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四川能投發展股份有限公司

Sichuan Energy Investment Development Co., Ltd.*

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

(Stock Code: 01713)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

The Board of Sichuan Energy Investment Development Co., Ltd.* is pleased to announce the audited consolidated financial results of the Group for the year ended 31 December 2025, together with the comparative figures for the year ended 31 December 2024. These results have been audited by the Company's auditor and reviewed by the Audit Committee.

Certain amounts and percentage figures contained in this announcement have been adjusted or rounded to one or two decimal places. Any differences between the totals and the sum of the amounts shown in any table, chart or elsewhere are due to rounding.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

(Expressed in Renminbi)

	Notes	2025 RMB	2024 RMB
Operating revenue	2	<u>4,968,130,028.88</u>	<u>4,775,571,527.88</u>
Less: Operating costs	2	<u>4,300,673,463.31</u>	3,978,882,555.40
Tax and surcharges	3	<u>20,659,521.20</u>	21,466,210.28
Administrative expenses		<u>256,477,709.34</u>	278,840,646.35
Finance costs	4	<u>23,406,005.58</u>	15,329,400.83
Including: Interest expenses		<u>23,709,533.97</u>	16,406,800.27
Interest income		<u>2,848,519.63</u>	3,892,162.87
Add: Other income		<u>4,312,923.71</u>	3,292,811.28
Investment losses	5	<u>(14,307,203.82)</u>	(4,817,622.92)
Including: Losses from investment in associates		<u>(14,307,203.82)</u>	(5,444,082.67)
Credit impairment losses	6	<u>(25,966,051.45)</u>	(16,773,076.78)
Asset impairment losses	7	<u>(1,178,924.88)</u>	(1,934,151.07)
Losses on asset disposal	8	<u>(160,178.92)</u>	(95,040.17)
Operating profit		<u>329,613,894.09</u>	<u>460,725,635.36</u>
Add: Non-operating income	9(1)	<u>18,882,895.91</u>	11,116,067.84
Less: Non-operating expenses	9(2)	<u>3,978,889.31</u>	<u>5,091,607.76</u>
Total profit		<u>344,517,900.69</u>	<u>466,750,095.44</u>
Less: Income tax expenses	10	<u>56,785,993.97</u>	<u>65,501,879.11</u>
Net profit		<u><u>287,731,906.72</u></u>	<u><u>401,248,216.33</u></u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)*For the year ended 31 December 2025**(Expressed in Renminbi)*

	<i>Notes</i>	2025 RMB	2024 RMB
(i) Breakdown by continuity of operation:			
1. Net profit from continuing operations		287,731,906.72	401,248,216.33
2. Net profit from discontinued operations		—	—
(ii) Breakdown by attributable interests:			
1. Net profit attributable to shareholders of the parent company		286,254,349.28	400,024,969.52
2. Non-controlling interests		1,477,557.44	1,223,246.81
Other comprehensive income, after tax		—	—
Total comprehensive income		<u>287,731,906.72</u>	<u>401,248,216.33</u>
Total comprehensive income attributable to shareholders of the parent company		<u>286,254,349.28</u>	<u>400,024,969.52</u>
Total comprehensive income attributable to non-controlling interests		<u>1,477,557.44</u>	<u>1,223,246.81</u>
Earnings per Share			
Basic and diluted	<i>11</i>	<u>0.27</u>	<u>0.37</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

(Expressed in Renminbi)

		As at 31 December 2025 <i>RMB</i>	As at 31 December 2024 <i>RMB</i>
Assets			
Current assets			
Cash and cash equivalents		432,162,184.95	569,899,108.46
Notes receivable		5,812,189.70	—
Accounts receivable	13	770,578,482.27	887,571,798.18
Prepayments		30,514,599.76	98,798,762.64
Other receivables		88,343,289.15	82,942,355.34
Inventories	14	68,818,994.36	64,631,970.56
Contract assets		115,101,474.09	282,396,998.48
Other current assets		62,343,891.48	17,814,128.58
Total current assets		<u>1,573,675,105.76</u>	<u>2,004,055,122.24</u>
Non-current assets			
Long-term equity investments		322,322,496.91	350,559,753.18
Other non-current financial assets		170,250.00	170,250.00
Fixed assets	12	4,941,872,224.29	4,254,887,729.31
Construction in progress		475,768,648.60	458,196,521.73
Right-of-use assets		10,683,870.94	8,059,476.63
Intangible assets		222,881,450.34	210,721,025.44
Long-term prepaid expenses		8,252,290.71	5,870,407.45
Deferred income tax assets		82,846,167.24	69,029,494.98
Total non-current assets		<u>6,064,797,399.03</u>	<u>5,357,494,658.72</u>
Total assets		<u><u>7,638,472,504.79</u></u>	<u><u>7,361,549,780.96</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2025

(Expressed in Renminbi)

		As at 31 December 2025 <i>RMB</i>	As at 31 December 2024 <i>RMB</i>
Liabilities and shareholders' equity			
Current liabilities			
Short-term borrowings		260,000,000.00	100,000,000.00
Notes payable	15	150,000,000.00	—
Accounts payable	16	972,998,654.45	1,131,408,083.90
Contract liabilities		196,221,391.31	507,537,527.07
Employee benefits payable		175,884,788.45	175,750,662.66
Tax payable		59,259,772.63	85,709,350.06
Other payables		219,647,148.13	188,513,138.29
Non-current liabilities due within one year		<u>242,780,426.93</u>	<u>37,049,226.65</u>
Total current liabilities		<u>2,276,792,181.90</u>	<u>2,225,967,988.63</u>
Non-current liabilities			
Long-term borrowings		397,700,000.00	557,440,000.00
Lease liabilities		5,789,511.44	3,989,638.55
Long-term payables		952,572,400.00	721,707,700.00
Deferred income		163,370,971.02	153,968,021.71
Deferred income tax liabilities		<u>13,189,568.08</u>	<u>13,360,492.35</u>
Total non-current liabilities		<u>1,532,622,450.54</u>	<u>1,450,465,852.61</u>
Total liabilities		<u>3,809,414,632.44</u>	<u>3,676,433,841.24</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)*As at 31 December 2025**(Expressed in Renminbi)*

		As at 31 December 2025 RMB	As at 31 December 2024 RMB
Shareholders' equity			
Share capital	18	1,074,357,700.00	1,074,357,700.00
Capital reserve		1,081,447,605.75	1,081,447,605.75
Special reserve		18,528,746.70	11,931,626.98
Surplus reserve		255,711,194.43	198,047,046.87
Undistributed profit		<u>1,327,016,366.95</u>	<u>1,248,836,243.23</u>
Total equity attributable to shareholders of the parent company		<u>3,757,061,613.83</u>	<u>3,614,620,222.83</u>
Non-controlling interests		<u>71,996,258.52</u>	<u>70,495,716.89</u>
Total shareholders' equity		<u>3,829,057,872.35</u>	<u>3,685,115,939.72</u>
Total liabilities and shareholders' equity		<u><u>7,638,472,504.79</u></u>	<u><u>7,361,549,780.96</u></u>

NOTES TO THE FINANCIAL STATEMENTS

1. CHANGES IN SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

a. Statement of compliance with Accounting Standards for Business Enterprises

These financial statements have been prepared in accordance with the requirements of the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China ("MOF"), and give a true and complete view of the consolidated financial position and financial position of the Group as at 31 December 2025, and the consolidated operating results and operating results and the consolidated cash flows and cash flows of the Group for the year 2025.

In addition, certain relevant disclosures in these financial statements have been made in accordance with the disclosure requirements of the Companies Ordinance and also comply with the applicable disclosure requirements of the Listing Rules.

- b. No changes in the Accounting Standards for Business Enterprises have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented.

The Group did not adopt any new standards or interpretations which have not come into effect in the current accounting period.

2. OPERATING REVENUE AND OPERATING COSTS

(1) Operating revenue and operating costs

	2025		2024	
	Revenue (RMB)	Costs (RMB)	Revenue (RMB)	Costs (RMB)
Principal business	4,949,231,490.67	4,295,329,686.96	4,755,362,770.37	3,970,540,979.68
Other business	18,898,538.21	5,343,776.35	20,208,757.51	8,341,575.72
Total	<u>4,968,130,028.88</u>	<u>4,300,673,463.31</u>	<u>4,775,571,527.88</u>	<u>3,978,882,555.40</u>
Including: Revenue from				
contracts	4,966,309,752.17		4,769,193,293.61	
Other income	1,820,276.71		6,378,234.27	

Among the Group's customers, there is one (2024: one) customer from each of which the Group derived revenue representing more than 10% of the Group's total revenue, accounting for approximately 15.67% (2024: 16.51%) of the Group's total revenue.

(2) Revenue from contracts

Type of contracts	2025 (RMB)	2024 (RMB)
Classified by contract type		
Power supply contracts	4,522,335,655.14	4,339,330,250.74
Contracts of power installation projects	410,414,109.38	404,524,018.56
Material sales contracts	16,481,726.16	11,508,501.39
Others	<u>17,078,261.49</u>	<u>13,830,522.92</u>
 Total	 <u><u>4,966,309,752.17</u></u>	 <u><u>4,769,193,293.61</u></u>
Classified by time of transfer of goods		
Revenue recognized at a point in time	4,555,895,642.79	4,364,669,275.05
Revenue recognized over time	<u>410,414,109.38</u>	<u>404,524,018.56</u>
 Total	 <u><u>4,966,309,752.17</u></u>	 <u><u>4,769,193,293.61</u></u>

3. TAX AND SURCHARGES

	2025 (RMB)	2024 (RMB)
City maintenance and construction tax	4,284,482.62	6,113,721.27
Education surcharge	3,734,150.44	5,019,131.15
Housing property tax	4,375,869.77	4,622,818.54
Others	<u>8,265,018.37</u>	<u>5,710,539.32</u>
 Total	 <u><u>20,659,521.20</u></u>	 <u><u>21,466,210.28</u></u>

4. FINANCE COSTS

	2025 (RMB)	2024 (RMB)
Interest expenses on loans and payables	30,723,058.60	16,613,633.64
Interest expenses on lease liabilities	336,609.58	317,082.35
Less: Capitalized interest expenses	7,350,134.21	523,915.72
Interest income on deposits and receivables	<u>(2,848,519.63)</u>	<u>(3,892,162.87)</u>
Net foreign exchange loss	197,095.62	732,432.50
Other finance costs	<u>2,347,895.62</u>	<u>2,091,330.93</u>
 Total	 <u><u>23,406,005.58</u></u>	 <u><u>15,329,400.83</u></u>

The capitalization rate per annum, at which the borrowing costs were capitalized by the Group, was 2.82% for the year (2024: 2.88%).

5. INVESTMENT INCOME/(LOSSES)

	2025 (RMB)	2024 (RMB)
Investment losses from long-term equity investments accounted for using the equity method	(14,307,203.82)	(5,444,082.67)
Investment income from financial assets held for trading	—	564,965.75
Others	—	61,494.00
Total	<u>(14,307,203.82)</u>	<u>(4,817,622.92)</u>

6. CREDIT IMPAIRMENT LOSSES

	2025 (RMB)	2024 (RMB)
Accounts receivable	(20,414,995.23)	(19,950,152.19)
Other receivables	(5,551,056.22)	3,177,075.41
Total	<u>(25,966,051.45)</u>	<u>(16,773,076.78)</u>

7. ASSET IMPAIRMENT LOSSES

	2025 (RMB)	2024 (RMB)
Fixed assets	(824,592.66)	(21,000.00)
Contract assets	(1,583.33)	(1,913,151.07)
Inventories	(352,748.89)	—
Total	<u>(1,178,924.88)</u>	<u>(1,934,151.07)</u>

8. LOSSES ON ASSET DISPOSAL

	2025 (RMB)	2024 (RMB)
Losses on disposal of fixed assets	(160,178.92)	(95,040.17)
Total	<u>(160,178.92)</u>	<u>(95,040.17)</u>

9. NON-OPERATING INCOME AND EXPENSES

(1) Non-operating income by item is as follows:

	2025 (RMB)	2024 (RMB)
Government grants	8,708,037.79	8,982,949.87
Others	<u>10,174,858.12</u>	<u>2,133,177.97</u>
Total	<u><u>18,882,895.91</u></u>	<u><u>11,116,067.84</u></u>

(2) Non-operating expenses

	2025 (RMB)	2024 (RMB)
Expenses on charity donation	500,000.00	—
Penalty fee and compensation	336,087.41	2,143,505.28
Others	<u>3,142,801.90</u>	<u>2,948,102.48</u>
Total	<u><u>3,978,889.31</u></u>	<u><u>5,091,607.76</u></u>

10. INCOME TAX EXPENSES

	2025 (RMB)	2024 (RMB)
Income tax expenses for the year calculated based on tax laws and regulations	70,773,590.50	82,901,885.19
Movements in deferred tax	(13,987,596.53)	(15,117,984.36)
Adjustments of tax filing differences	<u>—</u>	<u>(2,282,021.72)</u>
Total	<u><u>56,785,993.97</u></u>	<u><u>65,501,879.11</u></u>

11. BASIC EARNINGS PER SHARE AND DILUTED EARNINGS PER SHARE

(1) Basic earnings per Share

Basic earnings per Share is calculated by dividing consolidated net profit attributable to ordinary shareholders of the parent company by the weighted average number of ordinary shares in issue:

	2025 (RMB)	2024 (RMB)
Consolidated net profit attributable to ordinary shareholders of the Company	286,254,349.28	400,024,969.52
Weighted average number of shares in issue (<i>shares</i>)	1,074,357,700.00	1,074,357,700.00
Basic earnings per Share (<i>RMB/share</i>)	<u>0.27</u>	<u>0.37</u>

Weighted average number of ordinary shares is calculated as follows:

	2025 (Share)	2024 (Share)
Number of ordinary shares in issue as at the beginning of the year	1,074,357,700.00	1,074,357,700.00
Weighted average number of ordinary shares as at the end of the year	<u>1,074,357,700.00</u>	<u>1,074,357,700.00</u>

(2) Diluted earnings per Share

There were no potentially dilutive Shares for the year ended 31 December 2025, and therefore, diluted earnings per Share are the same as the basic earnings per Share.

12. FIXED ASSETS

Item	Plant and buildings (RMB)	Machinery and equipment (RMB)	Motor vehicles (RMB)	Office and other equipment (RMB)	Total (RMB)
Original value					
Opening balance	1,482,848,894.16	4,818,179,319.75	51,270,137.93	229,440,263.47	6,581,738,615.31
Additions during the year	18,834,090.19	911,522,886.34	4,001,964.60	7,774,671.52	942,133,612.65
— Purchase	3,213,819.68	124,869,225.86	4,001,964.60	3,992,954.13	136,077,964.27
— Transferred from construction in progress	15,620,270.51	786,653,660.48	—	3,781,717.39	806,055,648.38
Disposal or scrap during the year	(360,000.00)	(41,478,421.79)	(597,947.89)	(2,540,038.33)	(44,976,408.01)
Closing balance	<u>1,501,322,984.35</u>	<u>5,688,223,784.30</u>	<u>54,674,154.64</u>	<u>234,674,896.66</u>	<u>7,478,895,819.95</u>
Accumulated depreciation					
Opening balance	533,299,103.92	1,605,907,517.96	31,528,550.45	115,504,672.06	2,286,239,844.39
Provision for the year	35,104,164.13	191,633,388.56	3,131,276.51	22,882,819.81	252,751,649.01
Disposal or scrap during the year	(160,740.00)	(33,061,279.18)	(568,050.48)	(2,411,862.06)	(36,201,931.72)
Closing balance	<u>568,242,528.05</u>	<u>1,764,479,627.34</u>	<u>34,091,776.48</u>	<u>135,975,629.81</u>	<u>2,502,789,561.68</u>
Impairment provision					
Opening balance	11,478,952.72	28,885,006.02	141,043.59	106,039.28	40,611,041.61
Provision for the year	—	824,592.66	—	—	824,592.66
Disposal or scrap during the year	(199,260.00)	(7,002,130.29)	—	(210.00)	(7,201,600.29)
Closing balance	<u>11,279,692.72</u>	<u>22,707,468.39</u>	<u>141,043.59</u>	<u>105,829.28</u>	<u>34,234,033.98</u>
Carrying amount					
Closing carrying amount	<u>921,800,763.58</u>	<u>3,901,036,688.57</u>	<u>20,441,334.57</u>	<u>98,593,437.57</u>	<u>4,941,872,224.29</u>
Opening carrying amount	<u>938,070,837.52</u>	<u>3,183,386,795.77</u>	<u>19,600,543.89</u>	<u>113,829,552.13</u>	<u>4,254,887,729.31</u>

- (a) As at 31 December 2025, plant and buildings of the Group with a net carrying amount of RMB23,670,280.69 (2024: RMB121,659,330.79) for which the ownership certificates were still pending.
- (b) No property, plant and equipment were pledged to banks as at 31 December 2025 (2024: nil).
- (c) All of the property, plant and equipment owned by the Group are located in the Chinese mainland.
- (d) During the year, certain property, plant and equipment were physically damaged or ceased operation. The Group assessed the recoverable amounts of those property, plant and equipment as nil and as a result, impairment loss of RMB824,592.66 (2024: RMB21,000.00) was recognized in “Asset impairment losses” for the year. There were no disposals of properties during the year.

13. ACCOUNTS RECEIVABLE

(1) Accounts receivable by customer type is as follows:

Customer type	2025 (RMB)	2024 (RMB)
Receivable from related parties	14,091,995.04	40,987,450.10
Receivable from others	948,861,530.36	1,019,029,902.97
Subtotal	962,953,525.40	1,060,017,353.07
Less: Allowance for doubtful debts	192,375,043.13	172,445,554.89
Total	<u>770,578,482.27</u>	<u>887,571,798.18</u>

(2) The ageing analysis of accounts receivable is as follows:

Ageing	2025 (RMB)	2024 (RMB)
Within 1 year (inclusive)	717,844,207.76	839,684,329.46
1 to 2 years (inclusive)	84,731,970.76	81,172,860.88
2 to 3 years (inclusive)	57,105,849.65	49,453,876.73
Over 3 years	103,271,497.23	89,706,286.00
Subtotal	962,953,525.40	1,060,017,353.07
Less: Allowance for doubtful debts	192,375,043.13	172,445,554.89
Total	<u>770,578,482.27</u>	<u>887,571,798.18</u>

The ageing is counted starting from the date when accounts receivable are recognized.

14. INVENTORIES

Type of inventories	2025			2024		
	Book balance (RMB)	Provision for impairment of inventories (RMB)	Carrying amount (RMB)	Book balance (RMB)	Provision for impairment of inventories (RMB)	Carrying amount (RMB)
Raw materials	69,194,480.84	425,294.42	68,769,186.42	64,610,779.79	72,545.53	64,538,234.26
Low-value consumables	49,807.94	—	49,807.94	93,736.30	—	93,736.30
Total	<u>69,244,288.78</u>	<u>425,294.42</u>	<u>68,818,994.36</u>	<u>64,704,516.09</u>	<u>72,545.53</u>	<u>64,631,970.56</u>

The Group had no inventories for guarantee as at 31 December 2025 (31 December 2024: nil).

15. NOTES PAYABLE

	2025 (RMB)	2024 (RMB)
Letters of credit	<u>150,000,000.00</u>	—
Total	<u><u>150,000,000.00</u></u>	<u>—</u>

16. ACCOUNTS PAYABLE

(1) Information of accounts payable is as follows:

	2025 (RMB)	2024 (RMB)
Payment for purchase of electricity	357,875,661.78	349,847,255.83
Construction payment	265,365,828.03	383,677,892.04
Materials payment	333,345,411.91	391,542,193.49
Others	<u>16,411,752.73</u>	<u>6,340,742.54</u>
Total	<u><u>972,998,654.45</u></u>	<u><u>1,131,408,083.90</u></u>

(2) The ageing analysis of accounts payable, based on the invoice dates, is as follows:

Ageing	2025 (RMB)	2024 (RMB)
Within 1 year (inclusive)	912,969,322.37	1,061,910,061.93
1 to 2 years (inclusive)	39,203,551.33	50,470,693.86
2 to 3 years (inclusive)	9,749,248.62	7,192,362.84
Over 3 years	<u>11,076,532.13</u>	<u>11,834,965.27</u>
Total	<u><u>972,998,654.45</u></u>	<u><u>1,131,408,083.90</u></u>

17. DIVIDEND

- (i) Dividends payable to equity shareholders of the Company attributable to the current financial year declared after the balance sheet date:

	2025	2024
	RMB	RMB
Final dividend proposed after the end of the year of RMB0.12 per ordinary share (2024: RMB0.14 per ordinary share)	<u>128,922,924.00</u>	<u>150,410,078.00</u>

On 30 March 2026, a final dividend for the year ended 31 December 2025 of RMB128,922,924.00 was proposed by the Board. Such dividend is to be approved by the Shareholders at the AGM of the Company. The final dividend proposed after the end of the Reporting Period has not been recognized as a liability at the end of the Reporting Period.

- (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year:

	2025	2024
	RMB	RMB
Final dividend in respect of the previous financial year, approved and paid during the year	<u>150,410,078.00</u>	<u>139,666,501.00</u>

On 18 June 2025, a final dividend for the year ended 31 December 2024 of RMB150,410,078.00, representing RMB0.14 per Share was approved by the Shareholders at the annual general meeting of the Company.

18. SHARE CAPITAL

	2025	2024
	Share	Share
Total number of Shares	<u>1,074,357,700.00</u>	<u>1,074,357,700.00</u>

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per Share at the general meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY OVERVIEW

The value chain of China's power industry consists of power generation, power transmission and distribution as well as power sales. Power generation process converts other types of energy into power, such as hydropower plants using flowing water energy to generate power. The grid transmission and distribution system is the core of power supply, which includes power transmission network that reaches various provinces and cities in China, distribution network for end-use purposes, as well as step-up and step-down substations. Lastly, power sales activities distribute power directly to end users.

In 2025, total power consumption in China reached 10.3682 trillion kWh, representing a year-on-year increase of 5.0%. In particular, power consumption in the primary sector reached 149.4 billion kWh, representing a year-on-year increase of 9.9%; power consumption in the secondary sector reached 6.6366 trillion kWh, representing a year-on-year increase of 3.7%; power consumption in the tertiary sector reached 1,994.2 billion kWh, representing a year-on-year increase of 8.2%; urban and rural household consumption reached 1,588 billion kWh, a year-on-year growth of 6.3%. Benefiting from rapid economic development, the Yibin region saw its total power consumption reach 27.8 billion kWh this year, representing a year-on-year increase of 24.4%.

In the 15th Five-Year Plan, Sichuan Province supports Mianyang, Yibin — Luzhou, and Nanchong — Dazhou in actively taking on major productivity layouts and in building regional medical centers, education centers, and specialized innovation hubs. Yibin City insists on focusing economic development on the real economy, promoting intelligent, green, and integrated industrial development. We believe that the Company will have greater development opportunities in areas such as electricity sales, distributed energy, engineering construction, and comprehensive energy services.

2. BUSINESS OVERVIEW

2.1 Overview

The Group is a vertically integrated power supplier and service provider in Yibin City, Sichuan Province, with a full power supply value chain covering power generation, electricity distribution and sales. We have a stable user base and a comprehensive network of power supply in Yibin City, which allows us to optimize the balance usage of power resources within our power supply network through efficient allocation of electricity. Our businesses currently consist of (i)

power business, including production, distribution and sales of power, which is divided into general power supply business and incremental power transmission and distribution business; and (ii) EECS business, which consists of electrical engineering construction service and sales of electric equipment and materials.

In 2025, the Company realized operating revenue of approximately RMB4,968.1 million, representing a year-on-year increase of approximately 4.0%. Our total profit was approximately RMB344.5 million, representing a year-on-year decrease of approximately 26.2%. In the same year, the Company achieved net profit of approximately RMB287.7 million, representing a year-on-year decrease of approximately 28.3%, and net profit attributable to equity shareholders of the parent company of approximately RMB286.3 million, representing a year-on-year decrease of approximately 28.4%.

The decrease in the net profit of the Company in 2025 is mainly attributable to the following factors: (i) Sichuan Provincial Development and Reform Commission formulated and issued the *Notice on Further Clarifying Matters Relating to Inter-network Settlement of Power Grid Enterprises in Sichuan Province* (Chuan Fa Gai Jia Ge [2025] No. 285)(《關於進一步明確四川省電網企業網間結算有關事項的通知》(川發改價格[2025] 285號)) on 27 June 2025, based on relevant documents of the National Development and Reform Commission and relevant documents of Sichuan Province. The Company is required to settle time-of-use profits and losses, system operation fees and preliminary settlement deviation electricity charges with State Grid Sichuan Electric Power Company, leading to a decrease in profit; (ii) Sichuan Provincial Development and Reform Commission issued the *Notice on Matters Relating to the Implementation of Off-Peak Electricity Tariff Policy for Residential Consumption in Local Power Grids* (Chuan Fa Gai Jia Ge [2025] No. 369) (《關於地方電網居民生活用電執行低谷電價政策有關事項的通知》(川發改價格[2025]369號))(the “Off-Peak Tariff Notice”) on 31 July 2025. Pursuant to the requirements of the Off-Peak Tariff Notice, the “one-meter-one-household” residential customers within the Company’s supply area are required to implement the off-peak electricity tariff policy, with the specific provisions as follows: the off-peak period is from 23: 00 to 07: 00 the next day; the off-peak electricity tariff during the rainy season shall be implemented at RMB0.175 per kWh, and the off-peak electricity tariff during the dry and normal seasons shall be implemented at RMB0.2535 per kWh; the electricity consumption during off-peak periods shall be included in the calculation of tiered electricity consumption, and the tiered electricity consumption and tiered surcharges shall be implemented in accordance with the Company’s current standards. Such tariff is lower than the previously implemented tariff level, leading to a decrease in profit; and (iii) pursuant to the Agreement on Rural Power Grid Asset Usage Fees in respect of Excluded Rural

Power Grid Projects entered into between the Company and Sichuan Province Hydropower Investment and Management Group Co., Ltd.* (四川省水電投資經營集團有限公司)(the “Hydropower Group”) under the new profit model and pursuant to the new policy on reforming electricity pricing models set out in the *Notice on Further Clarifying Matters Related to Electricity Purchasing by Local Grids* (Chuan Fa Gai Jia Ge [2022] No. 90) (《關於進一步明確地方電網代理購電有關事項的通知》(川發改價格[2022]90號)) issued by the Sichuan Provincial Development and Reform Commission, the Company’s profit model shifted from the original buy-sell margin model to a transmission and distribution tariff model. Under this model, the Company’s revenue is tied to the depreciation and related costs of rural power grid assets of the Excluded Rural Power Grid Projects. In this regard, the Company and Hydropower Group have formulated a new revenue-sharing model, under which the Company will pay usage fees to Hydropower Group for utilizing the relevant rural power grid assets, calculated based on a reasonable proportion of the revenue derived from the Company’s power supply business (for further details, please refer to the Company’s announcement dated 18 March 2025).

As of the end of 2025, we had and operated an aggregate of 6 hydropower plants with a total installed capacity of 127,030 kW. We also had 3 units of 220 kV substations with an aggregated capacity of 1,080,000 kVA, 28 units of 110 kV substations with an aggregated capacity of 1,992,000 kVA, and 59 units of 35 kV substations with an aggregated capacity of 637,200 kVA.

2.2 Operating Results

The following table sets forth the breakdown of the revenue, cost and gross profit of the principal business by segment for the years ended 31 December 2024 and 2025, and the percentage of changes.

Principal business	Year ended 31 December 2025			Year ended 31 December 2024			Percentage of changes		
	Revenue (RMB)	Cost (RMB)	Gross profit (RMB)	Revenue (RMB)	Cost (RMB)	Gross profit (RMB)	Revenue (%)	Cost (%)	Gross profit (%)
General power supply business	4,193,737,100.30	3,619,155,508.18	574,581,592.12	3,985,130,833.19	3,287,161,029.81	697,969,803.38	5.2	10.1	(-17.7)
Incremental power transmission and distribution business	328,598,554.84	307,773,690.62	20,824,864.22	354,199,417.23	333,997,199.83	20,202,217.40	(7.2)	(7.9)	3.1
EECS business ⁽¹⁾	426,895,835.53	368,400,488.16	58,495,347.37	416,032,519.95	349,382,750.04	66,649,769.91	2.6	5.4	(12.2)
Total	<u>4,949,231,490.67</u>	<u>4,295,329,686.96</u>	<u>653,901,803.71</u>	<u>4,755,362,770.37</u>	<u>3,970,540,979.68</u>	<u>784,821,790.69</u>	<u>4.1</u>	<u>8.2</u>	<u>(16.7)</u>

Note:

- (1) Includes revenue from the sales of electric equipment and materials of approximately RMB16.5 million for the year ended 31 December 2025.

2.2.1 General Power Supply Business

The following table sets forth the breakdown of revenue from our general power supply business by customer categories for the periods indicated.

Customer	Year ended 31 December					
	2025		2024		Percentage of changes	
	Electricity Sales (MWh)	Revenue (RMB)	Electricity Sales (MWh)	Revenue (RMB)	Electricity Sales (%)	Revenue (%)
Household	1,894,338	975,375,596.59	1,860,170	965,509,606.37	1.8	1.0
General industrial and commercial	1,328,358	655,606,810.68	1,316,733	669,397,000.10	0.9	(2.1)
Large industrial	5,351,887	2,484,977,443.00	4,604,221	2,285,108,232.34	16.2	8.7
State Grid	63,013	12,828,946.87	24,842	4,867,142.17	153.7	163.6
Others	199,511	64,948,303.16	180,367	60,248,852.21	10.6	7.8
Total	<u>8,837,107</u>	<u>4,193,737,100.30</u>	<u>7,986,333</u>	<u>3,985,130,833.19</u>	<u>10.7</u>	<u>5.2</u>

Most of our revenue for the year ended 31 December 2025 was derived from general power supply business, including generation, distribution and sales of power. We generated revenue of approximately RMB4,193.7 million from our general power supply business, which accounted for approximately 84.7% of revenue from principal business.

2.2.2 Incremental Power Transmission and Distribution Business

Our revenue from incremental power transmission and distribution business mainly consists of electricity retail business outside our normal power supply service area and other power distribution business related to new-energy vehicles. By implementing measures to diversify the industry chain, we generated revenue of approximately RMB328.6 million from incremental power transmission and distribution business for the year ended 31 December 2025, which accounted for approximately 6.6% of revenue from principal business.

2.2.3 EECS Business

We also derived revenue from our EECS business, which mainly involves undertaking the engineering construction projects for, and selling electric equipment and materials to, the users and grid companies in our power supply area. For the year ended 31 December 2025, we generated revenue of approximately RMB426.9 million from our EECS business, which accounted for approximately 8.6% of revenue from principal business.

2.3 Major Operational Measures

Firstly, we have advanced reforms in depth, accelerating the release of development momentum. Building upon our “Tianfu Comprehensive Reform” excellent accreditation as a new starting point, we have fully accomplished 10 major reform tasks and 49 specific measures, earning recognition as an AAA-rated credit enterprise. We have fully implemented term-based appointments and contractual management for members of the management team, routinely advancing competitive hiring for management positions, performance-based adjustments for underperformers, and exit mechanisms for those deemed unqualified. This enables differentiated compensation payouts, ensuring that those who endure hardships are duly recognised, excellence is prioritised, and the capable are placed in suitable positions. We have remained committed to innovation-driven development, promoted the implementation of 16 scientific research projects, and filed applications for 24 patents. We took the lead in releasing the country’s first “Zero-Carbon Smart Substation Evaluation Standard”, filling the gap in dual evaluation standards that integrate “carbon emission monitoring + AI-powered operation and maintenance”. We also participated in the formulation of two inaugural industry group standards, injecting new momentum of standards-based guidance into the high-quality development of the industry.

Secondly, we have optimised the industrial layout to enhance the quality and accelerate the growth of both traditional and emerging drivers of economic momentum. We continued to strengthen our main business by completing a number of key power grid projects, including Daqiao to Yongkang line, Gaolin substation in Xuzhou District, and Tangba substation in Gong County. The Yibin Nanwan 110kV transmission and transformation project was awarded the “National Engineering Quality Gold Award”. We have thoroughly implemented the distribution network enhancement initiative, addressing a cumulative total of 597 low-voltage distribution areas, and steadily improved power supply reliability compared to the end of the 13th Five-Year Plan period. We have accelerated the cultivation of emerging industries, solidly promoted 14 green energy projects, and completed the construction of 7 charging stations (with 28 charging piles), 3 distributed photovoltaic projects and 2 energy storage projects (with an installed capacity of 1,075kW/2,257kWh). We have pursued comprehensive openness and cooperation, engaged in industry-university-research collaboration with Shandong University and Chengdu M&S Electronics Technology Co., Ltd. (成都盟升電子技術股份有限公司), among others, and successfully facilitated the implementation of pilot projects such as the commercial application of V2G technology.

Thirdly, we have strengthened corporate governance and refined systems and mechanisms. We have continuously optimised modern corporate governance mechanisms, revised and improved core systems such as the articles of association, achieved 100% risk assessment coverage for all investment projects, and the Company was selected as one of the “2025 China Energy Listed Companies Sustainable Development (ESG) Top 30”. Talent development has continuously improved, with 82 key talents recruited throughout the year and 9,250 training sessions organised, further optimising the team structure. The financial management model has been innovatively upgraded, relying on the bill pool, supply chain white slip, and unified clearing platform to achieve both service enhancement and cost control, and the Company was awarded an A-level tax credit rating by Wenjiang District.

Fourthly, we have improved service levels and significantly optimised the business environment. During the peak summer period of 2025, the electricity load in the Company’s service area reached a new high. Facing the severe test of an 11.65% year-on-year increase in power supply load, we consistently adhered to the principles of “ensuring people’s livelihood, ensuring safety, and ensuring supply.” We guaranteed safe, stable, and reliable power delivery, with no instances of load limitation occurring. Meanwhile, we continued to optimise the electricity connection process, expanded the “three-zero” service targets, improved the quality and efficiency of the “three-simplified” services, reduced the connection time for high-voltage users to 3 working days, setting the fastest record within the province, and helping Yibin City achieve an “excellent” rating in its business environment evaluation for the first time. We have accelerated the digital transformation of our services and comprehensively promoted the electronic invoice system, enabling 24-hour automated issuance, delivery, and verification. This has significantly reduced the operational burden at the grassroots level, while steadily improving customer satisfaction and the level of “accessing electricity”.

Fifthly, we have strengthened our security defenses, making our foundation more solid. We strictly adhered to the safety production red line, continuously deepened the three-year action of addressing root causes and consolidating foundations, meticulously managed the safe operation of power grids, rigorously enforced safety control during construction and maintenance, revised and improved emergency plans and material management systems, conducted training for over 3,000 person-times, identified and rectified 2,998 potential hazards, successfully responded to the “8 February” geological disaster in Junlian and the “9 July” rainstorm disaster, with no general or above safety responsibility accidents occurred throughout the year. The piece “Battlefield of Minutes and Seconds (《分秒戰場》)”, created against the backdrop of emergency power restoration in Junlian, was awarded second prize in the Sichuan Provincial Rescue Excellence Showcase Competition. It vividly illustrates the responsibility and commitment of the personnel of Energy and Power Enterprises “race against every minute and second, and fulfill the mission with certainty,” as well as their steadfast conviction to “guard the light and serve the people.”

Sixthly, by upholding Party leadership, we have strengthened our developmental foundations. We continued to thoroughly study and implement the guiding principles of the 20th National Congress of the Communist Party of China and each plenary session thereof. We promoted the in-depth integration of Party building with production and operation, and link the assessment results of Party building and ideology-related work with business performance assessment. The research project titled *The Practice and Exploration of Ideological and Political Empowerment for Development in Energy and Power Enterprises under the 01713 “Energy” System*(《01713能「亮」體系下的能源電力企業思政賦能發展實踐探索》) compiled by us was recognized as an outstanding corporate culture case among provincial state-owned enterprises in Sichuan Province. The produced video *Party Building Guides the Way to a Zero-Carbon Dream: Sichuan Energy Investment Development’s 100-Day Crucial Campaign Report* (《黨建領航零碳築夢—四川能投發展的百日攻堅答卷》) was awarded second prize in the Group’s Party Committee “Three Micro” Series Micro-Party Lesson Competition. A study video featuring young Party members was showcased on the Party building platform of the Provincial Party Committee’s Organisation Department, fostering a positive atmosphere for promoting the Company’s high-quality development.

3. FINANCIAL REVIEW

Analysis of Key Items in the Consolidated Income Statement

Operating Revenue

Principal business	Year ended 31 December	
	2025 (RMB)	2024 (RMB)
General power supply business	4,193,737,100.30	3,985,130,833.19
Incremental power transmission and distribution business	328,598,554.84	354,199,417.23
EECS business ⁽¹⁾	426,895,835.53	416,032,519.95
Total	<u>4,949,231,490.67</u>	<u>4,755,362,770.37</u>

Note:

- (1) Includes revenue from the sales of electric equipment and materials of approximately RMB16.5 million for the year ended 31 December 2025.

Operating revenue from principal business increased by approximately 4.1% from approximately RMB4,755.4 million for the year ended 31 December 2024 to approximately RMB4,949.2 million for the year ended 31 December 2025, primarily due to the increase in revenue from general power supply business.

General Power Supply Business

Revenue generated from general power supply business increased by approximately 5.2% from approximately RMB3,985.1 million for the year ended 31 December 2024 to approximately RMB4,193.7 million for the year ended 31 December 2025, primarily due to the increase in the number of residential and general industrial and commercial customers and the expansion of electricity consumption scale of large industrial users in 2025 compared with 2024. For the years ended 31 December 2024 and 2025, revenue from the general power supply business accounted for approximately 83.8% and 84.7% of revenue from our principal business, respectively.

Incremental Power Transmission and Distribution Business

Revenue generated from incremental power transmission and distribution business decreased by approximately 7.2% from approximately RMB354.2 million for the year ended 31 December 2024 to approximately RMB328.6 million for the year ended 31 December 2025, primarily due to the decrease in electricity consumption in the supply areas of incremental power transmission and distribution business during the Reporting Period.

EECS Business

Revenue generated from the EECS business increased by approximately 2.6% from approximately RMB416.0 million for the year ended 31 December 2024 to approximately RMB426.9 million for the year ended 31 December 2025, primarily due to the expansion of the scale of EECS business.

Operating Costs

Principal business	Year ended 31 December	
	2025 (RMB)	2024 (RMB)
General power supply business	3,619,155,508.18	3,287,161,029.81
Incremental power transmission and distribution business	307,773,690.62	333,997,199.83
EECS business	368,400,488.16	349,382,750.04
Total	<u>4,295,329,686.96</u>	<u>3,970,540,979.68</u>

Operating costs of principal business increased by approximately 8.2% from approximately RMB3,970.5 million for the year ended 31 December 2024 to approximately RMB4,295.3 million for the year ended 31 December 2025, mainly due to the increase in costs associated with general power supply business.

General Power Supply Business

Operating costs associated with our general power supply business increased by approximately 10.1% from approximately RMB3,287.2 million for the year ended 31 December 2024 to approximately RMB3,619.2 million for the year ended 31 December 2025, primarily due to the increase in power procurement from third-party suppliers as a result of the expansion of the scale of general power supply business, as well as the increase in the settlement of system operation expenses and other items affected by policy during the year. For the years ended 31 December 2024 and 2025, operating costs of general power supply business accounted for approximately 82.8% and 84.3% of the operating costs of our principal business, respectively.

Incremental Power Transmission and Distribution Business

Operating costs associated with our incremental power transmission and distribution business decreased by approximately 7.9% from approximately RMB334.0 million for the year ended 31 December 2024 to approximately RMB307.8 million for the year ended 31 December 2025, primarily due to a decrease in the power supply costs as a result of the decrease in electricity consumption in the supply areas of incremental power transmission and distribution business during the Reporting Period.

EECS Business

Operating costs associated with our EECS business increased by approximately 5.4% from approximately RMB349.4 million for the year ended 31 December 2024 to approximately RMB368.4 million for the year ended 31 December 2025, primarily due to the expansion of the scale of EECS business.

Gross Profit and Gross Profit Margin

Principal business	Year ended 31 December			
	2025			2024
	Gross Profit (RMB)	Gross Profit Margin %	Gross Profit (RMB)	Gross Profit Margin %
General power supply business	574,581,592.12	13.7	697,969,803.38	17.5
Incremental power transmission and distribution business	20,824,864.22	6.3	20,202,217.40	5.7
EECS business	58,495,347.37	13.7	66,649,769.91	16.0
Total	<u>653,901,803.71</u>	<u>13.2</u>	<u>784,821,790.69</u>	<u>16.5</u>

Our gross profit from principal business decreased by approximately 16.7% from approximately RMB784.8 million for the year ended 31 December 2024 to approximately RMB653.9 million for the year ended 31 December 2025. Our gross profit margin was recorded at 16.5% and 13.2 % for the years ended 31 December 2024 and 2025, respectively.

General Power Supply Business

The gross profit of general power supply business decreased by approximately 17.7% from approximately RMB698.0 million for the year ended 31 December 2024 to approximately RMB574.6 million for the year ended 31 December 2025. The gross profit margin of general power supply business decreased from 17.5% for the year ended 31 December 2024 to 13.7% for the year ended 31 December 2025, primarily due to the increase in the settlement of system operation expenses and other items affected by policy during the year.

Incremental Power Transmission and Distribution Business

The gross profit of incremental power transmission and distribution business increased by approximately 3.1% from approximately RMB20.2 million for the year ended 31 December 2024 to RMB20.8 million for the year ended 31 December 2025, primarily due to the contraction of business scale during the year, while the gross profit margin of the business increased compared with the same period.

EECS Business

The gross profit of EECS business decreased by approximately 12.2% from approximately RMB66.6 million for the year ended 31 December 2024 to approximately RMB58.5 million for the year ended 31 December 2025, primarily due to the impact of the settlement of projects with lower gross profit margins during the year.

Credit Impairment Losses

Credit impairment losses increased from approximately RMB16.8 million for the year ended 31 December 2024 to approximately RMB26.0 million for the year ended 31 December 2025, mainly due to the increase in the balance of other receivables compared with the end of last year.

Finance Costs

Finance costs increased from approximately RMB15.3 million for the year ended 31 December 2024 to approximately RMB23.4 million for the year ended 31 December 2025, mainly due to the expansion of investment scale, which led to an increase in borrowings during the Reporting Period.

Asset Impairment Losses

Asset impairment losses decreased from approximately RMB1.9 million for the year ended 31 December 2024 to RMB1.2 million for the year ended 31 December 2025, mainly due to the decrease in impairment losses on contract assets compared with last year.

Losses from Investment in Associates

Losses from investment in associates increased from a loss of approximately RMB5.4 million for the year ended 31 December 2024 to a loss of approximately RMB14.3 million for the year ended 31 December 2025, mainly due to the loss incurred by a new energy company during the Reporting Period.

Income Tax

Income tax expenses were approximately RMB65.5 million and RMB56.8 million for the years ended 31 December 2024 and 2025, respectively, at effective tax rates of 14.0% and 16.5%, respectively, mainly due to the adjustments of tax filing differences in 2024 which did not arise in this year, as well as temporary differences in income tax arising from the Group's internal transactions during the Reporting Period.

Net Profit

As a result of the above, net profit decreased from approximately RMB401.2 million for the year ended 31 December 2024 to approximately RMB287.7 million for the year ended 31 December 2025.

Analysis of Key Items in the Consolidated Balance Sheet

Fixed Assets, Construction in Progress and Right-of-use Assets

	As at 31 December	
	2025	2024
	(RMB)	(RMB)
Fixed assets	4,941,872,224.29	4,254,887,729.31
Construction in progress	475,768,648.60	458,196,521.73
Right-of-use assets	10,683,870.94	8,059,476.63
Total	<u>5,428,324,743.83</u>	<u>4,721,143,727.67</u>

Fixed assets, construction in progress and right-of-use assets (mainly including plant and buildings, machinery, vehicles, office equipment, projects under construction and right-of-use assets) increased from approximately RMB4,721.1 million as at 31 December 2024 to approximately RMB5,428.3 million as at 31 December 2025, mainly due to the new power grid upgrade and transformation project during the Reporting Period.

Intangible Assets

Our intangible assets increased from approximately RMB210.7 million as at 31 December 2024 to approximately RMB222.9 million as at 31 December 2025, mainly due to the addition of land use rights from four subsidiaries during the Reporting Period.

Accounts Receivable

Our accounts receivable were approximately RMB887.6 million and RMB770.6 million respectively as at 31 December 2024 and 2025, primarily due to the Group further strengthening the recovery and management of accounts receivable during the Reporting Period.

Excluding certain accounts receivable for which bad debts have been provided, the average turnover days of our accounts receivable (calculated by using the average value of the opening and closing balance of the accounts receivable of the relevant period divided by the revenue for the period, and then multiplied by the number of days in the period) were approximately 67.6 days and 69.4 days as at 31 December

2024 and 2025, respectively. The increase in turnover days of accounts receivable during the year was mainly due to the increase in the average balance of accounts receivable during the Reporting Period.

Notes Payable

Our notes payable increased from RMB0 million as at 31 December 2024 to RMB150.0 million as at 31 December 2025, primarily due to the use of notes to pay for electricity to upstream suppliers during the Reporting Period.

Accounts Payable

Our accounts payable were approximately RMB1,131.4 million and RMB973.0 million as at 31 December 2024 and 2025, respectively, primarily due to the payment of project costs and material costs in the EECS business segment in accordance with project progress.

The average turnover days of our accounts payable (calculated by using the average value of opening and closing balance of the accounts payable of the relevant period divided by the cost for the period, and then multiplied by the number of days in the period) increased from approximately 86.8 days as at 31 December 2024 to 88.1 days as at 31 December 2025, mainly due to the increase in the average balance of accounts payable during the Reporting Period.

Liquidity and Financial Resources

The Group manages its capital to ensure that entities of the Group will be able to operate as a going concern while maximizing the return to our Shareholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged throughout the year. The capital structure of the Group consists of net debts (which includes borrowings net of cash and cash equivalents) and total equity (comprising paid-in capital/share capital, capital reserve, statutory surplus reserve, retained profits and non-controlling interests). The Group is not subject to any externally imposed capital requirements.

As at 31 December 2025, our cash and cash equivalents amounted to approximately RMB432.1 million (31 December 2024: approximately RMB553.9 million), among which, the amount for daily operating purpose is approximately RMB253.3 million, and the remaining consists of unused proceeds and special funds for rural grid consolidation and improvement projects. The decrease of the balance of cash and cash equivalents was mainly due to payment of daily operating turnover cash at the end of the Reporting Period as affected by the adjustment to the settlement cycle.

As at 31 December 2025, the total borrowings of the Group amounted to approximately RMB897.5 million (31 December 2024: approximately RMB692.6 million), including bank loans and other borrowings. All of our bank and other borrowings bear interest at floating rate and are denominated in RMB.

The Company did not adopt other financial instruments for hedging purposes for the year ended 31 December 2025.

Gearing Ratio

As at 31 December 2025, the gearing ratio of the Group was approximately 32.9% (31 December 2024: approximately 18.8%). Gearing ratio is calculated based on our total interest-bearing liabilities divided by total equity as of the same date.

4. GLOBAL OFFERING AND USE OF PROCEEDS FROM GLOBAL OFFERING

The Company was listed on the Stock Exchange on 28 December 2018 and 268,800,000 H Shares with a nominal value of RMB1.00 each were issued at a price of HK\$1.77 per Share (the “**Global Offering**”). The net proceeds from the Global Offering amounted to approximately RMB380.5 million. The Group has utilized approximately RMB376.1 million of such proceeds from the Global Offering according to purposes disclosed in the Prospectus and the relevant announcement and circular as at 31 December 2025. The remaining approximately RMB4.4 million has not been used.

As at 31 December 2025, the unused net proceeds from the Global Offering have been deposited as deposits in licensed banks in China and will be used in strict accordance with the progress of the Company’s investment projects. As stated in the Prospectus, the Company intends to use 40% of the net proceeds in the acquisition of power-related assets, as the Group had adopted a more prudent approach with regard to acquisition of power-related assets with a view to ensuring that any such acquisition is only made after more careful consideration and in the interest of the Company and its Shareholders as a whole. As a result, the progress of acquisition of power-related assets has fallen short of expectations, and the Board considered that it is not likely for the Company to be able to apply the funds originally allocated for the above purpose by the original timeline or in a timely manner. As a result, at the Board meeting convened on 19 February 2025, and as approved at the AGM, the Board has decided to propose the re-allocation of the remaining net proceeds originally allocated to this segment to be used for replenishing the Group’s working capital, which would enable the Group to deploy its financial resources more efficiently, strengthen the financial health of the Group, and improve the quality of

the Group's services, thereby creating long-term value for the Shareholders. Further details are set out in the announcement dated 19 February 2025 and the circular dated 25 April 2025 of the Company. Details of the proposed change in the use of proceeds together with the updated expected time of completion of utilisation are set out below:

Use of net proceeds from the Global Offering	Planned use of net proceeds(as set out in the Prospectus) (RMB'000)	Amount of net proceeds unutilized at 1 January 2025 (RMB'000)	Revised allocation of the unutilized net proceeds amount (RMB'000)	Amount utilized during the Reporting Period (RMB'000)	Amount of net	Updated expected time of completion of utilization of balances
					Proceeds unutilized at 31 December 2025 (RMB'000)	
Acquisition of power-related assets	152,193	36,993	—	—	—	N/A
Power grid construction and optimization	114,145	—	—	—	—	N/A
Establishment of centralized power dispatching control center and promotion of intelligent power grid system	76,097	—	—	—	—	N/A
Working capital	38,048	1,572	38,565	34,193	4,372	Prior to 31 December 2030
Total	<u>380,483</u>	<u>38,565</u>	<u>38,565</u>	<u>34,193</u>	<u>4,372</u>	

Notes:

- (1) At the end of the Reporting Period, the unutilized balance of RMB4.4 million recorded in the books of the Company represented the balance of the Hong Kong dollar account. Such balance forms part of the Company's daily working capital and is mainly used to meet future operating payment requirements to be settled in Hong Kong dollars. Based on the existing payment plan of the Company, such balance is expected to be fully utilized before 31 December 2030.
- (2) The estimated schedule for utilizing the remaining proceeds is based on the best estimation made by the Group of future market conditions and may change with the current market conditions and the Group's future developments.

Save for the proposed change in use of proceeds as aforementioned, there have been no other major changes or delays in the usage or use of the net proceeds of the Company.

5. CAPITAL COMMITMENTS

We have certain capital commitments relating to the construction of our transmission and transformation projects and a centralized power dispatching and control center. We classify such commitments as authorized but not contracted for if the Company's management has identified potential capital commitments and has determined that it is more likely to make the commitment.

The following table sets forth our outstanding capital commitments for the periods indicated:

	As at 31 December	
	2025	2024
	(RMB)	(RMB)
Contracted for	<u>225,548,051.01</u>	<u>249,937,305.28</u>

6. SIGNIFICANT INVESTMENTS HELD, MAJOR ACQUISITIONS AND DISPOSALS

For the year ended 31 December 2025, the Group had no significant investments (including any individual significant investment accounting for 5% or more of the Group's total assets as of 31 December 2025), and no material acquisitions and disposals of subsidiaries, associates or joint ventures.

7. PLEDGES OF THE GROUP'S ASSETS

No property, plant and equipment of the Group were pledged to banks as at 31 December 2025 (31 December 2024: nil).

8. FOREIGN EXCHANGE RISK

As the Group conducts its business in the PRC, its income and costs/expenses are denominated in RMB, except for the dividend paid by the Company to H Shareholders in Hong Kong dollars. Therefore, the Company does not currently hedge its exposure to foreign currencies and recognizes the profits and losses resulting from fluctuations as and when they arise.

9. CONTINGENT LIABILITIES

As at 31 December 2025, the Group did not have any contingent liabilities (31 December 2024: nil).

10. MAJOR INVESTMENT PLAN IN 2026

The planned total investment in 2026 of the Group is approximately RMB1,422.46 million, including (i) investment in infrastructure of approximately RMB284.61 million; (ii) investment in renovation of fixed assets of approximately RMB361.07 million; (iii) investment in acquisition of fixed assets of approximately RMB193.96 million; (iv) other investments (new supporting power grid projects for business expansion) of approximately RMB253.93 million; (v) investment in other fixed assets (major repairs) of approximately RMB63.54 million; (vi) investment in intangible assets of approximately RMB52.12 million; (vii) investment in rural grid consolidation and improvement projects of approximately RMB156.03 million; and (viii) equity investment of approximately RMB57.2 million.

The above investment plans are to support the Group's business growth within its operating regions. In addition to the Group's net operating cash inflow, which will be gradually invested in such investment plans, it is expected that in 2026, additional bank loans of approximately RMB1,100 million (the proportion of self-raised capital for self-funded projects is considered to be 30%, and the proportion of self-raised capital for the rural grid is 20%, subject to the financial financing plan) will be gained to support the sustained and rapid development of the Group. Such facilities will be mainly bank loans, supplemented by letters of credit, bank acceptances and bonds, depending on the market interest rates.

11. EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2025, the Group had a total of 2,669 full-time employees (31 December 2024: 2,686). The related employee costs (including the Directors' fees) for the year ended 31 December 2025 were approximately RMB546.4 million.

The Company has established a total salary distribution mechanism linked to the Group's business performance, a compensation distribution mechanism corresponding to the annual and term targets of the management team, and a compensation distribution mechanism linked to departmental and employee performance evaluations results, fully motivating the management team's enthusiasm for the Group's business operations, the initiative of departmental collaboration, and employees' creativity and entrepreneurship, providing a solid compensation incentive guarantee for the Group's high-quality development.

The Company has also provided employees with adequate job training, and has formulated an annual training plan for the Company at different levels and categories in terms of the Party building and discipline inspection, safety education, production technologies, business knowledge, continuing education, and comprehensive management and clearly defined the training responsibilities, standardized the training organization processes, strengthened the training process control and strictly evaluated the training effectiveness according to the “Education and Training Management Measures of Sichuan Energy Investment Development Co., Ltd.* (《四川能投發展股份有限公司教育培訓管理辦法》)” to ensure the orderly implementation of training programs according to the training plan, continuously strengthen the investment in staff training and education, and promote the individual growth and capacity improvement of employees. To attract and retain outstanding employees, the remuneration committee under the Board regularly reviews employees’ remuneration policies and benefits.

During the Reporting Period, no labor disputes occurred in the Company and its subsidiaries that affected the operations of the Group.

12. SUBSEQUENT EVENTS

Except for the declaration of dividends, there are no material events affecting the Company or any of its subsidiaries after 31 December 2025 and up to the date of this announcement.

13. OUTLOOK

(1) Consolidating the Advantage of Political Leadership to Improve Corporate Governance Efficiency

First, we unswervingly implement the principle of “consistently adhering to the Party’s leadership in state-owned enterprises and establishing a modern enterprise system”, and continuously optimize the mechanism for the Party organization to play its role in decision-making, implementation and supervision, effectively improving governance efficiency. Second, we further deepen Party building, consolidate the organizational foundation, and continue to advance corporate culture development, providing strong organizational support and spiritual motivation for the company’s reform and development. Third, we strictly implement the assessment and withdrawal mechanism for managerial personnel, promoting the up-and-down and entry-exit of cadres to encourage responsible performance. Meanwhile, focusing on the Group’s business expansion needs, such as the construction of a new power system and green energy development, we continue to improve the selection, cultivation, management and employment of interdisciplinary talents, effectively enhance the digital and intelligent skills of cadres and employees, and better adapt to the company’s quality-oriented transformation and development during the 15th Five-Year Plan period. Fourth, we always maintain a strict working atmosphere and a clean corporate culture, consolidate the responsibility chain at all levels,

further advance the comprehensive and strict governance of the Party, and foster a healthy political ecosystem, providing a strong disciplinary guarantee for the Group's high-quality development.

(2) Shaping Core Strategic Advantages to Enhance the Company's Development Strength

First, we will advance the construction of 110kV projects in an orderly manner, including Xijie-Chengbei, Qiuling-Haiyang, Ziyang-Fuxing, Yongxing, Cuihe, Erlong, Qianfeng and Furong, and actively promote the implementation of 220kV projects such as Yibin Yunlongsi, Yibin Nanwan, Yunlongsi-Nanwan and the green power transmission from Liangshan to Yibin. Leveraging the industrial chain synergy of the Group, we will strengthen cooperation with sister companies, steadily introduce high-quality power sources, and continuously improve the power grid's carrying capacity and power supply reliability. Second, we will further build and improve a low-carbon smart power grid in high-tech industrial parks, accelerate the construction of existing green energy projects and the establishment of operation entities, actively explore and expand projects such as charging stations, distributed photovoltaics and energy storage, and speed up the construction of an integrated regional power system featuring "source-grid-load-storage". Third, we will systematically carry out the 2026 pre-test and pre-inspection of equipment, further deepen the comprehensive remediation of low-voltage transformer areas and frequently power-out lines, optimize service processes and hotline management, continuously improve power supply quality and service standards, and effectively enhance customers' sense of gain and satisfaction with power services.

(3) Driving Efficient Capital Operation to Promote the Company's All-Round Development

First, we adhere to the dual-drive of domestic and international business, actively advance the M&A of high-quality power assets, explore and develop new growth poles for overseas investment, further optimize the capital structure and reduce the asset-liability ratio. We will accelerate the realization of a positive cycle of "asset securitization — market value growth — enhanced financing capacity", and strive to build the Group's integrated platform for overseas investment and financing. Second, we will further deepen ESG practices, actively fulfill social responsibilities, strengthen environmental protection, and improve the governance structure. We will drive the sustained growth of performance and market value with a sound corporate fundamental, ensuring the Company's green, low-carbon and sustainable development.

(4) Consolidating the Cornerstone of Risk Prevention and Control to Safeguard the Company's Steady Development

First, we will continuously improve the full-process compliance risk identification, assessment, early warning and response mechanism, and hold fast to the “three lines of defense” for compliance management. We will strengthen audit supervision, institutionalize compliance audits and special audits, enhance the application of audit results and closed-loop rectification management, and improve the level of law-based and compliant operation. Second, we will strictly implement the production safety responsibility system, effectively improve system control and on-site supervision capabilities, carry out regular safety training and emergency drills, comprehensively enhance the safety awareness and emergency response capabilities of all staff, resolutely prevent all types of production safety accidents, and safeguard the lives and property of employees and the reliable supply of power. Third, we will regularly sort out the status of accounts receivable and inventory, clarify the reduction targets, refine work measures and implementation plans, continuously improve asset operation efficiency, ensure that the growth rate of “two funds” (accounts receivable and inventory) does not exceed the revenue growth rate, so as to guarantee the safe and efficient turnover of funds.

FINAL DIVIDEND AND DISTRIBUTION

As at the date of this announcement, the Board proposed to declare a final dividend of RMB0.12 per Share (tax inclusive) for the year ended 31 December 2025 to the Shareholders (except for holders of treasury shares, if any) whose names appear on the register of members of the Company on 29 June 2026, with the total amount of final dividend amounting to approximately RMB128,922,924.00. Subject to approval by the Shareholders at the AGM, the final dividend is expected to be paid on 20 July 2026.

For the distribution of dividends, dividends to the Domestic Shareholders will be declared and paid in RMB, while dividends to the H Shareholders will be declared in RMB but paid in Hong Kong dollars. The exchange rate adopted for currency conversion will be the average of the middle exchange rates for conversion of RMB into Hong Kong dollars announced by the China Foreign Exchange Trading Center during the five business days prior to the date of the AGM.

FINAL DIVIDEND INCOME TAX APPLICABLE TO OVERSEAS SHAREHOLDERS

Under the relevant tax rules and regulations of the PRC (collectively the “**PRC Tax Law**”), the Company is required to withhold enterprise income tax at the rate of 10% when distributing final dividends to non-resident enterprises (such term shall have the meaning as defined under the PRC Tax Law) whose names appear on the H share register of members of the Company.

In accordance with the PRC Tax Law, the Company is also required to withhold individual income tax when distributing final dividends to individual shareholders whose names appear on the H share register of members of the Company. The Company will determine the country of domicile of the individual H Shareholders based on the registered addresses as recorded in the H share register of members of the Company on the record date with details as follows:

For the individual H Shareholders who are Hong Kong and Macau residents and those whose country of domicile has entered into a tax treaty with the PRC stipulating a dividend tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of them.

For the individual H Shareholders whose country of domicile has entered into a tax treaty with the PRC stipulating a dividend tax rate of less than 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of them. If such individual H Shareholders would like to apply for a refund of the additional amount of tax withheld and paid, the Company may make applications on their behalf to seek entitlement of the relevant agreed preferential treatments pursuant to the tax treaties.

For the individual H Shareholders whose country of domicile has entered into a tax treaty with the PRC stipulating a dividend tax rate of higher than 10% but lower than 20%, the Company would withhold and pay the individual income tax at the agreed-upon effective tax rate on behalf of them.

For the individual H Shareholders who are residents of those countries without any tax treaties with the PRC or having tax treaties with the PRC stipulating a dividend tax rate of 20% or more and other situations, the Company would withhold and pay the individual income tax at a tax rate of 20% on behalf of them.

Should the H Shareholders have any doubt in relation to the aforesaid arrangements, they are recommended to consult their tax advisors for relevant tax implications in Mainland China, Hong Kong and other countries (regions) on the possession and disposal of the H Shares.

The Company will strictly comply with the requirements of relevant government authorities, and will withhold and pay the enterprise/individual income tax on behalf of the Shareholders whose names appear on the H share register of the Company on the record date. The Company will take no responsibility and will not entertain any requests from the Shareholders whose identities cannot be verified within the specified time or at all for any disputes arising from the arrangement of withholding tax or paying tax. However, the Company may provide assistance to the extent possible.

CLOSURE OF REGISTER OF MEMBERS

In order to determine the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from 10 June 2026 to 16 June 2026 (both days inclusive), during which period no transfer of Shares will be effected. The record date for determining the eligibility to attend and vote at the AGM will be 16 June 2026. In order to be qualified to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the H share registrar of the Company, namely Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration by H Shareholders, or to the Company's registered office at No. 789, Renhe Road, Wenjiang District, Chengdu City, Sichuan Province, the PRC for registration by the Domestic Shareholders no later than 4:30 p.m. on 9 June 2026.

In order to determine the entitlement of Shareholders for the final dividend, subject to the approval of the Shareholders at the AGM, the register of members of the Company will be closed from 24 June 2026 to 29 June 2026 (both days inclusive), during which period no transfer of Shares of the Company will be effected. The Company will distribute final dividends to Shareholders whose names appear on the register of members of the Company on 29 June 2026. The record date for determining the eligibility to receive entitlements will be 29 June 2026. In order to be qualified to obtain the final dividend, all transfers accompanied by the relevant share certificates must be lodged with the H share registrar of the Company, namely Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration by holders of H Shares, or to the Company's registered office at No. 789, Renhe Road, Wenjiang District, Chengdu City, Sichuan Province, the PRC for registration by holders of Domestic Shares no later than 4:30 p.m. on 23 June 2026.

SUFFICIENCY OF PUBLIC FLOAT

As of the date of this announcement, based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Company has maintained a sufficient public float of not less than 25% of the issued share capital of the Company as required by the Listing Rules.

CORPORATE GOVERNANCE CODE

Throughout the year ended 31 December 2025, the Company had complied with all applicable code provisions of the Corporate Governance Code set out in part 2 of Appendix C1 to the Listing Rules and had adopted most of the recommended best practices as set out in part 2 of Appendix C1 to the Listing Rules.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has also adopted the Model Code set out in Appendix C3 to the Listing Rules as its code of conduct regarding securities transactions by the Directors. Having made specific inquiries with all the Directors and former Supervisors, all the Directors and former Supervisors confirmed that they have complied with the Model Code throughout the year ended 31 December 2025 (in the case of former Supervisors, referring to those Supervisors who served from 1 January 2025 to 6 November 2025).

AUDIT COMMITTEE

The Audit Committee is mainly responsible for supervising our internal control, risk management, financial information disclosure and financial reporting.

The Audit Committee comprises Mr. Siu Chi Hung (蕭志雄) (independent non-executive Director), Ms. XIE Beidi (謝貝蒂) (non-executive Director) and Prof. Li Jian (李堅) (independent non-executive Director), with Mr. Siu Chi Hung serving as the chairman of such committee. The Group's audited annual results for the year ended 31 December 2025 have been reviewed by the Audit Committee, which was of the opinion that the preparation of the relevant financial statements complied with the applicable accounting standards and requirements and that adequate disclosure has been made. The Audit Committee has also reviewed the selection and appointment of the external auditor, the accounting principles and practices adopted by the Group, as well as the financial management and internal control systems of the Group.

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and the related notes thereto for the year ended 31 December 2025 as set out in the this annual results announcement have been compared by the Group's auditor, KPMG Huazhen LLP, to the amounts set out in the Group's consolidated financial statements for the year ended 31 December 2025, and the amounts were found to be in agreement. The work performed by KPMG Huazhen LLP in this respect did not constitute an audit, review or other assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the auditor on this announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities (including sale of any treasury shares (whether held directly or deposited with CCASS, or otherwise)) of the Company. The Company did not hold any treasury shares as at 31 December 2025.

AGM

The forthcoming AGM is expected to be held on 16 June 2026. The notice of the AGM will be published on the websites of the Company (www.scntgf.com) and the Stock Exchange (www.hkexnews.hk) and dispatched to the Shareholders in due course.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.scntgf.com). The annual report of the Company for the year ended 31 December 2025 containing all the information required by the Listing Rules will be available on the same websites in due course.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

“Accounting Standards for Business Enterprises”	the accounting standards for business enterprises issued by the Ministry of Finance of the PRC
“AGM”	the annual general meeting to be convened by the Company on 16 June 2026
“Audit Committee”	the audit committee under the Board
“Board”	the board of Directors of the Company
“China” or “PRC”	the People’s Republic of China, excluding, for the purpose of this announcement, Hong Kong, Macau and Taiwan
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time

“Company”	Sichuan Energy Investment Development Co., Ltd.* (四川能投發展股份有限公司) (Stock Code: 1713), a company established in the PRC as a joint stock company with limited liability on 29 September 2011
“Corporate Governance Code”	the Corporate Governance Code contained in Appendix C1 to the Listing Rules
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	domestic ordinary share(s) in the Company’s registered capital, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi and held by PRC nationals or PRC-incorporated entities, and are not listed or traded on any stock exchange
“Domestic Shareholders”	holders of Domestic Shares
“EECS business”	electrical engineering construction service and related business, which includes the construction, installation, testing and maintenance of power facilities and related sales of electric equipment and materials
“Group”	the Company and its subsidiaries
“H Share(s)”	the issued ordinary share(s) of RMB1.00 each in the share capital of the Company, which are listed on the Main Board of the Stock Exchange
“H Shareholders”	holders of H Shares
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing”	listing of the H Shares on the Main Board of the Stock Exchange
“Listing Date”	28 December 2018, the date on which the H Shares were listed on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules
“Prospectus”	the prospectus of the Company dated 13 December 2018 in relation to the initial public offering of H Shares
“Reporting Period”	the period from 1 January 2025 to 31 December 2025
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) of RMB1.00 each in the share capital of the Company, including H Shares and Domestic Shares
“Shareholder(s)”	the shareholder(s) of the Company, including the Domestic Shareholders and the H Shareholders
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it in Section 15 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“treasury shares”	has the meaning ascribed to it under the Listing Rules
“%”	per cent.

By order of the Board
Sichuan Energy Investment Development Co., Ltd.*
He Jing
Chairman

Chengdu, Sichuan Province, the PRC, 30 March 2026

As at the date of this announcement, the executive Directors are Mr. He Jing, Mr. Wang Yuanchun and Ms. Xie Peixi; the non-executive Directors are Mr. Yao Gengsheng, Ms. Xie Beidi, Mr. Gao Bin, Mr. Xia Long and Mr. Chen Yan; and the independent non-executive Directors are Mr. Siu Chi Hung, Mr. Chen Chuan, Mr. Mou Yingshi, Prof. Li Jian and Ms. He Yin.

* *For identification purposes only*