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中国神华能源股份有限公司
CHINA SHENHUA ENERGY COMPANY LIMITED

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

(Stock Code: 01088)

THIRD QUARTERLY REPORT FOR THE YEAR 2024

Pursuant to the rules and regulations of the China Securities Regulatory Commission and the Shanghai Stock Exchange, China Shenhua Energy Company Limited is required to announce quarterly report. This announcement is made pursuant to Rule 13.09(2) and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) hereby presents the results of the Group for the nine months ended 30 September 2024 prepared in accordance with the IFRS Accounting Standards. Such results have not been audited or reviewed by the independent auditors.

IMPORTANT NOTICE

- The Board and the supervisory committee of the Company together with the directors, supervisors and the senior management of the Company warrant that the contents of the quarterly report are authentic, accurate and complete and do not contain any misrepresentation, misleading statement or material omission, and shall jointly and severally accept legal liability.
- This quarterly report was approved at the third meeting of the sixth session of the Board of the Company.
- Lv Zhiren, person-in-charge of the Company, Song Jinggang, person-in-charge of the accounting function of the Company and Yu Yanling, person-in-charge of the accounting department of the Company, warrant the authenticity, accuracy and completeness of the financial information contained in the quarterly report.
- Whether the third quarterly financial statements have been audited: No

I. MAJOR FINANCIAL INDICATORS

(I) Major accounting data and financial indicators

Unit: RMB million

Item	The Reporting Period	Increase/decrease for the Reporting Period as compared to the same period last year %	Increase/decrease for the period from the beginning of the year to the end of the Reporting Period as compared to the same period last year %	
			From the beginning of the year to the end of the Reporting Period	Reporting Period
Revenue	85,821	3.4	253,899	0.6
Profit for the period attributable to equity holders of the Company	17,798	13.8	50,569	(3.7)
Net cash generated from operating activities	N/A	N/A	83,504	11.8
Basic earnings per share (<i>RMB/share</i>)	0.897	13.8	2.546	(3.7)

	As at the end of the Reporting Period	As at the end of last year	Increase/ decrease as at the end of the Reporting Period as compared to the end of last year %
Total assets	652,360	633,412	3.0
Equity attributable to equity holders of the Company	417,438	411,478	1.4

(II) Difference in accounting data under domestic and overseas accounting standards

Unit: RMB million

	Net profit attributable to equity holders of the Company		Net assets attributable to equity holders of the Company	
	January to September 2024	January to September 2023	As at 30 September 2024	As at 31 December 2023
Under China Accounting Standards for Business Enterprises	46,074	48,269	414,984	408,692
Adjustments for:				
Simple production maintenance, safety production and other related expenditures	4,495	4,232	2,454	2,786
Under IFRS Accounting Standards	50,569	52,501	417,438	411,478

Explanation on differences in domestic and overseas accounting standards:

Pursuant to the relevant regulations of the related government authorities in the PRC, the Group accrued provisions for simple production maintenance, safety production and other related expenditures, which are recognised as expenses in profit or loss for the current period and separately recorded as a specific reserve in shareholders' equity. Upon utilisation of the specific reserve as fixed assets within the stipulated scope, the full amount of accumulated depreciation is recognised at the same time when the cost of the relevant assets is recorded. Under IFRS Accounting Standards, these expenses are recognised in profit or loss as and when incurred. Relevant capital expenditure is recognised as property, plant and equipment when incurred and depreciated according to the relevant depreciation method. The effect on deferred tax arising from such difference is also reflected.

(III) Changes in major items of the consolidated financial statements and the main reasons thereof

Unit: RMB million

No.	Items of consolidated statement of profit or loss and other comprehensive income	January to September 2024	January to September 2023	Change %	Main reasons for changes
1	Revenue	253,899	252,467	0.6	Increase in sales volume of purchased coal and power output dispatch, resulting in increase in revenue
2	Cost of sales	(176,388)	(172,175)	2.4	Increase in procurement cost of purchased coal due to increase in its sales volume; increase in coal procurement costs due to increase in power output dispatch
3	Research and development costs	(1,740)	(1,399)	24.4	Mainly affected by the increase in R&D and its progress
4	Other gains and losses	498	(247)	(301.6)	Other gains and losses for the period from January to September 2024 were aggregated as gains, which is mainly due to gains arising from the transfer of equity interests in subsidiaries
5	Other income	567	896	(36.7)	Decrease in government grants received by the Group related to ordinary activities
6	Other expenses	(930)	(175)	431.4	Mainly the donation towards Inner Mongolia Autonomous Region Ecological Comprehensive Treatment Fund for the period from January to September 2024
7	Income tax expense	(12,445)	(13,560)	(8.2)	Decrease in profit before income tax

Unit: RMB million

No.	Items of consolidated statement of financial position	As at 30 September 2024	As at 31 December 2023	Change %	Main reasons for changes
1	Construction in progress	24,588	18,955	29.7	Continued investment in power generation projects under construction
2	Interests in associates	58,315	55,635	4.8	Recognition of investment income from associates and capital contribution made to an investment fund co-established by the Company in pursuance of an agreement
3	Other non-current assets	29,211	27,070	7.9	Increase in prepayment for equipment and construction
4	Inventories	11,357	12,846	(11.6)	Decrease in coal inventories; decrease in the relevant inventories of the former subsidiary after the disposal of the subsidiary
5	Accounts and bills receivables	18,326	19,858	(7.7)	Part of the bills were due and collected
6	Financial assets at fair value through other comprehensive income	61	254	(76.0)	Recovery of bank acceptance bills that had been planned to be discounted or endorsed upon maturity
7	Restricted bank deposits	11,016	7,298	50.9	Increase in the balance of the special account of the mine geological environment treatment and restoration fund
8	Time deposits with original maturity over three months	64,484	34,514	86.8	Increase in time deposits placed with financial institutions as at the end of the period as a result of strengthening capital management and control and optimising and adjusting the fund deposit structure by the Group
9	Cash and cash equivalents	89,632	108,174	(17.1)	Payment of final dividend for 2023; increase in the Group's time deposits placed with financial institutions
10	Accounts and bills payables	34,215	38,901	(12.0)	Decrease in construction, materials and equipment payables

Unit: RMB million

No.	Items of consolidated statement of financial position	As at 30 September 2024	As at 31 December 2023	Change %	Main reasons for changes
11	Accrued expenses and other payables	40,510	30,613	32.3	Mainly affected by the accrual of employee compensation
12	Current portion of bonds	2,927	0	/	The USD debentures payable of the Group will mature in January 2025, and have been presented in the item “current portion of bonds” from “bonds”
13	Income tax payable	2,615	4,757	(45.0)	The Company paid income tax payable at the end of last year
14	Contract liabilities	5,161	7,208	(28.4)	After the disposal of the subsidiary, the contract liabilities assumed by the former subsidiary decreased accordingly
15	Long-term borrowings	28,312	29,636	(4.5)	The Group optimised the use of internal funds and increased repayment of long-term borrowings
16	Bonds	0	2,972	(100.0)	The USD debentures payable of the Group will mature in January 2025, and have been presented in the item “current portion of bonds” from “bonds”
17	Long-term liabilities	19,406	15,125	28.3	Xinjie No. 1 Mine and Xinjie No. 2 Mine confirmed long-term payables for mining rights

Unit: RMB million

No.	Items of condensed consolidated statement of cash flows	January to September 2024	January to September 2023	Change %	Main reasons for changes
1	Net cash generated from operating activities	83,504	74,720	11.8	Lower base due to the impact of the increase in operating receivables such as electricity receivables in the same period of last year
2	Net cash used in investing activities	(51,935)	(28,481)	82.3	Increase in time deposits placed with financial institutions as a result of strengthening capital management and control and optimising and adjusting the fund deposit structure by the Group
3	Net cash used in financing activities	(50,047)	(73,309)	(31.7)	Year-on-year decrease in repayment of external borrowings by the Group; decrease in cash paid for dividend distribution and interest repayment

II. SHAREHOLDER INFORMATION

(I) Total number of shareholders of ordinary shares, number of shareholders of preference shares with restored voting rights and shareholdings of the top ten shareholders

Total number of shareholders of ordinary shares at the end of the Reporting Period (<i>accounts</i>)	140,592
Including: Holders of A shares (including China Energy) (<i>accounts</i>)	138,811
Registered holders of H shares (<i>accounts</i>)	1,781

Unit: share

Shareholdings of top 10 shareholders (excluding lending of shares by way of refinancing)

Name of shareholders	Nature of shareholder	Number of shares	Percentage %	Number of shares held subject to selling restrictions	Shares pledged, marked or frozen	
					Status	Number
China Energy Investment Corporation Limited	State-owned corporation	13,812,709,196	69.52	0	Nil	N/A
HKSCC NOMINEES LIMITED	Overseas corporation	3,370,289,928	16.96	0	Unknown	N/A
China Securities Finance Corporation Limited	Others	594,718,004	2.99	0	Nil	N/A
Hong Kong Securities Clearing Company Limited	Overseas corporation	211,137,223	1.06	0	Nil	N/A
Central Huijin Asset Management Ltd.	State-owned corporation	106,077,400	0.53	0	Nil	N/A
Guoxin Investment Co., Ltd.	State-owned corporation	75,281,005	0.38	0	Nil	N/A
Industrial and Commercial Bank of China – Shanghai Index 50 Trading Open-end Index Securities Investment Fund	Others	66,715,164	0.34	0	Nil	N/A
Industrial and Commercial Bank of China Limited – Huatai-Pinebridge Shanghai-Shenzhen 300 Index Exchange Traded Open-ended Index Fund	Others	63,302,341	0.32	0	Nil	N/A
China Construction Bank Corporation – E Fund Shanghai – Shenzhen 300 Index Exchange Traded Open-ended Index Initiating Fund	Others	42,047,570	0.21	0	Nil	N/A
National Social Security Fund Portfolio 101	Others	30,065,755	0.15	0	Nil	N/A

Unit: share

Shareholdings of top 10 shareholders without selling restrictions (excluding lending of shares by way of refinancing)

Name of shareholders	Number of shares without selling restrictions	Type and number of shares	
		Type	Number
China Energy Investment Corporation Limited	13,812,709,196	RMB ordinary shares	13,812,709,196
HKSCC NOMINEES LIMITED	3,370,289,928	Overseas-listed foreign shares	3,370,289,928
China Securities Finance Corporation Limited	594,718,004	RMB ordinary shares	594,718,004
Hong Kong Securities Clearing Company Limited	211,137,223	RMB ordinary shares	211,137,223
Central Huijin Asset Management Ltd.	106,077,400	RMB ordinary shares	106,077,400
Guoxin Investment Co., Ltd.	75,281,005	RMB ordinary shares	75,281,005
Industrial and Commercial Bank of China – Shanghai Index 50 Trading Open-end Index Securities Investment Fund	66,715,164	RMB ordinary shares	66,715,164
Industrial and Commercial Bank of China Limited – Huatai-Pinebridge Shanghai-Shenzhen 300 Index Exchange Traded Open-ended Index Fund	63,302,341	RMB ordinary shares	63,302,341
China Construction Bank Corporation – E Fund Shanghai-Shenzhen 300 Index Exchange Traded Open-ended Index Initiating Fund	42,047,570	RMB ordinary shares	42,047,570
National Social Security Fund Portfolio 101	30,065,755	RMB ordinary shares	30,065,755

Statements on the related party relationships among the above shareholders and whether they are parties acting in concert	HKSCC NOMINEES LIMITED and Hong Kong Securities Clearing Company Limited are wholly-owned subsidiaries of Hong Kong Exchanges and Clearing Limited. The depository bank of Industrial and Commercial Bank of China – Shanghai Index 50 Trading Open-end Index Securities Investment Fund and Industrial and Commercial Bank of China Limited – Huatai-Pinebridge Shanghai-Shenzhen 300 Index Exchange Traded Open-ended Index Fund is Industrial and Commercial Bank of China. Save for the information disclosed above, the Company is not aware of whether any related party relationship existing among the top 10 shareholders without selling restrictions and the top 10 shareholders, and whether they are parties acting in concert as defined in the Measures for the Administration of Acquisition of Listed Companies.
Details of top 10 shareholders and top 10 shareholders without selling restrictions participating in margin trading and securities lending and refinancing business (“Refinancing”)	See below

Note: H shares held by HKSCC NOMINEES LIMITED are held on behalf of a number of its clients; A shares held by Hong Kong Securities Clearing Company Limited are held on behalf of a number of its clients.

China Energy, the controlling shareholder of the Company, planned to increase its shareholding in the A shares of the Company through its wholly-owned subsidiary, China Energy Capital Holdings Co., Ltd. (“**Capital Holdings**”), by means permitted by the Shanghai Stock Exchange (“**SSE**”) (including but not limited to centralised bidding transactions, block trades, etc.) by an amount of not less than RMB500 million and not exceeding RMB600 million, and at a price of not more than RMB33.10 per share, within 12 months from 20 October 2023 (the “**Shareholding Increase Plan**”).

As at 30 September 2024, Capital Holdings cumulatively increased its shareholding of the Company by 11,593,528 A shares, representing 0.0584% of the total number of issued shares of the Company, through centralised bidding transactions on the SSE, with a cumulative amount of RMB365.2790 million (exclusive of commissions and tax and charges), which accounted for 73.06% of the minimum amount of RMB500 million under the Shareholding Increase Plan.

As at the disclosure date of this report, the Shareholding Increase Plan has been completed. China Energy directly and indirectly holds 13,824,302,724 A shares of the Company, representing 69.5789% of the total number of issued shares of the Company. Details of the implementation result of the Shareholding Increase Plan were set out in the “Announcement on Implementation Result of the Plan on Increase in Shareholding of the Company by the Controlling Shareholder” disclosed on the website of The Stock Exchange of Hong Kong Limited on 18 October 2024 by the Company.

(II) Participation of shareholders with shareholding of more than 5%, top ten shareholders and top ten shareholders without selling restrictions in lending of shares by way of Refinancing

Unit: share

Name of shareholder	Participation of shareholders with shareholding of more than 5%, top ten shareholders and top ten shareholders without selling restrictions in lending of shares by way of Refinancing							
	Number of shares held through ordinary account and credit account as at the beginning of the year		Outstanding shares lent by way of Refinancing as at the beginning of the year		Number of shares held through ordinary account and credit account as at the end of the Reporting Period		Outstanding shares lent by way of Refinancing as at the end of the Reporting Period	
	Total	Percentage	Total	Percentage	Total	Percentage	Total	Percentage
	number	%	number	%	number	%	number	%
Industrial and Commercial Bank of China – Shanghai Index 50 Trading Open-end Index Securities Investment Fund	40,207,864	0.20	266,400	0.0013	66,715,164	0.34	0	0
Industrial and Commercial Bank of China Limited – Huatai – Pinebridge Shanghai-Shenzhen 300 Index Exchange Traded Open – ended Index Fund	24,588,635	0.12	49,200	0.0002	63,302,341	0.32	0	0
China Construction Bank Corporation – E Fund Shanghai-Shenzhen 300 Index Exchange Traded Open-ended Index Initiating Fund	9,259,316	0.05	19,200	0.0001	42,047,570	0.21	0	0

Change in the top ten shareholders and top ten shareholders without selling restrictions from the previous period due to shares lending/repayment through Refinancing: Not applicable

III. OTHER REMINDERS

(I) Major operational data

Operational indicators	Unit	2024		2023		Change %	
		July to September	January to September	July to September	January to September	July to September	January to September
(I) Coal							
1. Commercial coal production	Million tonnes	81.2	244.4	81.3	242.0	(0.1)	1.0
2. Coal sales	Million tonnes	115.6	345.3	114.6	332.5	0.9	3.8
Of which: Self-produced coal	Million tonnes	82.1	244.9	83.4	242.7	(1.6)	0.9
Purchased coal	Million tonnes	33.5	100.4	31.2	89.8	7.4	11.8
(II) Transportation							
1. Transportation turnover of self – owned railways	Billion tonnes km	73.4	234.8	76.7	227.1	(4.3)	3.4
2. Loading volume at Huanghua Port	Million tonnes	50.2	160.2	54.0	154.6	(7.0)	3.6
3. Loading volume at Tianjin Coal Dock	Million tonnes	11.0	32.9	10.6	33.2	3.8	(0.9)
4. Shipment volume	Million tonnes	34.1	99.6	37.7	109.9	(9.5)	(9.4)
5. Shipment turnover	Billion tonne nautical miles	38.9	113.9	40.0	118.8	(2.7)	(4.1)
(III) Power							
1. Gross power generation	Billion kWh	64.10	168.14	56.03	156.23	14.4	7.6
2. Total power output dispatch	Billion kWh	60.38	158.27	52.57	146.83	14.9	7.8
(IV) Coal chemical							
1. Polyethylene sales	Thousand tonnes	92.6	240.8	87.8	269.1	5.5	(10.5)
2. Polypropylene sales	Thousand tonnes	88.0	227.2	87.3	257.4	0.8	(11.7)

(II) Operation of the coal segment

1. Coal sales

(1) By contract pricing mechanisms

	January to September 2024			January to September 2023			Change	
	Sales volume <i>Million tonnes</i>	Percentage	Price	Sales volume <i>Million tonnes</i>	Percentage	Price	Sales volume <i>Million tonnes</i>	Price (exclusive of tax) <i>RMB/tonne</i>
		to total	(exclusive		to total	(exclusive		
		sales volume <i>%</i>	of tax) <i>RMB/tonne</i>		sales volume <i>%</i>	of tax) <i>RMB/tonne</i>		
I. Sales through Trading Group	326.7	94.6	579	315.6	94.9	597	3.5	(3.0)
1. Annual long-term contracts	183.6	53.2	492	200.2	60.2	505	(8.3)	(2.6)
2. Monthly long-term contracts	112.0	32.4	713	79.4	23.9	818	41.1	(12.8)
3. Spot commodity	31.1	9.0	610	36.0	10.8	621	(13.6)	(1.8)
II. Direct sales at the coal mine pit	18.6	5.4	298	16.9	5.1	328	10.1	(9.1)
Total sales volume/average price (exclusive of tax)	345.3	100.0	564	332.5	100.0	583	3.8	(3.3)

Notes: 1. Customers of the Group's coal products span multiple industries including electricity, metallurgy, chemical industry, etc.

2. From January to September 2023, there was a lower base for sales volume of monthly long-term contracts due to the combined effect of policy regulation and market supply and demand. From January to September 2022, the sales volume of monthly long-term contracts amounted to 99.5 million tonnes, accounting for 32.2% of the total sales volume.

(2) By sales regions

	January to September 2024			January to September 2023			Change	
	Sales volume <i>Million tonnes</i>	Percentage	Price	Sales volume <i>Million tonnes</i>	Percentage	Price	Sales volume <i>Million tonnes</i>	Price (exclusive of tax) <i>RMB/tonne</i>
		to total	(exclusive		to total	(exclusive		
		sales volume <i>%</i>	of tax) <i>RMB/tonne</i>		sales volume <i>%</i>	of tax) <i>RMB/tonne</i>		
I. Domestic sales	337.0	97.6	562	326.2	98.1	579	3.3	(2.9)
Of which: Sales of imported coal	4.8	1.4	641	4.7	1.4	739	2.1	(13.3)
II. Export and Overseas sales	8.3	2.4	651	6.3	1.9	785	31.7	(17.1)
Total sales volume/average price (exclusive of tax)	345.3	100.0	564	332.5	100.0	583	3.8	(3.3)

2. Operating results (before elimination on consolidation)

Item	Unit	January to September 2024	January to September 2023	Change %	Main reasons for changes
Revenue	RMB million	201,319	200,135	0.6	Increase in sales volume of purchased coal
Cost of sales	RMB million	(149,865)	(147,000)	1.9	Increase in sales volume of purchased coal, procurement cost and transportation charges
Gross profit	RMB million	51,454	53,135	(3.2)	Decrease in average selling price of coal
Gross profit margin	%	25.6	26.5	Decreased by 0.9 percentage point	
Profit before income tax	RMB million	45,574	48,631	(6.3)	

3. Gross profit from sales of coal products by types of sources of coal (before elimination on consolidation)

Unit: RMB Million

Item	January to September 2024				January to September 2023			
	Sales revenue	Cost of sales	Gross profit	Gross profit margin %	Sales revenue	Cost of sales	Gross profit	Gross profit margin %
Self-produced coal	130,061	(69,005)	61,056	46.9	132,656	(69,517)	63,139	47.6
Purchased coal	64,622	(63,340)	1,282	2.0	61,125	(59,854)	1,271	2.1
Total	<u>194,683</u>	<u>(132,345)</u>	<u>62,338</u>	<u>32.0</u>	<u>193,781</u>	<u>(129,371)</u>	<u>64,410</u>	<u>33.2</u>

Note: the cost of sales of purchased coal includes the purchase cost of purchased coal, as well as the transportation and port charges incurred to realise the sales.

4. Unit production cost of self-produced coal

Unit: RMB/tonne

Item	January to September 2024	January to September 2023	Change %	Main reasons for changes
Unit production cost of self-produced coal	168.1	172.0	(2.3)	Decrease in production costs, such as raw materials, repairs and maintenance
Raw materials, fuel and power	30.4	32.1	(5.3)	Decrease in raw materials and other costs due to reduced stripping in certain open pit mines
Personnel expenses	52.5	52.1	0.8	
Repairs and maintenance	10.2	11.2	(8.9)	Mainly affected by the maintenance plan
Depreciation and amortisation	19.5	19.6	(0.5)	
Others	55.5	57.0	(2.6)	

Other costs consist of the following three components: ① expenses directly related to production, including expenses for coal washing, selecting and processing expenses, and mining engineering expenses, etc., accounting for approximately 69%; ② auxiliary production expenses, accounting for approximately 20%; ③ land requisition and surface subsidence compensation, environmental protection expenses, tax, etc., accounting for approximately 11%.

(III) Operation of the power segment

1. Power generation and power output dispatch

Location/Type of power	Gross power generation (billion kWh)			Power output dispatch (billion kWh)			Average utilization hours (hour)			Power tariff (RMB/MWh)		
	July to September 2024	July to September 2023	Change %	July to September 2024	July to September 2023	Change %	July to September 2024	July to September 2023	Change %	July to September 2024	July to September 2023	Change %
	Domestic	63.71	55.64	14.5	60.04	52.23	15.0	1,429	1,387	3.0	395	412
Coal-fired power	62.02	54.10	14.6	58.40	50.73	15.1	1,444	1,392	3.7	393	410	(4.1)
Gas-fired power	1.19	1.23	(3.3)	1.16	1.20	(3.3)	1,252	1,303	(3.9)	513	546	(6.0)
Hydropower	0.23	0.22	4.5	0.22	0.21	4.8	1,785	1,706	4.6	186	189	(1.6)
Photovoltaic power	0.27	0.09	200.0	0.26	0.09	188.9	466	459	1.5	344	329	4.6
Overseas	0.39	0.39	0.0	0.34	0.34	0.0	1,295	1,280	1.2	472	484	(2.5)
Coal-fired power	0.39	0.39	0.0	0.34	0.34	0.0	1,295	1,280	1.2	472	484	(2.5)
Total/Weighted average	64.10	56.03	14.4	60.38	52.57	14.9	1,428	1,386	3.0	395	413	(4.4)

Location/Type of power	Gross power generation (billion kWh)			Power output dispatch (billion kWh)			Average utilization hours (hour)			Power tariff (RMB/MWh)		
	January to September 2024	January to September 2023	Change %	January to September 2024	January to September 2023	Change %	January to September 2024	January to September 2023	Change %	January to September 2024	January to September 2023	Change %
	Domestic	167.15	155.08	7.8	157.42	145.83	7.9	3,748	3,865	(3.0)	400	415
Coal-fired power	163.22	151.59	7.7	153.58	142.42	7.8	3,801	3,901	(2.6)	399	413	(3.4)
Gas-fired power	2.83	2.85	(0.7)	2.76	2.78	(0.7)	2,977	3,004	(0.9)	538	560	(3.9)
Hydropower	0.49	0.50	(2.0)	0.48	0.49	(2.0)	3,884	3,962	(2.0)	225	227	(0.9)
Photovoltaic power	0.61	0.14	335.7	0.60	0.14	328.6	1,058	744	42.2	315	366	(13.9)
Overseas	0.99	1.15	(13.9)	0.85	1.00	(15.0)	3,304	3,829	(13.7)	489	498	(1.8)
Coal-fired power	0.99	1.15	(13.9)	0.85	1.00	(15.0)	3,304	3,829	(13.7)	489	498	(1.8)
Total/Weighted average	168.14	156.23	7.6	158.27	146.83	7.8	3,745	3,865	(3.1)	401	416	(3.6)

2. Installed capacity of power generating units

Unit: MW

Type of power	Total installed capacity as at 31 December 2023	Newly installed capacity from January to September 2024	Total installed capacity as at 30 September 2024
Coal-fired power	43,164	80	43,244
Gas-fired power	950	0	950
Hydropower	125	0	125
Photovoltaic power	395	225	620
Total	44,634	305	44,939

From January to September 2024, the Group's newly installed capacity is 305 MW, among which, the newly installed capacities of coal-fired power generating units (which include an Already revised installed capacity of 50 MW newly contributed by the full operation of Unit 3 of China Energy Shenfu (Jinjiang) Thermal Power Co., Ltd. and an installed capacity of 30 MW added to China Energy Yuedian Taishan Power Generating Co., Ltd. through capacity expansion) and photovoltaic power generating units (which are contributed by new foreign-operated photovoltaic generating units located in Guangdong, Fujian, and Jiangxi) are 80 MW and 225 MW, respectively.

3. Operating results (before elimination on consolidation)

Item	Unit	January to September 2024	January to September 2023	Change %	Main reasons for changes
Revenue	RMB million	70,367	68,049	3.4	Increase in power output dispatch
Cost of sales	RMB million	(59,554)	(56,249)	5.9	Increase in power output dispatch, and the cost of coal procurement; increase in depreciation and amortisation and labour costs due to the newly commissioned units
Gross profit	RMB million	10,813	11,800	(8.4)	Decrease in average electricity sales price
Gross profit margin	%	15.4	17.3	Decreased by 1.9 percentage points	
Profit before income tax	RMB million	8,879	10,071	(11.8)	

From January to September 2024, the Group's average cost of power output dispatch of the power business (including heat sales) was RMB353.4/MWh (for the same period in 2023: RMB356.0/MWh), representing a year-on-year decrease of 0.7%.

(IV) Major operation of transportation and coal chemical segments (before elimination on consolidation)

Unit: RMB million

Item	Railway			Port			Shipping			Coal chemical		
	January to September 2024	January to September 2023	Change %	January to September 2024	January to September 2023	Change %	January to September 2024	January to September 2023	Change %	January to September 2024	January to September 2023	Change %
Revenue	32,672	32,988	(1.0)	5,133	4,978	3.1	3,771	3,630	3.9	4,099	4,550	(9.9)
Cost of sales	(20,157)	(20,460)	(1.5)	(2,931)	(2,730)	7.4	(3,376)	(3,372)	0.1	(3,933)	(4,293)	(8.4)
Gross profit	12,515	12,528	(0.1)	2,202	2,248	(2.0)	395	258	53.1	166	257	(35.4)
Gross profit margin (%)	38.3	38.0	Increased by 0.3 percentage point	42.9	45.2	Decreased by 2.3 percentage points	10.5	7.1	Increased by 3.4 percentage points	4.0	5.6	Decreased by 1.6 percentage points
Profit before income tax	10,408	10,457	(0.5)	1,816	1,891	(4.0)	341	112	204.5	22	44	(50.0)

From January to September 2024, the year-on-year decrease in gross profit of the coal chemical segment was mainly due to the decrease in production and sales volume of polyolefin products as a result from the scheduled overhaul of coal-to-olefin production facilities.

(V) Progress of key projects

1. During the Reporting Period, the official reply on approval from the National Development and Reform Commission for Xinjie No. 1 Mine and Xinjie No. 2 Mine projects in Xinjie Taigemiao Mining Area of Inner Mongolia was obtained, and the projects are currently in the pre-construction preparation stage; as well as the exploration licenses for the Xinjie No. 3 Mine and Xinjie No. 4 Mine projects were obtained, with coal resource exploration and related license applications actively in progress.

2. The preliminary land review for the Dongsheng East to Taigemiao Railway received approval from the Ministry of Natural Resources of the PRC in July 2024, laying the foundation for the project's official approval.
3. The preliminary design of the Phase V project of the coal port area of Huanghua Port received the reply on approval in September 2024. Currently, various preparations for construction are actively progressing, with a plan to commence construction by the end of 2024.
4. The Phase II gas-thermal power cogeneration unit project of China Energy (Huizhou) Thermal Power Co., Ltd. (with a total installed capacity of 1,000MW) was officially put into commercial operation in October 2024.
5. During the Reporting Period, the 1 × 1,000MW unit expansion project for Fujian Shishi Hongshan Thermal Power Plant Phase III was approved, which is located in Hongshan Town, Shishi City, Quanzhou City, Fujian Province, and scheduled to construct a 1,000MW ultra-supercritical, primary reheat coal-fired power generating unit, with a total estimated investment of approximately RMB3.69 billion. The project entity is China Energy Shenfu (Shishi) Power Generation Co., Ltd., 51% of which is held by Shenhua (Fujian) Energy Co., Ltd., a wholly-owned subsidiary of the Company. Upon completion, such project will help enhance the energy security across Fujian Province and better accommodate the demand for power supply from power grids in southern Quanzhou and Xiamen.

IV. FINANCIAL STATEMENTS FOR THE THIRD QUARTER OF 2024 PREPARED IN ACCORDANCE WITH IFRS ACCOUNTING STANDARDS

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

For the nine months ended 30 September

	2024	2023
	<i>RMB million</i>	<i>RMB million</i>
	(unaudited)	(unaudited)
Revenue		
Goods and services	253,899	252,467
Cost of sales	(176,388)	(172,175)
	<hr/>	<hr/>
Gross profit	77,511	80,292
Selling expenses	(336)	(305)
General and administrative expenses	(6,963)	(6,891)
Research and development costs	(1,740)	(1,399)
Other gains and losses	498	(247)
Other income	567	896
Loss allowances, net of reversal	16	(9)
Other expenses	(930)	(175)
Interest income	2,141	2,028
Finance costs	(2,272)	(2,297)
Share of results of associates	2,937	2,758
	<hr/>	<hr/>
Profit before income tax	71,429	74,651
Income tax expense	(12,445)	(13,560)
	<hr/>	<hr/>
Profit for the period	58,984	61,091
	<hr/> <hr/>	<hr/> <hr/>

	2024 <i>RMB million</i> (unaudited)	2023 <i>RMB million</i> (unaudited)
Other comprehensive income for the period		
<i>Items that will not be reclassified subsequently to profit or loss, net of income tax:</i>		
Change in the fair value of investments in equity instruments at fair value through other comprehensive income	165	86
Share of other comprehensive income of associates	<u>(11)</u>	<u>160</u>
<i>Items that may be reclassified subsequently to profit or loss, net of income tax:</i>		
Exchange differences	(102)	297
Share of other comprehensive income of associates	<u>(22)</u>	<u>(6)</u>
Other comprehensive income for the period, net of income tax	<u>30</u>	<u>537</u>
Total comprehensive income for the period	<u>59,014</u>	<u>61,628</u>
Profit for the period attributable to:		
Equity holders of the Company	50,569	52,501
Non-controlling interests	<u>8,415</u>	<u>8,590</u>
	<u>58,984</u>	<u>61,091</u>
Total comprehensive income for the period attributable to:		
Equity holders of the Company	50,617	52,960
Non-controlling interests	<u>8,397</u>	<u>8,668</u>
	<u>59,014</u>	<u>61,628</u>
Earnings per share (RMB)		
– Basic	<u>2.546</u>	<u>2.642</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2024

	As at 30 September 2024 <i>RMB million</i> (unaudited)	As at 31 December 2023 <i>RMB million</i> (audited)
Non-current assets		
Property, plant and equipment	287,394	290,839
Construction in progress	24,588	18,955
Exploration and evaluation assets	4,968	5,519
Intangible assets	5,135	4,662
Right-of-use assets	23,485	23,994
Interests in associates	58,315	55,635
Equity instruments at fair value through other comprehensive income	2,706	2,486
Financial assets at fair value through profit or loss	60	–
Other non-current assets	29,211	27,070
Deferred tax assets	5,221	5,301
	441,083	434,461
Current assets		
Inventories	11,357	12,846
Accounts and bills receivables	18,326	19,858
Financial assets at fair value through other comprehensive income	61	254
Prepaid expenses and other current assets	16,401	16,007
Restricted bank deposits	11,016	7,298
Time deposits with original maturity over three months	64,484	34,514
Cash and cash equivalents	89,632	108,174
	211,277	198,951

	As at 30 September 2024 RMB million (unaudited)	As at 31 December 2023 RMB million (audited)
Current liabilities		
Borrowings	4,646	4,622
Accounts and bills payables	34,215	38,901
Accrued expenses and other payables	40,510	30,613
Current portion of bonds	2,927	–
Current portion of lease liabilities	247	300
Current portion of long-term liabilities	5,605	5,184
Income tax payable	2,615	4,757
Contract liabilities	5,161	7,208
	<hr/>	<hr/>
Total current liabilities	95,926	91,585
	<hr/>	<hr/>
Net current assets	115,351	107,366
	<hr/>	<hr/>
Total assets less current liabilities	556,434	541,827
	<hr/>	<hr/>
Non-current liabilities		
Borrowings	28,312	29,636
Bonds	–	2,972
Lease liabilities	997	1,332
Long-term liabilities	19,406	15,125
Accrued reclamation obligations	9,466	8,780
Deferred tax liabilities	1,204	1,137
Other non-current liabilities	1,187	1,194
	<hr/>	<hr/>
Total non-current liabilities	60,572	60,176
	<hr/>	<hr/>
Net assets	495,862	481,651
	<hr/> <hr/>	<hr/> <hr/>
Equity		
Share capital	19,869	19,869
Reserves	397,569	391,609
	<hr/>	<hr/>
Total equity attributable to equity holders of the Company	417,438	411,478
Non-controlling interests	78,424	70,173
	<hr/>	<hr/>
Total equity	495,862	481,651
	<hr/> <hr/>	<hr/> <hr/>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the nine months ended 30 September

	2024 <i>RMB million</i> (unaudited)	2023 <i>RMB million</i> (unaudited)
Operating activities		
Cash generated from operations	97,604	89,689
Income taxes paid	<u>(14,100)</u>	<u>(14,969)</u>
Net cash generated from operating activities	<u>83,504</u>	<u>74,720</u>
Investing activities		
Acquisition of property, plant and equipment, intangible assets, exploration and evaluation assets, additions to construction in progress and other non-current assets	(20,855)	(25,527)
Increase in right-of-use assets	(280)	(621)
Proceeds from disposal of property, plant and equipment, intangible assets, lease prepayments and other non-current assets	471	488
Investment in financial asset at fair value through profit or loss	(60)	–
Investments in associates	(431)	(2,804)
Net cash outflow from disposal of subsidiaries	(14)	–
Dividend received from associates	359	593
Interest received	2,318	2,993
Increase in restricted bank deposits	(3,719)	(1,752)
Placing of time deposits with original maturity over three months	(49,655)	(36,267)
Maturity of time deposits with original maturity over three months	19,685	33,971
Repayment of investment	<u>246</u>	<u>445</u>
Net cash used in investing activities	<u>(51,935)</u>	<u>(28,481)</u>

	2024 <i>RMB million</i> (unaudited)	2023 <i>RMB million</i> (unaudited)
Financing activities		
Capital element of lease rentals paid	(430)	(155)
Interest element of lease rentals paid	(27)	(24)
Interest paid	(1,557)	(1,755)
Proceeds from borrowings	6,587	8,983
Repayments of borrowings	(7,626)	(24,389)
Repurchase of bonds	(57)	(596)
Acquisition of non-controlling interests in subsidiaries	(58)	–
Proceeds from bills discounted	–	56
Contributions from non-controlling shareholders	97	473
Distribution to non-controlling shareholders	(2,073)	(5,237)
Dividends paid to equity holders of the Company	(44,903)	(50,665)
	<u>(50,047)</u>	<u>(73,309)</u>
Net cash used in financing activities		
	<u>(50,047)</u>	<u>(73,309)</u>
Net decrease in cash and cash equivalents	(18,478)	(27,070)
Cash and cash equivalents as at the beginning of the period	108,174	131,458
Effect of foreign exchange rate changes	(64)	225
	<u>(64)</u>	<u>225</u>
Cash and cash equivalents as at the end of the period	<u><u>89,632</u></u>	<u><u>104,613</u></u>

V. DEFINITIONS

China Shenhua/the Company	China Shenhua Energy Company Limited
The Group	The Company and its controlled subsidiaries
China Energy	China Energy Investment Corporation Limited
Trading Group	China Energy Trading Group Limited
China Accounting Standards for Business Enterprises	the Accounting Standards for Business Enterprises, Application Guidance to Accounting Standards for Business Enterprises, Interpretations of Accounting Standards for Business Enterprises and other related requirements issued by the Ministry of Finance of the People's Republic of China
IFRS Accounting Standards	IFRS Accounting Standards issued by the International Accounting Standards Board
The Reporting Period	July to September 2024

By order of the board

China Shenhua Energy Company Limited

Song Jinggang

Chief Financial Officer and Secretary to the Board of Directors

Beijing, 25 October 2024

As at the date of this announcement, the Board comprises the following: Mr. Lv Zhiren as executive director, Mr. Kang Fengwei and Mr. Li Xinhua as non-executive directors, Dr. Yuen Kwok Keung, Dr. Chen Hanwen and Mr. Wang Hong as independent non-executive directors, and Ms. Jiao Lei as employee director.