



Beijing Jingnan  
北京京源

Public company incorpor

00579



# 2019 INTERIM REPORT



# CONTENTS

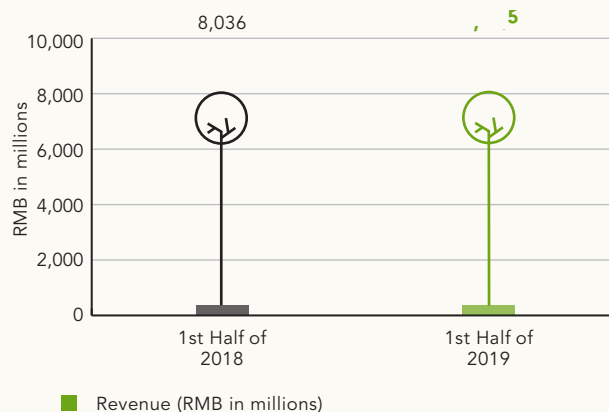
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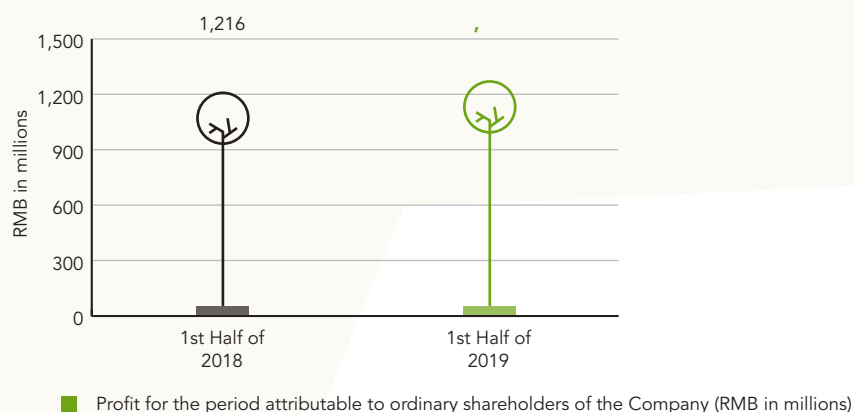
# FINANCIAL HIGHLIGHTS

BEIJING JINGNENG CLEAN ENERGY CO., LIMITED (the Company)

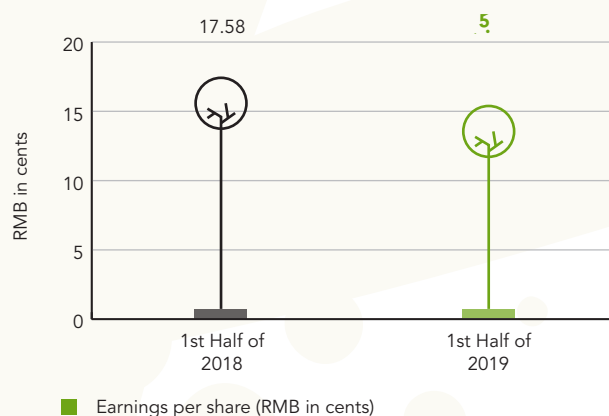
## REVENUE



## PROFIT FOR THE PERIOD ATTRIBUTABLE TO ORDINARY SHAREHOLDERS OF THE COMPANY



## EARNINGS PER SHARE



## FINANCIAL HIGHLIGHTS

		For the six months ended 30 June	
		2019	2018
		RMB'000	MB'000
		<b>8,064,971</b>	8,036,391
P I		<b>1,700,856</b> <b>(380,520)</b>	1,731,629 (414,287)
P n		<b>1,320,336</b>	1,317,342
P E H N	n n C	<b>1,268,270</b> - <b>52,066</b>	1,216,095 35,768 65,479
B	n ( MB )	<b>15.38</b>	17.58
		As of 30 June 2019	A 31 D 2018
		RMB'000	MB'000
-		<b>43,497,066</b>	42,809,938
		<b>10,991,098</b>	12,131,522
		<b>54,488,164</b>	54,941,460
		<b>15,894,135</b>	19,391,917
-		<b>16,327,219</b>	14,037,943
		<b>32,221,354</b>	33,429,860
N		<b>22,266,810</b>	21,511,600
E N	n n C	<b>21,817,522</b> <b>449,288</b>	21,114,378 397,222
		<b>22,266,810</b>	21,511,600

# CORPORATE PROFILE

## REGISTERED NAME

BEIJING JINGNENG CLEAN ENERGY CO., LTD.

## DIRECTORS

### Non-executive Directors

M. LIU H (Chairman)

M. LI J

M. WANG B

M. WEN

### Executive Directors

M. HANG F (General Manager)

M. HU J

M. CAO M (Secretary)

### Independent Non-executive Directors

M. HUANG

M. HANG F (non-independent)

M. CHAN

M. HAN

## STRATEGY COMMITTEE

M. LIU H (Chairman)

M. HANG F

M. HU J

M. CAO M

## REMUNERATION AND NOMINATION COMMITTEE

M. HUANG (Chairman)

M. LIU H

M. HU J

M. HANG F (non-independent)

M. HAN

## AUDIT COMMITTEE

M. CHAN (Chairman)

M. LI J

M. HUANG

## SUPERVISORS

M. WANG

M. HUANG H

M. HUANG L

## COMPANY SECRETARY

M. KANG J

## AUTHORIZED REPRESENTATIVES

M. HANG F

7/8 Full, N. 6, non-independent

Chairman, Director, Board, non-PRC

M. KANG J

7/8 Full, N. 6, non-independent

Chairman, Director, Board, non-PRC

## REGISTERED OFFICE

118, N. 1, E, Beijing, PRC  
Beijing, PRC  
Director, Board, non-PRC  
non-PRC, Chairman (non-PRC)

## PRINCIPAL PLACE OF BUSINESS IN THE PRC

7/8 Full, N. 6, non-independent

Chairman, Director, Board, non-PRC

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

L 54, H, C, 183, E, H, K

## PRINCIPAL BANKERS

China Merchants Bank Co., Ltd. (Delisted Bank)  
 Floor 2, Jiefang Road, Nanhai District,  
 No. 46 Daxue Road, Nanhai District,  
 Daxue Road, Nanhai District, Beihai City, Guangxi

Bank of China Co., Ltd. (Delisted Bank)  
 Branch 1, No. 9, Chongqing Road, Nanhai District,  
 Nanhai District, Beihai City, Guangxi

Asia Bank Co., Ltd. (Delisted Bank)  
 No. 9, East Asia Building,  
 Finance District, Beihai City, Guangxi

Industrial Bank Co., Ltd. (Delisted Bank)  
 (Delisted Bank)  
 No. 55, Jiefang Road, Nanhai District,  
 Nanhai District, Beihai City, Guangxi

## INTERNATIONAL AUDITORS

Deloitte Touche  
 Chartered Accountants  
 35/F, One Pacific Place,  
 88 Queensway, Hong Kong

## DOMESTIC AUDITORS

Guangdong LLP (Delisted GP)  
 5th Floor, Nanhai District,  
 22 Jiefang Road, Nanhai District,  
 Chongqing Road, Beihai City, Guangxi

## HONG KONG LEGAL ADVISORS

Fennell Boreman Doherty  
 55th Floor, One International Finance Centre,  
 11th Floor, Pacific Place,  
 Bank of China Tower, Hong Kong

## PRC LEGAL ADVISORS

Wang Lianfa  
 10/F, CPIC Plaza, 28 Fuxin Road,  
 Nanhai District, Beihai City, Guangxi

## HONG KONG SHARE REGISTRAR

China Hong Kong  
 Limited  
 1712-1716, 17th Floor,  
 Harbour Centre, 183  
 Nathan Road, Hong Kong

## STOCK CODE

579

## COMPANY'S WEBSITE

[www.jingneng.com.cn](http://www.jingneng.com.cn)

## LISTING PLACE

Delisted Bank, Hong Kong

# MANAGEMENT DISCUSSION AND ANALYSIS

## I. BUSINESS REVIEW FOR THE FIRST HALF OF 2019

### 1. Increase in installed capacity

As at 30 June 2019, the Group's total installed capacity was 8,863 MW, an increase of 10% from 8,050 MW as at 30 June 2018. The increase was primarily due to the completion of the 1,363 MW of new capacity, which accounted for 15% of the total installed capacity. The Group's installed capacity by region is as follows:

Region	30 June 2019 (MW)	30 June 2018 (MW)	Change (%)
North China	4,702	4,702	0%
South China	2,348	1,815	27%
Other Regions	1,813	1,533	18%
<b>Total</b>	<b>8,863</b>	<b>8,050</b>	<b>10%</b>

The Group's installed capacity by type is as follows:

Type	30 June 2019 (MW)	30 June 2018 (MW)	Change (%)
Coal-fired	450	425	5%
Natural gas	195	195	0%
Wind	114	114	0%
Solar	81	81	0%
Hydro	799.5	440	81%
<b>Total</b>	<b>1,639.5</b>	<b>1,275</b>	<b>28%</b>

### 2. Increase in power generation

In the first half of 2019, the Group's total power generation was 13.58 billion kWh, an increase of 5.18% from 12.89 billion kWh in the first half of 2018. The increase was primarily due to the increase in power generation from coal-fired power plants, which accounted for 5.18% of the total power generation. The Group's power generation by region is as follows:

Region	First Half 2019 (billion kWh)	First Half 2018 (billion kWh)	Change (%)
North China	6.46	6.46	0%
South China	2.022	1.533	32%
Other Regions	5.10	4.897	4%
<b>Total</b>	<b>13.58</b>	<b>12.89</b>	<b>5.18%</b>

The Group's power generation by type is as follows:

Type	First Half 2019 (billion kWh)	First Half 2018 (billion kWh)	Change (%)
Coal-fired	10,780	10,780	0%
Natural gas	2,022	1,533	32%
Wind	55	55	0%
Solar	903	903	0%
Hydro	684	684	0%
<b>Total</b>	<b>14,250</b>	<b>13,555</b>	<b>5%</b>

3. Steady promotion of overseas projects

In 2019, the Group continued to promote overseas projects. The Group's overseas projects were completed in 2019, including the 108 MW B, A, and C projects in the United States, the 270 MW A, B, and C projects in the United States, and the 180 MW A, B, and C projects in the United States. The Group's overseas projects were completed in 2019, including the 108 MW B, A, and C projects in the United States, the 270 MW A, B, and C projects in the United States, and the 180 MW A, B, and C projects in the United States.

4. Reduction in financing cost

In 2019, the Group continued to reduce its financing cost. The Group's financing cost was reduced from 3.15% in 2018 to 3.39% in 2019. The Group's financing cost was reduced from 3.15% in 2018 to 3.39% in 2019. The Group's financing cost was reduced from 3.15% in 2018 to 3.39% in 2019.



# MANAGEMENT DISCUSSION AND ANALYSIS

## 2. Operating Income

Operating income	2019, RMB8,036.4 million	0.36%	2018, RMB8,065.0 million
Change	-28.6 million	-0.36%	
Operating income	2019, RMB8,364.0 million	1.92%	2018, RMB8,524.2 million
Change	-160.2 million	-1.92%	

### Gas-fired Power and Heat Energy Generation Segment

Operating income	2019, RMB6,249.0 million	0.79%	2018, RMB6,199.7 million
Change	49.3 million	0.83%	
Operating income	2019, RMB5,190.6 million	0.60%	2018, RMB5,147.5 million
Change	43.1 million	0.60%	
Operating income	2019, RMB1,052.1 million		2018, RMB1,058.4 million
Change	-6.3 million	-0.60%	

### Wind Power Segment

Operating income	2019, RMB1,149.6 million	10.50%	2018, RMB1,028.9 million
Change	120.7 million	11.73%	

### Photovoltaic Power Segment

Operating income	2019, RMB485.6 million	41.21%	2018, RMB685.7 million
Change	-200.1 million	-29.18%	

### Hydropower Segment

Operating income	2019, RMB145.7 million	2.88%	2018, RMB149.9 million
Change	-4.2 million	-2.80%	

### Others

Operating income	2019, RMB6.5 million	86.15%	2018, RMB0.9 million
Change	5.6 million	622.22%	

## 3. Other Income

Operating income	2019, RMB504.2 million	22.87%	2018, RMB619.5 million
Change	-115.3 million	-18.61%	

## 4. Operating Expenses

Operating expenses for 2019 were RMB6,490.5 million, an increase of 3.12% from RMB6,294.4 million in 2018.

### Gas Consumption

Gas consumption for 2019 was RMB4,542.1 million, an increase of 5.63% from RMB4,300.1 million in 2018.

### Depreciation and Amortization

Depreciation and amortization for 2019 was RMB1,185.5 million, an increase of 9.42% from RMB1,083.4 million in 2018.

### Personnel Cost

Personnel cost for 2019 was RMB316.2 million, an increase of 1.25% from RMB320.2 million in 2018.

### Repairs and Maintenance

Repairs and maintenance for 2019 was RMB226.8 million, an increase of 3.78% from RMB235.7 million in 2018.

### Other Expenses

Other expenses for 2019 were RMB274.7 million, an increase of 19.98% from RMB343.3 million in 2018.

### Other Gains and Losses

Other gains and losses for 2019 were RMB54.8 million, an increase of RMB11.7 million from 2018.

# MANAGEMENT DISCUSSION AND ANALYSIS

## 5. Operating Profit

A	n				2.32%	MB2,246.1
n	n	2018	MB2,194.0	n	n	2019.

## 6. Adjusted Segment Operating Profit

n	☒				1.73%	MB2,069.6
n	n	2018	MB2,033.7	n	n	2019.

### Gas-fired Power and Heat Energy Generation Segment

A	☒					
		7.71%	MB1,301.1	n	n	2018
						MB1,200.8
n	n	2019,	n	n	n	2017
2018	n					n

### Wind Power Segment

A	☒					22.71%
MB500.3	n	n	2018	MB386.7	n	n
	n				n	2019

### Photovoltaic Power Segment

A	☒					51.45%
MB283.4	n	n	2018	MB429.2	n	n
	n				n	2019,

### Hydropower Segment

A	☒					60.36%
MB22.2	n	n	2018	MB35.6	n	n
	n				n	2019,

### Others

A	☒					MB37.4
2018		MB18.6	n	n	2019,	n
	n	H n	CGN P	C ., L . n	n	C

## 7. Finance Costs

Finance costs were RMB580.0 million in 2018, RMB557.9 million in 2019, an increase of 3.96%.

## 8. Share of Results of Associates

The share of results of associates was RMB59.4 million in 2018, RMB23.3 million in 2019, a decrease of 154.94%. This was primarily due to the disposal of shares in Beijing Jingneng Clean Energy Co., Ltd. in 2019.

## 9. Profit before Taxation

Profit before taxation was RMB1,700.9 million in 2018, RMB1,731.6 million in 2019, an increase of 1.77%.

## 10. Income Tax Expense

Income tax expense was RMB380.5 million in 2018, RMB414.3 million in 2019, an increase of 8.16%. The effective tax rate was 22.37% in 2018 and 23.92% in 2019.

## 11. Profit for the Period

Profit for the period was RMB1,320.3 million in 2018, RMB1,317.3 million in 2019, a decrease of 0.23%.

## 12. Profit for the Period Attributable to Ordinary Shareholders of the Company

Profit for the period attributable to ordinary shareholders of the company was RMB1,216.1 million in 2018, RMB1,268.3 million in 2019, an increase of 4.29%.

# MANAGEMENT DISCUSSION AND ANALYSIS

## III. FINANCIAL POSITION

### 1. Overview

A	30 J 2019,	n	G	MB54,488.2	,
		MB32,221.4	n	n	,
	MB22,266.8	,	n	n	
	MB21,817.5	.			

### 2. Particulars of Assets and Liabilities

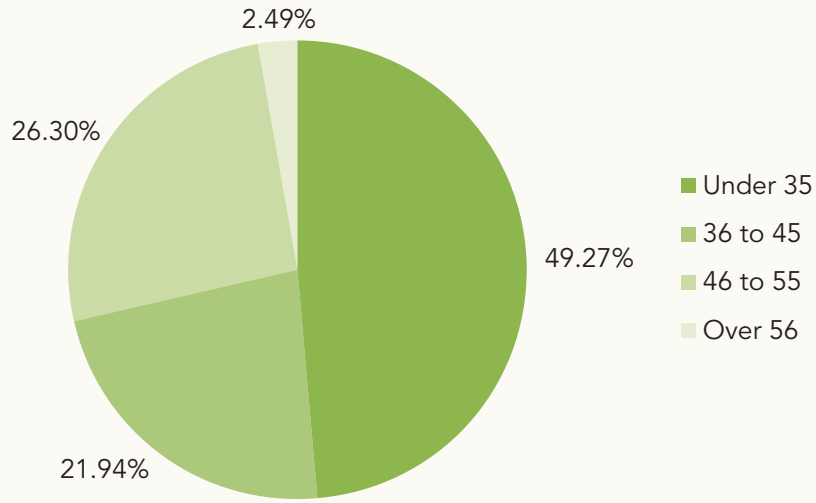
		0.83%	MB54,941.5	31 D	2018
MB54,488.2	30 J 2019,	n			.
		3.62%	MB33,429.9	31 D	2018
MB32,221.4	30 J 2019,	n		▼	.
	3.51%	MB21,511.6	31 D	2018	MB22,266.8
	30 J 2019. E		n	n	C
	3.33%	MB21,114.4	31 D	2018	MB21,817.5
30 J 2019,	n		n	n	2019.

### 3. Liquidity

A	30 J 2019,		MB10,991.1	,	.
	MB3,940.4	,		MB5,672.6	(
				n	),
n		MB1,378.1	(		-
	n		) . C		MB15,894.1
	n		MB5,551.4	,	n
	MB6,083.0	,		MB82.9	,
	MB2,920.7	(			
	n	) . O n			MB1,256.1
					,
N		32.47%	MB7,260.4	31 D	
2018	MB4,903.0	30 J 2019. C		6.59%	
62.56%	31 D	2018	69.15%	30 J 2019,	n
n					



**Age Structure**



**2. Degree Structure:**

Educational background	Number of employees	Percentage	Cumulative percentage
D	3	0.11%	0.11%
M	167	6.12%	6.23%
B	1,356	49.67%	55.90%
C	1,204	44.10%	100.00%
<b>Total</b>		<b>100.00%</b>	<b>-</b>

**II. EMPLOYEES' INCENTIVES**


**III. EMPLOYEES' REMUNERATION**


IV. EMPLOYEES' TRAINING

The Company has established a comprehensive training system to improve the professional skills and overall quality of its employees. The training system includes on-the-job training, off-the-job training, and external training. The Company has invested significant resources in employee training, and the training budget has increased steadily over the years. In 2019, the training budget was RMB232.5 million, an increase of 100% compared to 2018. The training budget is expected to continue to increase in 2020.

The Company has established a comprehensive training system to improve the professional skills and overall quality of its employees. The training system includes on-the-job training, off-the-job training, and external training. The Company has invested significant resources in employee training, and the training budget has increased steadily over the years. In 2019, the training budget was RMB232.5 million, an increase of 100% compared to 2018. The training budget is expected to continue to increase in 2020.

V. EMPLOYEES' BENEFITS

The Company has established a comprehensive employee benefit system to attract and retain top talent. The benefit system includes social insurance, housing fund, and other employee benefits. The Company has invested significant resources in employee benefits, and the benefit budget has increased steadily over the years. In 2019, the benefit budget was RMB1.5 million, an increase of 3.39% compared to 2018. The benefit budget is expected to continue to increase in 2020.

The Company has established a comprehensive employee benefit system to attract and retain top talent. The benefit system includes social insurance, housing fund, and other employee benefits. The Company has invested significant resources in employee benefits, and the benefit budget has increased steadily over the years. In 2019, the benefit budget was RMB1.5 million, an increase of 3.39% compared to 2018. The benefit budget is expected to continue to increase in 2020.

V. OTHER SIGNIFICANT EVENTS

1. Financing

On December 22, 2019, the Company issued RMB180 million of short-term financing, with an interest rate of 3.15%. On August 2019, the Company issued RMB1.5 million of short-term financing, with an interest rate of 3.39%.

2. Capital Expenditure

In 2019, the Company's capital expenditure was RMB761.7 million, an increase of 100% compared to 2018. The capital expenditure is expected to continue to increase in 2020.



# MANAGEMENT DISCUSSION AND ANALYSIS

## 3. Significant Investment

As at 30 June 2019, the Group has significant investments in the following entities:

- China Energy Power Development Corporation Limited (常寧光聚電力開發有限公司),
- Guangdong Power Corporation Limited (潤峰格爾木電力有限公司),
- Ningxia Qingyun Energy Technology Corporation Limited (陽西清芸陽光新能源科技有限公司)
- Liming Energy Technology Corporation Limited (陸豐市明大新能源科技有限公司)

During 2019, the Group has also made significant investments in the following entities:

- China Energy Power Development Corporation Limited (常寧光聚電力開發有限公司),
- Guangdong Power Corporation Limited (潤峰格爾木電力有限公司),
- Ningxia Qingyun Energy Technology Corporation Limited (陽西清芸陽光新能源科技有限公司)
- Liming Energy Technology Corporation Limited (陸豐市明大新能源科技有限公司)

The Group's investments in the above entities are classified as long-term investments. The Group's investments in the above entities are measured at cost less impairment. The Group's investments in the above entities are measured at cost less impairment. The Group's investments in the above entities are measured at cost less impairment.

## 4. Contingent Liabilities

As at 30 June 2019, the Group has no contingent liabilities.

## 5. Mortgage of Assets

As at 30 June 2019, the Group has mortgaged assets with a carrying amount of MB2,339.9 million (MB208.0 million) to secure bank borrowings of MB2,339.9 million (MB208.0 million).

9. Share Option Scheme

As at 30 June 2019, the Company has no share options outstanding.

10. Foreign Exchange and Exchange Rate Risk

The Company's operations are primarily conducted in the Mainland China, Hong Kong, and the United States. The Company's functional currency is the Renminbi (RMB). The Company's financial statements are presented in US Dollars (USD). The Company is exposed to foreign exchange risk arising from its operations in Mainland China, Hong Kong, and the United States. The Company's revenue is primarily denominated in RMB, USD, and HKD. The Company's expenses are primarily denominated in RMB. The Company's assets and liabilities are primarily denominated in RMB, USD, and HKD. The Company's financial statements are presented in USD. The Company is exposed to foreign exchange risk arising from its operations in Mainland China, Hong Kong, and the United States. The Company's revenue is primarily denominated in RMB, USD, and HKD. The Company's expenses are primarily denominated in RMB. The Company's assets and liabilities are primarily denominated in RMB, USD, and HKD. The Company's financial statements are presented in USD.

VI. BUSINESS PROSPECT FOR THE SECOND HALF OF 2019

1. Safety production guarantee

The Company has always adhered to the principle of safety first. In 2019, the Company has implemented a series of measures to ensure safety production. The Company has established a safety production management system and implemented it strictly. The Company has conducted regular safety production training and education for its employees. The Company has strengthened its safety production supervision and inspection. The Company has improved its safety production facilities and equipment. The Company has achieved zero safety production accidents in 2019. The Company will continue to adhere to the principle of safety first and ensure safety production in the second half of 2019.

2. Promoting the preliminary work of incremental projects

The Company has always been committed to promoting the preliminary work of incremental projects. In 2019, the Company has identified several potential incremental projects and has conducted preliminary work on them. The Company has conducted market research and feasibility studies on these projects. The Company has established relationships with potential partners and investors. The Company has secured financing for these projects. The Company will continue to promote the preliminary work of incremental projects in the second half of 2019.



# CORPORATE GOVERNANCE AND OTHER INFORMATION

## COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is listed on the Hong Kong Stock Exchange (the "Stock Exchange"), and is subject to the Corporate Governance Code set out in the Listing Rules of the Stock Exchange. The Company has adopted the Corporate Governance Code as its own code of corporate governance. The Company has complied with all the applicable provisions of the Corporate Governance Code throughout the reporting period from 1 January 2019 to 30 June 2019.

## COMPLIANCE WITH MODEL CODE

The Company is also subject to the Model Code for Directors' Securities Transactions set out in the Listing Rules of the Stock Exchange (the "Model Code"). The Company has adopted the Model Code as its own code of securities transactions for its directors. The Company has complied with all the applicable provisions of the Model Code throughout the reporting period from 1 January 2019 to 30 June 2019.

## PLEDGING OF SHARES BY THE CONTROLLING SHAREHOLDER

The Company's controlling shareholder, Beijing Jingneng Clean Energy Co., Limited ("Jingneng Clean Energy"), has pledged its shares in the Company to the Company's bank lenders. As at 30 June 2019, the total number of shares pledged by Jingneng Clean Energy is 13.16 million shares, representing approximately 13.16% of the Company's issued shares.

## LOAN AGREEMENTS OR FINANCIAL ASSISTANCE OF THE COMPANY

The Company has not provided any loan agreements or financial assistance to any director, executive officer, or substantial shareholder of the Company during the reporting period from 1 January 2019 to 30 June 2019.

## AUDIT COMMITTEE

The Company has established an Audit Committee (the "Audit Committee") to oversee the Company's financial reporting process and to monitor and review the Company's financial reporting and internal control systems. The Audit Committee is composed of three independent non-executive directors, including M. Chan, M. Li, and M. Chan. The Audit Committee has held several meetings during the reporting period from 1 January 2019 to 30 June 2019 to discuss and review the Company's financial statements and internal control systems.

# CORPORATE GOVERNANCE AND OTHER INFORMATION

## REGISTERED SHARE CAPITAL

As at 30 June 2019, the registered share capital of the Company is RMB8,244,508,144 (MB1.00), which is equivalent to 5,414,831,344 ordinary shares. The total number of shares in issue is 5,414,831,344, which is equivalent to RMB2,829,676,800.

## INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2019, the interests and short positions of the Directors, Supervisors and Chief Executives in the Company's shares, underlying shares and debentures are as follows:

**Directors:** Mr. Wang Jinchuan, Chairman of the Board, has a beneficial interest in 7,831,344 ordinary shares of the Company, representing 0.14% of the total number of shares in issue. Mr. Wang Jinchuan is also the Chairman of the Board of Beijing Jingneng Clean Energy Co., Limited.

**Supervisors:** Mr. Wang Jinchuan, Chairman of the Board, has a beneficial interest in 7,831,344 ordinary shares of the Company, representing 0.14% of the total number of shares in issue. Mr. Wang Jinchuan is also the Chairman of the Board of Beijing Jingneng Clean Energy Co., Limited.

**Chief Executives:** Mr. Wang Jinchuan, Chairman of the Board, has a beneficial interest in 7,831,344 ordinary shares of the Company, representing 0.14% of the total number of shares in issue. Mr. Wang Jinchuan is also the Chairman of the Board of Beijing Jingneng Clean Energy Co., Limited.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES

As at 30 June 2019, the substantial shareholders' interests and short positions in the Company's shares are as follows:

**Substantial Shareholders:** Beijing Jingneng Clean Energy Co., Limited (the "Company") is a subsidiary of Beijing Jingneng Clean Energy Co., Limited. The Company has 5,414,831,344 ordinary shares in issue, representing 100% of the total number of shares in issue.

**Substantial Shareholders:** Beijing Jingneng Clean Energy Co., Limited (the "Company") is a subsidiary of Beijing Jingneng Clean Energy Co., Limited. The Company has 5,414,831,344 ordinary shares in issue, representing 100% of the total number of shares in issue.

Name of shareholders	Types of Shares	Capacity	Number of shares/ underlying shares held (share)	Percentage of relevant class of share capital (%)	Percentage of total share capital (%)
BEH <sup>(1)</sup> N <sup>(2)</sup>	D	B	5,190,483,053 (L)	95.86	62.96
	H	I	471,612,800 (L)	16.67	5.72
B COMC <sup>(1)</sup> N <sup>(2)</sup>	D	B	5,414,831,344 (L)	100.00	65.68
	H	I	471,612,800 (L)	16.67	5.72
B E I <sup>(1)</sup> N <sup>(2)</sup>	H	B	471,612,800 (L)	16.67	5.72
AIFI GPC L <sup>(1)</sup> N <sup>(2)</sup>	H	I	173,532,000 (L)	6.13	2.10
AIFI GPLP <sup>(1)</sup> N <sup>(2)</sup>	H	I	173,532,000 (L)	6.13	2.10

# CORPORATE GOVERNANCE AND OTHER INFORMATION

Name of shareholders	Types of Shares	Capacity	Number of shares/ underlying shares held (share)	Percentage of relevant class of share capital (%)	Percentage of total share capital (%)
AIFP I L.P. <sup>(iv 3)</sup>	H n	B	173,532,000 (L)	6.13	2.10
Av A v. <sup>(iv 3)</sup>	H n	I	173,532,000 (L)	6.13	2.10
B E	H n	I	196,964,000 (L)	6.96	2.39
H L <sup>(iv 4)</sup>	H n	B	196,964,000 (L)	6.96	2.39
B E E	H n	I	196,964,000 (L)	6.96	2.39
C L <sup>(iv 4)</sup>	H n	I	196,964,000 (L)	6.96	2.39
B E E (H K)	H n	I	196,964,000 (L)	6.96	2.39
C L <sup>(iv 4)</sup>	H n	B	169,930,000 (L)	6.01	2.06
N B	H n	I	653,136,000 (L)	23.08	7.92
C H I L <sup>(iv 5)</sup>	H n	B	653,136,000 (L)	23.08	7.92
Cn (G)	H n	B	196,704,000 (L)	6.95	2.39
C <sup>(iv 5)</sup>	H n	I	157,635,592 (L)	5.57	1.91
Cn P & C	H n	I	294,000 ( )	0.01	0.00
C C L <sup>(iv 5)</sup>	H n	I	157,339,595 (P)	5.56	1.91

## Notes:

- B E E C L n 92,654,249 n n C A n C  
 B E E C L n - BEH. I n n FO, BEH  
 92,654,249 n n B E E C L ..

B D H (G) C L n 16,035,322 n n C A n C  
 D H (G) C L n - BEH. I n n FO, BEH  
 n n B D H (G) C L ..

BEH n 5,081,793,482 n n C . I n n FO, BEH n /  
 .. 5,190,483,053 n n C ..

B COMC n 224,348,291 n n C A n C  
 I n n FO, B COMC n / .. 5,414,831,344 n n C ..

# CORPORATE GOVERNANCE AND OTHER INFORMATION

2. B E . I . n 471,612,800 H n n C . A n C , B E . I . n - BEH, n BEH n - B COMC. I n n FO, BEH B COMC 471,612,800 H n n B E . I .
3. AIF P . I . L.P. n 173,532,000 H n n C . A n C , AIF P . I . L.P. n - AIF I GP LP, n AIF I GP LP n - AIF I GP C . L . AIF I GP C . L . n - v A v . I n n FO, AIF I GP LP, AIF I GP C . L . v A v . 173,532,000 H n n AIF P . I . L.P.
4. B E . E . n . I . C ., L . n 196,964,000 H n n C . A n C , B E . E . n . I . C ., L . n - B E . E . n . (H . K .) C ., L ., n B E . E . n . (H . K .) C ., L . n - B E . H . L . I . n n FO, B E . E . n . (H . K .) C ., L . B E . H . L . 196,964,000 H n n B E . E . n . I . C ., L .
5. Cn P & C C L . n 196,704,000 H n n C . Cn (G ) C n 456,432,000 H n n C . A n C , Cn P & C C L . n - Cn (G ) C , n 71.56% Cn (G ) C C H I L . I n n FO, Cn (G ) C C C H I L . n 653,136,000 H n n C .
6. C . I . n H n n C ( n n ) n n / n -

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

N n n C n , n C ' n n n 30 J 2019.

### INTERIM DIVIDEND

n B n n n n 30 J 2019.

### CHANGE IN DIRECTORS' INFORMATION

O 30 J 2019, n , M . HAO n - n C .

O 30 J 2019, n n n n , M . ANG B . n C .

F n , n n C 30 J 2019.

## CORPORATE GOVERNANCE AND OTHER INFORMATION

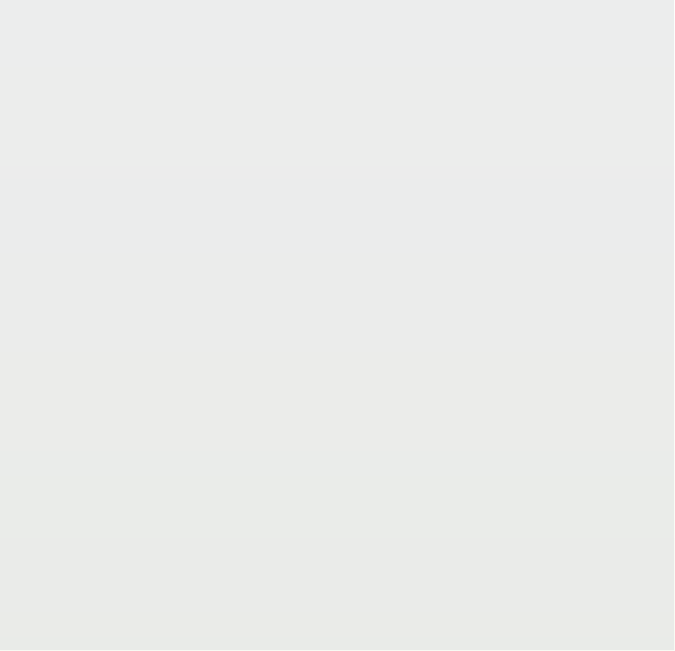


# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2019

(Unaudited) (MB'000)

	N	For the six months ended 30 June	
		2019 RMB'000 (Unaudited)	2018 MB'000 ( )
	3	8,064,971	8,036,391
Operating Profit	5	619,504	504,151
Finance Income		(4,542,057)	(4,300,126)
Finance Expenses	9	(1,185,483)	(1,083,356)
Other Income		(316,183)	(320,187)
Other Expenses		(226,821)	(235,729)
Share of Profit of Associates		(274,688)	(343,292)
Share of Profit of Joint Ventures	6	54,757	(11,713)
Profit before Income Tax		2,194,000	2,246,139
Income Tax	7	27,422	20,054
Finance Income	7	(579,971)	(557,881)
Finance Expenses		59,405	23,317
Profit before Income Tax		1,700,856	1,731,629
Income Tax	8	(380,520)	(414,287)
Profit before Income Tax	9	1,320,336	1,317,342
Profit before Income Tax		1,268,270	1,216,095
Other Comprehensive Income		-	35,768
Other Comprehensive Income		52,066	65,479
		1,320,336	1,317,342
		RMB cents	MB
EBITDA			



# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2019

(in million RMB) (MB'000)

	As at 30 June 2019 RMB'000 (Unaudited)	31 D 2018 MB'000
N		A

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2019  
(MB'000)

		As at 30 June 2019 RMB'000 (Unaudited)	As at 31 December 2018 MB'000 (Audited)
<b>Current Liabilities</b>			
	17	<b>3,432,461</b>	3,708,661
A	23	<b>455,293</b>	129,938
B	18	<b>5,551,435</b>	8,864,459
	19	<b>6,082,989</b>	6,086,848
M		<b>82,873</b>	80,189
C		<b>59,337</b>	88,564
I		<b>23,472</b>	128,598
D		<b>206,275</b>	304,660
		<b>15,894,135</b>	19,391,917

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period from January 1, 2019 to June 30, 2019

(All amounts in million RMB)

	Attributable to equity holders of the Company			
	Share capital	Capital reserve	Statutory surplus reserve	Other surplus
At the beginning of the period	1,142,154,200	1,218,762,671	566,100,000	1,059,046,920
Issuance of shares	15,000,000			
Change in share premium				
Change in other surplus				
At the end of the period	1,157,154,200	1,218,762,671	566,100,000	1,059,046,920

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2019  
(RMB'000)

	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000 ( )
<b>Net cash generated from operating activities</b>	<b>2,131,089</b>	<b>2,613,497</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(26,699)	(25,562)
Disposal of property, plant and equipment	9,150	5,928
Change in financial assets available for sale	1,710	10,521
Change in financial assets held to maturity	-	12,000
Change in financial assets at fair value through profit or loss	(50,000)	(45,000)
Acquisition of subsidiaries	(1,714,208)	(783,705)
Disposal of subsidiaries	(448)	(2,007)
Purchase of intangible assets	(47,185)	(4,765)
Purchase of investment in subsidiaries	15,080	-
Change in investment in subsidiaries	29,237	(415,391)
Net change in investment in subsidiaries	(25,954)	-
Change in cash and cash equivalents	-	(181,913)
<b>Net cash used in investing activities</b>	<b>(1,755,919)</b>	<b>(1,378,770)</b>

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2019

(Unless otherwise indicated, all amounts are in million RMB)

	N	For the six months ended 30 June	
		2019 RMB'000 (Unaudited)	2018 MB'000 ( )
<b>Financing activities</b>			
Issuance of debt		(599,045)	(440,948)
Repayment of debt		-	12,297
Proceeds from the disposal of equity investments		4,937,500	7,444,137
Proceeds from the disposal of non-current assets		(6,091,776)	(10,600,038)
Proceeds from the disposal of subsidiaries		3,500,000	4,000,000
Proceeds from the disposal of other non-current assets		(3,750)	(10,083)
Proceeds from the disposal of subsidiaries		(3,500,000)	(4,000,000)
Proceeds from the disposal of subsidiaries		-	3,020,071
Proceeds from the disposal of subsidiaries		-	(1,659)
Proceeds from the disposal of subsidiaries		-	1,500,000
Proceeds from the disposal of subsidiaries		-	(4,245)
Proceeds from the disposal of subsidiaries		-	(1,500,000)
Proceeds from the disposal of subsidiaries		(18,340)	
Proceeds from the disposal of subsidiaries		(73,136)	
Proceeds from the disposal of subsidiaries		-	(77,250)
<b>Net cash used in financing activities</b>		<b>(1,848,547)</b>	<b>(657,718)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(1,473,377)</b>	<b>577,009</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>5,420,937</b>	<b>2,675,087</b>
<b>Effect of foreign exchange rate changes</b>		<b>(7,176)</b>	<b>(56,697)</b>
<b>Cash and cash equivalents at the end of the period</b>	16	<b>3,940,384</b>	<b>3,195,399</b>







# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2019 (unaudited)

## 2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.1 Impacts and changes in accounting policies of application on IFRS 16 Leases

On 1 July 2019, the Group adopted IFRS 16 (IAS 17), which replaced IAS 17 L.

#### 2.1.1 Key changes in accounting policies resulting from application of IFRS 16

The Group has adopted IFRS 16 from 1 July 2019.

##### Definition of a lease

As a lessor, the Group leases out its property, plant and equipment to its customers under various types of lease contracts. The Group assesses whether a contract is or contains a lease. A contract is or contains a lease if the contract transfers to the customer the right to control the use of an identified asset for a period of time in exchange for consideration. The Group has concluded that all contracts entered into with its customers are leases.

For the period ended 30 June 2019, the Group has not entered into any lease contracts that are not leases.

##### As a lessee

As a lessee, the Group leases out its property, plant and equipment to its customers under various types of lease contracts. The Group assesses whether a contract is or contains a lease. A contract is or contains a lease if the contract transfers to the customer the right to control the use of an identified asset for a period of time in exchange for consideration. The Group has concluded that all contracts entered into with its customers are leases.

For the period ended 30 June 2019, the Group has not entered into any lease contracts that are not leases.

The Group has not entered into any lease contracts that are not leases.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2019 (unaudited)

## 2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.1 Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

#### 2.1.1 Key changes in accounting policies resulting from application of IFRS 16 (Continued)

##### As a lessee (Continued)

For the period ended 30 June 2019, the Group has applied IFRS 16 from 1 July 2019. The impact of the application of IFRS 16 on the Group's financial statements is as follows:

	30 June 2019	1 July 2019
Assets		
Right-of-use assets	1,000,000	1,000,000
Lease liabilities	(500,000)	(500,000)
Net impact	500,000	500,000

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# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2019 (unaudited)

## 2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.1 Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

#### 2.1.1 Key changes in accounting policies resulting from application of IFRS 16 (Continued)

*As a lessee (Continued)*

( IFRS 9 )

IFRS 9 |  
A

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2019 (unaudited)

## 2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.1 Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

#### 2.1.1 Key changes in accounting policies resulting from application of IFRS 16 (Continued)

##### As a lessee (Continued)

Leases (Continued)

For the period ended 30 June 2019	For the period ended 30 June 2018	For the period ended 30 June 2017
<p>As a lessee, the Group has entered into various leases for office premises, equipment and vehicles. The Group has elected to apply the short-term lease exemption for all leases with a maximum term of 12 months and does not recognise right-of-use assets and lease liabilities for these leases. The carrying amount of these leases is disclosed in Note 17.</p>	<p>As a lessee, the Group has entered into various leases for office premises, equipment and vehicles. The Group has elected to apply the short-term lease exemption for all leases with a maximum term of 12 months and does not recognise right-of-use assets and lease liabilities for these leases. The carrying amount of these leases is disclosed in Note 17.</p>	<p>As a lessee, the Group has entered into various leases for office premises, equipment and vehicles. The Group has elected to apply the short-term lease exemption for all leases with a maximum term of 12 months and does not recognise right-of-use assets and lease liabilities for these leases. The carrying amount of these leases is disclosed in Note 17.</p>
<p>The Group has also entered into various leases for office premises, equipment and vehicles. The Group has elected to apply the short-term lease exemption for all leases with a maximum term of 12 months and does not recognise right-of-use assets and lease liabilities for these leases. The carrying amount of these leases is disclosed in Note 17.</p>	<p>The Group has also entered into various leases for office premises, equipment and vehicles. The Group has elected to apply the short-term lease exemption for all leases with a maximum term of 12 months and does not recognise right-of-use assets and lease liabilities for these leases. The carrying amount of these leases is disclosed in Note 17.</p>	<p>The Group has also entered into various leases for office premises, equipment and vehicles. The Group has elected to apply the short-term lease exemption for all leases with a maximum term of 12 months and does not recognise right-of-use assets and lease liabilities for these leases. The carrying amount of these leases is disclosed in Note 17.</p>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2019 (unaudited)

## 2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.1 Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

#### 2.1.1 Key changes in accounting policies resulting from application of IFRS 16 (Continued)

##### As a lessee (Continued)

For the period ended 30 June 2019, the Group has applied IFRS 16 from 1 July 2019. The impact of the application of IFRS 16 on the Group's financial statements is as follows:

	30 June 2019	1 July 2019
Assets	1,234,567	1,234,567
Liabilities	567,890	567,890
Equity	666,677	666,677

#### 2.1.2 Transition and summary of effects arising from initial application of IFRS 16

##### Definition of a lease

The Group has applied IFRS 16 from 1 July 2019. The impact of the application of IFRS 16 on the Group's financial statements is as follows:

At 30 June 2019, the Group has applied IFRS 16 from 1 July 2019. The impact of the application of IFRS 16 on the Group's financial statements is as follows:

For the period ended 30 June 2019, the Group has applied IFRS 16 from 1 July 2019. The impact of the application of IFRS 16 on the Group's financial statements is as follows:

##### As a lessee

The Group has applied IFRS 16 from 1 July 2019. The impact of the application of IFRS 16 on the Group's financial statements is as follows:

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements as at 30 June 2019 (unaudited)

## 2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.1 Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

#### 2.1.2 Transition and summary of effects arising from initial application of IFRS 16 (Continued)

##### As a lessee (Continued)

	2019	IFRS 16	2019
Goodwill	17,000	-	17,000
Prepaid expenses	12,000	-	12,000
Provisions	37,000	-	37,000
Property, plant and equipment	12,000	-	12,000
Intangible assets	37,000	-	37,000
Trade receivables	12,000	-	12,000
Other receivables	37,000	-	37,000
Prepaid expenses	12,000	-	12,000
Provisions	37,000	-	37,000
Trade payables	12,000	-	12,000
Other payables	37,000	-	37,000
Deferred tax liabilities	12,000	-	12,000
Other liabilities	37,000	-	37,000
Equity	12,000	-	12,000
Retained earnings	37,000	-	37,000
Other equity	12,000	-	12,000
Assets	12,000	-	12,000
Liabilities	37,000	-	37,000
Equity	12,000	-	12,000

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2019 (unaudited)

## 2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.1 Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

#### 2.1.2 Transition and summary of effects arising from initial application of IFRS 16 (Continued)

##### As a lessee (Continued)

On 1 January 2019, the Group has adopted IFRS 16:

The carrying amount of lease liabilities at 1 January 2019 is MB209,372,000, which is less than the carrying amount of MB536,672,000 at 31 December 2018.

The carrying amount of lease liabilities at 1 January 2019 is calculated based on the present value of the lease payments, discounted at the incremental borrowing rate of 4.90%.

	At 1 January 2019 MB'000
On 31 December 2018	296,633
Less: Lease liabilities	244,233
Less: Lease liabilities	(34,861)
Less: Lease liabilities	209,372
Less: Lease liabilities	209,372
At 31 December 2018	30,818
At 1 January 2019	178,554
	209,372





# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

F n n 30 J 2019 ( )

## 2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.1 Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

#### 2.1.2 Transition and summary of effects arising from initial application of IFRS 16 (Continued)

As a lessee (Continued)

	Carrying amounts previously reported at 31 December 2018 MB'000	Adjustments MB'000	Carrying amounts Under IFRS 16 at 1 January 2019 MB'000
<b>Non-current Assets</b>			
P	34,899,238	(16,579)	34,882,659
P	239,697	(239,697)	
		536,672	536,672
<b>Current Assets</b>			
P	6,081	(6,081)	
O n	359,081	(64,943)	294,138
<b>Current Liabilities</b>			
L		30,818	30,818
<b>Non-current Liabilities</b>			
L		178,554	178,554

N :

F n  
2019,  
2019

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# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (Unaudited)

## 3. REVENUE

### (i) Disaggregation of revenue from contracts with customers:

	Gas-fired power and heat energy generation <i>RMB'000</i>	Wind power <i>RMB'000</i>	Photovoltaic power <i>RMB'000</i>	Hydropower <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
For the six months ended						
30 June 2019						
(Unaudited)						
	5,147,508	1,028,875	685,668	149,896	-	7,011,947
n	1,052,148	-	-	-	-	1,052,148
n	-	-	-	-	876	876
A	6,199,656	1,028,875	685,668	149,896	-	8,064,095
O	-	-	-	-	876	876
n	6,199,656	1,028,875	685,668	149,896	876	8,064,971

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2019 (Unaudited)

## 3. REVENUE (Continued)

### (i) Disaggregation of revenue from contracts with customers: (Continued)

	G				O	
	n	P	H	n	n	n
	MB'000	MB'000	MB'000	MB'000	MB'000	MB'000
For the six months ended						
30 June 2018						
(Unaudited)						
	5,190,635	1,149,558	485,598	145,699		6,971,490
	1,058,413					1,058,413
					6,488	6,488
A	6,249,048	1,149,558	485,598	145,699		8,029,903
O					6,488	6,488
	6,249,048	1,149,558	485,598	145,699	6,488	8,036,391

### (ii) Geographical information

Over 90% of the Group's revenue is derived from the PRC, and the Group's assets are primarily located in the PRC.
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# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (unaudited)

## 4. SEGMENT INFORMATION

The Group's operations are organized into segments based on the nature of products and services. The Group's segments are as follows:

**Gas-fired power and heat energy generation (CODM),**

The Group's gas-fired power and heat energy generation segment is primarily engaged in the production and supply of electricity and heat energy. The segment's operations are primarily located in Beijing, Tianjin, and other regions in China.

**Wind power,**

The Group's wind power segment is primarily engaged in the production and supply of electricity generated from wind power. The segment's operations are primarily located in Beijing, Tianjin, and other regions in China.

**Photovoltaic power,**

The Group's photovoltaic power segment is primarily engaged in the production and supply of electricity generated from photovoltaic power. The segment's operations are primarily located in Beijing, Tianjin, and other regions in China.

**Hydropower,**

The Group's hydropower segment is primarily engaged in the production and supply of electricity generated from hydropower. The segment's operations are primarily located in Beijing, Tianjin, and other regions in China.

**Others,**

The Group's others segment is primarily engaged in the production and supply of electricity and heat energy. The segment's operations are primarily located in Beijing, Tianjin, and other regions in China.

The following table shows the Group's segment information for the six months ended 30 June 2019:

	Gas-fired power and heat energy generation RMB'000	Wind power RMB'000	Photovoltaic power RMB'000	Hydropower RMB'000	Others RMB'000	Total RMB'000
For the six months ended 30 June 2019 (unaudited)						
(N/A)	1,684,270	923,870	675,728	102,370	(6,755)	3,379,483
D	436,165	350,489	242,472	53,898	499	1,083,523
A	4,883	84,260	200	12,372	245	101,960
	1,243,222	489,121	433,056	36,100	(7,499)	2,194,000

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2019 (unaudited)

## 4. SEGMENT INFORMATION (Continued)

As at and for the period ended 30 June 2018

	G -		Pn		On	
	MB'000	MB'000	MB'000	MB'000	MB'000	MB'000

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (Unaudited)

## 5. OTHER INCOME

	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000 ( )
Government grants:		
- Government grants	459,203	327,655
- Government subsidies	10,004	9,936
- Government subsidies	52,038	66,760
- Government subsidies	61,476	67,856
Other income	36,783	31,944
	<b>619,504</b>	<b>504,151</b>

Note:

- (1) Government grants are recognized when the entity can reasonably be assured that the grant will be received and that the entity will comply with the conditions attached to the grant. Government subsidies are recognized when the entity can reasonably be assured that the subsidy will be received and that the entity will comply with the conditions attached to the subsidy.
- (2) Government grants are recognized in the profit and loss account when the entity can reasonably be assured that the grant will be received and that the entity will comply with the conditions attached to the grant.
- (3) Government subsidies are recognized in the profit and loss account when the entity can reasonably be assured that the subsidy will be received and that the entity will comply with the conditions attached to the subsidy.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (Unaudited)

## 6. OTHER GAINS AND LOSSES

	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000 ( )
Other gains ( ) :		
Losses ( ) :	(2,308)	(596)
Net gain ( ) :	(1,382)	271
Other gains ( ) :		
Net gain ( ) :	34,991	(10,259)
Other gains ( ) :	23,456	(1,129)
	<b>54,757</b>	<b>(11,713)</b>

## 7. INTEREST INCOME/FINANCE COSTS

	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000 ( )
Interest income ( ) :	27,422	20,054
Interest expense ( ) :	607,365	597,692
Net interest income ( ) :	(27,394)	(39,811)
	<b>579,971</b>	<b>557,881</b>
Net interest income ( ) :	<b>552,549</b>	<b>537,827</b>



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (Unaudited)

## 8. INCOME TAX EXPENSE

	For the six months ended 30 June	
	2019	2018
	RMB'000	MB'000
	(Unaudited)	(Unaudited)

Current tax expense	332,648	447,284
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Deferred tax expense	47,872	(32,997)
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<b>Total</b>	<b>380,520</b>	<b>414,287</b>
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The current tax expense is calculated based on the applicable tax rates of 25% on the taxable income of the Group for the six months ended 30 June 2019.

The deferred tax expense is calculated based on the applicable tax rates of 15% on the taxable income of the Group for the six months ended 30 June 2019. The deferred tax expense is calculated based on the applicable tax rates of 15% on the taxable income of the Group for the six months ended 30 June 2019.

北京京能未來燃氣熱電有限公司 (Beijing Jingneng Future Gas Thermal Power Co., Ltd.) (Weilai Gas) is a subsidiary of the Group. It is a limited liability company established in 2015. The company is engaged in the production and supply of electricity and steam. The company is a subsidiary of the Group. It is a limited liability company established in 2015. The company is engaged in the production and supply of electricity and steam.

On 21 March 2018, the Group entered into a loan agreement with the Bank of China (Ningbo Branch) for a term of 24 months. The loan is denominated in RMB and bears an interest rate of 8.25% per annum. The loan is secured by the Group's assets. The loan is denominated in RMB and bears an interest rate of 8.25% per annum. The loan is secured by the Group's assets.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (Unaudited)

## 8. INCOME TAX EXPENSE (Continued)

China	16.5%				
Guangdong					
Other regions					
Average					
30 June 2019					

## 9. PROFIT FOR THE PERIOD

	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000 ( )
Operating profit	1,226	1,284
Finance income	-	2,838
Finance expense	30,157	28,052
Profit before income tax		
Income tax expense	1,078,769	982,469
Finance income	4,754	
Finance expense	101,960	100,887
Profit for the period	1,185,483	1,083,356

## 10. DIVIDENDS

Interim dividend for the six months ended 30 June 2019	MB549,909,000
Interim dividend for the six months ended 30 June 2018	

## 11. EARNINGS PER SHARE

Basic earnings per share	MB1,268,270,000 (30 June 2019)	MB1,216,095,000 (30 June 2018)
Diluted earnings per share	8,244,508,000 (30 June 2019)	6,915,973,000 (30 June 2018)

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ending 30 June 2019 (unaudited)

## 12. PROPERTY, PLANT AND EQUIPMENT

Disposals	30 June 2019, net	30 June 2018, net
MB444,368,000 (net)	MB1,196,931,000 (net)	MB1,196,931,000 (net)
MB3,260,000 (net)	MB13,271,000 (net)	MB13,271,000 (net)
MB78,568,000 (net)	MB2,308,000 (net)	MB2,308,000 (net)
MB596,000 (net)		

## 13. INTANGIBLE ASSETS

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Interim Report 2019 (Unaudited)

## 14. DEFERRED TAXATION (Continued)

	As at 30 June 2019 RMB'000 (Unaudited)	31 D	A 2018 MB'000 (A )
D	239,260		284,596
D	(174,953)		(177,799)
			<b>64,307</b>
			106,797

## 15. TRADE AND BILLS RECEIVABLE

	As at 30 June 2019 RMB'000 (Unaudited)	31 D	A 2018 MB'000 (A )
	1,312,982		1,995,306
	4,356,791		3,355,461
B	10,246		21,246
	<b>5,680,019</b>		5,372,013
L	(7,463)		(7,141)
	<b>5,672,556</b>		5,364,872

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ending 30 June 2019 (unaudited)

## 15. TRADE AND BILLS RECEIVABLE (Continued)

	As at 30 June 2019 RMB'000 (Unaudited)	31 D 2018 MB'000 (Audited)
60	1,286,509	2,346,544
61	1,994,845	1,419,203
1	1,651,328	1,027,341
2	451,958	327,204
3	287,916	244,580
	<b>5,672,556</b>	<b>5,364,872</b>

The above trade and bills receivable are denominated in Renminbi (RMB) and are expected to be recovered within 12 months. The carrying amount of trade and bills receivable is measured at amortized cost less loss allowance. The loss allowance is determined based on the expected credit loss model.

Trade and bills receivable are classified into the following categories:

Category	As at 30 June 2019 (RMB'000)	As at 31 December 2018 (MB'000)
Trade receivable	1,286,509	2,346,544
Bills receivable	1,994,845	1,419,203
Other receivable	1,651,328	1,027,341
Prepaid expenses	451,958	327,204
Other receivable	287,916	244,580
<b>Total</b>	<b>5,672,556</b>	<b>5,364,872</b>

The trade and bills receivable are primarily denominated in Renminbi (RMB). The carrying amount of trade and bills receivable is measured at amortized cost less loss allowance. The loss allowance is determined based on the expected credit loss model.

The trade and bills receivable are classified into the following categories:

Category	As at 30 June 2019 (RMB'000)	As at 31 December 2018 (MB'000)
Trade receivable	1,286,509	2,346,544
Bills receivable	1,994,845	1,419,203
Other receivable	1,651,328	1,027,341
Prepaid expenses	451,958	327,204
Other receivable	287,916	244,580
<b>Total</b>	<b>5,672,556</b>	<b>5,364,872</b>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2019 (Unaudited)

## 16. CASH AND CASH EQUIVALENTS

	30 June 2019	31 December 2018
Original value	MB730,332,000	MB730,332,000
Less: Allowance for doubtful accounts	-	-
Net value	MB730,332,000	MB730,332,000

京能集團財務有限公司 (BEH Finance), 30 June 2019.

## 17. TRADE AND OTHER PAYABLES

As at 30 June 2019	As at 31 December 2018
RMB'000	MB'000
(Unaudited)	(Unaudited)

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ending 30 June 2019 (Unaudited)

## 17. TRADE AND OTHER PAYABLES (Continued)

	As at 30 June 2019 RMB'000 (Unaudited)	As at 31 D 2018 MB'000 (Audited)
Trade payables	699,263	1,385,785
Other payables	951,261	547,356
Contract liabilities	20,228	17,966
Accrued expenses and other liabilities	5,882	4,902
Other	15,767	73,413
	<b>1,692,401</b>	<b>2,029,422</b>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2019 (Unaudited)

## 18. BANK AND OTHER BORROWINGS

	As at 30 June 2019 RMB'000 (Unaudited)	As at 31 D 2018 MB'000 (A )
Bank borrowings	15,562,359	15,851,092
Other borrowings	1,090,750	1,751,750
Less: Other financial assets	(170,000)	(170,000)
BEH	646,073	915,321
	750	750
	<b>17,469,932</b>	<b>18,688,913</b>
Less: Other financial assets	(1,446,908)	(3,273,934)
	<b>16,023,024</b>	<b>15,414,979</b>
	<b>17,469,932</b>	<b>18,688,913</b>
Bank borrowings	5,551,435	8,864,459
Mortgage	5,238,930	3,094,108
Mortgage	4,128,473	4,193,540
Mortgage	2,551,094	2,536,806
	<b>17,469,932</b>	<b>18,688,913</b>
Less: Other financial assets	(5,551,435)	(8,864,459)
A	<b>11,918,497</b>	<b>9,824,454</b>



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements as at 30 June 2019 (unaudited)

## 18. BANK AND OTHER BORROWINGS (Continued)

Notes	As at 30 June 2019, million RMB	As at 30 June 2018, million RMB
(1) Other bank borrowings	MB1,090,750,000	MB1,090,750,000
(2) Advances from PBOC	MB16,718,000	MB26,188,000
(3) Advances from PBOC	MB4,937,500,000	MB10,600,038,000
(4) Advances from Jingfeng Thermal and Jingxi Power	MB3,156,000	MB3,156,000
(5) Advances from other financial institutions	MB7,444,137,000	MB6,091,776,000
(6) Advances from other financial institutions	MB4,937,500,000	MB10,600,038,000
(7) Advances from other financial institutions	MB1,500,000,000	MB1,500,000,000
(8) Advances from other financial institutions	MB2,000,000,000	MB2,000,000,000
(9) Advances from other financial institutions	MB2,500,000,000	MB2,500,000,000
(10) Advances from other financial institutions	MB2,000,000,000	MB2,000,000,000
(11) Advances from other financial institutions	MB1,500,000,000	MB1,500,000,000

Interest rates: 10.00%/10.00%, 4.20% (31 Dec 2018: 5.22%), 1.20%/1.20%, 2.96%/3.27%

## 19. SHORT-TERM FINANCING DEBENTURES

○ 27 A 2018, million RMB	4.65%	27 A 2019.	MB1,500,000,000
○ 3 A 2018, million RMB	3.50%	30 A 2019.	MB2,000,000,000
○ 21 N 2018, million RMB	3.67%	21 N 2019.	MB2,500,000,000
○ 22 M 2019, million RMB	3.15%	18 2019.	MB2,000,000,000
○ 22 A 2019, million RMB	3.39%	17 J 2020.	MB1,500,000,000

Issued by Beijing Jingneng Clean Energy Finance Management Limited (銀行間市場交易商協會) NPC.



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements as at 30 June 2019 (unaudited)

## 23. RELATED PARTY BALANCES AND TRANSACTIONS

( ) n n n G n

Name of related party	Relationship
北京能源投資(集團)有限公司(B 0 . E . I H . C ., L ., E . n ( BEH Holding )	√ n .
北京國際電氣工程有限責任公司(B 0 . I E . C ., L ., E . n ( BIEE )	E F
BEH F	F
J . n	F
J . P	F
京能電力後勤服務有限公司(J . N . E . L . C ., L ., E . n )	F
( Jingneng Logistic )	
北京市熱力集團有限責任公司(B 0 . D . H . (G ) C ., L ., E . n )	F
( BDHG )	
北京天湖會議中心有限公司(B 0 . -L . C ., L ., E . n ) ( Sky-Line Resort )	F
北京源深節能技術有限責任公司(B 0 . v . n E . - . n . C ., L ., E . n ( Yuanshen Energy )	F
北京京能源深融資租賃有限公司(B 0 . J . v . n F . L . C ., L ., E . n ( YuanShen Financial Leasing )	F
北京京能電力股份有限公司(B 0 . J . P . C ., L ., E . n )	F
( Jingneng Power )	
北京科利源熱電有限公司(B 0 . K . n . P . C ., L ., E . n )	F
( Keliyuan )	
北京京能電力股份有限公司石景山熱電廠( n 0 . n . n P . P . B 0 . J . P . C ., L ., E . n ) ( Shijingshan Thermal Power Plant )	F

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2019 (unaudited)

## 23. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

( ) n n : (C ) n G n

Name of related party	Relationship
北京京能國際能源技術有限公司 (Beijing Jinneng International Energy Technology Co., Ltd.) (International Energy Technology)	F
全州柳鋪水電有限公司 (Chuanzhou Liupu Water and Electricity Co., Ltd.)	A
北京市天銀地熱開發有限責任公司 (Beijing Tianyin Dierhe Development Co., Ltd.)	A
北京華源惠眾環保科技有限公司 (Beijing Huayuan Hui Zhong Environmental Protection Technology Co., Ltd.)	J

( ) A 30 J 2019, n n 18, n G n n

	As at 30 June 2019 RMB'000 (Unaudited)	As at 31 December 2018 MB'000 (Audited)
A		
BEH	1,946	1,943
A	288	250
F	52,266	155,824
	<b>54,500</b>	158,017
*	43,381	151,052
N	11,119	6,965
	<b>54,500</b>	158,017

\* n n n n

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ending 30 June 2019 (unaudited)

## 23. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

(i) As at 30 June 2019, the following related party balances were reported in the consolidated financial statements:

	As at 30 June 2019 RMB'000 (Unaudited)	31 D 2018 MB'000 (Audited)
Accounts receivable:		
BEH	338,957	
F	114,713	128,315
A	1,623	1,623
	<b>455,293</b>	129,938
Accounts payable:		
P*	47,326	93,999
N	1,612	32,055
	<b>406,355</b>	3,884
	<b>455,293</b>	129,938

\* Represents the amount of accounts payable due to Beijing Jingneng Clean Energy Co., Limited.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (Unaudited)

## 23. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

( ) D : n n 30 J 2019, n G n

C :

( ) E

Name of related party	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000 ( )
J . n	-	4,551
I E	16,225	12,000
n n n P P	18,603	
I E n	4,219	
J P	-	28,431

( ) C

Name of related party	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000 ( )
	-	40

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ended 30 June 2019 (Unaudited)

## 23. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

( ) Directors and senior management: (CNY million)

Company: (CNY million)

( ) Other related parties: (CNY million)

Name of related party	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000 (Unaudited)
Directors and senior management	4,487	1,914
Company	133	138
Other related parties	19,067	19,028

( ) Other related parties: (CNY million)

Name of related party	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000 (Unaudited)
BEH F	59	8,483

( ) Other related parties: (CNY million)

Name of related party	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000 (Unaudited)
BEH F	8,681	7,034

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (Unaudited)

## 23. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

( ) Directors and senior management: For the six months ended 30 June 2019, the Group has not entered into any transactions with the following related parties:

Congratulations to the Group's performance in 2019!

( ) Personnel: For the six months ended 30 June 2019, the Group has not entered into any transactions with the following related parties:

Name of related party	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000 ( )
Jiang Lian	6,903	13,311

( ) Holders of shares: For the six months ended 30 June 2019, the Group has not entered into any transactions with the following related parties:

Name of related party	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000 ( )
Honggang	977,942	997,526
Wang E	-	48
Kang	18,113	18,372

\* For the six months ended 30 June 2019, the Group has not entered into any transactions with the following related parties:

( ) Employees: For the six months ended 30 June 2019, the Group has not entered into any transactions with the following related parties:

Name of related party	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000 ( )
BIEE	55,748	34,787



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ended 30 June 2019 (Unaudited)

## 23. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

( ) Director and Chairman of the Company, Mr. Gao Zhong, is also the Chairman of the Board of Directors of Beijing Jingneng Clean Energy Co., Ltd. (Beijing Jingneng Clean Energy Co., Ltd.)

Company's subsidiary, Beijing Jingneng Clean Energy Co., Ltd. (Beijing Jingneng Clean Energy Co., Ltd.)

( ) Former Director, Mr. A. ...

Name of related party	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000

Jingneng Power	-	7,406
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( ) Beijing Jingneng Clean Energy Co., Ltd.

Name of related party	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000

Jingneng Clean Energy	93	
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( ) Director and Chairman of the Company, Mr. Gao Zhong, is also the Chairman of the Board of Directors of Beijing Jingneng Clean Energy Co., Ltd. (Beijing Jingneng Clean Energy Co., Ltd.)

MB3,403,000 (Unaudited) as at 30 June 2019, MB3,301,000, MB1,015,000 (Unaudited) as at 30 June 2018, MB716,000).

## 24. THE FINANCIAL STATEMENTS WERE APPROVED BY THE BOARD OF THE COMPANY ON 20 AUGUST 2019.