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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)

FIRST QUARTERLY REPORT FOR THE YEAR 2025

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 three months ended 31 March 2025 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 report was approved at the eighth meeting of the sixth session of the Board of the Company.
- Zhang Changyan, 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.
- The first quarterly financial statements have not been audited.

I. MAJOR FINANCIAL INDICATORS

(I) Major accounting data and financial indicators

Unit: RMB million

Item	The Reporting Period	The same period last year		Change After restatement %
		Before restatement	After restatement	
Revenue	69,585	87,647	88,162	(21.1)
Profit for the period attributable to equity holders of the Company	13,374	17,760	16,521	(19.0)
Basic earnings per share (RMB/share)	0.673	0.894	0.831	(19.0)
Net cash generated from operating activities	20,538	28,553	27,708	(25.9)
	As at the end of the Reporting Period	As at the end of last year		Change After restatement %
		Before restatement	After restatement	
Total assets	675,837	661,436	671,639	0.6
Equity attributable to equity holders of the Company	435,788	429,653	422,595	3.1

Reasons for retrospective adjustment or restatement:

On 11 February 2025, the Company completed the acquisition of 100% equity interest in Hangjin Energy held by China Energy. For details, please refer to the relevant announcements published by the Company on 21 January, 24 January and 12 February 2025 on the website of The Stock Exchange of Hong Kong Limited. Since then, Hangjin Energy has been included in the consolidated financial statements of the Company. According to the IFRS Accounting Standards, the above acquisition falls under a business combination under common control. The Company has made retrospective adjustments to the consolidated financial statements for the Reporting Period in accordance with the relevant provisions.

For the first quarter of 2025, Hangjin Energy recorded a revenue of RMB1,025 million (the same period of 2024: RMB1,033 million), and loss for the period of RMB14 million (the same period of 2024: loss of RMB1,239 million). The production and operation of Yannan Mine, Zhanihe Open-pit Mine and the coal-power integrated project (comprising Mindong Mine No. 1 and Evenki Power Plant) owned by Hangjin Energy remained stable. For the first quarter of 2025, Hangjin Energy achieved coal sales volume of 3.24 million tonnes (the same period of 2024: 2.11 million tonnes) and power output dispatch of 1.03 million kWh (the same period of 2024: 1.01 million kWh). The construction of Tarangaole Coal Field by Hangjin Energy, with a designed annual production capacity of 10 million tonnes/year, progressed as planned.

(II) Major differences of financial statements prepared under different accounting standards

	<i>Unit: RMB million</i>			
	Net profit attributable to equity holders of the Company		Net assets attributable to equity holders of the Company	
	January to March 2025	January to March 2024 <i>Restated</i>	As at 31 March 2025	As at 31 December 2024 <i>Restated</i>
Under China Accounting Standards for Business Enterprises	11,949	14,564	433,114	419,559
Adjustment for:				
Simple production maintenance, safety production and other related expenditures	1,425	1,957	2,674	3,036
Under IFRS Accounting Standards	13,374	16,521	435,788	422,595

Explanation for difference in accounting data under 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, recognised as expenses in profit or loss for the current period and separately recorded as a specific reserve in shareholders' equity. On 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 and the main reasons in major items of the consolidated financial statements

Unit: RMB million

No.	Items of consolidated statement of profit or loss and other comprehensive income	January to March 2025	January to March 2024 <i>Restated</i>	Change %	Main reasons for changes
1	Revenue	69,585	88,162	(21.1)	The decrease in sales volume and average selling price of coal resulted in a decrease in revenue from coal sales; the decrease in power output dispatch and average power tariff resulted in a decrease in electricity sales revenue
2	Cost of sales	(48,254)	(60,962)	(20.8)	Decrease in cost of sales of purchased coal; decrease in coal procurement cost
3	General and administrative expenses	(2,696)	(2,499)	7.9	Increase in personnel expenses, technical service fees, etc.
4	Other gains and losses	244	(619)	(139.4)	Other gains and losses for the same period last year were mainly due to the provision for asset impairment loss for the Yannan Mine owned by Hangjin Energy
5	Other expenses	87	(1,263)	(106.9)	Other expenses for the same period last year were mainly due to the donations to Inner Mongolia Comprehensive Ecological Improvement Fund
6	Share of results of associates	935	1,086	(13.9)	Decrease in investment income recognised from power generation associates
7	Income tax expense	(3,294)	(4,026)	(18.2)	Decrease in profit before income tax

Unit: RMB million

No.	Items of consolidated statement of financial position	As at 31 March 2025	As at 31 December 2024 <i>Restated</i>	Change %	Main reasons for changes
1	Property, plant and equipment	295,733	298,358	(0.9)	Impacted by provision for depreciation
2	Construction in progress	30,151	27,899	8.1	Continuous investment in power generation and coal projects under construction
3	Other non-current assets	34,282	33,057	3.7	Increase in prepaid expenses for large engineering equipment and others
4	Financial assets at fair value through profit or loss	7,706	17,302	(55.5)	Decrease in the structured deposit products held by the Company
5	Financial assets at fair value through other comprehensive income	86	1,174	(92.7)	Maturity of certain bills receivable
6	Prepaid expenses and other current assets	17,883	16,547	8.1	Increase in prepaid consideration for land and others
7	Cash and cash equivalents	78,742	66,413	18.6	Net cash generated from operating activities during the Reporting Period
8	Short-term borrowings	9,729	13,721	(29.1)	Maturity repayment of certain short-term borrowings
9	Accounts and bills payables	30,927	38,961	(20.6)	Decrease in payable for purchase of materials and payable for construction
10	Accrued expenses and other payables	40,710	35,177	15.7	Increase in accrued repair costs and employee remuneration payable, etc. The increase in employee remuneration payable by the Group was mainly due to the provision for personnel costs during the Reporting Period. As at the end of the Reporting Period, the Group's employee remuneration payable increased by 3.1% as compared to RMB12,709 million (restated) as at the end of the same period last year
11	Current portion of bonds	0	3,020	(100.0)	The USD debentures payable of the Group were due and paid off in January 2025
12	Long-term liabilities	17,147	21,075	(18.6)	Long-term payables for mining rights were paid by Wanli No.1 Mine and other mines

Unit: RMB million

No.	Items of condensed consolidated statement of cash flows	January to March 2025	January to March 2024 <i>Restated</i>	Change %	Main reasons for changes
1	Net cash generated from operating activities	20,538	27,708	(25.9)	Decrease in revenue from the Group's coal, power generation and transportation businesses
2	Net cash used in investing activities	(1,268)	(25,084)	(94.9)	Greater increase in time deposits in the same period last year
3	Net cash used in financing activities	(6,922)	(300)	2,207.3	The USD debentures payable were due and paid off, and more loan repayments

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>)	193,774
Including: Holders of A shares (including China Energy) (<i>accounts</i>)	192,026
Registered holders of H shares (<i>accounts</i>)	1,748

Unit: share

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

Name of shareholders	Nature of shareholder	Number of shares	Shareholding percentage %	Number of shares 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
H K S C C N O M I N E E S LIMITED	Overseas corporation	3,370,318,528	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	156,248,127	0.79	0	Nil	N/A
Central Huijin Asset Management Ltd.	State-owned corporation	106,077,400	0.53	0	Nil	N/A
Industrial and Commercial Bank of China – Shanghai Index 50 Trading Open-end Index Securities Investment Fund	Others	60,367,713	0.30	0	Nil	N/A
Guoxin Investment Co., Ltd.	State-owned corporation	60,322,375	0.30	0	Nil	N/A
China Life Insurance Company Limited – Traditional – General Insurance Products – 005L-CT001 Shanghai	Others	56,487,918	0.28	0	Nil	N/A
Industrial and Commercial Bank of China Limited – Huatai-Pinebridge Shanghai-Shenzhen 300 Index Exchange Traded Open-ended Index Fund	Others	53,929,584	0.27	0	Nil	N/A
China Construction Bank Corporation – E Fund Shanghai-Shenzhen 300 Index Exchange Traded Open-ended Index Initiating Fund	Others	37,691,170	0.19	0	Nil	N/A

Shareholdings of top 10 shareholders without selling restrictions

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	3,370,318,528	Overseas-listed foreign shares	3,370,318,528
China Securities Finance Corporation Limited	594,718,004	RMB ordinary shares	594,718,004
Hong Kong Securities Clearing Company Limited	156,248,127	RMB ordinary shares	156,248,127
Central Huijin Asset Management Ltd.	106,077,400	RMB ordinary shares	106,077,400
Industrial and Commercial Bank of China – Shanghai Index 50 Trading Open-end Index Securities Investment Fund	60,367,713	RMB ordinary shares	60,367,713
Guoxin Investment Co., Ltd.	60,322,375	RMB ordinary shares	60,322,375
China Life Insurance Company Limited – Traditional – General Insurance Products – 005L-CT001 Shanghai	56,487,918	RMB ordinary shares	56,487,918
Industrial and Commercial Bank of China Limited – Huatai-Pinebridge Shanghai- Shenzhen 300 Index Exchange Traded Open- ended Index Fund	53,929,584	RMB ordinary shares	53,929,584
China Construction Bank Corporation – E Fund Shanghai-Shenzhen 300 Index Exchange Traded Open-ended Index Initiating Fund	37,691,170	RMB ordinary shares	37,691,170
Statements on the related party relationships among the above shareholders and whether they are parties acting in concert	Both HKSCC NOMINEES LIMITED and Hong Kong Securities Clearing Company Limited are wholly-owned subsidiaries of Hong Kong Exchanges and Clearing Limited. The custodian bank of both 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 as 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")	N/A		

Notes: 1. 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.

2. As at the end of the Reporting Period, the controlling shareholder of the Company, China Energy, in addition to its direct shareholding, held 11,593,528 A shares of the Company through its wholly-owned subsidiary, China Energy Capital Holdings Co., Ltd., representing 0.0584% of the total number of issued shares of the Company. China Energy directly and indirectly held a total of 13,824,302,724 A shares of the Company, representing approximately 69.5789% of the total number of issued shares of 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

☐ Applicable ☒ Not applicable

(III) Change in the top ten shareholders and top ten shareholders without selling restrictions from the previous period due to shares lending/repayment through Refinancing

☐ Applicable ☒ Not applicable

III. OTHER MATERIAL ISSUES

(I) Major operational data

Operational indicators	Unit	January to March 2025	January to March 2024 <i>Restated</i>	Change %
(I) Coal				
1. Commercial coal production	Million tonnes	82.5	83.4	(1.1)
2. Coal sales	Million tonnes	99.3	117.3	(15.3)
Of which: Self-produced coal	Million tonnes	78.5	82.4	(4.7)
Purchased coal	Million tonnes	20.8	34.9	(40.4)
(II) Transportation				
1. Transportation turnover of self-owned railways	Billion tonnes km	72.5	82.0	(11.6)
2. Loading volume at Huanghua Port	Million tonnes	49.7	54.5	(8.8)
3. Loading volume at Tianjin Coal Dock	Million tonnes	9.8	10.5	(6.7)
4. Shipment volume	Million tonnes	21.8	33.7	(35.3)
5. Shipment turnover	Billion tonne nautical miles	23.8	36.3	(34.4)
(III) Power				
1. Gross power generation	Billion kWh	50.42	56.47	(10.7)
2. Total power output dispatch	Billion kWh	47.47	53.17	(10.7)
(IV) Coal chemical				
1. Polyethylene sales	Thousand tonnes	92.0	89.5	2.8
2. Polypropylene sales	Thousand tonnes	83.2	82.7	0.6

Note: As of the end of the Reporting Period, the Company has completed the acquisition of 100% equity interest in Hangjin Energy held by China Energy. The Group's major operational indicators for the period from January to March 2025 include operational data related to Hangjin Energy, and retrospective adjustments have been made to the major operational indicators for the same period last year (same below).

(II) Operation of the coal segment

1. Coal sales

(1) By contract pricing mechanisms

	January to March 2025			January to March 2024 (Restated)			Change	
	Sales volume <i>Million tonnes</i>	Percentage to total sales volume	Price (exclusive of tax)	Sales volume <i>Million tonnes</i>	Percentage to total sales volume	Price (exclusive of tax)	Sales volume	Price (exclusive of tax)
		%	<i>RMB/tonne</i>		%	<i>RMB/tonne</i>		
I. Sales through Trading Group	95.7	96.4	517	111.4	95.0	586	(14.1)	(11.8)
1. Annual long-term contracts	63.5	63.9	502	58.5	49.9	490	8.5	2.4
2. Monthly long-term contracts	27.5	27.7	541	36.7	31.3	737	(25.1)	(26.6)
3. Spot commodity	4.7	4.8	569	16.2	13.8	591	(71.0)	(3.7)
II. Direct sales at the coal mine pit	3.6	3.6	214	5.9	5.0	316	(39.0)	(32.3)
Total sales volume/average price (exclusive of tax)	99.3	100.0	506	117.3	100.0	572	(15.3)	(11.5)

Note: The above is a summary of the Group's sales of coal products with different calorific values, including electric coal and other coal for metallurgy, chemical engineering, etc.

Compared to the year 2024, the contracted volume of medium- and long-term contracts for electric coal by China Shenhua for the year 2025 remained basically stable, with no significant changes. The sales volume of medium- and long-term contracts completed in each quarter fluctuates due to factors such as downstream demand, sales policies, and redemption rates.

(2) By sales regions

	January to March 2025			January to March 2024 (Restated)			Change	
	Sales volume <i>Million tonnes</i>	Percentage to total sales volume	Price (exclusive of tax)	Sales volume <i>Million tonnes</i>	Percentage to total sales volume	Price (exclusive of tax)	Sales volume	Price (exclusive of tax)
		%	<i>RMB/tonne</i>		%	<i>RMB/tonne</i>		
I. Domestic sales	98.0	98.7	505	115.7	98.6	571	(15.3)	(11.6)
Of which: Sales of imported coal	1.5	1.5	528	1.3	1.1	631	15.4	(16.3)
II. Export and overseas sales	1.3	1.3	593	1.6	1.4	673	(18.8)	(11.9)
Total sales volume/average price (exclusive of tax)	99.3	100.0	506	117.3	100.0	572	(15.3)	(11.5)

2. Operating results (before elimination on consolidation)

		January to March 2025	January to March 2024 <i>Restated</i>	Change %	Main reasons for changes
Revenue	RMB million	51,599	69,423	(25.7)	Decrease in sales volume and average selling price of coal resulting in decrease in sales revenue of coal
Cost of sales	RMB million	(38,427)	(51,702)	(25.7)	Decrease in cost of sales of self-produced coal due to decrease in its sales volume; decrease in cost of sales of purchased coal due to decrease in its sales volume and purchase price
Gross profit	RMB million	13,172	17,721	(25.7)	
Gross profit margin	%	25.5	25.5	Remained the same	
Profit before income tax	RMB million	11,378	13,947	(18.4)	

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

Type of source of coal	January to March 2025				January to March 2024 (Restated)			
	Sales revenue	Cost of sales	Gross profit	Gross profit margin	Sales revenue	Cost of sales	Gross profit	Gross profit margin
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>	%	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>	%
Self-produced coal	38,029	(21,718)	16,311	42.9	43,571	(22,642)	20,929	48.0
Purchased coal	12,196	(12,026)	170	1.4	23,640	(23,105)	535	2.3
Total	50,225	(33,744)	16,481	32.8	67,211	(45,747)	21,464	31.9

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

	January to March 2025	January to March 2024 <i>Restated</i>	Change %	Main reasons for changes
Unit production cost of self-produced coal	180.2	169.7	6.2	
Raw materials, fuel and power	26.7	27.3	(2.2)	
Personnel expenses	65.3	61.2	6.7	Due to the provision for personnel expenses
Repairs and maintenance	9.7	8.4	15.5	Due to the plan for check and maintenance
Depreciation and amortisation	20.6	20.0	3.0	
Others	57.9	52.8	9.7	Due to increase in relocation compensation, etc.

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 55%; (2) auxiliary production expenses, accounting for approximately 22%; (3) land requisition and surface subsidence compensation, environmental protection expenses, tax, etc., accounting for approximately 23%.

(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 utilisation hours (hour)			Power tariff (RMB/MWh)		
	January to March 2025	January to March 2024 <i>Restated</i>	Change %	January to March 2025	January to March 2024 <i>Restated</i>	Change %	January to March 2025	January to March 2024 <i>Restated</i>	Change %	January to March 2025	January to March 2024 <i>Restated</i>	Change %
Domestic	50.06	56.14	(10.8)	47.16	52.90	(10.9)	1,062	1,229	(13.6)	385	408	(5.6)
Coal-fired power	48.36	54.95	(12.0)	45.49	51.73	(12.1)	1,097	1,245	(11.9)	379	405	(6.4)
Gas-fired power	1.40	0.97	44.3	1.37	0.95	44.2	636	1,023	(37.8)	604	584	3.4
Hydropower	0.06	0.07	(14.3)	0.06	0.07	(14.3)	745	544	36.9	309	302	2.3
Photovoltaic power	0.24	0.15	60.0	0.24	0.15	60.0	304	325	(6.5)	308	283	8.8
Overseas	0.36	0.33	9.1	0.31	0.27	14.8	1,209	1,083	11.6	471	514	(8.4)
Coal-fired power	0.36	0.33	9.1	0.31	0.27	14.8	1,209	1,083	11.6	471	514	(8.4)
Total/Weighted average	50.42	56.47	(10.7)	47.47	53.17	(10.7)	1,063	1,228	(13.4)	386	409	(5.6)

2. *Installed power generators*

At the end of the Reporting Period, the total installed capacity of power generating units of the Group reached 47,505 MW. Among which, the installed capacity of the coal-fired power generators is 44,384 MW, the installed capacity of gas-fired power is 2,194 MW, the installed capacity of hydropower is 78 MW and the installed capacity of photovoltaic power in external commercial operation is 849 MW.

Unit: MW

Type of power	Total installed capacity as at 31 December 2024	Change in installed capacity during the Reporting Period	Total installed capacity as at 31 March 2025
Coal-fired power	43,184	1,200	44,384
Gas-fired power	2,194	0	2,194
Hydropower	125	(47)	78
Photovoltaic power	761	88	849
Total	<u>46,264</u>	<u>1,241</u>	<u>47,505</u>

During the Reporting Period, the Group's newly installed capacity was 1,241 MW. Among which, the installed capacity of coal-fired power increased by 1,200 MW upon the Company's completion of acquisition of 100% equity interest in Hangjin Energy; the installed capacity of hydropower decreased by 47 MW upon the closure and transfer of some hydropower stations by China Energy Sichuan Energy Co., Ltd., a controlled subsidiary of the Company; the installed capacity of the photovoltaic power generators for external commercial operation added a total of 88 MW upon the commencement of operation of photovoltaic projects of the Group located in provinces such as Shandong Province and Fujian Province.

3. Operating results (before elimination on consolidation)

Currency: RMB

		January to March 2025	January to March 2024 <i>Restated</i>	Change %	Main reasons for changes
Revenue	million	20,854	24,452	(14.7)	Decrease in power output dispatch and average price of power sales
Cost of sales	million	(17,698)	(20,381)	(13.2)	Decrease in power output dispatch; decrease in price and procurement cost of purchased coal
Gross profit	million	3,156	4,071	(22.5)	
Gross profit margin	%	15.1	16.6	Decreased by 1.5 percentage points	
Profit before income tax	million	2,792	3,415	(18.2)	

From January to March 2025, the Group's average cost of power output dispatch of the power business was RMB350.1/MWh (for the same period in 2024: RMB360.3/MWh (restated)), representing a year-on-year decrease of 2.8%, which was mainly due to the decrease in the purchase price of coal.

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

Unit: RMB million

	Railway			Port			Shipping			Coal chemical		
	January to March 2025	January to March 2024	Change %	January to March 2025	January to March 2024	Change %	January to March 2025	January to March 2024	Change %	January to March 2025	January to March 2024	Change %
Revenue	10,526	11,763	(10.5)	1,576	1,698	(7.2)	716	1,214	(41.0)	1,472	1,506	(2.3)
Cost of sales	(6,254)	(7,240)	(13.6)	(838)	(881)	(4.9)	(653)	(1,075)	(39.3)	(1,386)	(1,439)	(3.7)
Gross profit	4,272	4,523	(5.5)	738	817	(9.7)	63	139	(54.7)	86	67	28.4
Gross profit margin (%)	40.6	38.5	Increased by 2.1 percentage points	46.8	48.1	Decreased by 1.3 percentage points	8.8	11.4	Decreased by 2.6 percentage points	5.8	4.4	Increased by 1.4 percentage points
Profit before income tax	3,610	3,903	(7.5)	629	670	(6.1)	34	106	(67.9)	47	19	147.4

From January to March 2025, the year-on-year decrease in profit before income tax of the railway, port and shipping segments was due to factors such as the decline in coal sales and the adjustment of shipping business structure.

(V) Progress of key projects

1. During the Reporting Period, the Xinjie No. 1 Mine and Xinjie No. 2 Mine projects in the Xinjie Taigemiao Mining Area actively promoted the handling of preliminary procedures, and the design of project safety facilities, the project construction land, the environmental assessment for the project and the filing for commencement of construction were all approved. As of the disclosure date of this report, the construction of the vertical shafts of the Xinjie No. 1 Mine and Xinjie No. 2 Mine has commenced.
2. During the Reporting Period, the fifth phase of the Huanghua Port (Coal Port Area) project has started construction in full swing, and construction works such as trial pile construction and channel dredging were proceeding as planned.

IV. FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH IFRS ACCOUNTING STANDARDS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months ended 31 March

	2025 RMB million (unaudited)	2024 RMB million (unaudited) (restated)
Revenue		
Goods and services	69,585	88,162
Cost of sales	<u>(48,254)</u>	<u>(60,962)</u>
Gross profit	21,331	27,200
Selling expenses	(131)	(123)
General and administrative expenses	(2,696)	(2,499)
Research and development costs	(241)	(274)
Other gains and losses	244	(619)
Other income	202	128
Loss allowances	16	11
Other expenses	87	(1,263)
Interest income	631	695
Finance costs	(786)	(767)
Share of results of associates	<u>935</u>	<u>1,086</u>

	2025 RMB million (unaudited)	2024 RMB million (unaudited) (restated)
Profit before income tax	19,592	23,575
Income tax expense	<u>(3,294)</u>	<u>(4,026)</u>
Profit for the period	<u>16,298</u>	<u>19,549</u>
Other comprehensive income for the period		
<i>Items that will not be reclassified subsequently to profit or loss, net of income tax:</i>		
Share of other comprehensive income of associates	<u>122</u>	<u>(13)</u>
<i>Items that may be reclassified subsequently to profit or loss, net of income tax:</i>		
Exchange differences	(20)	17
Share of other comprehensive income of associates	<u>(81)</u>	<u>(19)</u>
Other comprehensive income for the period, net of income tax	<u>21</u>	<u>(15)</u>
Total comprehensive income for the period	<u>16,319</u>	<u>19,534</u>
Profit for the period attributable to:		
Equity holders of the Company	13,374	16,521
Non-controlling interests	<u>2,924</u>	<u>3,028</u>
Total comprehensive income for the period attributable to:		
Equity holders of the Company	13,406	16,502
Non-controlling interests	<u>2,913</u>	<u>3,032</u>
Earnings per share		
– Basic (RMB)	<u>0.673</u>	<u>0.831</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	As at 31 March 2025 RMB million (unaudited)	As at 31 December 2024 RMB million (unaudited) (restated)
Non-current assets		
Property, plant and equipment	295,733	298,358
Construction in progress	30,151	27,899
Exploration and evaluation assets	4,861	4,861
Intangible assets	5,515	5,487
Right-of-use assets	25,790	25,927
Interests in associates	61,131	59,906
Equity instruments at fair value through other comprehensive income	2,787	2,787
Financial assets at fair value through profit or loss	60	60
Other non-current assets	34,282	33,057
Deferred tax assets	6,818	6,158
Total non-current assets	467,128	464,500
Current assets		
Inventories	12,308	12,666
Accounts and bills receivables	15,325	15,605
Financial assets at fair value through profit or loss	7,706	17,302
Financial assets at fair value through other comprehensive income	86	1,174
Prepaid expenses and other current assets	17,883	16,547
Restricted bank deposits	14,410	14,280
Time deposits with original maturity over three months	62,249	63,152
Cash and cash equivalents	78,742	66,413
Total current assets	208,709	207,139

	As at 31 March 2025 RMB million (unaudited)	As at 31 December 2024 RMB million (unaudited) (restated)
Current liabilities		
Borrowings	9,729	13,721
Accounts and bills payables	30,927	38,961
Accrued expenses and other payables	40,710	35,177
Current portion of bonds	0	3,020
Current portion of lease liabilities	367	390
Current portion of long-term liabilities	6,782	6,200
Income tax payable	3,832	3,646
Contract liabilities	3,882	4,001
Total current liabilities	96,229	105,116
Net current assets	112,480	102,023
Total assets less current liabilities	579,608	566,523
Non-current liabilities		
Borrowings	32,453	31,682
Lease liabilities	1,120	1,133
Long-term liabilities	17,147	21,075
Accrued reclamation obligations	9,603	9,668
Deferred tax liabilities	1,375	1,348
Other non-current liabilities	1,496	1,355
Total non-current liabilities	63,194	66,261
Net assets	516,414	500,262
Equity		
Share capital	19,869	19,869
Reserves	415,919	402,726
Equity attributable to equity holders of the Company	435,788	422,595
Non-controlling interests	80,626	77,667
Total equity	516,414	500,262

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended 31 March

	2025 RMB million (unaudited)	2024 RMB million (unaudited) (restated)
Operating activities		
Cash generated from operations	24,285	32,254
Income tax paid	(3,747)	(4,546)
Net cash generated from operating activities	20,538	27,708
Investing activities		
Acquisition of property, plant and equipment, intangible assets, exploration and evaluation assets, construction in progress and other non-current assets	(11,422)	(10,863)
Increase in right-of-use assets	(141)	(70)
Proceeds from disposal of property, plant and equipment, intangible assets and other non-current assets	444	311
Cash paid for acquisition of subsidiaries	(853)	0
Recovery of investments	17,796	29
Investments in associates	(359)	(251)
Cash received from disposal of subsidiaries	184	0
Dividend received from associates	34	82
Interest received	676	670
Purchase of structured deposits	(8,400)	0
Maturity of time deposits with original maturity over three months	3,609	2,962
Cash payment for other investing activities	(2,836)	(17,954)
Net cash used in investing activities	(1,268)	(25,084)

	2025 RMB million (unaudited)	2024 RMB million (unaudited) (restated)
Financing activities		
Capital element of lease rentals paid	(156)	(36)
Interest element of lease rentals paid	(6)	(6)
Interest paid	(477)	(487)
Proceeds from borrowings	2,071	4,587
Repayments of borrowings	(5,415)	(3,988)
Repayments of bonds	(3,020)	0
Contributions from non-controlling shareholders	93	13
Distribution to non-controlling shareholders	(12)	(383)
Net cash used in financing activities	(6,922)	(300)
Net increase in cash and cash equivalents	12,348	2,324
Cash and cash equivalents as at the beginning of the period	66,413	109,928
Effect of foreign exchange rate changes	(19)	7
Cash and cash equivalents as at the end of the period	78,742	112,259

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
Hangjin Energy	China Energy Hangjin Energy Co., Ltd.
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	January to March 2025

By order of the board

China Shenhua Energy Company Limited

Song Jinggang

Chief Financial Officer and Secretary to the Board of Directors

Beijing, 25 April 2025

As at the date of this announcement, the Board comprises the following: Mr. Zhang Changyan 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.