigorously promoted, innovative implementation of safety score management was introduced, routine inspections and assessments were carried out to force management to improve with the effectiveness of "process control". We vigorously implemented the principle of "high standard positions, strict standard operations", forming a package of 2.8 million standardized "cards" to ensure that operational risks are controllable. The management of "real-time and on-site" was continuously strengthened, maintaining an average online rate of video equipment of over 98%, and achieving full coverage of safety supervision in all project and production operation sites through nearly 74,000 routes of video, eliminating blind spots.

In the first half of 2024, the total power generation of the Group amounted to 40,081,845 MWh, representing a year-on-year increase of 0.84%, of which wind power generation amounted to 31,584,604 MWh, representing a year-on-year decrease of 4.60%; photovoltaic power generation amounted to 3,586,400 MWh, representing a year-on-year increase of 122.76%. In the first half of 2024, the average utilisation hours of wind power were 1,170 hours, representing a decrease of 101 hours as compared to the same period of 2023. The decrease in power generation and utilisation hours was mainly attributable to the decrease in wind resources, and the average wind speed in the first half of 2024 decreased by 0.25 m/s as compared to the same period of 2023.

Geographical breakdown of the consolidated power generation of the Group's wind farms for the first half of 2024 and the first half of 2023:

Region	**First half of 2024** ***(MWh)***	First half of 2023 *(MWh)*	**Percentage of change**
Heilongjiang	**1,545,562**	1,721,283	-10.21%
Jilin	**1,171,853**	1,112,142	5.37%
Liaoning	**1,922,360**	2,053,826	-6.40%
Inner Mongolia	**3,559,924**	3,936,034	-9.56%
Jiangsu (onshore)	**1,219,418**	1,321,753	-7.74%
Jiangsu (offshore)	**3,000,991**	2,895,528	3.64%
Zhejiang	**173,817**	182,346	-4.68%
Fujian	**1,524,634**	1,555,877	-2.01%
Hainan	**53,303**	58,475	-8.84%
Gansu	**1,575,146**	1,747,601	-9.87%
Xinjiang	**1,866,321**	2,105,107	-11.34%
Hebei	**1,966,454**	2,310,376	-14.89%
Yunnan	**2,056,269**	1,945,575	5.69%
Anhui	**854,152**	969,878	-11.93%
Shandong	**841,109**	876,248	-4.01%
Tianjin	**578,123**	581,304	-0.55%
Shanxi	**1,337,512**	1,466,928	-8.82%
Ningxia	**843,736**	816,879	3.29%
Guizhou	**1,003,495**	856,051	17.22%
Shaanxi	**889,190**	944,223	-5.83%
Tibet	**9,222**	8,570	7.60%
Chongqing	**281,677**	333,171	-15.46%
Shanghai	**57,904**	61,717	-6.18%
Guangdong	**181,120**	166,065	9.07%
Hunan	**317,828**	391,753	-18.87%
Guangxi	**1,414,181**	1,238,195	14.21%
Jiangxi	**246,861**	249,942	-1.23%
Hubei	**92,780**	123,045	-24.60%
Qinghai	**139,231**	162,398	-14.27%
Henan	**272,769**	311,937	-12.56%
Canada	**134,776**	132,056	2.06%
South Africa	**345,626**	377,492	-8.44%
Ukraine	**107,261**	94,646	13.33%
Total	**31,584,604**	33,108,421	-4.60%

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

Region	**Average utilisation hours of wind power for the first half of 2024** *(hour)*	**Average load factor of wind power for the first half of 2024**	Average utilisation hours of wind power for the first half of 2023 *(hour)*	Average load factor of wind power for the first half of 2023	**Percentage of change of the average utilisation hours of wind power**
Heilongjiang	**1,037**	**24%**	1,269	29%	-18.28%
Jilin	**1,261**	**29%**	1,290	30%	-2.25%
Liaoning	**1,319**	**30%**	1,425	33%	-7.44%
Inner Mongolia	**1,171**	**27%**	1,292	30%	-9.37%
Jiangsu (on-shore)	**913**	**21%**	987	23%	-7.50%
Jiangsu (offshore)	**1,371**	**31%**	1,320	30%	3.86%
Zhejiang	**759**	**17%**	795	18%	-4.53%
Fujian	**1,404**	**32%**	1,432	33%	-1.96%
Hainan	**538**	**12%**	591	14%	-8.97%
Gansu	**882**	**20%**	1,039	24%	-15.11%
Xinjiang	**1,196**	**27%**	1,288	30%	-7.14%
Hebei	**1,109**	**25%**	1,303	30%	-14.89%
Yunnan	**1,575**	**36%**	1,778	41%	-11.42%
Anhui	**1,024**	**23%**	1,186	27%	-13.66%
Shandong	**1,348**	**31%**	1,364	31%	-1.17%
Tianjin	**1,127**	**26%**	1,192	27%	-5.45%
Shanxi	**991**	**23%**	1,192	27%	-16.86%
Ningxia	**922**	**21%**	1,090	25%	-15.41%
Guizhou	**1,137**	**26%**	1,156	27%	-1.64%
Shaanxi	**1,066**	**24%**	1,051	24%	1.43%
Tibet	**1,230**	**28%**	1,143	26%	7.61%
Chongqing	**973**	**22%**	1,149	26%	-15.32%

Region	**Average utilisation hours of wind power for the first half of 2024** *(hour)*	**Average load factor of wind power for the first half of 2024**	Average utilisation hours of wind power for the first half of 2023 *(hour)*	Average load factor of wind power for the first half of 2023	**Percentage of change of the average utilisation hours of wind power**
Shanghai	**1,219**	**28%**	1,299	30%	-6.16%
Guangdong	**1,448**	**33%**	1,317	30%	9.95%
Hunan	**1,031**	**24%**	1,207	28%	-14.58%
Guangxi	**1,578**	**36%**	1,436	33%	9.89%
Jiangxi	**1,257**	**29%**	1,273	29%	-1.26%
Hubei	**985**	**23%**	1,306	30%	-24.58%
Qinghai	**928**	**21%**	1,083	25%	-14.31%
Henan	**1,220**	**28%**	1,475	34%	-17.29%
Canada	**1,360**	**31%**	1,333	31%	2.03%
South Africa	**1,414**	**32%**	1,544	36%	-8.42%
Ukraine	**1,402**	**32%**	1,237	28%	13.34%
Total	**1,170**	**27%**	1,271	29%	-7.95%

During the Reporting Period, the consolidated power generation from coal power segment of the Group was 4,907,935 MWh, representing a decrease of 2.39% as compared with the corresponding period of 2023. In the first half of 2024, the average utilisation hours of the Group's coal power segment were 2,618 hours, representing a decrease of 64 hours as compared with the corresponding period of 2023. The main reason for the year-on-year decrease in power generation and utilisation hours is the rapid growth of new energy installed capacity in the Jiangsu region, which has led to the occupation of space for coal power generation and distribution channels.

(II) Seizing strategic opportunities and continuously accelerating efforts in green and low-carbon development

In the first half of 2024, the Group maintained its rapid development in terms of scale and quality, aligned with national major development strategies, and promoted large-scale development, breakthroughs and innovations through large-scale projects, and made every effort to promote the "desert, gobi and hungriness" large-scale wind power and photovoltaic power base projects and the offshore wind power projects, so as to build a nationally recognized new energy base with distinctive Longyuan characteristics. We actively promoted local infrastructure development, prioritizing the competitive allocation of indicators in the secure consumption-guaranteed regions of the central and southeast areas. We systematically advanced project acquisitions, focusing on projects with complete procedures, high quality, significant scale, and reputable project owners; implemented the "replacing small-capacity units with large capacity units" projects accurately, scientifically and reasonably; systematically promoted the "bath in the light and ride in the wind" initiative, aligning it with rural revitalization efforts to facilitate contiguous project development. We tailored the advancement of shared energy storage projects to local conditions, strategically laid out the development of power generation, grid, load and energy storage projects, hydrogen-ammonia-methanol projects, centralized and distributed energy storage projects, and steadily advanced distributed projects.

In the first half of 2024, the Group signed 7.59 GW of new development agreements, including 3.955 GW of wind power and 3.635 GW of photovoltaic power, which are all distributed in regions of rich resources. In the first half of 2024, the development quota the Group obtained reached 6.09 GW, representing an increase of 51.87% over the same period last year, including 2.81 GW of wind power and 3.28 GW of photovoltaic power.

(III) Constructing high-quality projects and ensuring quality and speed of engineering construction

In the first half of 2024, the Group accelerated the construction progress by strengthening the implementation of project construction conditions, moving the engineering checkpoints forward and advancing project management. It adopted the mechanism of "daily tracking, weekly rectification and monthly notification" to promptly grasp the progress of the projects through daily reports and on-site supervision, and implemented letter of supervision and "one-to-one" coordination system for projects with large deviation in progress to jointly solve the difficulties in projects. The Group comprehensively created high-quality projects by firmly grasping the source of design, strengthening supervision on the manufacturing of equipment, quality acceptance and construction technology standard control, enhancing quality inspection and rectification, and focusing on the acceptance and documentation of hidden projects. With the visualization of the construction site and the management measure on safety points as the starting point, the Group implemented the "Standardised Manual for Safe and Civilised Construction" and the "Standardised List for Engineering Safety Management", concentrated on the safety performance of personnel at all levels, and improved the inherent safety management level. The Group also comprehensively strengthened the "Three Simultaneities" management, with the main construction of the projects started and put into operation in the year all covering soil and water conservation engineering, so as to build green projects in a comprehensive manner.

In the first half of 2024, 47 new projects of the Group were put into operation with consolidated installed capacity of 2,286.73 MW, of which the consolidated installed capacity of 7 wind power projects was 595.00 MW; the consolidated installed capacity of 40 photovoltaic power projects were 1,691.73 MW, including 7 acquired projects with the consolidated installed capacity of 495.40 MW. As of 30 June 2024, the Group recorded 37,880.40 MW consolidated installed capacity, among which, the wind power segment reported 28,349.39 MW consolidated installed capacity, the photovoltaic and other renewable energy segment reported 7,656.01 MW consolidated installed capacity, and the coal power segment reported 1,875.00 MW consolidated installed capacity.

Geographical breakdown of the consolidated installed capacity of the Group's wind farms as at 30 June 2024 and 30 June 2023 is set out as below:

Region	**30 June 2024** *(MW)*	30 June 2023 *(MW)*	**Percentage of Change**
Heilongjiang	**1,495.70**	1,345.70	11.15%
Jilin	**943.90**	893.90	5.59%
Liaoning	**1,489.70**	1,441.70	3.33%
Inner Mongolia	**3,034.30**	3,034.30	0.00%
Jiangsu (onshore)	**1,338.50**	1,338.50	0.00%
Jiangsu (offshore)	**2,191.60**	2,191.60	0.00%
Zhejiang	**227.90**	227.90	0.00%
Fujian	**1,053.10**	1,049.10	0.38%
Hainan	**99.00**	99.00	0.00%
Gansu	**2,370.80**	1,690.80	40.22%
Xinjiang	**1,810.30**	1,640.30	10.36%
Hebei	**1,770.10**	1,770.10	0.00%
Yunnan	**1,429.10**	1,078.70	32.48%
Anhui	**834.10**	827.85	0.75%
Shandong	**646.90**	646.90	0.00%
Tianjin	**538.00**	538.00	0.00%
Shanxi	**1,339.75**	1,239.75	8.07%
Ningxia	**974.70**	774.70	25.82%
Guizhou	**1,017.80**	800.10	27.21%
Shaanxi	**833.85**	833.85	0.00%
Tibet	**7.50**	7.50	0.00%
Chongqing	**289.50**	289.50	0.00%
Shanghai	**47.50**	47.50	0.00%
Guangdong	**125.74**	125.74	0.00%
Hunan	**308.35**	308.35	0.00%
Guangxi	**1,034.85**	991.35	4.39%
Jiangxi	**208.90**	196.40	6.36%
Hubei	**94.20**	94.20	0.00%
Qinghai	**150.00**	150.00	0.00%
Henan	**223.65**	223.65	0.00%
Canada	**99.10**	99.10	0.00%
South Africa	**244.50**	244.50	0.00%
Ukraine	**76.50**	76.50	0.00%
Total	**28,349.39**	26,317.04	7.72%

(IV) Deepening marketing management and actively responding to market challenges

The Company continuously strengthened its market research and judgement capability, conducted in-depth market policy research, focused on policy change orientation, analysed and judged the impact of changes in the market trading mechanism on electricity prices, carried out analysis of the trend of electricity prices in a timely manner, and solidly enhanced its ability to research and judge the supply and demand of electricity, forecast the situation of power generation and make decisions on transactions.

The Company enhanced the level of trading's efficiency, strengthened tariff benchmarking, carried out horizontal benchmarking within the range of electricity's sales price and trading price, deepened the application of the results of benchmarking, identified the weak links, formulated special rectification measures, established a long-term mechanism, and carried out tracking and supervision over subsidiaries and branches that had been long lagging behind. It explored the value of per-kWh electricity, made good use of policies and rules, formulated scientific quotation schemes, matched seasonal and time-period power generation characteristics, and carried out different-period-based trading in a refined manner. Meanwhile, it strengthened internal and external coordination, and actively carried out inter-provincial and inter-regional power generation right swap and other high-priced transactions, so as to realise the optimal comprehensive electricity price.

The Company continuously exerted efforts to generate revenue and increase efficiency by means of green electricity and green certificates, expanded the scale of green electricity and green certificate trading, explored potential opportunities in green electricity and green certificate market, completed the project registration work on schedule, and ensured that the green certificates would be issued on schedule for projects. It kept an eye on the progress of the commissioning of parity projects, striving to be included in the "white list" on time to ensure that the projects would be qualified for green electricity trading.

The Company carried out power rationing management in a solid manner, strived to strengthen the decomposition and implementation of power rationing targets, and allocated the annual power rationing targets to the wind farms and photovoltaic power stations on a monthly basis, so as to further enhance the refined power rationing management. Through tracking and analysing the information on installed capacity of power stations, operation mode of the grid, grid structure, load consumption and major changes in policies, the Company timely pre-judged regional power rationing risks and change trends. Also, it kept tracking and analyzing power rationing, supervised the subsidiaries or branches whose power rationing rebounded or remained high, and focused on analysing the reasons for power rationing and the reasons for year-on-year changes, to formulate targeted work measures.

In the first half of 2024, the average on-grid tariffs for overall power generation segments of the Group amounted to RMB423 per MWh (value added tax ("**VAT**") exclusive), representing a decrease of RMB34 per MWh as compared with RMB457 per MWh (VAT exclusive) in the corresponding period of 2023. The average on-grid tariffs for wind power amounted to RMB441 per MWh (VAT exclusive), representing a decrease of RMB28 per MWh as compared with RMB469 per MWh (VAT exclusive) in the corresponding period of 2023, which was mainly due to the expansion of wind power market transaction volume, the increase in parity production projects and structural factors.

The average on-grid tariffs for photovoltaic power amounted to RMB283 per MWh (VAT exclusive), representing a decrease of RMB31 per MWh as compared with the average on-grid tariffs for photovoltaic power of RMB314 per MWh (VAT exclusive) in the corresponding period of 2023, which was mainly due to the fact that the newly-launched photovoltaic projects are all parity production projects, resulting in a lower average tariff for overall photovoltaic projects. The average on-grid tariffs for coal power amounted to RMB415 per MWh (VAT exclusive), consistent with the average on-grid tariffs for coal power of RMB415 per MWh (VAT exclusive) in the corresponding period of 2023.

(V) Focusing on technological innovation and continuously enhancing development momentum

In the first half of 2024, the Group actively fulfilled the "three roles" of a central enterprise, strengthened the position as the mainstay of scientific and technological innovation, fully leveraged the guarantee role of the '1+1+4+N' organisational system, and accelerated the transformation of innovative achievements. It achieved multiple breakthroughs in scientific and technological innovation. The world's first floating platform integrating wind and fishery – "Guo Neng Gong Xiang Hao (國能共享號)" was put into production, creating a new scenario of marine economic development and application of "underwater fish farming and water-based power generation" in the field of floating offshore wind power, and promoting the formation of a new model of "Green Energy + Blue Granary". It carried out research on grid-constructing energy storage, explored solutions to connection of the new energy bases in "desert, gobi and hungriness" area to the grid, and strived to realise the transformation and upgrading of the new energy bases in desert, gobi and hungriness area from the "green power supply" to the "active power grid support"; it completed the demonstration project of materialisation of decommissioning equipment at wind power stations, and successfully developed the waste wind power lubricating oil recycling technology.

In the first half of 2024, the achievements of four projects of the Group reached international leading levels, with two national standards and eleven energy industry standards promulgated and implemented, and one national standard established.

(VI) Optimizing the financing structure to reduce capital costs and improve quality and efficiency

In the first half of 2024, the Group paid close attention to the policy direction, made full use of the green finance policy, continuously optimised the financing structure, proactively launched the replacement of the existing loans, and reduced capital costs of the existing loans. With the qualifications to issue non-financial corporate debt financing instruments and RMB10 billion corporate bonds on the Shenzhen Stock Exchange, it effectively facilitated the Company in launching dual-market financing, ensuring the Company's smooth financing through multiple channels. The Group insisted on the implementation of the rigid management funds plan, and utilized measures such as fund centralization, unified allocation and shareholder loans, to increase the frequency of fund utilization, and maximize the time value of funds.

In the first half of 2024, the Group successfully issued 12 ultra short-term debentures, and seized the policy opportunity of obtaining more than RMB8 billion of green loans, maintaining an industry-leading in terms of the capital costs.

(VII) Expanding international cooperation regions to progress overseas development rapidly and cautiously

During the first half of 2024, the Group remained steadfast in the development of overseas new energy markets, guided by the new energy security strategy of "Four Revolutions and One Cooperation", implemented the "The Belt and Road Initiative", practiced international green energy cooperation, and coordinated development and security, so as to efficiently carry out overseas new energy development. In the face of the complex and volatile international situation, the Group strengthened the research on the "The Belt and Road Initiative" and BRICS countries, updated overseas development plans on a rolling basis, and controlled the risks of overseas investment at source. Leveraging its years of experience in the new energy industry, technical strength and financing capability, the Group actively prepared for participation in the South Africa's mining direct power supply and the seventh round of renewable energy bidding, and coordinated the advancement of preliminary works of key overseas projects such as Brunei's fishery-photovoltaic power complementary project and Indonesia's centralised project, totaling over 2 GW. It expanded the project reserves, participated in the pre-qualification of the 1,000 MW class wind power project in Oman, focused on greenfield development while cooperating with local developers, added new reserve projects exceeding 4 GW in regions such as South Africa, Southeast Asia, the Middle East, Central Asia, and Central and Eastern Europe, striving to achieve rolling development of the overseas business and breakthroughs in new regions.

In the first half of 2024, the Group maintained sound project operation by taking proactive measures to cope with complex and changing international situations and strengthening overseas asset management. As at 30 June 2024, Dufferin Wind Farm of the Group in Canada recorded power generation of 134,776 MWh, with utilisation hours reaching 1,360 hours, and it has maintained safe production for 3,499 cumulative days. The wind power projects in De Aar of South Africa recorded power generation of 345,626 MWh, with utilisation hours reaching 1,414 hours, and maintained safe production for 2,434 cumulative days. The wind power projects in Yuzhnyy, Ukraine recorded accumulated power generation of 107,261 MWh, with utilisation hours reaching 1,402 hours, and maintained safe production for 1,053 cumulative days.

(VIII) Strengthening carbon asset management to generate revenue and increase efficiency continuously

In the first half of 2024, the Group actively participated in the construction of the national greenhouse gas voluntary emission reduction market, and obtained the first order of renewable energy projects on the first trading day of the national greenhouse gas voluntary emission reduction trading market. It provided carbon trading knowledge training for enterprises newly included in the pilot carbon market and calculated quota surplus and deficit in preparation for the completion of annual transaction performance. It carried out the development and trading of international voluntary emission reduction projects in an orderly manner, and completed the first VCS emission reduction volume listing transaction in the Hong Kong international carbon market and U.S. CBL market, achieving a new breakthrough in the expansion of international voluntary emission reduction trading. It promoted the application and trading of green certificates, applying for 4.23 million green certificates in the first half of the year, and efficiently carried out a number of green certificate transactions to vigorously enhance the value of environmental rights.

III. CORE COMPETITIVENESS ANALYSIS

(I) Collaborative development enhances synergy

The Group explored multi-coupling development, achieved synergistic development of industries through full cooperation with external enterprises, extended value chain of resource development and achieved coordinated development of resource acquisition, development and utilisation. Leveraging on the integration advantages of CHN Energy, the Group strived for the dominant right of base development, took the initiative to cultivate, plan and create large bases, offshore, overseas large scale whole project. It accumulated rich experience and core technologies in resource assessment, equipment selection and micro-perspective site selection by building an industry-leading technical service system that covered eleven aspects including station design, power prediction, data analysis, modeling and simulation and preliminary consulting. It introduced industry clusters via the "New Energy+" pattern featuring agriculture-photovoltaic power integration and ecological management. The 120,000 kW photovoltaic project and the 480,000 kW wind power project included in the 700,000 kW "Photothermal+" project in Dunhuang, Gansu, where the first batch of large-scale bases, had already put into operation and generated electricity at full capacity, thus comprehensively improving the resource acquisition capability and maintaining a leading position in resource acquisition while developing new energy projects on a large scale.

(II) Digital transformation drives upgrading

The Group actively implemented the requirements of the "Three Priorities" and "Three Avoidances", leveraged the Group's strengths in application scenarios, organisational platform and integrated innovation, and supported the transformation and upgrading of industries and the construction of large-scale projects with technological innovation. In the first half of 2024, the Group was successfully selected as a pilot enterprise for the digital transformation of state-owned enterprises; invested in the construction of an operation project based on the dual-cloud convergence technology framework for the first time, realising 93 heterogeneous algorithms for cloud-side synergistic application, providing 214 types of API data services, 62 types of personalised data services and 27 types of business to the cloud; compiled a report entitled "Technical Analysis and Suggestions for the Wind Power Industry Chain", sorting out and analysing the shortcomings and weaknesses in 11 fields such as wind turbine basic materials, wind farm basic software, and deep-sea wind power development, and planned to breakthrough 3 foreign "bottleneck" technical research tasks, leading the direction of technological innovation in the wind power industry.

(III) Optimizing marketing under the guidance of ensuring quantity and price

The Group adhered to the target principles of "prioritizing price, balancing quantity and price, and risk prevention and control" and actively explored the signing of multi-year medium- and long-term agreements to avoid the risk of price fluctuations. It supplemented monthly transactions flexibly, calculated the trading space on a rolling basis month by month, launched contracted power transfers in a timely manner, reduced the deviation assessment fees, and strived for maximum returns. It continued to expand green power trading, promoted the marketing of large customers in an innovative manner, strengthened communication with various trading centres, grasped green power trading information in a timely manner, seized opportunities for intra-provincial and inter-provincial trading, and strived to enhance marginal gains from trading. Focusing on the convergence between the green power market and the carbon market, the Group coordinated "external green power" and "internal green certificates", as well as project green rights and carbon emission reduction rights, so as to practically enhance the Group's revenue.

(IV) Value creation enhances efficiency

The Group dynamically launched currency balance control, leveraged the capital pool system of the Company, and flexibly utilised short-term liquidity financial instruments such as overdrafts of personal accounts, to improve the efficiency of capital utilisation and achieve low currency balance operations. It promoted the "Tax and Fee Reduction" labour competition, explored the room for tax and fee reduction, launched the special equipment credit project, and completed the sorting out of the equipment procurement situation from 2020 to 2023, to ensure the smooth credit declaration for final settlement. It improved the management mode of project financing, established a cooperation mechanism with potential banks, entered into long-term strategic cooperation agreements, grasped the current market interest rate window of opportunity, and carried out unified negotiation and sub-signing for the implementation of project financing. It increased the volume of supply chain finance business, expanded the cooperation with financial institutions, continuously increased the credit scale, and coordinated the arrangement of large-amount payments. It promoted a steady decline in capital costs and coordinated debt replacement.

(V) Sharing development shapes advantages

The Group deeply implemented the concept of "common construction, sharing and governance", actively promoted the establishment of operation branches for each power generation subsidiary, and commenced work in accordance with the work requirements of "regional maintenance, centralised monitoring, digital empowerment, professionality and high-efficiency", achieving full coverage of regional maintenance; fully leveraged the advantages of division of labour, allowing "professionals to do professional work"; and integrated management, technology, manpower and material resources, significantly improving work efficiency, operation and maintenance quality, staff skill level and staff happiness index. It comprehensively deepened regional benchmarking, closely focused on key core data such as power generation, downtime and long-term operation records, and made subjective efforts to explore the power generation potential of equipment. Utilizing the production digitalization platform, the Group deepened the treatment of equipment defects, urged and guided the recovering progress of long-stop units of relevant subsidiaries, and improved the reliability of power generation equipment.

(VI) Talent cultivation stimulates motivation

The Group highly valued the cultivation of talent teams, and established a practical and performance-based employment orientation to consolidate talent support in all aspects. It selected the outstanding to reinforce "three teams", deepened the management of chief position evaluation, strengthened the construction of a professional talent pool. It strengthened the National Energy Wind Power Operation Technology R&D (Experiment) Center, set up full-time and part-time R&D teams, and provided a platform for the growth and development of scientific and technological talents. It comprehensively promoted the tenure system and contractual management of management team members, revised total salaries, new energy special incentives and other management measures, to achieve more favourable salary distribution to frontline positions and talents who have made outstanding contributions, further strengthen the performance evaluation of all employees, stimulate new entrepreneurial momentum, and strive to enhance the core competitiveness of enterprises.

IV. ANALYSIS OF OPERATING RESULTS

In the first half of 2024, the Group achieved a net profit of RMB4,692 million, representing a decrease of 19.6% as compared to RMB5,837 million in the corresponding period of 2023. The net profit attributable to equity holders of the Company was RMB4,020 million, representing a decrease of 21.6% as compared to RMB5,127 million in the corresponding period of 2023. Earnings per share was RMB47.67 cents, representing a decrease of RMB12.34 cents as compared to RMB60.01 cents in the corresponding period of 2023.

1. Operating revenue

Operating revenue of the Group amounted to RMB18,883 million in the first half of 2024, representing a decrease of 4.9% as compared to RMB19,860 million in the corresponding period of 2023. The decrease of operating revenue was primarily due to: (1) a decrease of RMB1,434 million, or 9.4%, in electricity sales and other revenue of wind power segment to RMB13,781 million in the first half of 2024 as compared to RMB15,215 million in the corresponding period of 2023, which was primarily due to the decrease in electricity sales of wind power resulting from the decrease in the average utilization hours of wind power, and the decrease in the average on-grid tariff; (2) a decrease of RMB47 million, or 2.5%, in revenue from electricity sales of coal power segment to RMB1,854 million in the first half of 2024 as compared to RMB1,901 million in the corresponding period of 2023, a relatively small change compared to the corresponding period of 2023; (3) an increase of RMB34 million, or 2.3%, in coal sales of coal power segment to RMB1,541 million in the first half of 2024 as compared to RMB1,507 million in the corresponding period of 2023, a relatively small change compared to the corresponding period of 2023; and (4) an increase of RMB470 million, or 98.9%, in revenue from photovoltaic power segment to RMB945 million in the first half of 2024 as compared to RMB475 million in the corresponding period of 2023, which was primarily due to the increase in installed capacity and power generation.

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

Operating revenue	For the six months ended 30 June			
	2024		2023 (Restated)	
	Amount *(RMB million)*	**Proportion** *(%)*	Amount *(RMB million)*	Proportion *(%)*
Electricity sales and other revenue of wind power segment	**13,781**	**73.0%**	15,215	76.6%
Electricity sales of coal power segment	**1,854**	**9.8%**	1,901	9.6%
Steam sales of coal power segment	**442**	**2.3%**	442	2.2%
Coal sales	**1,541**	**8.2%**	1,507	7.6%
Electricity sales of photovoltaic power segment	**945**	**5.0%**	474	2.4%
Electricity sales of other renewable energy businesses	**7**	**0.0%**	7	0.0%
Others	**313**	**1.7%**	314	1.6%
Total	**18,883**	**100.0%**	19,860	100.0%

2. Other net income

Other net income of the Group amounted to RMB625 million in the first half of 2024, representing a decrease of 6.0% as compared to RMB665 million in the first half of 2023, primarily due to the decrease in government grants as compared to the corresponding period of 2023.

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

Other net income	For the six months ended 30 June			
	2024		2023 (Restated)	
	Amount *(RMB million)*	**Proportion** *(%)*	Amount *(RMB million)*	Proportion *(%)*
Government grants	**534**	**85.4%**	608	91.4%
Others	**91**	**14.6%**	57	8.6%
Total	**625**	**100.0%**	665	100.0%

3. **Operating expenses**

Operating expenses of the Group amounted to RMB12,363 million in the first half of 2024, representing an increase of 3.9% as compared to RMB11,902 million in the corresponding period of 2023. The operating expenses for the first half of 2024 increased by RMB461 million as compared to the corresponding period of 2023, primarily due to: (1) the increase of RMB279 million in the depreciation and amortisation of the wind power and photovoltaic power segments as a result of the conversion of new projects into fixed assets; and (2) the increase of RMB176 million in personnel costs as more projects were put into operation.

4. **Depreciation and amortisation expenses**

Depreciation and amortisation expenses of the Company amounted to RMB5,588 million in the first half of 2024, representing an increase of 5.6% as compared to RMB5,291 million in the corresponding period of 2023, primarily due to the impact of the conversion of new projects into fixed assets, including: (1) an increase of RMB257 million or 157.7% in depreciation and amortisation expenses in photovoltaic power segment over the corresponding period of 2023; and (2) an increase of RMB22 million or 0.4% in depreciation and amortisation expenses in the wind power segment over the corresponding period of 2023.

5. **Coal consumption costs**

Coal consumption costs of the Company amounted to RMB1,620 million in the first half of 2024, representing a decrease of 6.2% as compared to RMB1,727 million in the corresponding period of 2023, which was primarily due to: (1) the decrease in power generation causing the decrease in coal consumption of power generation; and (2) a decrease of approximately 6.0% in average procurement unit price of thermal coal as compared to the corresponding period of 2023.

6. **Coal sales costs**

Coal sales costs of the Company amounted to RMB1,510 million in the first half of 2024, representing an increase of 2.9% as compared to RMB1,468 million in the corresponding period of 2023, which was primarily due to: (1) an increase of approximately 17.9% in the sales volume of coal as compared to the corresponding period of 2023; and (2) a decrease of approximately 12.7% in the average procurement unit price of coal as compared to the corresponding period of 2023.

7. Personnel costs

Personnel costs of the Company amounted to RMB2,358 million in the first half of 2024, representing an increase of 8.1% as compared to RMB2,182 million in the corresponding period of 2023, which was primarily due to: (1) an increase in headcounts as a result of expansion in the installed capacity of photovoltaic and wind power project; and (2) the fact that a portion of the personnel costs were expensed instead of being capitalised as more projects commenced operation.

8. Material costs

Material costs of the Company amounted to RMB49 million in the first half of 2024, representing a decrease of 15.5% as compared to RMB58 million in the corresponding period of 2023, which was primarily due to the decrease in external procurement of power generation by-products as a result of the decrease in power generation of coal power segment.

9. Repair and maintenance expenses

The repair and maintenance expenses of the Company amounted to RMB368 million in the first half of 2024, representing an increase of 17.6% as compared to RMB313 million in the corresponding period of 2023, primarily due to the increase in the frequency and scale of maintenance of the coal power segment in the first half of 2024.

10. Administrative expenses

Administrative expenses of the Company amounted to RMB383 million in the first half of 2024, representing an increase of 15.4% as compared to RMB332 million in the corresponding period of 2023, which was primarily due to the general increase in various administrative expenses as a result of the addition of new projects in operation in the wind power and photovoltaic power segments in this period.

11. Credit impairment (reversal)/losses

Reversal of credit impairment losses of the Company amounted to RMB27 million in the first half of 2024, and provision for credit impairment losses amounted to RMB6 million in the corresponding period of 2023, which was primarily due to the fact that Ukraine Yuzhne Energy Co., Ltd. recovered its historical electricity bills and the Company reversed such impairment losses for this period.

12. Other operating expenses

Other operating expenses of the Company amounted to RMB514 million in the first half of 2024, representing a decrease of 2.1% as compared to RMB525 million in the corresponding period of 2023. Other operating expenses in the first half of 2024 showed relatively small changes as compared to the corresponding period of 2023.

13. Operating profit

In the first half of 2024, the operating profit of the Company amounted to RMB7,145 million, representing a decrease of 17.1% as compared to RMB8,623 million in the corresponding period of 2023, which was primarily due to a decrease of RMB1,578 million in operating profit of the wind power segment in the first half of 2024 as compared to the corresponding period of 2023 as a result of the decrease of RMB1,449 million in the revenue from electricity sales of the wind power segment in the first half of 2024 as compared to the corresponding period of 2023, as well as the increase in depreciation, amortisation and capitalisation of personnel costs due to the conversion of newly-operated projects into fix assets.

14. Net finance expenses

In the first half of 2024, the net finance expenses of the Company amounted to RMB1,620 million, representing an increase of 3.3% as compared to RMB1,568 million in the corresponding period of 2023.

Net finance expenses in this period increased by RMB52 million as compared to the corresponding period of 2023 primarily due to:

1) an increase of RMB106 million in finance expenses as compared to the corresponding period of 2023 under the effect of the decrease in the average deposit balance and interest and dividend income on financial assets in the first half of 2024;

2) a decrease of RMB69 million in finance expenses due to the decrease in the loss arising from the Group's net foreign exchange profit in the first half of 2024 as compared to the corresponding period of 2023;

3) an increase of RMB15 million in finance expenses due to the decrease in profit from changes in fair value of the interest rate swap contracts as compared to the corresponding period of 2023;

4) an increase of RMB14 million in finance expenses due to the decrease in the unrealised gains recognised for trading securities held in the first half of 2024 as compared to the corresponding period of 2023;

5) a decrease of RMB12 million in finance expenses as compared to the corresponding period of 2023 due to the decrease in interest expenses under the combined effect of the decrease in fund cost and the increase in the interest-bearing liabilities of the Group;

6) a decrease of RMB9 million in finance expenses due to the decrease in the service charge for declining business volume of securitisation of the trade receivables of the Group in the first half of 2024 as compared to the corresponding period of 2023;

7) an increase of RMB7 million in other service charges in the first half of 2024 as compared to the corresponding period of 2023.

15. Share of profits less losses of associates and joint ventures

The Company's share of profits of associates and joint ventures amounted to RMB156 million in the first half of 2024, representing an increase of 394.3% as compared to the share of losses of RMB53 million in the corresponding period of 2023, which was mainly due to the increase in net profit of two joint ventures, i.e. Jiangsu Nantong Power Generation Co., Ltd. (江蘇南通發電有限公司) and Yimen Longyuan Shangqi Electric New Energy Co., Ltd. (易門龍源上氣新能源有限公司), and an associate, i.e. Guoneng Financial Leasing Co., Ltd. (國能融資租賃有限公司), in the first half of 2024 as compared to the corresponding period of 2023.

16. Income tax

In the first half of 2024, the income tax of the Company amounted to RMB989 million, representing a decrease of 15.0% as compared to RMB1,164 million in the corresponding period of 2023, which was mainly due to the fact that the net profit for the period decreased by approximately 19.6% as compared to the previous period.

17. Net profit

In the first half of 2024, the net profit of the Company amounted to RMB4,692 million, representing a decrease of 19.6% as compared to RMB5,837 million in the corresponding period of 2023, which was mainly due to the decrease in net profit of wind power segment.

18. Net profit attributable to equity holders of the Company

In the first half of 2024, the net profit attributable to equity holders of the Company amounted to RMB4,020 million, representing a decrease of 21.6% as compared to RMB5,127 million in the corresponding period of 2023, which was mainly due to the decrease in net profit of wind power segment.

19. Segment Results of Operations

Wind power segment

Operating revenue

In the first half of 2024, the operating revenue of the wind power segment of the Company amounted to RMB13,781 million, representing a decrease of 9.4% from RMB15,215 million in the corresponding period of 2023, which was mainly due to the decrease in electricity sales of wind power as a result of the decrease in the average utilisation hours of wind power equipment, as well as the decrease in revenue from electricity sales of wind power segment as a result of the decrease in average on-grid unit price of wind power.

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

	For the six months ended 30 June			
Operating revenue	**2024**		2023	
	Amount *(RMB million)*	**Proportion** *(%)*	Amount *(RMB million)*	Proportion *(%)*
Revenue from electricity sales	**13,760**	**99.8%**	15,209	100.0%
Others	**21**	**0.2%**	6	0.0%
Total	**13,781**	**100.0%**	15,215	100.0%

Operating profit

In the first half of 2024, the operating profit of the wind power segment of the Company amounted to RMB6,759 million, representing a decrease of 18.9% from RMB8,337 million in the corresponding period of 2023, which was mainly due to the decrease in operating revenue from electricity sales and the increase in operating expenses such as depreciation and amortisation in the wind power segment.

Coal Power Segment

Operating revenue

In the first half of 2024, the operating revenue of the coal power segment of the Company amounted to RMB4,050 million, representing a decrease of 1.3% as compared to RMB4,103 million in the corresponding period of 2023, which was mainly due to the decrease in the revenue from electricity sales of coal power segment in the first half of 2024 as compared to the corresponding period of 2023 as a result of decreasing quantity of electricity sales.

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

	For the six months ended 30 June			
Operating revenue	**2024**		2023	
	Amount	**Proportion**	Amount	Proportion
	(RMB million)	***(%)***	*(RMB million)*	*(%)*
Revenue from electricity sales	**1,854**	**45.8%**	1,901	46.3%
Revenue from sales of steam	**442**	**10.9%**	442	10.8%
Revenue from coal trading	**1,541**	**38.0%**	1,507	36.7%
Others	**213**	**5.3%**	253	6.2%
Total	**4,050**	**100.0%**	4,103	100.0%

Operating profit

In the first half of 2024, the operating profit of the coal power segment of the Company amounted to RMB179 million, representing a decrease of 13.9% as compared to RMB208 million in the corresponding period of 2023, which was mainly due to the decrease in revenue from electricity sales against no significant changes in fixed cost of personnel and depreciation.

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

Operating revenue	For the six months ended 30 June			
	2024		2023	
	Amount	**Proportion**	Amount	Proportion
	(RMB million)	***(%)***	*(RMB million)*	*(%)*
Sales of electricity, steam and others	**147**	**82.1%**	169	81.2%
Coal trading business	**32**	**17.9%**	39	18.8%
Total	**179**	**100.0%**	208	100.0%

Photovoltaic Power Segment

Operating revenue

In the first half of 2024, the operating revenue of the photovoltaic power segment of the Company amounted to RMB945 million, representing an increase of 98.9% as compared to RMB475 million in the corresponding period of 2023, which was mainly due to the increase in the power generation resulting from the increase in installed capacity.

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

Operating revenue	For the six months ended 30 June			
	2024		2023 (Restated)	
	Amount	**Proportion**	Amount	Proportion
	(RMB million)	***(%)***	*(RMB million)*	*(%)*
Revenue from electricity sales	**945**	**100.0%**	474	100.0%
Others	**–**	**–**	1	0.0%
Total	**945**	**100.0%**	475	100.0%

Operating profit

In the first half of 2024, the operating profit of the photovoltaic power segment of the Company amounted to RMB339 million, representing an increase of 41.8% as compared to RMB239 million in the corresponding period of 2023, which was mainly due to the increase in revenue from electricity sales of photovoltaic power segment resulting from the increase in the power generation and the increase in the installed capacity of photovoltaic power segment.

Other Segments

Operating revenue

In the first half of 2024, the operating revenue of other segments of the Company amounted to RMB482 million, representing an increase of 86.1% as compared to RMB259 million in the corresponding period of 2023, which was mainly due to the increase in revenues from energy storage equipment rental, repair and sales of commodity materials.

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

	For the six months ended 30 June			
Operating revenue	**2024**		2023	
	Amount *(RMB million)*	**Proportion** *(%)*	Amount *(RMB million)*	Proportion *(%)*
Revenue from electricity sales	**7**	**1.5%**	7	2.7%
Revenue from consulting and design services	**227**	**47.1%**	228	88.0%
Revenue from energy storage equipment rental	**61**	**12.6%**	2	0.8%
Repair revenue	**63**	**13.1%**	–	–
Revenue from sales of commodity materials	**51**	**10.6%**	–	–
Others	**73**	**15.1%**	22	8.5%
Total	**482**	**100.0%**	259	100.0%

Operating profit

In the first half of 2024, the operating profit of other segments of the Company amounted to RMB101 million, representing an increase of RMB93 million as compared to the corresponding period of 2023, which was mainly due to the increase in revenues from energy storage equipment rental, repair and sales of commodity materials for the period.

20. Assets and Liabilities

As at 30 June 2024, the total assets of the Company amounted to RMB242,629 million, representing an increase of RMB11,985 million as compared with total assets of RMB230,644 million as at 31 December 2023. This was primarily due to: (1) an increase of RMB4,036 million in current assets including trade and bills receivables; and (2) an increase of RMB7,949 million in non-current assets including property, plant and equipment.

As at 30 June 2024, the total liabilities of the Company amounted to RMB158,033 million, representing an increase of RMB9,611 million as compared to total liabilities of RMB148,422 million as at 31 December 2023. This was primarily due to: (1) an increase of RMB8,754 million in liabilities including short-term borrowings; and (2) an increase of RMB857 million in non-current liabilities including long-term borrowings.

As at 30 June 2024, the equity attributable to equity holders of the Company amounted to RMB72,658 million, representing an increase of RMB1,882 million as compared with RMB70,776 million as at 31 December 2023, which was mainly due to the increase in earnings from business in the first half of 2024.

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

Assets	**30 June 2024** **Amount** ***(RMB million)***	31 December 2023 (Restated) Amount *(RMB million)*
Property, plant and equipment	**170,051**	162,648
Right-of-use assets	**5,736**	5,766
Intangible assets and goodwill	**5,120**	5,338
Other non-current assets	**12,630**	11,836
Current assets	**49,092**	45,056
Total	**242,629**	230,644

Liabilities	**30 June 2024**	31 December 2023 (Restated)
	Amount	Amount
	(RMB million)	*(RMB million)*
Long-term borrowings	**74,137**	73,309
Deferred income and deferred tax liabilities	**1,055**	1,105
Lease liabilities and other non-current liabilities	**2,830**	2,751
Current liabilities	**80,011**	71,257
Total	**158,033**	148,422

Equity	**30 June 2024**	31 December 2023 (Restated)
	Amount	Amount
	(RMB million)	*(RMB million)*
Equity attributable to the equity holders of the Company	**72,658**	70,776
Non-controlling interests	**11,938**	11,446
Total	**84,596**	82,222

21. Capital Liquidity

As at 30 June 2024, the current assets of the Company amounted to RMB49,092 million, representing an increase of RMB4,036 million as compared with the current assets of RMB45,056 million as at 31 December 2023, which was mainly attributable to the increase in trade and bills receivables.

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

Current assets	**30 June 2024**		31 December 2023 (Restated)	
	Amount ***(RMB million)***	**Proportion** ***(%)***	Amount *(RMB million)*	Proportion *(%)*
Trade and bills receivables	**40,981**	**83.5%**	35,732	79.3%
Prepayments and other current assets	**3,279**	**6.7%**	3,126	6.9%
Cash at banks and on hand and restricted deposits	**3,346**	**6.8%**	4,909	10.9%
Others	**1,486**	**3.0%**	1,289	2.9%
Total	**49,092**	**100.0%**	45,056	100.0%

As at 30 June 2024, the current liabilities of the Company amounted to RMB80,011 million, representing an increase of RMB8,754 million as compared with the current liabilities of RMB71,257 million as at 31 December 2023, which was mainly attributable to the increase in short-term borrowings and dividend payable.

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

Current liabilities	**30 June 2024**		31 December 2023 (Restated)	
	Amount ***(RMB million)***	**Proportion** ***(%)***	Amount *(RMB million)*	Proportion *(%)*
Borrowings	**56,104**	**70.1%**	49,499	69.5%
Trade and bills payables	**6,396**	**8.0%**	7,250	10.2%
Tax payable	**449**	**0.6%**	458	0.6%
Lease liabilities and other non-current liabilities	**17,062**	**21.3%**	14,050	19.7%
Total	**80,011**	**100.0%**	71,257	100.0%

As at 30 June 2024, the net current liabilities of the Company amounted to RMB30,919 million, representing an increase of RMB4,718 million as compared with the net current liabilities of RMB26,201 million as at 31 December 2023. The liquidity ratio was 0.61 as at 30 June 2024, representing a decrease of 0.02 as compared with the liquidity ratio of 0.63 as at 31 December 2023. The decrease in liquidity ratio was mainly attributable to the increase in the current liabilities such as short-term borrowings and other current liabilities being greater than the increase in current assets such as trade and bills receivables. The restricted deposits amounted to RMB318 million, which mainly represent monetary funds used for repaying bank loans and deposits for land rehabilitation.

22. Borrowings and Bills Payables

As at 30 June 2024, the Company's balance of the borrowings and bills payables amounted to RMB133,534 million, representing an increase of RMB4,551 million as compared with the balance of RMB128,983 million as at 31 December 2023. As at 30 June 2024, the Company's outstanding borrowings and bills included short-term borrowings and bills payables of RMB59,397 million (including long-term borrowings due within one year of RMB5,473 million, debentures payables due within one year of RMB10,346 million and bills payables of RMB3,293 million) and long-term borrowings amounting to RMB74,137 million (including debentures payables of RMB541 million). The abovementioned borrowings included borrowings denominated in Renminbi of RMB128,385 million, borrowings denominated in U.S. dollars of RMB1,551 million and borrowings denominated in other foreign currencies of RMB3,598 million. As at 30 June 2024, the long-term liabilities with fixed interest rates of the Company included long-term borrowings with fixed interest rates of RMB673 million and corporate bonds with fixed interest rates of RMB541 million. As at 30 June 2024, the balance of bills payables issued by the Company amounted to RMB3,293 million.

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

Borrowings and bills payables	**30 June 2024**		31 December 2023 (Restated)	
	Amount ***(RMB million)***	**Proportion** ***(%)***	Amount *(RMB million)*	Proportion *(%)*
Bank loans	**80,688**	**60.4%**	84,074	65.1%
Loans from third party	**1,353**	**1.0%**	1,103	0.9%
Loans from fellow subsidiaries	**23,995**	**18.0%**	18,999	14.7%
Loans from associates	**1,318**	**1.0%**	627	0.5%
Bonds payable	**22,887**	**17.1%**	18,005	14.0%
Bills payable	**3,293**	**2.5%**	6,175	4.8%
Total	**133,534**	**100.0%**	128,983	100.0%

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

Borrowings and bills payables	30 June 2024		31 December 2023 (Restated)	
	Amount *(RMB million)*	**Proportion** *(%)*	Amount *(RMB million)*	Proportion *(%)*
Within 1 year	**59,397**	**44.5%**	55,674	43.2%
1-2 years	**15,516**	**11.6%**	13,983	10.8%
2-5 years	**14,871**	**11.1%**	20,932	16.2%
Over 5 years	**43,750**	**32.8%**	38,394	29.8%
Total	**133,534**	**100.0%**	128,983	100.0%

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

Borrowings and bills payables	30 June 2024		31 December 2023 (Restated)	
	Amount *(RMB million)*	**Proportion** *(%)*	Amount *(RMB million)*	Proportion *(%)*
Bills payables	**3,293**	**2.5%**	6,175	4.8%
Fixed rate borrowings	**45,696**	**34.2%**	39,460	30.6%
Floating rate borrowings	**84,545**	**63.3%**	83,348	64.6%
Total	**133,534**	**100.0%**	128,983	100.0%

23. Capital Expenditures

The capital expenditures of the Company amounted to RMB12,038 million as at 30 June 2024, representing an increase of 29.6% as compared to RMB9,286 million as at 30 June 2023, among which, the expenditures for the construction of wind power projects amounted to RMB7,036 million, the expenditures for the construction of photovoltaic power projects amounted to RMB4,739 million, and the expenditures for the construction of other projects amounted to RMB263 million. The sources of funds mainly included self-owned funds, the borrowings from banks and other financial institutes and the proceeds from the issuance of bonds.

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

Capital expenditures	30 June 2024		30 June 2023	
	Amount	**Proportion**	Amount	Proportion
	(RMB million)	***(%)***	*(RMB million)*	*(%)*
Wind power projects	**7,036**	**58.4%**	3,672	39.5%
Photovoltaic power projects	**4,739**	**39.4%**	5,382	58.0%
Others	**263**	**2.2%**	232	2.5%
Total	**12,038**	**100.0%**	9,286	100.0%

24. Net Gearing Ratio

As at 30 June 2024, the net gearing ratio of the Company, which is calculated by dividing net debt (the sum of borrowings and lease liabilities less cash and cash equivalents) by the sum of net debt and total equity, was 60.33%, representing an increase of 1.01 percentage points from 59.32% as at 31 December 2023. This was primarily due to the increase in debts being higher than the increase in total equity in the first half of 2024.

25. Significant Investments

In the first half of 2024, the Company had no significant investments.

26. Material Acquisitions and Disposals

The Group made no material asset acquisitions and disposals in the first half of 2024.

Disclosure pursuant to Rule 14A.63 of the Listing Rules

References are made to the announcements of the Company dated 15 January 2021, 18 June 2021, 23 July 2021, and 20 January 2022, and the announcements dated 29 March 2023 and 10 May 2023 (the "**Announcements**"), as well as the circular dated 8 July 2021 (the "**Circular**") in relation to the entering into of the Profit Compensation Agreement and the implementation of profit commitments for the year 2022.

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

Unit: RMB0'000

Performance Undertaker	**Valuation Adjustment Target**	**Committed Net Profit in 2023**	**Actual Audited Net Profit in 2023**
Liaoning Electric Power	Northeast New Energy	**9,205.16**	**9,403.18**
Shaanxi Electric Power	Dingbian New Energy	**10,642.48**	**11,656.19**
Guangxi Electric Power	Guangxi New Energy	**23,820.20**	**24,337.31**
Yunnan Electric Power	Yunnan New Energy	**13,017.78**	**13,560.73**
Gansu Electric Power	Gansu New Energy	**3,958.41**	**8,868.81**
North China Electric Power	Tianjin Jieneng Inner Mongolia New Energy Shanxi Jieneng	**14,115.01**[Note]	**14,945.17**

Note: The undertaking made by North China Electric Power represents undertaking in respect of the aggregate amount of the net profit in 2023 for relevant Valuation Adjustment Targets (which, in the case of North China Electric Power, comprises three companies, namely, Tianjin Jieneng, Inner Mongolia New Energy and Shanxi Jieneng).

The actual net profit of the above-mentioned Valuation Adjustment Targets in 2023 has been audited by Zhongshen Zhonghuan Certified Public Accountants (Special General Partnership), and the actual net profit of each Performance Undertaker has met the requirement regarding the committed net profit set out in the Profit Compensation Agreement for the year 2023.

27. Pledged Assets

As at 30 June 2024, the property, plant and equipment of the Company with a carrying amount of RMB3,517 million and inventories with a carrying amount of RMB3 million were pledged.

28. Contingent Liabilities/Guarantees

As at 30 June 2024, the Company provided a counter-guarantee of RMB14 million to the controlling shareholder of an associate. As at 30 June 2024, the bank loan balance for which the Company provided the counter-guarantee amounted to RMB7 million.

29. Cash Flow Analysis

As at 30 June 2024, the bank deposits and cash held by the Company amounted to RMB3,027 million, representing a decrease of RMB1,535 million as compared to RMB4,562 million as at 31 December 2023, which was mainly due to the decrease in operating revenue and the increase in investment in wind power and photovoltaic power projects. The principal sources of funds of the Company included self-owned funds and external borrowings. The Company mainly used the funds for replenishing working capital and the construction of projects.

The net cash inflow from the Company's operating activities amounted to RMB6,950 million in the first half of 2024, representing a decrease of RMB1,092 million as compared to RMB8,042 million in the corresponding period of 2023, which was mainly due to the decrease in the operating revenue for the period.

The net cash outflow from investing activities of the Company was RMB12,627 million in the first half of 2024. The cash outflow from investing activities was mainly used for the construction of wind power and photovoltaic power projects.

The net cash inflow from financing activities of the Company was RMB4,169 million in the first half of 2024. The cash inflow from financing activities was mainly generated from the proceeds from the issuance of corporate bonds and bank loans. The cash outflow from financing activities was primarily used for the repayment of borrowings and payments of interest of borrowings.

V. RISK FACTORS AND RISK MANAGEMENT

(I) Policy Risk and Countermeasures

With the deepening of the electricity market-oriented reform, a series of major policies have been intensively rolled out, accelerating the restructuring of the market value system. The construction of the spot market is further speeding up, the proportion of new energy market continues to expand, and the implementation of the coal-fired power capacity tariff mechanism is driving down the prices of new energy transactions. Meanwhile, the introduction of time-of-use electricity fee policy has significantly widened the price difference between peak period and valley period, further amplifying the risk of continued decrease in electricity price. In May 2024, the National Energy Administration issued the Notice on Improving the Consumption of New Energy to Ensure High-Quality Development of New Energy, in which it was proposed that in regions with relatively favorable resource conditions, the target on utilization rate could be relaxed to some extent, which shall not be lower than 90% in principle. Some regions may, during the implementation of policies, tend to focus solely on the relaxation of utilization rate but without adequately taking into account relevant factors in determining such target, leading to the occurrence of risks such as intensification in irrationalness when planning the development of new energy and a certain level of deterioration in consumption.

The Group will track relevant national policies, analyse the impact of the policies in a timely manner, take effective measures, and actively pursue high-quality medium- to long-term transactions, to secure electricity sales revenue; it will closely monitor the setting and changes of utilization rate target, communicate timely with relevant departments, and put forward reasonable demands, to effectively safeguard the interests of new energy enterprises.

(II) Climatic Risk and Countermeasures

The major climatic risk confronted by the wind and solar power industry is the annual fluctuation of wind and solar energy resources, which is represented by the higher power generation in years of high wind velocity and abundant solar irradiation and the lower power generation in years of low wind velocity and scarce solar irradiation than that in normal years. On the vast territory of our nation which covers a wide span of areas, there is a great variation in climate conditions in different regions. To be specific, the regions have different climatic characteristics of the years of high and low wind velocity and abundant and scarce sunshine in the same period. In the first half of 2024, the average wind velocity at the Group's wind farms and the solar irradiation at the photovoltaic power farms were slightly below the normal annual level, and the power generation was slightly lower than the normal condition. In response to different climate conditions in different regions, the Group carried out the nationwide dispersed layout to reduce investment risks. As at the end of June 2024, the Group had substantial projects in 31 provincial-level administrative regions in China, formulating an increasingly optimised and rational project layout. In the future, the Group will further balance the project development ratio in the regions subject to the impact of different climates.

(III) Risks Relating to Power Grids and Countermeasures

During the "14th Five Year Plan" period, the grid-connection scale of new energy has significantly increased. However, the growth in electricity demand and the enhancement of system regulation capabilities are relatively limited. In some areas, the grid structure is weak, and the insufficiency in capacity of the main transformers and outgoing transmission lines is becoming more prominent. When wind and solar resources in a region have a relatively high simultaneity rate, the pressure on consumption in new energy becomes significant. Meanwhile, with the continuous construction of wind power and photovoltaic power bases primarily focusing on ultra-high voltage outgoing transmission, the construction of outgoing transmission channels lags behind, posing consumption risks for base projects. Based on different characteristics and situations in each region, the Group will enhance the communications with the competent government authorities and power grid dispatching, actively expand consumption channels, strive for favorable policies and power generation spaces, and promote the improvement of local grid.

(IV) Internationalization-related Risks and Countermeasures

The current external environment is complex and ever-changing, highlighting the characteristics in a period of international turmoil and change. Developed countries are grappling with deep internal conflicts, the conflict between Russia and Ukraine remains acute, and a short-term resolution seems unlikely. Competition for national projects in key regions such as Southeast Asia and South Africa is becoming increasingly fierce. In the first half of 2024, the Group took overall measures to prevent risks of overseas projects in operation and new projects, formulated and issued relevant regulations on investment management, construction operations, risk control and compliance management, endeavored to establish an institutional system that covers the full lifecycle management of overseas projects, thereby ensuring that there are rules to follow and regulations to comply with, to solidify the foundation for compliance. The Group intensified tracking analysis of the conflict between Russia and Ukraine as well as the risk prevention of Ukrainian projects, maintained close communication with stakeholders, and ensured the local operation and maintenance of projects in operation and the equipment safety of projects under construction and supplier relationship maintenance, laying a solid foundation for subsequent resumption of work and production. Our subsidiary in Ukraine conducted emergency drills as scheduled, dynamically revised emergency plans, continuously improved warning mechanisms and emergency response procedures, to ensure timely and effective rescue and relief operations when emergencies occur. It established a monitoring mechanism for tracking risks in key countries, and continuously enhanced its overall safety protection capabilities through the implementation of information collection and analysis efforts.

(V) Interest Rate-related Risk and Countermeasures

Changes in macro-economic environment at home and abroad, national economic policies and other factors caused the change in market interest rate, and the fluctuation of market interest rate had a certain impact on loans of the Company and the issuance interest rate of relevant bonds. Global economic growth is slowing down, and global inflation may persist at a relatively high level for an extended period, with intensified fluctuations in exchange rates and interest rates. Keeping abreast of market changes, the Group established financial market information sharing mechanism with several financial institutions, focused on macro environment, fiscal and monetary policies, specific operations of the central bank, and market risk events, and selected a favorable issue window to avoid the risk in interest rate resulting from the acute market volatility; the Group continued to increase the type of financing, did well in setting product terms and quotas, and matching long-term and short-term so as to ensure the stabilities of overall interest rate; the Group kept close cooperation with the financial institutions, to guarantee that issuance interest rate can be at a comparable low level in the degree of marketization.

(VI) Currency Exchange Rate-related Risk and Countermeasures

The Group's foreign exchange management principles are not involved in any speculative arbitrage, but for the purpose of risk aversion. Foreign exchange risk management runs through the whole lifetime cycle of the Company. In the preliminary investigation and preparation stage of new overseas projects, overseas subsidiaries of the Group propose suggestions on prevention and control of foreign exchange risk according to relevant data such as new project feasibility report, after consulting with professional financial institutions for external opinions, taking into consideration the local overall social and economic situation, so as to avoid the potential foreign exchange risk that may appear in the construction period. In the start-up stage of new projects, they shall review the relevant foreign exchange risk items mainly through the fund plan and financial statements data reported by overseas subsidiaries. Once the foreign exchange risk exposure caused by currency mismatch and other factors of overseas subsidiaries is found, they will immediately verify the relevant potential risks, study, judge and put forward risk hedging plans, and strictly implement them to ensure that foreign exchange risks are under control.

(VII) Fuel Prices-related Risk and Countermeasures

The Group has two coal power plants with a consolidated installed capacity of 1,875 MW. The fluctuations in coal price will affect the operating results of the Group's coal power business. At present, the main risk is that the supply and demand relationship in the coal market, policy adjustments, and international market changes may all have an impact on coal prices. In 2024, the Group has completed the full coverage of the medium to long-term contracts over coal procurement. The Group will make every effort to ensure the performance of annual medium to long-term contracts on coal supply, and communicate with suppliers to ensure compliance with the demand rate as required by the National Development and Reform Commission. At the same time, the Group will maintain communication with other suppliers in the market to procure imported coal, coal slurry, low-grade coal and other types of coal as planned for delivery to the plants. The Group will make good efforts in securing annual quotas for imported coal, and pay close attention to changes in coal prices and freight rates to purchase at low cost.

(VIII) Risk in Production Safety and Countermeasures

Since its establishment in 1993, the Group has been committed to the development, operation, and management of new energy. The longest running wind farm was first put into operation in 1994. Currently it has nearly 10,000 units of 1.5MW and below, approximately accounting for 66% of the total number of units in operation. Photovoltaic power stations were first put into operation in 2010, with 11 photovoltaic power stations operating for over 10 years. The equipment put into production in the early stages gradually exposed problems such as electrical components breakdown, decreased cable insulation, and aging sealing rings, resulting in high treatment costs and certain safety risks.

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

VI. BUSINESS OUTLOOK

The present and the upcoming period are crucial for the comprehensive construction of the Company as a world-class leading enterprise in new energy technology. The Group will grasp the overall situation, set clear objectives, and unite forces to thoroughly implement the "12556" working idea.

Sticking to 1 objective. The Group will continue to advance the construction of new Longyuan with the principles of "inherent safety, doubled scale, digital transformation, innovation-driven leadership, and proactive growth", and build, in an all-round way, itself into a world-class and technologically-leading new energy enterprise.

Deepening 2 development paths. The Group will adhere to the concept of large-scale development, achieving strong growth in quantity; insist on innovation and change, achieving effective improvement in quality.

Improving "5 Capabilities" and building "5 World-Class Platforms". The Group will improve its ability of implementing strategies, to build a world-class new energy asset management platform; improve its ability of seizing and utilizing opportunities, to build a world-class new energy business development platform; improve its ability of integrating resources, to build a world-class new energy sharing and coordination platform; improve its ability of reform and innovation, to build a world-class new energy technology innovation and R&D platform; and improve its ability of organization and leading, to build a world-class new energy platform empowered by Party building.

Playing role as 6 "Main Forces". Firstly, in shaping the new advantages of the whole-chain energy supply guarantee, it will play a role as the "Main Force" for security and stability; secondly, in shaping the new advantages of high-level science and technology and self-reliance, it will play a role as the "Main Force" for reform and innovation; thirdly, in shaping the new advantages of green development, it will play a role as the "Main Force" for low-carbon transition; fourthly, in shaping the new advantages of integration, digitalization and internationalization, it will play a role as the "Main Force" for coordinated development; fifthly, in shaping the new advantages of quality enhancement and efficiency improvement, it will play a role as the "Main Force" for value creation; sixthly, in shaping the new advantages of deep integration, leadership and guarantee, it will play a role as the "Main Force" for the Party building.

The Group will focus on the following five aspects of work:

1. Enhance the ability to implement strategies and build a world-class new energy asset management platform. Focus on the development strategy of "One Goal, Three Roles, Six Commitments", concentrate on the preservation and appreciation of new energy assets, implement a diversified, fast, large-scale, efficient, and scientific new energy development strategy to enhance overall value creation. Always occupy the commanding heights of the new energy industry's development, maintaining a leading position in the global new energy sector.

2. Improve the ability to grasp opportunities and build a world-class new energy business development platform. Coordinate both domestic and international markets and resources, explore new markets, and enhance industry and global influence. Coordinate development and construction in two stages, implement various measures to achieve more indicators, and create more high-quality projects with a "two-high-one-low" approach.

3. Enhance the ability to integrate resources and build a world-class new energy sharing and collaborative platform. Promote the construction of the "three new patterns," transform investment, construction, and operation integrated methods towards a platform-based, grid-like, open transformation, forming a world-class new energy sharing and collaborative platform that integrates "shared development, regional collaboration, and industrial synergy."

4. Enhance the ability for change and innovation and build a world-class new energy scientific and technological innovation R&D platform. Establish a first-class research and development platform, promote the transformation of results and data services, build core competitiveness through innovative leadership and digital transformation, achieve a transformation of driving forces and energy conversion for high-quality development.

5. Enhance organizational leadership capabilities and build a world-class new energy empowerment platform for Party building. Lead and ensure high-quality development through high-quality Party building.

VII. WORKING PLAN FOR THE SECOND HALF OF 2024

In the second half of 2024, the Company shall be united and cooperative, make concerted efforts to implement properly, strive to complete the annual goals and tasks, and focus on goals and practical commitments, to complete the following four tasks with high quality.

1. Strengthen the implementation of responsibilities to promote the consolidation of safety and environmental protection foundation. The Company will strengthen the implementation of key tasks, strictly implement the three-year action plan for tackling the root cause of safety production, solidly promote the specific tasks of the No. 1 document on safety and environmental protection, and adhere to the management of safety points as the main starting point, and take digital supervision as the means to continuously strengthen process control and promote the transformation of safety management from "focusing on results" to "focusing on processes". The Company will grasp the management and control of risk areas, combine the characteristics of "small, scattered and remote" in new energy operation sites, adhere to the normalization of safety education and skills training, continuously strengthen the rigidity of the implementation of safety production systems, regulations and measures, and ensure the implementation of safety management measures. The Company will prevent the occurrence of new risks, improve the safety management ability of distributed projects, actively explore new safety management methods such as energy storage and hydrogen ammonia alcohol, and strengthen the safety assessment, risk early warning and prevention and control of overseas investment and operation.

2. Exert the utmost effort to speed up the pace of development and construction. The Company will insist on going all out to promote the "expansion". Focusing on the development of large bases, the Company will make every effort to obtain offshore project indicators, grasp the acquisition of land resources, continue to strengthen integration of regional resources, and steadily promote overseas projects in key areas. The Company will strengthen innovation and exploration, promote the development of "new business", optimize the design schemes of projects such as hydrogen and ammonia production from wind and photovoltaic power, carbon neutralization, hydrogen production and hydrogen-ammonia-methanol storage, promote high-quality power generation, grid, load and energy storage projects, and further broaden the development path of the Company. Focusing on synergistic efforts to promote the implementation of "ensuring production" and focusing on the target of starting production throughout the year, and strive to break through the difficulties and blockages, the Company always practices the concept of "design is the soul, quality is the life, and innovation shall be the leading", strengthens preliminary design review, design optimization and design innovation to further reduce costs, strengthen quality and improve efficiency.

3. Focus on creating efficiency through management to promote the improvement of quality and efficiency. The Company will insist on taking multiple measures, strive for volume increase and price maintaining, do everything possible to grab the power generation and compensate for the shortage, improve the rationality of the maintenance plan, raise the reliability and power generation capacity of the equipment, further promote the fine management and control of power rationing, explore the method to promote the consumption by using energy storage, expand the share of green electricity and green certificate transactions, make preparations for subsidy recovery, and continuously improve the capabilities of creating benefits through marketing. The Company will strengthen financial management, enhance value creation, strengthen comprehensive budget control, continuously reduce costs and expenses, explore potentials and increase efficiency from various perspectives, and carry out in-depth labor competitions of "tax reduction and fee reduction" and "loss reduction and excellent compensation" to reduce financial expenses with intensive advantages. The Company will enhance management to create efficiency, enhance intrinsic value, further expand the scope of intensive procurement, effectively reduce procurement costs, strengthen the construction of ESG system, and continuously enhance the leading position in the industry.

4. Adhere to the problem orientation and promote the deepening of reform and innovation initiatives. Focusing on production and operation, the Company will deepen digital empowerment, continuously promote digital transformation of operation and management, actively build a new energy cloud computing centre system, strengthen data collection and analysis of power market transactions, accelerate the research and development of new energy intelligent decision-making support system, improve the supply chain system of new energy materials, and accelerate the construction of financial data middleground. Focusing on targeted efforts to boost scientific and technological innovation, the Company will implement major scientific and technological innovations and equipment upgrades in large projects such as the desert, gobi and hungriness large-scale base, offshore wind power, grid-constructing energy storage and hydrogen-ammonia-methanol, actively participate in major national scientific and technological innovations and technological innovation projects that lead the industry, strive to build a new energy technology innovation highland, and build a national R&D centre for wind power operation and a new energy innovation research centre in Xi'an at a high level. The Company will continue to strengthen the construction of "three teams", select and nurture talents through large-scale projects, and promote the efficient integration of talent chain and innovation chain.

OTHER INFORMATION

Subsequent Events After the Reporting Period

On 23 August 2024, the Company, Hero Asia (BVI) Company Limited ("**Hero Asia Company**") and Jiangyin Power Investment Co., Ltd. ("**Jiangyin Power**", 江陰電力投資有限公司) entered into an equity transaction contract and agreed to sell the entire 27% equity interests the Company and Hero Asia Company hold in Jiangyin Sulong Thermal Power Co.,Ltd. ("**Jiangyin Sulong**",江陰蘇龍熱電有限公司), a subsidiary of the Group, to Jiangyin Power, which is a connected person of the Company at the subsidiary level, at a consideration of RMB1,319,150,070. Upon completion of this disposal, Jiangyin Sulong will no longer be included in the Group's consolidated financial statements, nor be a subsidiary of the Company. For details, please refer to the announcements of the Company dated 27 June 2024 and 23 August 2024.

As at the date of this announcement, the Company has issued a series of ultra short-term debentures of RMB4.6 billion with a term of 180 to 210 days and coupon rates of 1.73% to 1.75%, and mid-term notes of RMB8.0 billion with a term of 3 to 10 years and coupon rate of 2.07% to 2.50%.

As at the date of this announcement, save for the afore-mentioned events, the Company has no other material subsequent events after the Reporting Period.

Share Capital

As at 30 June 2024, the total share capital of the Company amounted to RMB8,359,816,164, divided into 8,359,816,164 shares with a par value of RMB1.00 each, comprising 5,041,934,164 A shares and 3,317,882,000 H shares. On 11 March 2024, the Company cancelled an aggregate of 22,147,000 H shares previously repurchased. Save as aforesaid, there was no change in the share capital of the Company during the Reporting Period.

Interim Dividend

The Board has not made any recommendation on the distribution of an interim dividend for the six months ended 30 June 2024.

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

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

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

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities for the six months ended 30 June 2024 (including sales of treasury shares (as defined in the Listing Rules)). As at the end of the Reporting Period, there were no treasury shares held by the Company or its subsidiaries.

Compliance with the Corporate Governance Code

During the period from 1 January 2024 to 30 June 2024, the Company has fully complied with the code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules and had complied with most of the recommended best practises as set out in Appendix C1 to the Listing Rules.

Compliance with the Model Code for Securities Transactions by Directors and Supervisors

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as the code of conduct and rules governing dealings by all of our Directors and supervisors in the securities of the Company. Upon specific enquiries to the Directors and supervisors of the Company, all Directors and supervisors have confirmed that they have strictly complied with the required standard set out in the Model Code during the period from 1 January 2024 to 30 June 2024. The Board will examine the corporate governance and operation of the Company from time to time so as to ensure the compliance with relevant requirements under the Listing Rules and to protect Shareholders' interests.

AUDIT COMMITTEE

The Company has established the Audit Committee in accordance with the requirements of the Listing Rules. The primary duties of the Audit Committee include, but not limited to: to oversee the financial reporting system of the Group; to monitor and review the annual and interim reports and results announcements; to oversee the Company‘s risk management and internal control systems (unless such matters are handled by a separate risk committee or the Board itself), and to monitor and review the Company‘s internal inspect and audit functions and the effectiveness of the audit process; to review the Company‘s annual internal audit work plan, significant risks and the Company‘s ability to respond to risks; to supervise the appointment, re-appointment and replacement of external auditors, and make recommendations to the Board on the remuneration and terms of engagement of external auditors; to review and monitor the external auditor‘s independence and objectivity and the effectiveness of the audit process; to develop and implement policy on engaging an external auditor to supply non-audit services; to monitor the quality of the Company‘s internal audit and disclosure of financial information, and review the interim and annual financial statements before submission to the Board; to review and monitor the effectiveness of the Company‘s financial reporting system, risk management and internal control procedures and the procedures for compliance with the relevant requirements under the Listing Rules; to review significant failures or weaknesses in internal control (if any), and the resulting and potential impact; evaluating the effectiveness of the internal control and risk management framework, ensuring the coordination between the internal audit personnel and the independent accountant, and ensuring that the internal audit function is adequately resourced and has sufficient capability and working experience, as well as regular training programmes or similar arrangements; to organise and promote the development of the rule of law in the Company, and to receive reports on the work on the development of the rule of law in the Company.

The Audit Committee consists of three Directors: Mr. Tang Chaoxiong (non-executive Director), Mr. Michael Ngai Ming Tak (independent non-executive Director) and Ms. Zhao Feng (independent non-executive Director). Ms. Zhao Feng serves as the chairman of the Audit Committee.

On 28 August 2024, the Audit Committee reviewed and confirmed the announcement of interim results of the Group for the six months ended 30 June 2024, 2024 interim report, the unaudited interim condensed consolidated financial information for the six months ended 30 June 2024 prepared under IAS 34, Interim Financial Reporting and the disclosure requirements under the Listing Rules.

PUBLICATION OF INTERIM RESULTS AND REPORT

This results announcement is published on the HKExnews website of The Stock Exchange of Hong Kong Limited at http://www.hkexnews.hk and the Company's website at http://www.clypg.com.cn. The Company's 2024 interim report, containing all the information required under the Listing Rules, will be dispatched to the Shareholders according to their requirements and will be published on the websites of the Company and the Hong Kong Stock Exchange in due course. Please refer to the circular of the Company dated 5 February 2024 for details of the electronic dissemination of Corporate Communications.

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

Beijing, the PRC, 28 August 2024

As at the date of this announcement, the executive directors of the Company are Mr. Gong Yufei and Mr. Wang Liqiang; the non-executive directors are Mr. Tang Chaoxiong, Ms. Wang Xuelian, Ms. Chen Jie and Mr. Zhang Tong; and the independent non-executive directors are Mr. Michael Ngai Ming Tak, Mr. Gao Debu and Ms. Zhao Feng.

* *For identification purpose only*