



中国大唐集团新能源股份有限公司

China Datang Corporation Renewable Power Co., Limited*

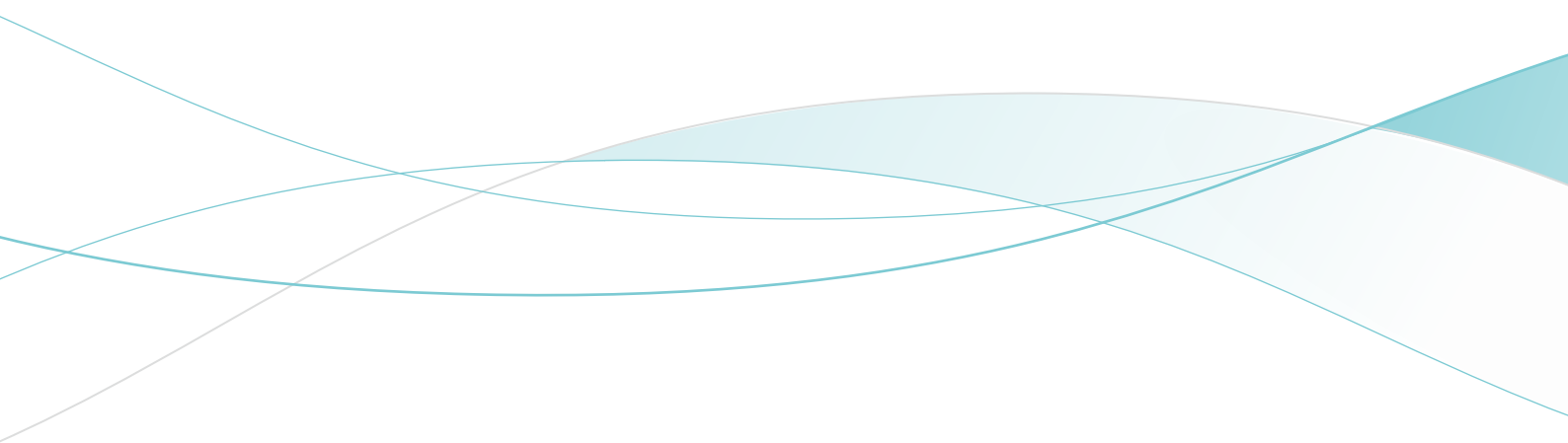
(A joint stock limited company incorporated in the People's Republic of China with limited liability)

Stock Code: 1798



2010
Annual Report

* For identification purpose only



Contents

1

Chairman's Statement	2
Message from the President	4
Company Profile	6
.....	
Key Operating and Financial Data	9
Financial Highlights	11
Management Discussion and Analysis	13
Major Events in 2010	32
.....	
Report of Directors	33
Corporate Governance Report	49
Investor Relations	62
Report of the Board of Supervisors	64
Profile of Directors, Supervisors and Senior Management	67
Human Resources	76
.....	
Independent Auditor's Report	79
Consolidated Statement of Comprehensive Income	81
Consolidated Statements of Financial Position	83
Consolidated Statement of Changes in Equity	86
Consolidated Statement of Cash Flows	88
Notes to the Financial Statements	91
.....	
Glossary of Terms	192
Corporate Information	195

Chairman's Statement

2



Chairman
Chen Jinhang

Dear Shareholders,

Amid the aftermath of the international financial crisis, the global economy staggered forward in the course of recovery in 2010. Defying the depressed global stock market at the end of the year, the Company was successfully listed on the Main Board of the Hong Kong Stock Exchange on December 17, 2010.

Looking back to 2010, the Group, keeping up with the booming development of renewable energy worldwide, proactively promoted industrialized, diversified and international operations under the development strategy of "Complete Industry-chain, All-round Businesses, Advanced Technology, and International Operation", completely fulfilling its pre-listing commitments made to investors.

Chairman's Statement (Continued)

3

As of December 31, 2010, our wind power installed capacity increased from 2,620 MW in 2009 to 4,028 MW, representing an increase of 53.8%, and profit attributable to the equity holders of the Company increased from RMB248.4 million to RMB455.8 million, 12.4% higher than the forecasted profit attributable to the equity holders of the Company at the time of listing.

In these days when the global climate change draws much more concern, we are endeavouring to, as we always do, bring about a global green economic revolution by promoting the development of renewable energy sources. In the year 2010, we reduced carbon dioxide emissions by 5,130,000 tonnes which is equivalent to a saving of 2,060,000 tonnes standard coal, and we had 1,240 MW Clean Development Mechanism ("CDM") projects successfully registered with the CDM Executive Board.

Looking forward to 2011, the global economy is expected to continue the moderate recovery, but the complexity and uncertainty will still persist. In face of both opportunities and challenges, the Company will continue to maintain its good growth momentum. On one hand, we will step up our efforts in wind power development, steadily develop solar power projects, selectively develop favourable biomass power projects, speeding up the development of coal bed methane ("CBM") power projects and the utilization of excessive pressure and residual heat for power generation. On the other hand, while continuing to maintain its leading position in domestic wind power sector, the Company will actively explore overseas new energy markets, so as to build itself into a top renewable power enterprise leading at home and abroad, thus creating more value to our shareholders.

Finally, on behalf of the Board, I would like to express our heartfelt gratitude to shareholders and friends for their trust and support.

Message from the President

4



President
Hu Yongsheng

Dear Shareholders,

Year 2010 not only witnessed the stable growth of the Chinese economy which withstood the fallout of worldwide financial crisis amid the volatile international situation, it was also a milestone year for the Company. In this year, with the support from all walks of life, under the leadership of the board of directors and through the concerted efforts and endeavors of all staff, the Company was successfully listed on the Main Board of the Hong Kong Stock Exchange and satisfactorily achieved its business development goals, thus marking a brand new leap forward in its development history.

Successfully listing in Hong Kong. On December 17, 2010, the Company was successfully listed on the Main Board of the Hong Kong Stock Exchange, marking the most important fund raising event for Chinese renewable energy enterprises in international capital market in 2010. The listing, which signifies a new breakthrough the Company achieved in capital operation, has elevated the Company's international influence and ushered the Company in a new era.

Wind power installed capacity kept increasing. As of December 31, 2010, the Company's new installed capacity during the year amounted to 1,408 MW, representing a year-on-year growth of 53.8% and making its total installed capacity increase to 4,028 MW.

Power generation and profits growing at a rapid pace. The Company's power generation for the year amounted to 5,152,410 MWh, representing a year-on-year growth of 70.4%. Profit attributable to the equity holders of the Company for the year amounted to

Message from the President (Continued)

RMB455.8 million, which is 12.4% higher than the forecasted profit attributable to the equity holders of the Company at the time of listing of the Company.

More rational strategic geographical coverage. The Company has expanded its business from low tariff areas to high tariff areas, from onshore development to offshore development and from domestic market to overseas market. It has entered into agreements for wind resources development with local governments of various levels in 26 provinces, municipalities and autonomous regions in the PRC and commenced wind testing works. The wind resource reserves amounted to 58,835 MW, of which intermediate pipeline projects accounted for 9,195 MW.

On offshore wind farm development, we completed construction of the Shanghai Donghai Bridge Offshore Wind Power Project, the first offshore wind farm outside Europe. The project started operation in June 2010. In addition, the Company has embarked on the preliminary work along the Chinese coastline from Dalian, Liaoning to Hainan and won the bid for an offshore concession wind power project with a capacity of 300 MW in Binhai, Jiangsu.

In respect of overseas business development, the Company's cooperation projects in USA, Brazil, Australia and Eastern Europe were progressing positively in 2010 and have achieved certain results.

While consolidating its leading position in domestic wind power sector, the Company actively explored other renewable energy businesses. On one hand, we steadily developed solar power projects selectively

developed favourable power projects in biomass, CBM and excessive pressure and residual heat. On the other hand, we enhanced our efforts in acquiring project resources in solar power, biomass, CBM and excessive pressure and residual heat and actively explored high profitable projects while paying close attention to the policy dynamics and the development of the industry.

As the global economy gradually recovers in 2011, the Chinese economy will maintain rapid growth. The Company will seize the favourable opportunities and roll out its development strategy of "Complete Industry-chain, All-round Businesses, Advanced Technology, and International Operation". While maintaining its leading position in domestic wind power sector and first-mover advantage in offshore wind power, the Company will strive for industrialized, diversified and international operation, so as to achieve sound and fast growth. The consolidated wind power installed capacity is expected to increase by not less than 1,500 MW in 2011, and by the end of 2011 the Company's wind power installed capacity is expected to exceed 5,500 MW. In the meanwhile, the Company's profitability, risk control capability and sustainable development ability will be constantly enhanced.

Finally, on behalf of the management, I would like to extend our sincere gratitude to the shareholders' general meeting and the board of directors for their trust and support and to all our staff for their efforts and dedication. In 2011, we are poised to seize every opportunity and make every effort to build the Company into a public renewable energy company with top-ranking performance.

Company Profile

6



The Company is a subsidiary controlled by of Datang Corporation. The Company was listed on the Main Board of the Hong Kong Stock Exchange on December 17, 2010 at the issue price of HK\$2.33 per share. As at December 31, 2010, the Company had a total of 7,142,610,000 shares in issue. The Company exercised the over-allotment option on January 9, 2011, and as at the latest practicable date prior to the issue of this report, had a total of 7,273,701,000 shares issued.

Principal activities: the Company is principally engaged in the development, investment, construction and management of wind power and other renewable energy sources; research and development, application and promotion of low carbon technology; research, sale, testing and maintenance of renewable energy-related equipment; power generation; engineering, construction and installation, repair and maintenance of power projects at home and abroad; as well as renewable energy-related trainings and consulting services.

Strategic objectives: under the guideline of “Complete Industry-chain, All-round Businesses, Advanced Technology, and International Operation” and with a persistent focus on economic benefits and work safety, the Company aspires to build itself into an internationally leading public renewable energy company with strong profitability, self-development capability and core competitiveness through maintaining its leading position in domestic wind power sector and first-mover advantage in offshore wind power, proactive promotion of industrialized, diversified and internationalized operations and enhanced efforts in team building, capital operation, technology and management innovation and corporate culture building.

Wind power business: as of December 31, 2010, the Company’s wind power installed capacity amounted to 4,028 MW, wind resource reserves amounted to 58,835 MW, and operating, under-construction and pipeline projects spread across 26 provinces, autonomous regions and municipalities in the People’s Republic of China (“PRC”).

Other renewable energy sources business: the Company is actively engaged in the development of other renewable sources business including solar power, biomass, CBM as well as excessive pressure and residual heat projects. The Company’s pipeline projects in photovoltaic power have a capacity of 7,174 MW. In biomass development, the Company adopts a recycling economy approach and has developed biomass comprehensive utilization projects in 15 regions across 9 provinces in the PRC. The Company has embarked on the preliminary work of CBM power generation projects in regions including Inner Mongolia, Shanxi, Henan and Guizhou and entered into development agreements with three coal mines including Shanxi Majunyu (山西馬軍峪).



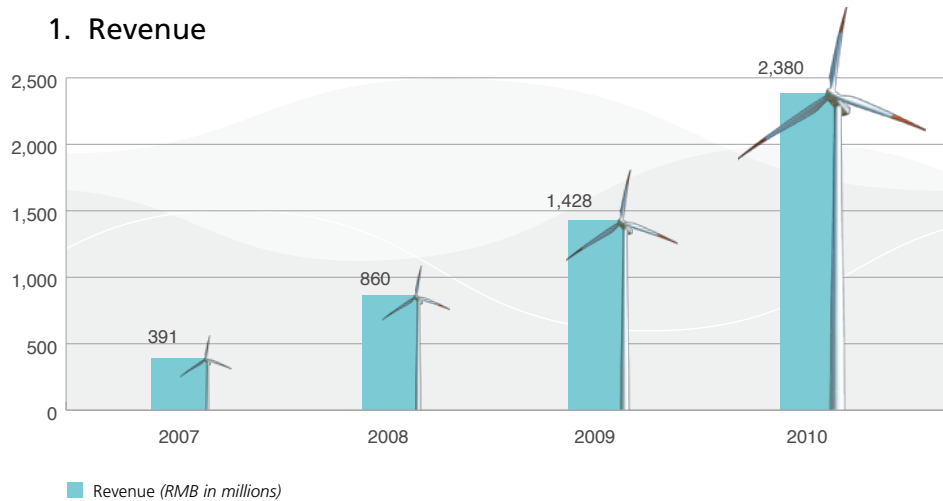
Company Profile (Continued)

Corporate Structure: as of December 31, 2010, the Company's corporate structure was as follows:

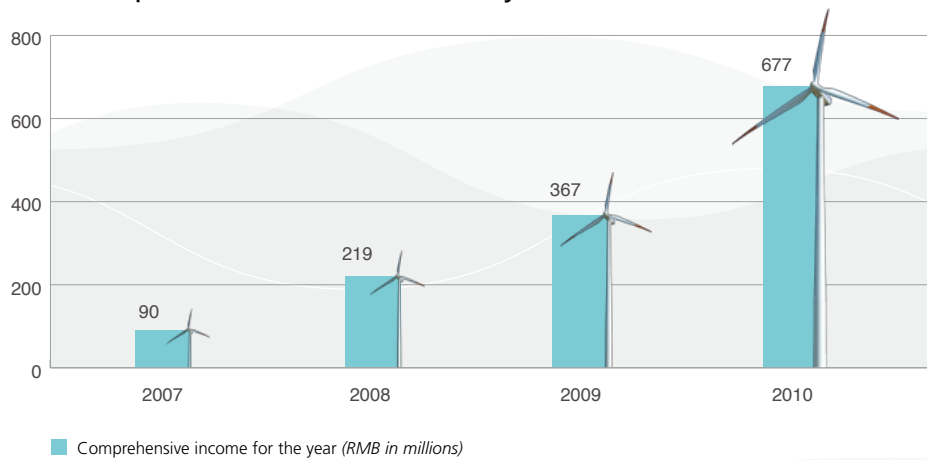


Key Operating and Financial Data

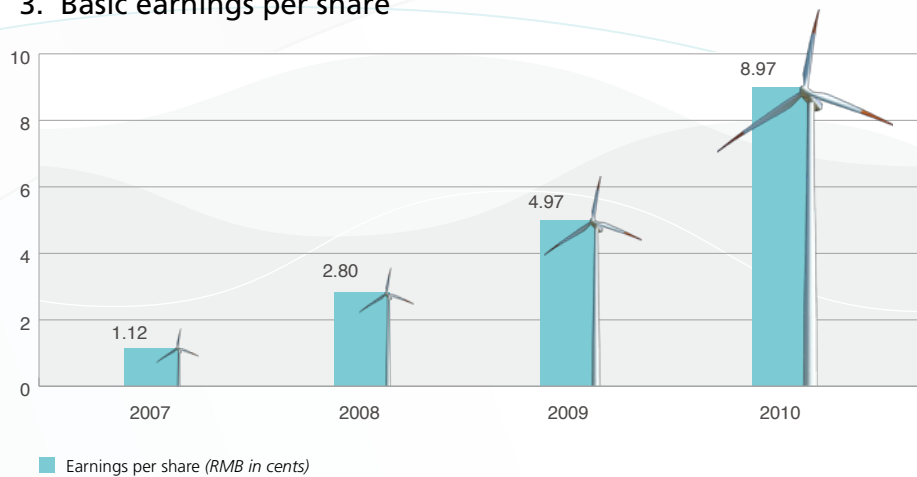
1. Revenue



2. Comprehensive income for the year

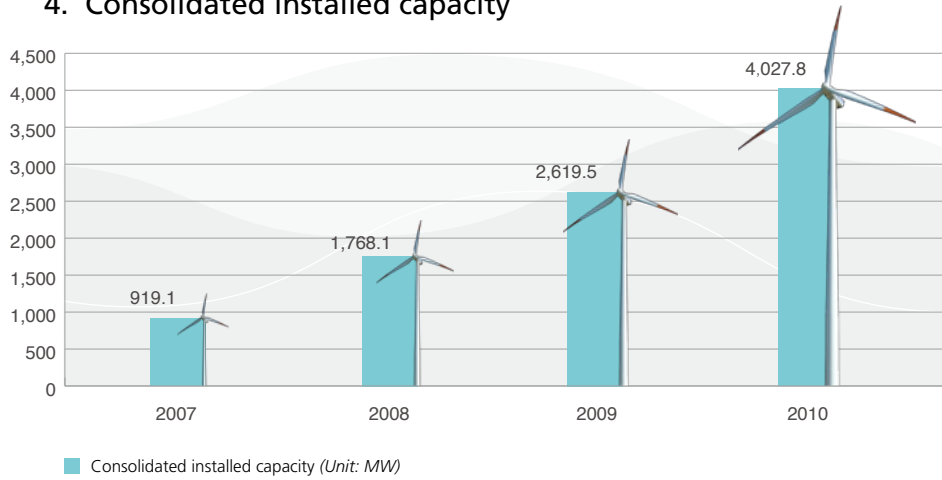


3. Basic earnings per share

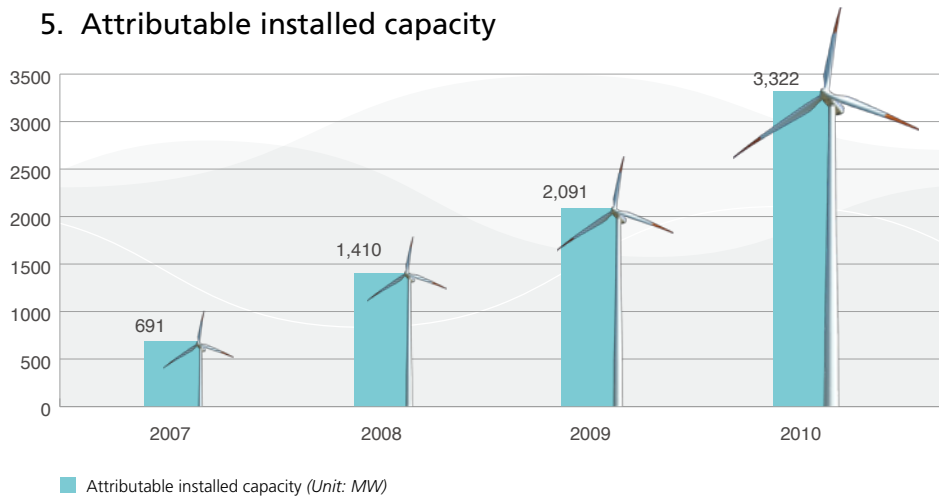


Key Operating and Financial Data (Continued)

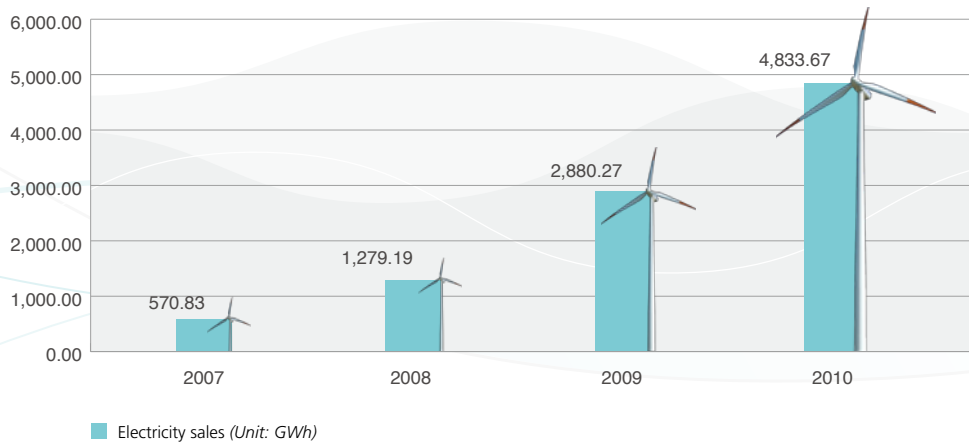
4. Consolidated installed capacity



5. Attributable installed capacity



6. Electricity sales



Financial Highlights

	Year ended December 31			
	2010 RMB'000	2009 RMB'000	2008 RMB'000	2007 RMB'000
Revenue	2,379,727	1,428,072	860,282	390,904
Other net income and other gains	368,705	206,838	120,664	59,933
Operating expenses	(1,245,808)	(775,120)	(519,173)	(243,767)
Operating profit	1,502,624	859,790	461,773	207,070
Profit before taxation	734,586	384,203	240,235	97,318
Income tax	(57,105)	(17,326)	(21,725)	(6,917)
Profit for the year	677,481	366,877	218,510	90,401
Total comprehensive income for the year	677,481	366,877	218,510	90,401
Profit attributable to:				
— Equity holders of the Company	455,831	248,386	139,825	56,144
— Non-controlling interests	221,650	118,491	78,685	34,257
	677,481	366,877	218,510	90,401
Comprehensive income attributable to:				
— Equity holders of the Company	455,831	248,386	139,825	56,144
— Non-controlling interests	221,650	118,491	78,685	34,257
	677,481	366,877	218,510	90,401
Basic and diluted earnings per share attributable to equity holders of the Company (expressed in RMB per share)	0.0897	0.0497	0.0280	0.0112

Financial Highlights (Continued)

12

	At December 31			
	2010 RMB'000	2009 RMB'000	2008 RMB'000	2007 RMB'000
Total non-current assets	31,776,132	21,950,708	14,117,990	6,190,527
Total current assets	9,165,698	2,588,986	1,463,034	677,013
Total assets	40,941,830	24,539,694	15,581,024	6,867,540
Equity attributable to equity holders of the Company	8,332,742	3,852,074	2,825,977	1,247,020
Non-controlling interests	2,197,650	1,793,193	1,485,347	952,936
Total equity	10,530,392	5,645,267	4,311,324	2,199,956
Total non-current liabilities	22,023,169	14,354,287	7,642,550	3,203,240
Total current liabilities	8,388,269	4,540,140	3,627,150	1,464,344
Total equity and liabilities	40,941,830	24,539,694	15,581,024	6,867,540

Note:

The financial information of the Group for the three financial years ended December 31, 2007, 2008 and 2009 was extracted from the Company's prospectus dated December 7, 2010, which also set forth the details of the basis of presentation of the combined financial statements. The financial information of the Group for the financial year ended December 31, 2010 is set forth on pages 81 to 191, and is presented on the basis set out in Note 2.1 to the financial statements.

Management Discussion and Analysis

I. BUSINESS REVIEW

Year 2010 witnessed rapid growth of the Group. During the year, the Group outperformed in terms of all its business objectives and recorded substantial growth as compared with 2009.

For the year ended December 31, 2010, profit attributable to the equity holders of the Company amounted to RMB455.8 million, representing an increase of 83.5% over last year, or 12.4% higher than the forecasted profit attributable to the equity holders of the Company for 2010 at the time of the listing of the Company's H shares. The Group's consolidated wind power installed capacity amounted to 4,028 MW, representing an increase of 53.8% over last year. Electricity generation for the year amounted to 5,152,410 MWh, representing an increase of 70.4% over last year.

1. Putting more efforts in development of resources for rapid growth of resource reserves

The Group is of the view that the competition in renewable power industry will focus on resources, and the growth potentials of an enterprise will directly depend on the quality and quantity of resources it possesses. We will always take acquisition of quality resources and acceleration of project approval as the primary task for development.

The Group has achieved strategic geographical coverage in three wind power resource development regions, including Inner Mongolia and Northeastern, Central and Western, as well as Southeastern Coastline regions. As of the end of 2010, the Group had dispatched deputies to 26 provinces (autonomous regions or municipalities) and 99 regions, and set up 140 offices. As of the end of 2010, the Group had wind resource reserves of 58,835 MW in aggregate, of which 38,140MW, 15,325 MW and 5,370 MW were from Inner Mongolia and Northeastern, Central and Western, and Southeastern Coastline resources development regions, respectively. 50% of our wind resource reserve are Class I quality resources.

Management Discussion and Analysis (Continued)

14

As of December 31, 2010, the geographical distribution of our wind resources reserve was as follows:

	Wind Reserve Capacity (MW)	Percentage of total wind source reserve (%)
Inner Mongolia and Northeastern Central and Western	38,140	65%
Southeastern Coastline	5,370	9%
Total	58,835	100%

2. Dynamically adjusting development distribution to ensure construction and grid connection in line with the standards simultaneously

In 2010, the Group made reasonable adjustments to the distribution of projects which commenced production in 2010 in accordance with the development planning for PRC power grid, with an aim to accelerate development and construction in Central and Western China as well as Southeastern Coastline regions. Meanwhile, through arrangements and coordination, careful selection of sites, equipment tendering, project planning and construction organization, all planned projects have smoothly commenced production as scheduled.

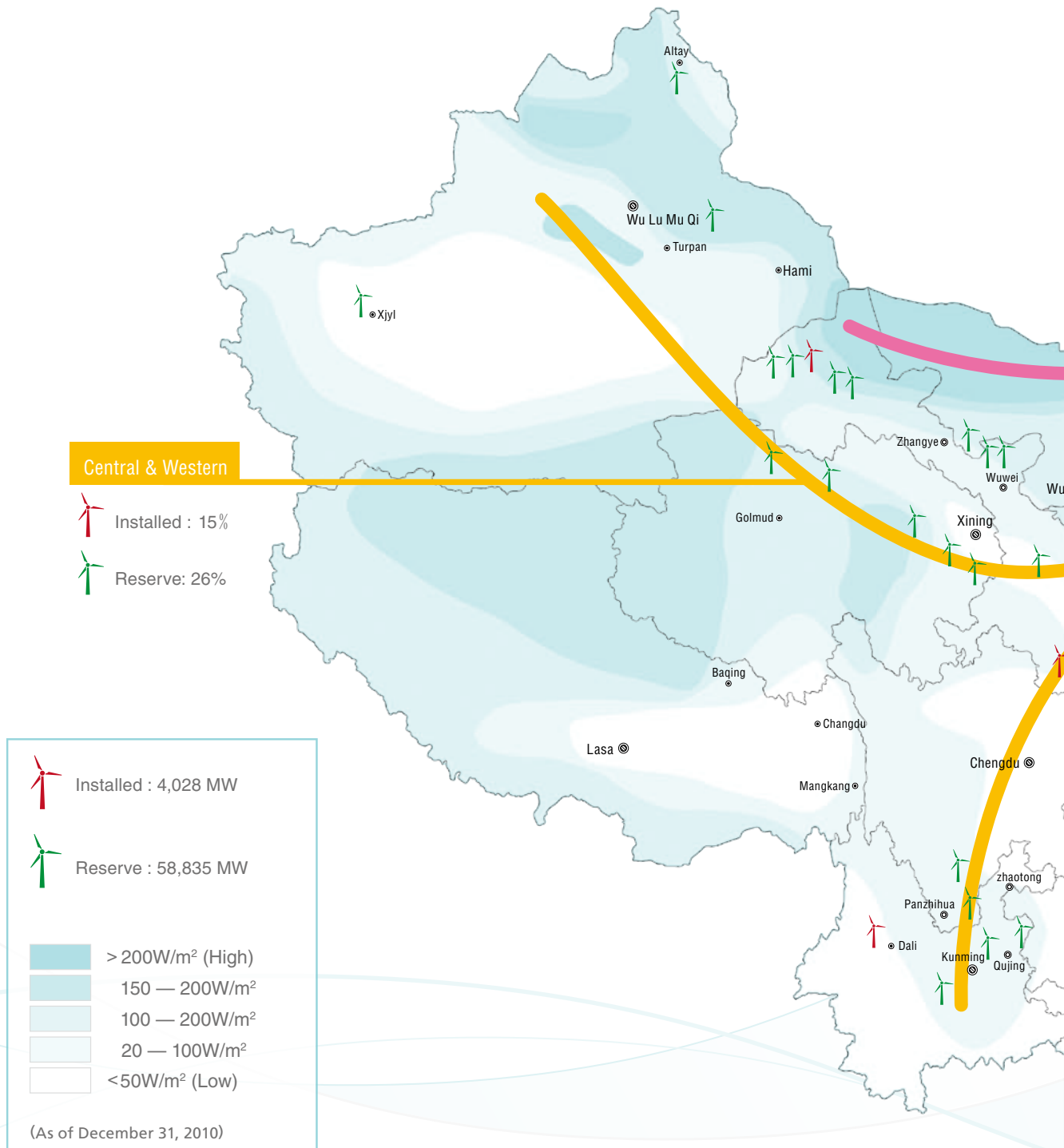
Management Discussion and Analysis (Continued)

As of December 31, 2010, the Group's total consolidated installed capacity amounted to 4,028 MW, including 1,408 MW of new consolidated wind power installed capacity in 2010. As shown in the following chart, the change of consolidated wind power installed capacity in the four regions indicated that growth of installed capacity in Central and Western and Southeastern Coastline regions was much faster than that in Inner Mongolia and Northeastern regions. The Company's geographical coverage of installed capacity is becoming balanced.

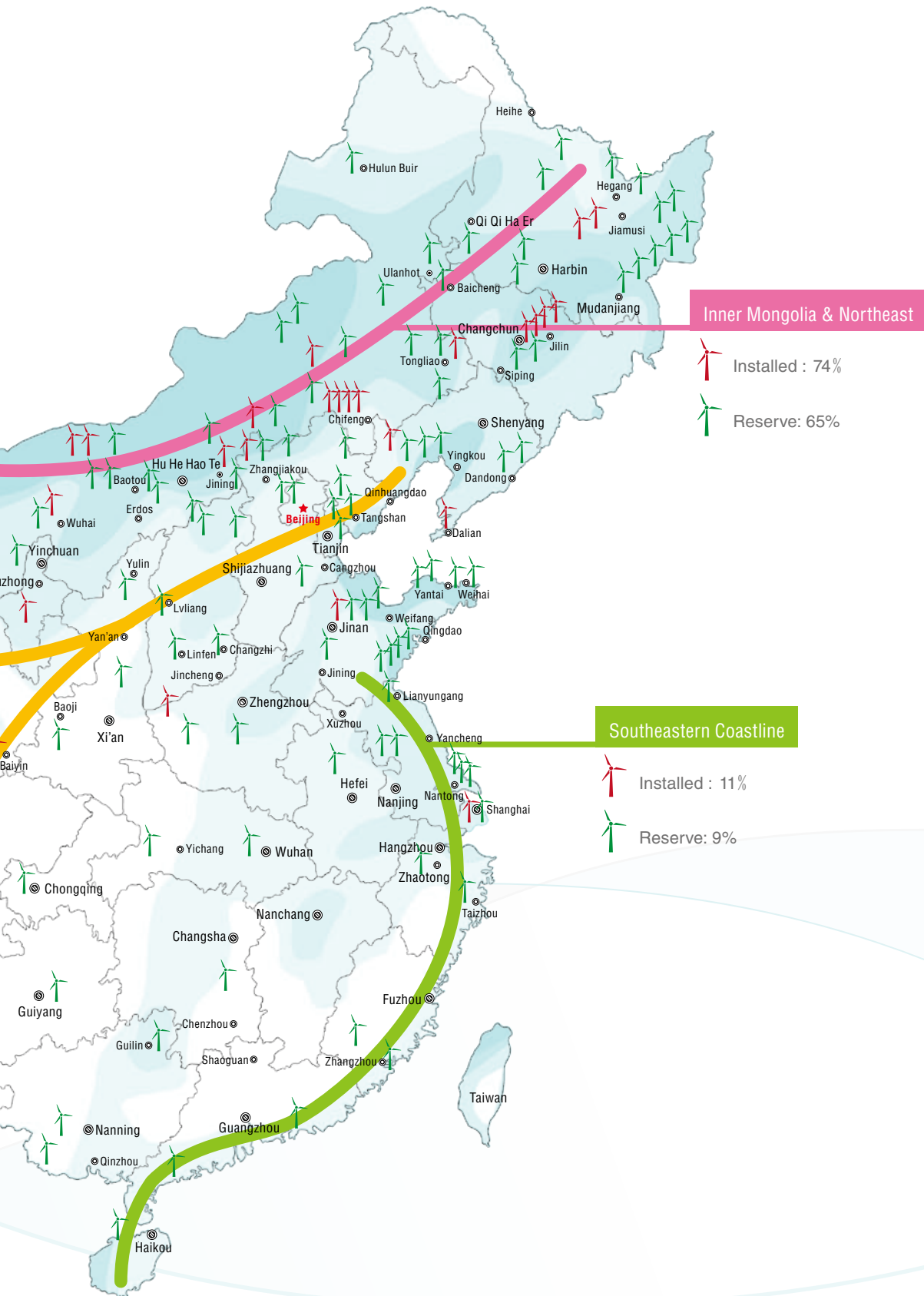
Region	Consolidated wind power installed capacity as at the end of 2009 (MW)	Consolidated wind power installed capacity as at the end of 2010 (MW)	Change in consolidated wind power installed capacity (%)
Inner Mongolia	1,618.1	2,016.6	24.63%
Northeastern	575.6	977.4	69.81%
Central and Western	218.8	597.3	172.99%
Southeastern Coastline	207.0	436.5	110.87%
Total	2,619.5	4,027.8	53.76%

Management Discussion and Analysis (Continued)

GEOGRAPHICAL DISTRIBUTION OF OPERATING WIND POWER PROJECTS AND PIPELINE WIND POWER PROJECTS IN OUR WIND FARMS IN 2010



Management Discussion and Analysis (Continued)



Management Discussion and Analysis (Continued)

18

Geographical distribution of operating wind power projects and pipeline wind power projects in our wind farms in 2010 is as follows:

3. Proactively developing other renewable energy and steadily promoting internationalization

In 2010, the Group made an all-around progress in its four major sectors, namely, wind power, solar power, biomass and CBM power. With abundant resource reserves, we are proactively carrying out preliminary work for project development.

On development of solar energy, our photovoltaic power generation project in Qingtongxia, Ningxia has commenced construction. And we participated in two sessions of nationwide concession tendering for solar energy projects. As of the end of 2010, we had pipeline photovoltaic power generation projects with a prospective capacity of 7,174 MW. On development of biomass, our projects for comprehensive utilization of biomass in 6 provinces and cities have been approved to carry out preliminary work. As of the end of 2010, we had pipeline biomass projects with a prospective capacity of 180 MW. On CBM power generation, the Group commenced preliminary work for CBM power generation in Inner Mongolia, Shanxi, Henan and Guizhou, and entered into development agreements with 3 mines including Majunyu Mine in Shanxi. As of the end of 2010, we had pipeline CBM projects with a prospective capacity of 18 MW.

On overseas business development, the Group's cooperative projects in USA, Brazil, Australia and Eastern Europe have been progressing positively and have achieved some results in 2010.

4. Establishing a leading position in offshore wind power

In 2010, the Group completed construction of the first offshore wind farm outside Europe, Shanghai Donghai Bridge Offshore Wind Farm, the installed capacity of which is 102 MW. The project started power generation in June 2010 and supplied power to Shanghai Expo. The project has enriched our experience in further developing large-scale offshore wind power project.

In October 2010, the Group won the bid for Binhai 300 MW concession offshore wind power project at a tariff of RMB0.737 per kWh (tax inclusive). The winning of bid fully demonstrated and further maintained our cutting-edges as a leader in development of offshore wind power projects.

Management Discussion and Analysis (Continued)

5. Promoting technical progress and innovation to take a lead in industry development

We actively promoted technical progress and innovation to sharpen our edges in technology and improve our core competitiveness.

In June 2010, the Company completed construction of the first grid-friendly wind farm, the Chifeng Dongshan Wind Farm with total installed capacity of 249.5 MW, achieving a new breakthrough in wind power grid connection technology and playing a positive role in the development of wind power industry.

Saihanba Wind Farm, the largest operating wind farm in China with an installed capacity of 1,014.4 MW in 2010, is operating under remote concentrated control. By applying “unmanned operation, few on duty” mode in Saihanba, the Group effectively reduced operating costs and improved economic benefits, for which the Group won the first prize for national management innovation achievements in power industry.

6. Strengthening operation management to ensure operation safety and stability

We put more efforts in production and operation management, actively explored management mode for safe operation of wind farms and established a relatively comprehensive wind power operation management system. The Group maintained its safe and stable production in 2010. Reliability of equipments was further improved. Utilization of our wind turbines in 2010 was 98.64%, a leading level in the industry. We obtained licenses for installation, testing and repairing from State Electricity Regulatory Commission (SERC) in 2010.

Management Discussion and Analysis (Continued)

20

Our average utilization hours were 2,134 hours in 2010, remaining stable. The average utilization hours of our wind farms in 2010 and 2009 by geographical distribution are as follows:

Region	2010 Average utilization hours of wind power (hour)	2009 Average utilization hours of wind power (hour)
Inner Mongolia	2,163.8	2,227.2
Northeastern	2,132.8	2,164.7
Central and Western	1,964.4	1,926.6
Southeastern Coastline	2,076.4	1,902.9
Total	2,133.6	2,159.0

7. Further reducing construction cost of wind farms through enhanced construction management

As domestic and overseas wind turbine manufacturing market develops at fast pace, wind turbine manufacturing industry is becoming mature in China. Meanwhile, quality of wind turbines is being improved gradually and wind turbine price is on a downward trend. The Group leverages on its economies of scale and selects suppliers through unified tendering process, thus further reducing the cost for purchase of wind turbines.

Meanwhile, the Group strictly controls the construction cost of wind farms through enhancing construction management. The average construction cost for our wind farms in 2010 was RMB8,300 per kW.

The lower construction cost for wind farms helped us further strengthen our profitability and increase our returns.

Management Discussion and Analysis (Continued)

8. Maintaining the leading position in development of CDM projects

The Group has a professional CDM development and management team, and a comprehensive CDM project development system, which effectively secured the successful registration of, and returns from, CDM projects. In 2010, the capacity of our CDM projects that had been successfully registered with CDM Executive Board amounted to 1,240MW. As of December 31, 2010, the Group had developed 84 CDM projects, obtained approval from NDRC for 62 projects, and successfully registered 37 projects, including 15 new projects in 2010. The Group recorded RMB229.50 million of income from CDM projects in 2010, representing an increase of 66.97% over 2009.

II. FINANCIAL POSITION AND OPERATING RESULTS

The following discussion should be read in conjunction with the financial statements of the Group together with the accompanying notes included in the consolidated financial statements and other sections therein.

1. Overview

Our profitability was improved substantially in 2010. During the year, profit for the year increased 84.7% to RMB677.5 million compared to RMB366.9 million in 2009. Profit attributable to the equity holders of the Company amounted to RMB455.8 million.

2. Revenue

Our revenue increased by 66.6% to RMB2,379.7 million in 2010 compared to RMB1,428.1 million in 2009, primarily due to the increase in our electricity sales revenue.

Management Discussion and Analysis (Continued)

22

Our electricity sales revenue increased by 71.8% to RMB2,378.4 million in 2010 compared to RMB1,384.2 million in 2009, primarily due to (i) a 67.8% increase in our electricity sales; and (ii) a slight increase in our weighted average on-grid tariff. The increase in our electricity sales reflected our steady business growth during the periods. The slight increase in our weighted average on-grid tariff primarily reflected the minor change in our project portfolio during 2010 when our projects generated more electricity in regions associated with higher on-grid tariffs.

Our service concession construction revenue was nil for 2010 compared to RMB38.9 million in 2009 as we did not have new concession wind power project under construction during 2010.

3. Other net income and other gains

Our other net income and other gains increased by 78.3% to RMB368.7 million in 2010 compared to RMB206.8 million in 2009, primarily due to the increases in income from CDM and government grants.

Our income from CDM projects increased by 67.0% to RMB229.5 million in 2010 compared to RMB137.4 million in 2009, primarily due to the increase in the number of our registered CDM projects from 22 as of December 31, 2009 to 37 as of December 31, 2010.

The Company's government grants increased by 156.9% to RMB156.2 million in 2010 compared to RMB60.8 million in 2009, primarily due to the increase in our VAT refund as a result of the increased electricity sales.

Management Discussion and Analysis (Continued)

4. Operating expenses

Our operating expenses (excluding service concession construction costs) increased by 69.2% to RMB1,245.8 million in 2010 compared to RMB736.2 million in 2009. This increase is mainly attributable to the increases in (i) depreciation and amortization of wind turbines; (ii) labor costs; and (iii) other operating expenses.

Our depreciation and amortization increased by 60.4% to RMB886.3 million in 2010 compared to RMB552.7 million in 2009, primarily due to the increased number of operating wind turbines that were subject to asset depreciation.

Our labor costs increased by 81.0% to RMB95.3 million in 2010 compared to RMB52.7 million in 2009, primarily due to the increased number of employees we hired to manage our expanded wind power business.

Our other operating expenses increased by 70.0% to RMB173.0 million in 2010 compared to RMB101.8 million in 2009, primarily due to the increased administrative expenses we incurred to manage an increased number of projects and expanded business scale.

5. Operating profit

Our operating profit increased by 74.8% to RMB1,502.6 million in 2010 compared to RMB859.8 million in 2009, reflecting our steady business growth during the year.

6. Finance income

Our finance income increased by 238.2% to RMB20.0 million in 2010 compared to RMB5.9 million in 2009, primarily due to the increase in the average balance of our bank deposits.

Management Discussion and Analysis (Continued)

24

7. Finance expenses

Our finance expenses increased by 63.5% to RMB786.0 million in 2010 compared to RMB480.7 million in 2009, primarily due to the increase in the average balance of our bank loans as a result of our business growth.

8. Share of loss of an associate

The Company recorded a loss of RMB2.0 million in share of loss of an associate in 2010 whilst the loss was RMB0.8 million in 2009, both of which were our 30% share of the loss in Xiangdian Wind Power (Fujian) Company Limited.

9. Income tax

Our income tax expenses increased by 229.6% to RMB57.1 million in 2010 compared to RMB17.3 million in 2009. This increase was mainly attributable to the fluctuation in profitability of certain subsidiaries of the Company located in region with preferential income tax rate as well as initiation and expiration of tax on benefit of other subsidiaries of the Company.

10. Profit for the year

Our profit for the year increased by 84.7% to RMB677.5 million in 2010 compared to RMB366.9 million in 2009. For the year ended December 31, 2010, our profit for the year as a percentage of our total revenue (excluding service concession construction revenue) increased to 28.5% in 2010 compared to 26.4% in 2009, primarily due to the increase in our electricity sales as a result of the increase in our average generating capacity from 1,401MW in 2009 to 2,415 MW in 2010, and lesser annual depreciation expense of wind turbines acquired during 2010 as a result of decreased cost of wind turbines.

Management Discussion and Analysis (Continued)

11. Profit attributable to the equity holders of the Company

Our profit attributable to the equity holders of the Company increased by 83.5% to RMB455.8 million in 2010 compared to RMB248.4 million in 2009.

12. Profit attributable to non-controlling interests

Our profit attributable to non-controlling interests increased by 87.1% to RMB221.7 million in 2010 compared to RMB118.5 million in 2009.

13. Liquidity and capital resources

Our bank deposit balance and cash increased by 847.2% to RMB5,031.3 million in 2010 compared to RMB531.2 million in 2009. The main sources of our operating capital include: (i) approximately RMB43,528.8 million (as of December 31, 2010) under unutilized bank line of credit, primarily including the undrawn credit lines under the strategic cooperative framework agreements the Company entered into with five commercial banks in China; (ii) approximately RMB5,031.3 million of cash and cash equivalents, of which RMB4,174.6 million represents proceeds from the offering of H Shares (net of issuing expenses).

As of December 31, 2010, our borrowings increased by 61.7% to RMB25,576.3 million compared to RMB15,817.5 million for the same period of 2009. In particular, RMB3,619.4 million (including RMB1,437.6 million of long-term borrowings due within 1 year) was short-term borrowings, and RMB21,956.9 million was long-term borrowings. The above borrowings include RMB25,106.1 million of borrowings denominated in RMB, and RMB470.2 million of borrowings denominated in USD. We don't have borrowings denominated in other currencies.

Management Discussion and Analysis (Continued)

26

14. Capital expenditure

Our capital expenditure increased by 28.3% to RMB10,680.7 million in 2010 compared to RMB8,325.5 million in 2009. Capital expenditure mainly comprises engineering construction cost such as purchase and construction of property, plant and equipment, land use rights and intangible assets.

15. Net gearing ratio

In 2010, our net gearing ratio (net debt (total borrowings minus cash and cash equivalents) divided by total equity and net debt) was 66.1%, 6.9 percentage points lower than 73.0% in 2009, mainly due to substantial increase in total equity from the Company's initial public offering.

16. Major investment

Save for the Reorganization as mentioned in Note 1 to the financial statements of this annual report, the Group made no major investment during the year of 2010.

17. Major acquisition and disposal

Save for the Reorganization as mentioned in Note 1 to the financial statements of this annual report, the Group had no major acquisition and disposal during the year of 2010.

18. Pledge of assets

Some of our bank loans are secured by property, plant and equipment. As of December 31, 2010, net carrying value of the pledged assets amounted to RMB1,580.9 million.

19. Contingent liabilities

As of December 31, 2010, the Group had no material contingent liabilities.

Management Discussion and Analysis (Continued)

III. RISK FACTORS AND RISK MANAGEMENT

1. Industry risk

As governments at all levels are applying stricter management on preliminary work of wind power projects, it is becoming more difficult to obtain approval for wind power projects. Therefore, the Company has further arranged the preliminary personnel to strengthen resources survey and coordination.

The national standard for wind power grid connection is to be launched soon, which will present higher requirements for wind farm construction. The advanced technology and extensive experience we accumulated in construction of grid-friendly wind farms will help the Company meet such requirements.

2. Competition risk

In China, the competition is increasingly fierce in the wind power industry as more entities are investing in wind power projects, all of which are competing for resources. We will continue to enhance the acquisition of resources and the approval of projects, scientifically adjust our portfolio, strengthen and consolidate existing resource reserves, explore new area of resources and further expand resource reserves. At the same time, we will enhance efforts in technology and management innovation and keep improving our core competitiveness by making use of our existing advantages.

3. Grid-related risks

Planning and construction of some grids are lagged behind that of wind farms, which will hinder our power transmission upon completion of the projects. In addition, grid with insufficient transmission capacity may not be able to transmit all electricity generated by our wind farms upon operation at full load, which will decrease our power generation. In view of this, the Company flexibly adjusted construction strategy and rationally deployed new projects according to the grid connection conditions. Meanwhile, we will continually enhance technical innovation to reduce such impact. The wind power transmission problem has been given much concern by the State and will be solved during the "12th Five-Year Plan" period.

Management Discussion and Analysis (Continued)

28

4. Interest risk

Presently, China is returning to the prudent monetary policy to curb inflation. Meanwhile, the country is on its rate-hike path, which will bring higher financial costs and more financial risks. The Company will fully utilize the financing function of capital market, establish multi-channel financing system and proactively broaden financing channels, so as to lower financing costs and minimize the impact from higher interest rates.

IV. OUTLOOK

1. Opportunities

Looking forward, the long-term positive trend for China's economic development remains unchanged. China's economy is expected to keep its fast growth pace in the future. From perspective of industry situation, new energy has substantial growth potentials in future. China is accelerating the development of non-fossil energy and clean energy technologies and the strategic emerging industries will be developed into the vanguard and pillar industries as stated in the outline of the "12th Five-Year Plan". According to the planning of National Energy Administration, wind power installed capacity will reach 150 million kW by 2020.

From perspective of grid development trend, transmission difficulties for wind power will be solved gradually. China will build eight "10-million-kW wind power bases" in eastern and western Inner Mongolia, Xinjiang, Gansu, Hebei, Shandong, Jilin and Jiangsu, and further accelerate construction of grid connection system and ultra high voltage transmission lines. Meanwhile, as wind turbine manufacturing industry is becoming mature in China, price of wind turbine gradually decreases while quality of wind turbines is being improved in a continuous manner. In 2010, construction cost per kW for domestic 1.5 MW wind power unit has fallen below RMB4,000, marking the beginning of RMB3,000-era for wind turbine manufacturing industry. This provides vital support for us to lower construction cost and improve profitability of project.

Management Discussion and Analysis (Continued)

2. Business objectives for 2011 and measures to be taken

Based on analysis of current situation and understandings of our actual conditions, we formulated the business objectives for 2011 and corresponding measures to be taken:

- (1) *To increase wind power installed capacity by 1,500 MW to 5,500 MW by the end of 2011;*

Measures: enhance management of project construction, enhance process control and coordination, ensure construction schedule is strictly followed and sufficient capacity is put into operation.

- (2) *To achieve substantial growth in annual power generation;*

Measures: use every means to increase power generation, enhance marketing and expand power delivery methods, so as to reach the power generation target.

- (3) *Developing new sources of income and reducing costs to boost the profitability*

Measures: develop various renewable resources, increase power generation, specify detailed budget management arrangements, enhance cash flow management, strengthen control of preliminary costs and construction cost so as to ensure the achievement of our profit target.

- (4) *To achieve annual approval target for new projects;*

Measures: further specify the preliminary personnel to enhance resources survey, accelerate acquisition of resources and ensure achievement of approval target.

Management Discussion and Analysis (Continued)

30

- (5) *To actively promote technical progress and innovation and endeavour to take a lead in technology;*

Measures: actively press ahead innovation in production management and promote the “integration of operation and maintenance” mode; promote technical innovation and the research and development of the comprehensive simulation training system for the operation and maintenance of wind power units; promote the research on the transmission and analysis of wind power generation information and improve management capacity on intensive operation; promote the introduction and application of the techniques such as blade repair and the research on localization technology of imported wind turbine components and improve maintenance and repair capabilities of wind power units; promote integration innovation, enhance research on technology information and strengthen cooperation among industries, universities and research institutes.

- (6) *To promote industrialized and international strategy to foster new profit driver;*

Measures: actively push ahead projects with higher investment returns, attach importance to equipment manufacturing, repair and maintenance, engineering design and industrialized projects such as development of carbon resources, and proactively explore overseas business to foster new profit driver.

- (7) *To diversify financing sources and lower financial costs.*

Measures: actively expand financing sources and establish diversified investment and financing system to lower financial costs.

Management Discussion and Analysis (Continued)



Major Events in 2010

- In February 2010** the Company held the 2010 working conference, at which we summarized the basic work for 2009 and made comprehensive arrangements for work priorities in 2010.
- In June 2010** the Company's Shanghai Donghai Bridge Offshore Wind Power Project, the first offshore wind farm in China, commenced operation.
- In July 2010** the Company was established as a joint stock limited company through reorganization.
- In August 2010** According to BTM Report, as of December 31, 2009, the total installed wind power capacity of the Company ranked No.2 in China and No. 8 in the world.
- In September 2010** the Company's "unmanned operation, few on duty" management mode for large scale wind farm won the first prize for national management renovation achievements in power industry in China.
- In October 2010** the Company won the bid for the 300 MW concession project located in Binhai, Jiangsu, achieving new breakthrough in offshore wind power development.
- In November 2010** the Company completed construction of the Dongshan Wind Farm, the first "grid-friendly" wind power farm in China, playing a positive leading role in the industry.
- In 2010** the Company was broadcasted in CCTV on June 9, 2010, October 16, 2010 and November 4, 2010 respectively, fully demonstrating its favourable image as a company which proactively undertakes its social responsibility, is committed to emission reduction and make innovation in grid connection technology. Accordingly, a responsible, strong and reliable brand image has been presented to the public.
- In December 2010** the Company's H shares were successfully listed on the Main Board of the Hong Kong Stock Exchange on December 17, 2010.
- In December 2010** Mr. Hu Yongsheng, the President of the Company, was awarded the title of "Excellent entrepreneur in PRC Power Industry".

Report of Directors

I. PRINCIPAL OPERATIONS

The Group is principally engaged in the development, investment, construction and management of wind power and other renewable energy sources; research and development, application and promotion of low carbon technology; research, sale, testing and maintenance of renewable energy-related equipment; power generation; engineering, construction and installation, repair and maintenance of power projects at home and abroad; as well as renewable energy-related trainings and consulting services.

Details of the Company's subsidiaries and associated company are set out in Notes 16 and 17 to the financial statements respectively.

II. RESULTS

The audited results of the Group for the year ended December 31, 2010 are set out in the consolidated statement of comprehensive income on pages 81 to 82 of the annual report. The financial position of the Group and the Company as at December 31, 2010 is set out in the consolidated statements of financial position on pages 83 to 85 of the annual report. The cash flows of the Group for the year ended December 31, 2010 is set out in the consolidated statement of cash flows on pages 88 to 90 of the annual report. A discussion and analysis of the Group's performance during the year and the key factors affecting its results and financial position are set out in the Management's Discussion and Analysis on pages 13 to 31 of this annual report.

III. PROPERTY, PLANT AND EQUIPMENT

The details of the movements in property, plant and equipment of the Group and of the Company are set out in Note 13 to the financial statements.

IV. SHARE CAPITAL

As of December 31, 2010, the share capital of the Company was RMB7,142,610,000, divided into 7,142,610,000 shares with nominal value of RMB1.00 each. Details of the movements in share capital of the Company are set out in Note 22 to the financial statements.

As of January 9, 2011, upon exercise of the over-allotment option by the Company, the share capital of the Company was RMB7,273,701,000, divided into 7,273,701,000 shares with nominal value of RMB1.00 each.

Report of Directors (Continued)

34

V. PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association of the Company and the PRC laws which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

VI. RESERVES

Movements in reserves of the Group and of the Company during the year are set out in Note 23 to the financial statements, among which, details of reserves distributable to the equity holders of the Company are set out in Note 23 to the financial statements.

VII. DIVIDENDS

Apart from the Special Dividends amounting to RMB100.3 million as set out in Note 11 to the financial statements, the board of directors ("Board") of the Company do not recommend the payment of a final dividend for the year ended December 31, 2010.

VIII. PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

As of December 31, 2010, neither the Company nor its subsidiary has purchased, sold or redeemed any of the Company's listed securities.

Report of Directors (Continued)

IX. MAJOR CUSTOMERS AND SUPPLIERS

As of December 31, 2010, the purchase from our five largest suppliers (as defined in the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (“Listing Rules”) in aggregate accounted for 28.13% of our total purchase for the year. In particular, the total purchase from the largest supplier accounted for 9.66% of our total purchase for the year.

As of December 31, 2010, the sales to our five largest customers in aggregate contributed 89.43% to our total sales for the year. In particular, the sales to the largest customer contributed 40.71% to our total sales for the year. So far as the Directors are aware, none of the Directors, associates of Directors or any shareholders of the Company (who to the knowledge of the Directors owns more than 5% of the Company’s issued share capital) had any interest in the five largest suppliers (as defined in the Listing Rules) during the year. All of our five largest customers are companies owned/controlled by State Grid Corporation of China. State Grid Corporation of China holds 7.08% of the issued H shares of the Company as of December 31, 2010.

X. BANK LOANS AND OTHER BORROWINGS

Details of bank loans and other borrowings of the Group as of December 31, 2010 are set out in Note 24 to the financial statements.

Report of Directors (Continued)

36

XI. DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The following table sets forth certain information concerning the Directors, supervisors and senior management of the Company during the year and up to the date of this report:

Name	Position in the Company	Date of Appointment
Directors		
Mr. Chen Jinhang	Chairman of the Board and Non-executive Director	July 1, 2010
Mr. Wu Jing	Vice Chairman of the Board and Non-executive Director	July 1, 2010
Mr. Yin Li	Non-executive Director	July 1, 2010
Mr. JianYingjun	Non-executive Director	July 1, 2010
Mr. Hu Yongsheng	Executive Director and President	July 1, 2010
Mr. Zhang Xunkui	Executive Director and Vice President	July 1, 2010
Mr. Wang Guogang	Independent Non-executive Director	July 1, 2010
Mr. Yu Hon To David	Independent Non-executive Director	July 1, 2010
Mr. Liu Chaoan	Independent Non-executive Director	July 1, 2010
Supervisors		
Mr. Wang Guoping	Chief Supervisor	July 1, 2010
Mr. Zhang Xiaochun	Supervisor	July 1, 2010
Mr. Dong Jianhua	Employee Representative Supervisor	July 1, 2010
Senior management		
Mr. Hu Guodong	Vice President, Board Secretary and Joint Company Secretary	July 1, 2010
Mr. Wang Wenpeng	Vice President	July 1, 2010
Mr. Meng Lingbin	Vice President	July 1, 2010
Mr. Zhang Xuefeng	Chief Financial Officer	July 1, 2010

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and considers that all of the independent non-executive Directors are independent of the Company.

Report of Directors (Continued)

XII. BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Biographical details of Directors, supervisors and senior management are set out on pages 67 to 75 of this annual report.

XIII. SERVICE CONTRACTS OF THE DIRECTORS AND SUPERVISORS

The Company has entered into service contracts with each of the Directors. The principal particulars of such service contracts are (1) for a term of three years commencing from July 1, 2010; and (2) being subject to termination in accordance with their respective terms.

Each of the supervisors has entered into a contract with the Company in respect of, among others, compliance of relevant laws and regulations, observations of the Articles of Association and provision on arbitration.

Save as disclosed above, none of the Directors or supervisors has entered into a service contract with the Company which is not terminable by the Company within one year without payment of compensation, other than statutory compensation.

XIV. DIRECTORS' AND SUPERVISORS' REMUNERATION

Details of the remuneration of the Company's Directors and supervisors are set out in Note 12 to the financial statements.

XV. INTERESTS OF DIRECTORS AND SUPERVISORS IN CONTRACTS

As at December 31, 2010, no contract of significance to which the Company was a party, either directly or indirectly, in which a director or supervisor had material interests, subsisted during the year or at the end of the year.

XVI. SIGNIFICANT SUBSEQUENT EVENTS

There were no significant subsequent events occurred from January 1, 2011 to the latest practicable date of this annual report.

Report of Directors (Continued)

38

XVII. INTEREST OF DIRECTORS IN COMPETING BUSINESS

As at December 31, 2010, save as disclosed below, none of the Directors or their associates had any competing interests in any business which competed or was likely to compete, either directly or indirectly, with the business of the Company:

Name of Director	Position in the Company	Other Interests
Mr. Chen Jinhang	Chairman of the Board and Non-executive Director	General manager of Datang Corporation
Mr. Wu Jing	Vice Chairman of the Board and Non-executive Director	Chief Economist of Datang Corporation
Mr. Yin Li	Non-executive Director	Director of Strategic Planning and Development Department of Datang Corporation, president of the Tibet Branch of Datang Corporation
Mr. Jian Yingjun	Non-executive Director	General manager of Datang Jilin

XVIII. INTERESTS, SHORT POSITIONS AND SHARE OPTION SCHEME OF THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at December 31, 2010, none of the Directors, supervisors or senior management of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") which would have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein, or which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

Report of Directors (Continued)

XIX. SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As of January 9, 2011, to the best of the Directors' knowledge, having made all reasonable enquiry, the following persons (other than the Directors, senior management or supervisors of the Company) had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO:

Name of Shareholder	Class of Shares	Capacity	Number of Shares/ Underlying Shares Held (Share)	Percentage in the Relevant Class of Share Capital (%)	Percentage in the Total Share Capital (%)
Datang Corporation	Domestic Shares	Beneficial owner and interests of controlled corporation	4,772,629,900 (Long position)	100%	65.61%
Datang Jilin	Domestic Shares	Beneficial owner	599,374,505 (Long position)	12.56%	8.24%
National Council for Social Security Fund (全國社會保障基金理事會)	H shares	Beneficial owner	227,370,100 (Long position)	9.09%	3.13%
Aluminum Corporation of China Overseas Holdings Limited (Aluminum Corporation of China)	H shares	Beneficial owner	166,824,000 (Long position)	6.67%	2.29%
Angang Group Hong Kong Co., Limited (Angang Group International Trade Corporation)	H shares	Beneficial owner	166,824,000 (Long position)	6.67%	2.29%
China Yangtze International (Hong Kong) Co., Limited (China Yangtze Power Co., Ltd.)	H shares	Beneficial owner	166,824,000 (Long position)	6.67%	2.29%
State Grid International Development Limited (State Grid Corporation of China)	H shares	Beneficial owner	166,824,000 (Long position)	6.67%	2.29%
WUHAN STEEL	H shares	Beneficial owner	164,648,000 (Long position)	6.58%	2.26%
PEAKTRADE INVESTMENTS LTD	H shares	Beneficial owner	133,047,000 (Long position)	5.32%	1.83%

Report of Directors (Continued)

40

XX. MANAGEMENT CONTRACTS

As of and during the year ended December 31, 2010, the Company did not enter into any contract in respect of the management or administration of the entire or any significant part of the business of the Company nor any such contract subsisted.

XXI. CONNECTED TRANSACTIONS

Major connected transactions of the Company during 2010 are as follows:

(1) Non-exempt One-off Connected Transaction

Since listing and until December 31, 2010, the Company has not entered into any non-exempt one-off connected transactions which were discloseable or subject to independent shareholders' approval under the Listing Rules.

(2) Non-exempt Continuing Connected Transactions

The Company has entered into certain non-exempt continuing connected transactions during the year. The Company obtained approval from Hong Kong Stock Exchange in respect of the annual caps of such continuing connected transactions when the Company's H shares were listed, and was granted a waiver from strict compliance with the announcement and independent shareholders' approval requirements.

Report of Directors (Continued)

The table below set out the annual caps and the actual transaction amount of such connected transactions for 2010:

Connected Transactions	Connected Person	Annual Cap for 2010	Actual Transaction Amount for 2010
1. Provision of products and services by the Company	Datang Corporation	RMB0	RMB0
2. Provision of products and services to the Company	Datang Corporation	RMB3,000,000,000	RMB2,983,617,449
3. Provision of financial assistance to the Company	KEPCO International Hong Kong Ltd. (KEPCO Hong Kong)	The balance of the principal and accrued interests at the end of the year were USD71 million and USD4 million respectively	The balance of the principal at the end of the year and interests paid for the year were USD71 million and USD3,770,945 respectively.

1. *Provision of products and services by the Company*

The Group entered into the Master Agreement on the mutual supply of products and services with Datang Corporation on November 15, 2010 ("Datang Master Agreement"). Pursuant to the agreement, the Group provides maintenance services, technical consulting services, wind farm design services, operation and maintenance data assessment services to Datang Corporation.

Principal terms of the agreement are set out as follows:

The goods to be mutually supplied by each party include: spare parts, accessories, equipment, water, power, gas, heat, raw materials, fuels, minerals and etc.

The services to be mutually supplied by each party include: design consulting services, maintenance services, technical consulting services, construction services, and operation management services, CDM consulting services, bidding agency services, logistics services, communication services, property services and other related or similar services;

Report of Directors (Continued)

If the terms and conditions of similar products and services offered by an independent third party are no better than those offered by one party, the other party shall give priority in sourcing the requisite products and services from the first party;

Relevant subsidiaries or associated companies of both parties will enter into individual contracts which shall set out the specific scope of services, products, terms and conditions of providing such services and products according to the principles laid down by the Datang Master Agreement.

The products to be provided under the agreement will be determined on the following pricing policy: the price prescribed by the state, if applicable; where there is no state-prescribed price but there is a state-guidance price, then the state-guidance price; where there is neither a state-prescribed price nor a state-guidance price, the market price; and where none of the above is applicable or where it is not practical to apply the above pricing policies in actual transactions, the price agreed between the relevant parties, which shall be the reasonable costs incurred in providing the products plus reasonable profit margin;

The services to be provided under the agreement will be determined on the following pricing policy: the bidding price where the bidding process is required for selecting the service provider; where no bidding process is involved, the market price;

The agreement is for a term of three years ending on July 8, 2013. Either party may terminate the agreement upon giving the other party three months' written notice.

Datang Corporation is the controlling shareholder of the Company and is, together with its subsidiaries, connected person of the Company under the Listing Rules.

During the reporting period, the annual cap of this continuing connected transaction for 2010 was RMB0 and the actual transaction amount was RMB0.

Report of Directors (Continued)

2. *Provision of products and services to the Company*

The Group entered into the Datang Master Agreement on the mutual supply of products and services with Datang Corporation on November 15, 2010. Pursuant to the Datang Master Agreement, Datang Corporation provides spare parts, accessories, equipment, technical consulting services, maintenance services, construction services, operation management services, bidding agency services and CDM-related services to the Group.

Please refer to relevant disclosure of the first non-exempt continuing connected transaction above for principal terms and conditions of the agreement.

Datang Corporation is the controlling shareholder of the Company and is, together with its subsidiaries, connected person of the Company under the Listing Rules.

During the reporting period, the annual cap of this continuing connected transaction for 2010 was RMB3,000,000,000 and the actual transaction amount was RMB2,983,617,449.

3. *Provision of financial assistance by KEPCO Hong Kong to the Company*

Chifeng Renewable Power entered into a loan agreement with KEPCO Hong Kong on November 22, 2010 ("KEPCO Loan Agreement"). KEPCO Hong Kong is a Hong Kong registered company focusing on project investment and a subsidiary of Korea Electric Power Corporation, the largest Korean utility company listed on Korea Exchange (Stock Code: 015760) and New York Stock Exchange (Stock Code: KEP). Pursuant to the KEPCO Loan Agreement, KEPCO Hong Kong granted to Chifeng Renewable Power a loan facility.

Report of Directors (Continued)

Principal terms and conditions of the agreement are set out as follows:

KEPCO Hong Kong granted to Chifeng Renewable Power a loan facility in the principal amount of USD71 million to finance the construction and development of wind farms;

The KEPCO Loan Agreement may be terminated if the borrower constitutes material breach under the agreement, which includes, inter alia, failure of the borrower to pay any amount payable on due date, any representation or warranty from the borrower found to be inaccurate in any material aspect on the date of such representation or warranty and failure to perform or breach of any other provisions under the agreement which is irremediable or otherwise has not been remedied within thirty days;

The loan is for a term of three years that will expire on November 21, 2013;

The loan is repayable every six months and the interest rates charged by the KEPCO Hong Kong are 10% below the benchmark interest rates set by PBOC on each interest determination date;

Chifeng Renewable Power can make full and partial early repayment of the loan without any penalty;

The loan was secured by pledges of insurance policies, wind turbines and the tariff collection right of Chifeng Renewable Power.

KEPCO Hong Kong is an associate of KEPCO Neimenggu International Ltd. (a Hong Kong registered company focusing on project investment and a subsidiary of Korea Electric Power Corporation) which, in turn, is the substantial shareholder of our subsidiary Chifeng Renewable Power by virtue of its shareholdings of 40% therein. Therefore, KEPCO Hong Kong will be deemed to be a connected person of the Company under Rule 14A of the Listing Rules.

Report of Directors (Continued)

During the reporting period, the annual cap of this continuing connected transaction for 2010 was USD71,000,000, equivalent to the outstanding balance of the principal as of the end of 2010. The interests payable for this continuing connected transaction for the year was USD4,000,000. The actual outstanding balance of the principal as of the end of the year was USD71,000,000 and the actual interests paid for the year was USD3,770,945.

The independent non-executive Directors of the Company have reviewed each of the above mentioned continuing connected transactions and confirmed that the transactions have been conducted:

- (1) in the usual course of business of the Company;
- (2) on normal commercial terms or, if there are no sufficient comparable transactions to determine whether they are on normal commercial terms, from the perspective of the Company, on terms no less favorable than the terms available to or from independent third parties; and
- (3) in accordance with relevant agreements governing the relevant transactions on terms that are fair and reasonable and in the interests of the equity holders of the Company as a whole.

Report of Directors (Continued)

Pursuant to Rule 14A.38 of the Listing Rules, the Board engaged the auditor of the Company to conduct a limited assurance engagement on the above continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Over Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has reported their conclusion to the Board stating that:

- a. nothing has come to the auditor's attention that causes the auditor to believe that the disclosed continuing connected transactions have not been approved by the Company's board of directors.
- b. for transactions involving the provision of goods or services by the Group, nothing has come to the auditors' attention that causes the auditor to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Company.
- c. nothing has come to the auditor's attention that causes the auditor to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions.
- d. with respect to the aggregate amount of each of the continuing connected transactions set out above, nothing has come to the auditor's attention that causes the auditors to believe that such continuing connected transactions have exceeded the maximum aggregate annual value disclosed in the prospectus dated December 7, 2010 made by the Company in respect of each of the disclosed continuing connected transactions.

In respect of the above-mentioned connected transactions, the Directors also confirmed that the Company was in compliance with the disclosure requirements under Chapter 14A of the Listing Rules.

Report of Directors (Continued)

XXII. COMPLIANCE WITH NON-COMPETITION AGREEMENT

The Company entered into the Non-Competition Agreement with Datang Corporation on July 30, 2010. Under the agreement, Datang Corporation has undertaken to the Company that except in certain limited circumstances, for so long as the agreement remains effective, it shall not, and shall procure its associates (excluding the Company) not to, directly or indirectly and in whatever manner, engage, participate or be interested in, or provide support to, any business or activity which competes or is likely to compete with our wind, solar and biomass power business. Datang Corporation has also granted us an option and pre-emptive right to acquire certain interests retained by Datang Corporation following the Reorganization and certain future business.

Pursuant to the agreement, the independent non-executive Directors of the Company are responsible for reviewing and considering whether or not to exercise such options and pre-emptive rights and are entitled, on behalf of the Company, to review the implementation of the undertakings under the agreement on an annual basis. During the year, the independent non-executive Directors of the Company have reviewed the implementation of the Non-Competition Agreement and confirm that Datang Corporation has been in full compliance with the agreement and there was no breach by Datang Corporation.

XXIII. RETIREMENT AND EMPLOYEES BENEFIT SCHEME

Details of the Company's retirement and employees benefit scheme are set out in Note 28 to the financial statements.

XXIV. COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

As a company listed on the Main Board of the Hong Kong Stock Exchange, the Company strives to maintain a high standard of corporate governance practices and complies with the code provisions as set out in the Code on Corporate Governance Practices in Appendix 14 to the Listing Rules. Please refer to the Corporate Governance Report as set out on pages 49 to 61 of this annual report for details.

Report of Directors (Continued)

48

XXV. PUBLIC FLOAT

Based on information publicly available to the Company and so far as the Directors are aware, not less than 25% of the issued share capital of the Company was held by the public as at the latest practicable date prior to the publication of this annual report, which was in compliance with the requirements under the Listing Rules.

XXVI. MATERIAL LITIGATION

As of December 31, 2010, the Group was not involved in any material litigation or arbitration. So far as the Directors are aware, no such litigation or claims are pending or threatened against the Group.

XXVII. AUDIT COMMITTEE

The Company's 2010 annual results and the financial statements for the year ended 31 December 2010 prepared in accordance with the IFRSs have been reviewed by the audit committee of the Company.

XXVIII. AUDITORS

PricewaterhouseCoopers and PricewaterhouseCoopers Zhong Tian CPAs Limited Company were appointed as international and domestic auditors to audit the financial statements for the year ended December 31, 2010 prepared in accordance with IFRSs and Accounting Standards for Business Enterprises of the PRC, respectively. The enclosed financial statements prepared in accordance with IFRSs have been audited by PricewaterhouseCoopers.

A resolution for the re-appointment of PricewaterhouseCoopers and PricewaterhouseCoopers Zhong Tian CPAs Limited Company as the international and domestic auditors of the Company for the year ending December 31, 2011 respectively will be proposed at the forthcoming Annual General Meeting.

XXIX. FOUR YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last four financial years is set out on pages 11 to 12 of this annual report.

Corporate Governance Report

I. CORPORATE GOVERNANCE PRACTICES

The Company was listed on the Main Board of the Hong Kong Stock Exchange on 17 December 2010. The Company has always been committed to improving corporate governance. According to code provisions of the Code on Corporate Governance Practices (the "Code") set out in Appendix 14 to the Listing Rules, it has established a modern corporate governance structure comprising a number of independently operated bodies including the General Meeting, Board of Directors, Board of Supervisors and the senior management in order to provide an effective check and balance. The Company has also adopted the Code as its own corporate governance practices. After going public, the Company was in strict compliance with the principles and provisions as set out in the Code without any deviation from provisions of the Code in 2010. Corporate governance practices adopted by the Company are outlined as follows:

1. Board of Directors

The Board of Directors carries out its duties and exercises its powers in accordance with the Articles of Association and in the best interest of the Company and its shareholders. It reports and is held accountable to the General Meeting, and implements the resolutions thereof.

(1) *Composition of the Board of Directors*

As at December 31, 2010, the Board of Directors consisted of nine directors, including two executive directors, four non-executive directors and three independent non-executive directors.

The biographical details of the directors as at the date of this report are set out on pages 67 to 75 of this annual report. There are no relationships (including financial, business, family or other material or relevant relationships) among members of the Board of Directors. The structure of Board of Directors is well balanced, with each director equipped with comprehensive knowledge, experience and expertise relevant to the Company's business operation and development. All directors are well aware of their joint and individual responsibilities toward the shareholders.

Corporate Governance Report (Continued)

Since the listing of the Company, the Board of Directors has always been abiding by the requirements of the Listing Rules regarding the appointment of at least three independent non-executive directors, and the qualifications of the Company's three independent non-executive directors are in full compliance with the requirements under Rules 3.10(1) and (2) of the Listing Rules. In addition, the Company has received annual confirmations dispatched by independent non-executive directors in accordance with Rule 3.13 of the Listing Rules as to their respective independence. Therefore, the Company is of the view that all independent non-executive directors are independent as provided in the Listing Rules.

Members of the Board of Directors of the Company are listed in the following table:

<u>Name</u>	<u>Date of birth</u>	<u>Position</u>	<u>Date of appointment</u>
Chen Jinhang	1955.7	Chairman of the Board and non-executive director	July 1, 2010
Wu Jing	1957.3	Vice Chairman of the Board and non-executive director	July 1, 2010
Yin Li	1951.11	Non-executive director	July 1, 2010
Jian Yingjun	1963.7	Non-executive director	July 1, 2010
Hu Yongsheng	1963.4	Executive director and President	July 1, 2010
Zhang Xunkui	1968.7	Executive director and vice President	July 1, 2010
Wang Guogang	1955.11	Independent non-executive director	July 1, 2010
Yu Hon To David	1948.3	Independent non-executive director	July 1, 2010
Liu Chaoan	1956.3	Independent non-executive director	July 1, 2010

Corporate Governance Report (Continued)

(2) Board meeting

According to the Articles of Association, the Board is required to hold Board meetings at least four times each year to be convened by the Chairman of the Board of Directors.

Notices of regular Board meetings shall be dispatched at least 14 days in advance stating the time, venue and the means to be adopted by the meeting.

Except where a Board meeting is convened to consider connected transactions as provided in the Articles of Association, a quorum for the Board meeting can only be formed by more than half of the Directors attending the meeting. Directors may attend the Board meeting in person or appoint another director as his proxy. The secretary of the Board of Directors is responsible for preparing and keeping minutes of Board meetings and making sure that such minutes are available for inspection by any director.

In 2010, the Board of Directors held six meetings, and the record of directors' attendance is set out as follows:

Name	Position	Attendance/ number of meetings	Attendance rate
Chen Jinhang	Chairman of the Board and non-executive director	6/6	100%
Wu Jing	Vice Chairman of the Board and non-executive director	6/6	100%
Yin Li	Non-executive director	6/6	100%
Jian Yingjun	Non-executive director	6/6	100%
Hu Yongsheng	Executive director and President	6/6	100%
Zhang Xunkui	Executive director and vice President	6/6	100%
Wang Guogang	Independent non-executive director	6/6	100%
Yu Hon To David	Independent non-executive director	6/6	100%
Liu Chaoan	Independent non-executive director	6/6	100%

Corporate Governance Report (Continued)

52

(3) *Powers and responsibilities of the Board of Directors and the management*

The powers and responsibilities of the Board of Directors and the management are specified in the Articles of Association of the Company, providing a sufficient restraint and balance mechanism for corporate governance and internal controls.

The Board of Directors is responsible for deciding on the Company's business and investment plans, deciding on establishment of the Company's internal management structure, formulating the Company's basic management system, deciding on other material business and administrative matters and monitoring the performance of the management.

The management of the Company, led by the President (who is also an executive director), is responsible for implementing all the resolutions issued by the Board of Directors and organizing management of the Company's day-to-day operation.

(4) *Chairman and President*

The positions of the Chairman and President (ie, chief executive officer under the Listing Rules) of the Company are held by different persons in order to ensure independence of their respective functions and accountability and balanced distribution of power and authority between them. Mr. Chen Jinhang and Mr. Hu Yongsheng serve as the Chairman and the President respectively, whose powers and responsibilities are clearly divided.

Mr. Chen Jinhang, who leads the Board of Directors as the Chairman, decides on the Company's overall development strategies, ensures the effective operation of the Board, performs his bounden duties, brings all important matters to discussion in a timely manner and makes sure that the Company has in place good corporate governance practices and procedures and that the Board acts in the best interests of the Company and all its shareholders. The President Mr. Hu Yongsheng is mainly in charge of the Company's day-to-day operation management, including organizing the implementation of the Board resolutions and routine decision-making.

Corporate Governance Report (Continued)

(5) *Appointment and re-election of directors*

As provided in the Articles of Association of the Company, directors are elected by the General Meeting for a term of no more than three years and are eligible for reappointment. The Company has implemented a set of effective procedures regarding the appointment of new directors. The nomination of new directors is discussed first by the Nomination Committee which then submits its recommendation to the Board of Directors, and is subject to approval by the General Meeting.

The Company has entered into service contracts with all its directors (including non-executive directors) for a term of three years commencing on July 1, 2010.

(6) *Remuneration of directors*

Remunerations of director is determined by the Board of Directors based on criteria such as educational background, work experience, performance, positions and market conditions, taking into account the recommendation of the Remuneration and Assessment Committee, and is subject to approval by the General Meeting.

2. Four Professional Committees under the Board

There are four committees under the Board of Directors, including the Audit Committee, Nomination Committee, Remuneration and Assessment Committee and Strategic Committee.

(1) *Audit Committee*

The Audit Committee of the Company consists of three Directors: Mr. Wang Guogang (independent non-executive director), Mr. Yu Hon To David (independent non-executive director) and Mr. Jian Yingjun (non-executive director). Mr. Wang Guogang currently serves as the Chairman of the Audit Committee.

Corporate Governance Report (Continued)

54

The primary responsibilities of the Audit Committee are to review and supervise our financial reporting process, which include, among other things:

- appointing and supervising the work of our independent auditors and pre-approving all non-audit services to be provided by our independent auditors;
- reviewing our annual and interim financial statements, earnings releases, critical accounting policies and practices used to prepare financial statements, alternative treatments of financial information, the effectiveness of our disclosure controls and procedures and important trends and developments in financial reporting practices and requirements;
- reviewing the planning and staffing of internal audits, the organization, responsibilities, plans, results, budget and staffing of the Company's internal audit team and the quality and effectiveness of our internal controls;
- reviewing our risk assessment and management policies; and
- establishing procedures for the treatment of complaints received by the Company regarding accounting, internal accounting controls, auditing matters, potential violations of law and questionable accounting or auditing matters.

(2) *Nomination Committee*

The Nomination Committee of the Company consists of three Directors: Mr. Wu Jing (non-executive director), Mr. Liu Chaoan (independent non-executive director) and Mr. Wang Guogang (independent non-executive director). Mr. Wu Jing currently serves as the Chairman of the Nomination Committee.

The primary responsibilities of the Company's Nomination Committee are to formulate the nomination procedures and standards for candidates for directors and senior management and to conduct preliminary review of the qualifications of the candidates for directors and senior management.

Corporate Governance Report (Continued)

(3) *Remuneration and Assessment Committee*

The Remuneration and Assessment Committee of the Company consists of three Directors: Mr. Wu Jing (non-executive director), Mr. Yu Hon To David (independent non-executive director) and Mr. Liu Chaoan (independent non-executive director). Mr. Wu Jing currently serves as the Chairman of the Company's Remuneration and Assessment Committee.

The primary responsibilities of the Remuneration and Assessment Committee are to formulate the standards for the evaluation of the directors and senior management and conduct such evaluation, and to determine and review the compensation schemes for the Directors and senior management, including, among other things:

- approving and overseeing the total compensation package for the directors and senior management, evaluating the performance of the senior management and approving the compensation to be paid to the senior management;
- reviewing the directors' compensation and making recommendations to the Board of Directors in respect thereof; and
- reviewing the compensation schemes of directors and senior management and making recommendations to the Board of Directors in respect thereof.

(4) *Strategic Committee*

The Strategic Committee of the Company consists of three Directors: Mr. Yin Li (non-executive director), Mr. Hu Yongsheng (executive director) and Mr. Zhang Xunkui (executive director). Mr. Yin Li currently serves as the Chairman of the Strategic Committee.

Corporate Governance Report (Continued)

56

The primary responsibilities of the Strategic Committee are to formulate our overall development plans and investment decision-making procedures, including, among other things:

- reviewing the Company's long-term development strategies;
- reviewing the Company's strategic planning and implementation reports; and
- reviewing significant capital expenditure.

As the Company was listed on Hong Kong Stock Exchange on December 17, 2010, which is less than one month from December 31, 2010 (i.e. the balance sheet date for the current accounting year), the four committees under the Board of Directors did not hold any meetings during the reporting period.

3. Directors' Responsibility for the Financial Statements

The Board has acknowledged its responsibility for preparing the financial statements of the Group for the year ended December 31, 2010. The Board of Directors is responsible for presenting a clear and understandable assessment of the annual and interim reports, price-sensitive information and disclosures as required under the Listing Rules and other regulatory requirements. The management has provided such explanation and information to the Board as necessary to enable the Board to make an assessment of the financial information and position of the Group before giving its approval. The Group is not exposed to any material uncertain ties that may exert significant impact on the Group's ability to continue as a going concern.

Corporate Governance Report (Continued)

4. Compliance with the Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules as the code of conduct for dealing in the securities of the Company by its directors and supervisors. Having made specific enquiries of all directors and supervisors of the Company, each director and supervisor confirmed that she/he had strictly complied with the standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers during the reporting period.

The Board will examine the corporate governance practices and operation of the Company from time to time to ensure that the Company is in compliance with relevant requirements under the Listing Rules and that the shareholders' interests are safeguarded.

5. Internal Control

The Company attached great importance to internal control with a complete and prudent internal control system preliminarily established.

In respect of rules and regulations, the Company has setup the following systems for internal control:

Measures of China Datang Corporation Renewable Power Co., Limited on Administration of Internal Control (Trial)

Rules of Procedure of the General Meeting of China Datang Corporation Renewable Power Co., Limited

Rules of Procedure of the Board of Directors of China Datang Corporation Renewable Power Co., Limited

Corporate Governance Report (Continued)

58

Rules of Procedure of the Board of Supervisors of China Datang Corporation Renewable Power Co., Limited

Rules of Procedure of the Audit Committee under the Board of Directors of China Datang Corporation Renewable Power Co., Limited

Rules of Procedure of the Remuneration and Assessment Committee under the Board of Directors of China Datang Corporation Renewable Power Co., Limited

Rules of Procedure of the Strategic Committee under the Board of Directors of China Datang Corporation Renewable Power Co., Limited

Rules of Procedure of the Nomination Committee of China Datang Corporation Renewable Power Co., Limited

Measures of Datang Corporation Renewable Power Co., Limited on Administration of Connected Transactions

Measures of Datang Corporation Renewable Power Co., Limited on Administration of Borrowings (Trial)

Internal Financial Audit Rules of Datang Corporation Renewable Power Co., Limited (Trial)

Rules for Preparation and Disclosure of Periodic Reports of Datang Corporation Renewable Power Co., Limited

Measures of Datang Corporation Renewable Power Co., Limited on Administration of Guarantee (Trial)

Corporate Governance Report (Continued)

Temporary Measures of Datang Corporation Renewable Power Co., Limited on Administration of Tax Paying (Trial)

Measures of Datang Corporation Renewable Power Co., Limited on Administration of Incompatible Posts (Trial)

Measures of Datang Corporation Renewable Power Co., Limited on Administration of the Implementation of Accounting Computerization (Trial)

Measures of Datang Corporation Renewable Power Co., Limited on Administration of Responsibility Ascertaining regarding Asset Loss (Trial)

Measures of Datang Corporation Renewable Power Co., Limited on Administration of Capitals (Trial)

Supplemental Rules of Datang Corporation Renewable Power Co., Limited on Adjustment of Budget (Trial)

In terms of organisational structure, the Company has established a President Office Department, General Planning Department, Securities and Capital Operation Department, Human Resources Department, Development and Planning Department, Financing and Property Management Department, Safety and Operation Department, Project Management Department, Corporate Culture Department, International Business Department and Supervision and Audit Department. All the departments are sufficiently staffed, respectively taking charge of financial operations and monitoring, risk management, internal audit and anti-corruption. In addition, the Company arranged reasonable budgets to provide regular trainings for the staff of the Company and its subsidiaries performing functions such as finance, risk management and internal audit so as to ensure that they are fully qualified and experienced.

Corporate Governance Report (Continued)

60

All departments are under direct leadership of the President of the Company, who are thereby enabled to report instantly to the Board of Directors on the operations of each department and problems received. Accordingly, any significant matter (if subject to disclosure to the market) identified by the staff could be reported to the management in a timely, accurate and effective manner and the decisions by the management of the Company could be implemented accurately and timely under supervision.

During the reporting period, the Board assessed the internal control systems of the Company and its subsidiaries such as financial control, operation control, compliance control and risk management systems and was not aware of any material problems or any material mistakes. The Board of Directors believes that the current monitoring system of the Company is effective and that the qualifications and experience of the staff performing accounting and financial reporting functions and the training programs as well as the experiences and resources for setting the budget are adequate.

6. Auditors' Remuneration

PricewaterhouseCoopers and PricewaterhouseCoopers Zhong Tian CPAs Limited Company (collectively, "PricewaterhouseCoopers Firms") were appointed as international and domestic auditors to audit the financial statements for the year ended December 31, 2010 prepared in accordance with IFRSs and Accounting Standards for Business Enterprises of the PRC, respectively. Aggregate fees in respect of audit and audit related services provided by PricewaterhouseCoopers Firms during the year was RMB5.19 million.

Corporate Governance Report (Continued)

7. Communication with Shareholders

The Company highly appreciated shareholders' opinions and advice, actively organised various investor relations activities to maintain connections with shareholders and made timely response to the reasonable requests of shareholders.

The Company set up a website at www.dtxny.com.cn, as a channel to promote communication, publishing announcements, financial information and other relevant information of the Company. Shareholders are welcome to make enquiries directly to the Company at its principal place of business in Hong Kong. The Company will deal with all enquiries in a timely and appropriate manner.

The Board of Directors welcomes views from shareholders and encourages them to attend General Meetings to communicate any concerns they may have with the Board or the management. The Chairman of the Board of Directors and the Chairmen of all committees usually attend the annual General Meeting and other General Meetings to handle shareholders' queries.

Since its listing on December 17, 2010, the Company has not held any General Meeting. Mr. Chen Jinhang, Chairman of the Company, will attend the 2010 Annual General Meeting and arrange for the Board of Directors to reply to shareholders' queries.

Detailed voting procedures and resolutions to be voted on by way of poll are contained in the circular to be dispatched to shareholders.

Investor Relations

I. MANAGEMENT OF INVESTOR RELATIONS IN 2010

1. Promote transparency of company information

On the principle of being responsible for our investors, the Company has always been focused on and committed to promoting the timely and accurate information disclosure. After its successful listing, the Company immediately upgraded its Chinese and English websites and published relevant announcements, financial information and other information in a timely manner; meanwhile, we set up a special telephone line and a fax for investor relations to ensure the timely release of company information to investors, and transparency of company information was gradually promoted accordingly.

2. Improve corporate governance

The Confidentiality System and Information Disclosure System were preliminarily drafted so that the information management of the Company was strengthened; the internal control system was further perfected in respect of relevant functions of all departments. In addition, the Company, taking into account the characteristics of a listed company, provided training for its senior management to elevate the Company's general management philosophy and facilitate a more standard and more efficient operation of the Company. As such, the Company's corporate governance was further improved.

3. Enhance corporate image

We made considerate and careful arrangements, cordially received visits from investors and the media, gave efficient and complete replies to relevant queries; paid close attention to the development trend of Hong Kong stock market, and communicated continuously with the public from an objective standpoint in respect of a comprehensive range of issues. As a consequence of such efforts, the corporate image of the Company was further improved.

Investor Relations (Continued)

II. OUTLOOK FOR INVESTOR RELATIONS IN 2011

1. Website management

We'll optimize the website interface, make on-going updates on its content and add new sections such as applications from investors for visits so as to provide better services for our shareholders and investors, making the website an integrated and efficient promotion window of the Company.

2. Information disclosure

The Company will further promote the communication and coordination among all departments in respect of information disclosure in accordance with requirements under the Listing Rules of Hong Kong Stock Exchange and the information management system of the Company, earnestly consider the feasibility of disclosing more operation information, nail down the procedure of information disclosure and progressively expand the depth and breadth of information to be disclosed, so as to make company business information available to the public in a more timely, comprehensive and accurate way.

3. Communication on business affairs

We'll continue to communicate with our shareholders and investors in a sincere attitude and on equal terms and help them gain a better understanding of the Company's overall condition and a full knowledge of its development strategies. Meanwhile, we will constantly make analysis of relevant issues identified during the communication with shareholders and investors and report them to the Company, so as to facilitate the internal decision-making and future development planning.

Report of the Board of Supervisors

In 2010, all the members of the Board of Supervisors of the Company earnestly performed their supervisory functions to safeguard the rights and interests of the Company and the shareholders in accordance with the Company Law, Articles of Associations, the Rules of Procedures of the Board of Supervisors and the relevant provisions in the Listing Rules of The Hong Kong Stock Exchange Limited.

I. MEETINGS OF THE BOARD OF SUPERVISORS

1. On July 1, 2010, the Company held the first meeting of the first session of Board of Supervisors, at which the Resolution regarding the Election of the Chairman of the Board of Supervisors of China Datang Corporation Renewable Power Co., Limited was considered and passed.
2. On July 12, 2010, the Company held by way of voting by correspondence the second meeting of the first session of Board of Supervisors in Beijing, at which the Resolution regarding the Rules of Procedure of the Board of Supervisors of China Datang Corporation Renewable Power Co., Limited (Draft) was passed. It was agreed to request the General Meeting to authorize the Board of Supervisors to modify the Rules of Procedure in accordance with related laws and regulations, listing rules of the place of listing and requirements of the regulatory and approving authorities, and to amend the text and content of the Rules of Procedure at its discretion.

II. PRINCIPAL INSPECTION AND SUPERVISION WORK OF THE BOARD OF SUPERVISORS IN 2010

1. Members of the Board of Supervisors carried out supervision and inspection of the financial position of the Company and its internal control systems such as the financial management system, including regular inspections of the financial reports and budgets and their regular reviews of accounting documents and books of the Company.
2. Members of the Board of Supervisors attended two extraordinary General Meetings and sit in on two meetings of the Board of Directors, exercising supervision in respect of the lawfulness and compliance of the procedures of the matters considered by the Board meetings.
3. The Board of Supervisors made no objection to the reports and motions tabled at the General Meetings and the Board of Directors faithfully implemented the resolutions passed by the General Meetings.

Report of the Board of Supervisors (Continued)

III. INDEPENDENT OPINIONS ISSUED BY THE BOARD OF SUPERVISORS ON RELEVANT MATTERS

1. Operation and management of the Company

During the reporting period, the Company managed to achieve satisfactory results in areas of production and operation, cost control, project construction, capital operation, internal management and market expansion with the annual targets set on production and operations being achieved. The management of the Company further strengthened the systems of internal controls, and enhanced, in particular, the system of business processes of all departments of the Company, making further progress in corporate governance. The management of the Company faithfully fulfilled their duties and responsibilities as stipulated in the Articles of Association and earnestly implemented the resolutions passed by the Board of Directors.

2. Financial matters of the Company

Members of the Board of Supervisors monitored and examined the financial management system and the financial condition and reviewed relevant financial information of the Company. Upon examination, the Board of Supervisors concluded that the Company had strictly complied with the relevant financial laws, regulations and financial policies, and that the financial management system was sound and was implemented effectively; its accounting treatment was in line with the consistency principles; and the Company's financial reports gave an objective and fair view of the financial position and operating results of the Company.

The Board of Supervisors reviewed the unqualified auditor's report issued by PricewaterhouseCoopers and PricewaterhouseCoopers Zhong Tian CPAs Limited Company in respect of the consolidated financial statements of the Company for the year ended December 31, 2010 prepared in accordance with IFRSs and Accounting Standards for Business Enterprises of the PRC respectively, and raised no objection to such reports.

Report of the Board of Supervisors (Continued)

66

3. Connected transactions

The Board of Supervisors reviewed the connected transactions between the Company and its subsidiaries and its respective connected persons during the reporting period, and was of the opinion that all the connected transactions complied with the relevant requirements of the Hong Kong Stock Exchange, and that the pricing of the connected transactions was reasonable, open and fair and there were not any matter prejudicial to the interests of the Company or shareholders.

4. Implementation of the resolutions of General Meetings

The Board of Supervisors made no objection to the reports and motions tabled at the General Meetings and considered that the Board of the Directors earnestly implemented the resolutions passed by the General Meetings.

In 2011, the Board of Supervisors will continue to carry out its fiduciary duties to implement effective supervision on the Company, its Directors and senior management in accordance with the relevant provisions of the Company Law of the PRC, Articles of Association, Rules of Procedure of the Board of Supervisors and the Listing Rules of Hong Kong Stock Exchange; pay close attention to the production, operation and management status of the Company as well as any significant move of the Company; and continue to strengthen the supervision on procedures of the Company's investment projects, so as to facilitate the profit growth of the Company and to dutifully protect the interests of all shareholders and the Company.

By Order of the Board of Supervisors
Wang Guoping
Chairman of the Board of Supervisors

Beijing, the PRC, March 16, 2011

Profile of Directors, Supervisors and Senior Management

I. NON-EXECUTIVE DIRECTORS

Mr. Chen Jinhang, born in July 1955, has served as the Chairman of the Board and a non-executive Director since he joined the Group in July 2010. Mr. Chen has been the director and general manager of China Datang Corporation since February 2010. Mr. Chen served as the vice president of State Grid Corporation of China from December 2002 to February 2010, the president of Shanxi Electric Power Corporation, chairman of Shanxi Zhangze Electric Power Corporation Ltd. and Shanxi Yangcheng International Electric Power Co., Ltd. from September 2001 to December 2002, president of Shandong Electric Power Corporation from December 2000 to September 2001. Mr. Chen also successively worked as chief of Accounting Department, assistant to the chief, chairman of the Trade Union and vice president of Shandong Electric Power Corporation from January 1996 to December 2000, deputy chief and chief of Tai'an Electric Power Bureau from March 1991 to January 1996 and deputy chief of Shandong Heze Electric Power Bureau from July 1985 to March 1991. Mr. Chen graduated in 2002 from Shandong University with a master degree in Electronic Engineering and is a professor-grade senior engineer (教授級高級工程師) (a senior title of qualification of specialty and technology equivalent to professor title in relation to engineering professional in the PRC).

Mr. Wu Jing, born in March 1957, has served as the Vice Chairman of the Board and a non-executive Director since he joined the Group in July 2010. Mr. Wu has been the chief economist of China Datang Corporation since December 2006. Mr. Wu served as the deputy chief economist of China Datang Corporation from May 2004 to December 2006, the chief of Development and Planning Department of China Datang Corporation from January 2003 to December 2006, the vice president of Shaanxi Electric Power Corporation from October 2000 to January 2003, the vice president of Xinjiang Electric Power Corporation from June 1998 to December 2000, and the vice president of Weihe Power Generation Co., Ltd. from June 1997 to June 1998. He also successively worked as assistant general engineer, deputy general engineer, deputy chief of Hancheng Power Plant and deputy chief and chief of Weihe Power Plant. Mr. Wu graduated in 2000 from Xi'an Jiaotong University with a master degree in Electronics and Information Engineering and is a professor-grade senior engineer (教授級高級工程師) (a senior title of qualification of specialty and technology equivalent to professor title in relation to engineering professional in the PRC).

Profile of Directors, Supervisors and Senior Management (Continued)

68

Mr. Yin Li, born in November 1951, has been a non-executive Director since he joined the Group in July 2010. Mr. Yin has been the chief of Strategic Planning and Development of China Datang Corporation since December 2006 and the president of the Tibet Branch of China Datang Corporation since November 2009. Mr. Yin served as the deputy chief of Development and Planning Department of Datang from January 2003 to December 2006, the chief of Planning and Design Department of Huabei Electric Power Group from September 1997 to January 2003, and the deputy chief of Planning and Design Development of Huabei Electric Power Group from 1996 to September 1997. Mr. Yin graduated in 1982 from North China Electric Power College (currently named North China Electric Power University) with a bachelor degree in Thermokinetics and is a senior engineer (a senior title of qualification of specialty and technology in relation to engineering professional in the PRC).

Mr. Jian Yingjun, born in July 1963, has been a non-executive Director since he joined the Group in July 2010. Mr. Jian has been the president of Datang Jilin Power Generation Company Limited since December 2005. Mr. Jian served as the president of Anhui Electric Power Corporation Ltd. from January 2005 to December 2005, the vice president of Anhui Electric Power Corporation Ltd. and Anhui Branch of Datang from August 2004 to January 2005, the president of Datang Huichun Power Generation Co., Ltd. from March 2002 to August 2004, the vice president of Huichun Power Generation Co., Ltd. from January 2001 to March 2002, the chief engineer of Jilin Thermoelectricity Factory from November 1998 to January 2001, and deputy chief engineer of Jilin Thermoelectricity Factory from November 1997 to November 1998. Mr. Jian graduated in 1986 from Northeast Dianli College (currently named Northeast Dianli University) with a bachelor degree in Thermokinetics and is a senior engineer (a senior title of qualification of specialty and technology in relation to engineering professional in the PRC).

Profile of Directors, Supervisors and Senior Management (Continued)

II. EXECUTIVE DIRECTORS

Mr. Hu Yongsheng, born in April 1963, has been an executive Director and the President since he joined the Group in September 2004. Mr. Hu has been the President of the Group (previously named Datang Chifeng Saihanba Wind Power Generation Co., Ltd. and then China Datang Corporation Renewable Power Co., Ltd.) since September 2004. Prior to joining the Group, Mr. Hu served as deputy chief of Electric Power Bureau of Tongliao, Inner Mongolia from July 2003 to September 2004, deputy chairman of Trade Union of Yuanbaoshan Power Plant from March 2002 to July 2003, and vice president and president of Dongyuan Electric Power Development Co., Ltd. from June 2000 to March 2002. He also successively worked as deputy chief and chief of Personnel Department, deputy chief economist and assistant to chief of Yuanbaoshan Power Plant. Mr. Hu graduated in 2003 from Dalian University of Technology with a master degree in management engineering and is a senior economist (a senior title of qualification of specialty and technology for economic management professionals in the PRC).

Mr. Zhang Xunkui, born in July 1968, has been an executive Director and Vice President since he joined the Group in November 2009. Mr. Zhang has been the Vice President of the Group (previously named Datang Chifeng Saihanba Wind Power Generation Co., Ltd. and then China Datang Corporation Renewable Power Co., Ltd.) since November 2009. Prior to joining the Group, Mr. Zhang served as chief of Safety Supervision Division of Safety Production Department of Datang from January 2003 to November 2009 and deputy chief of Safety Division of Power Generation and Transmission Operation Department of State Power Corporation from November 2001 to January 2003. He also successively worked as engineer of Power Plant Division of Beijing Coal Design and Research Institute and chief of Production Technology Division of Safety Operation Department of State Power Corporation. Mr. Zhang graduated in 1989 from Zhejiang University with a bachelor degree in thermal power engineering, thereafter, he obtained a master degree in Engineering Thermophysics from Zhejiang University in 1992.

Profile of Directors, Supervisors and Senior Management (Continued)

70

III. INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wang Guogang, born in November 1955, has been an independent non-executive Director of the Company since he joined the Company in July 2010. Mr. Wang is a director general, researcher and supervisor for doctorate candidates of Financial Research Institute of Chinese Academy of Social Sciences and a deputy secretary general and executive director of China Society for Finance & Banking. He is also an external supervisor of Industrial Bank Co., Ltd. (601166.SH) and an independent non-executive director of Tianjin Tasly Pharmaceutical Co., Ltd. (600535.SH). Mr. Wang previously served as a professor of International Business School of Nanjing University from July 1988 to October 1994 and a teacher of Fujian Normal University from December 1979 to September 1985. He also worked at Fujian Longyan Special Steel Plant from April 1971 to February 1977. Mr. Wang graduated in 1988 from Renmin University of China with a doctorate degree in Economics.

Profile of Directors, Supervisors and Senior Management (Continued)

Mr. Yu Hon To David, born in March 1948, has been an independent non-executive Director since he joined the Group in July 2010. Mr. Yu is the vice chairman of MCL Partners Limited, a Hong Kong based financial advisory and investment firm.

Mr. Yu currently acts in the capacity of independent non-executive director of the following nine (9) listed companies:

No.	Company Name and Stock Code
1.	Great China Holdings Limited (0141.HK)
2.	Haier Electronics Limited (1169.HK)
3.	Hong Kong Energy (Holdings) Limited (0987.HK)
4.	Media Chinese International Limited (previously known as Ming Pao Enterprise Corporation Limited) (0685.HK)
5.	One Media Group Limited (0426.HK)
6.	Playmates Holdings Limited (0635.HK)
7.	Synergis Holdings Limited (2340.HK)
8.	TeleEye Holdings Limited (8051.HK)
9.	VXL Capital Limited (0727.HK)
10.	Sateri Holdings Limited (01768.HK)

Mr. Yu was a partner of Coopers & Lybrand (now merged as PricewaterhouseCoopers) in Hong Kong from 1983 to 1995. Mr. Yu obtained a bachelor degree in Social Sciences from the Chinese University of Hong Kong in 1971. Mr. Yu is a fellow member of the Institute of Chartered Accountants in England and Wales and an associate member of the Hong Kong Institute of Certified Public Accountants. Mr. Yu confirms that he has many years experience acting as independent non-executive director for listed companies. His position as the vice chairman of MCL Partners Limited is of a non-executive role, and not a full time employment and therefore allow himself sufficient time to discharge his duties in the above-mentioned listed companies. In addition, his appointment and service to the above-mentioned listed companies do not usually require frequent travel. As such, he undertakes and confirms that he will give sufficient attention to the affairs of the Group and perform his role as independent non-executive Director diligently.

Profile of Directors, Supervisors and Senior Management (Continued)

72

Mr. Liu Chaoan, born in March 1956, has been an independent non-executive Director since he joined the Group in July 2010. Mr. Liu has been the chairman of the board of China Power Engineering Consulting Corporation North China Power Engineering Co., Ltd. ("NCPE," a company mainly providing engineering design, consulting and other related services to the power companies in the PRC) since December 2009 and served as the chairman of the board of North China Power Engineering (Beijing) Co., Ltd. (a subsidiary of NCPE) from December 2005 to December 2009 and vice president of North China Power Engineering Co., Ltd. from October 2000 to December 2005. He also served as an independent non-executive director of Datang International Power Generation Co., Ltd from January 2007 to July 2010. Mr. Liu worked as technician in Beijing Electric Power Design Institute in 1980 and successively worked as professional section chief, deputy division chief, assistant to president of North China Electric Power Design Institute (predecessor of NCPE). Mr. Liu graduated from the Geological Institute of Jilin University in 1980 majoring in hydrogeology and obtained double bachelor degree in management engineering from Business Administration School of North China Electric Power University in 2001. Mr. Liu holds the attestation qualification of Registered Consulting Engineer, Registered Civil Engineer (Geotechnical) and Certified Senior Project Manager of International Project Management Association (IPMA Level B) and is a professor-grade senior engineer (a senior title of qualification of specialty and technology in relation to engineering professional in the PRC).

IV. SUPERVISORS

Mr. Wang Guoping, born in January 1957, has been the Chief Supervisor since he joined the Group in July 2010. Mr. Wang has been the chief of Auditing Department of China Datang Corporation since January 2003. Mr. Wang served as the deputy chief of Auditing Department of State Grid Corporation from October 2000 to January 2003, the deputy general accountant of Electric Power Bureau of Hunan Province from May 1999 to October 2000, and the chief of Accounting Department of Electric Power Bureau of Hunan Province from August 1995 to May 1999. He also successively worked as deputy chief of Yiyang Electric Power Bureau of Hunan Province, deputy chief of Finance Department and Auditing Department of Electric Power Bureau of Hunan Province. Mr. Wang took a part-time postgraduate program of Enterprise Management in Chinese Academy of Social Sciences and graduated in 1998. He is a senior accountant (a senior title of qualification of specialty and technology in relation to accounting professional in the PRC).

Profile of Directors, Supervisors and Senior Management (Continued)

Mr. Zhang Xiaochun, born in January 1972, has been a Supervisor since he joined the Group in July 2010. Mr. Zhang has been the chief of Accounting Department of Datang Jilin Power Generation Company Limited since March 2007, and the deputy general accountant of Datang Jilin Power Generation Company Limited since July 2008. Mr. Zhang served as the deputy chief of Accounting Department of Datang Jilin Power Generation Company Limited from February 2006 to March 2007, the assistant to the chief of Accounting and Property Management Department of Datang from January 2005 to February 2006, the deputy general accountant of Huichun Power Generation Co., Ltd. from November 2004 to February 2006, the chief of Accounting Department of Huichun Power Generation Co., Ltd. from January 2004 to February 2006, and the deputy chief of Accounting Department of Huichun Power Generation Co., Ltd. from November 2001 to January 2004. Mr. Zhang graduated in 1994 from Shenzhen University with a bachelor degree in Accounting and is a senior accountant (a senior title of qualification of specialty and technology in relation to accounting professional in the PRC).

Mr. Dong Jianhua, born in November 1960, has been the Employee Representative Supervisor since he joined the Group in May 2005. Mr. Dong has been the assistant to president and chief of politics department, chairman and deputy chairman of the Trade Union of the Group (previously named Datang Chifeng Saihanba Wind Power Generation Co., Ltd. and then China Datang Corporation Renewable Power Co., Ltd.) since May 2005. Prior to joining the Group, he successively worked as organization chief of Yuanbaoshan Power Plant of Northeast China Grid Company Limited, vice president of Inner Mongolia Dongmei Fuel Corporation Limited, chief of Labor and Personnel Department and Fuel Management Department of Yuanbaoshan Power Plant and manager of Deman Company. He is a senior political officer (高級政工師) a senior title of qualification of specialty and technology in relation to political science professional in the PRC).

Profile of Directors, Supervisors and Senior Management (Continued)

74

V. SENIOR MANAGEMENT

Mr. Hu Guodong, born in October 1963, has been a Vice President, the Board Secretary and one of the joint company secretaries since he joined the Group in August 2004. Mr. Hu has been the vice president of the Group (previously named China Datang Corporation Renewable Power Co., Ltd.) since November 2009. Mr. Hu served as the president of Datang Xilin Gol Wind Power Generation Co., Ltd., Datang Laizhou Wind Power Generation Co., Ltd., Datang Zhangbei Wind Power Generation Co., Ltd. and Datang Bayannur Wind Power Generation Co., Ltd. from March 2007 to November 2009, and the vice president of the Group (previously named Datang Chifeng Saihanba Wind Power Generation Co., Ltd.) from August 2004 to March 2007. Prior to joining the Group, Mr. Hu worked successively as the shifter of Power Generation Department of Yuanbaoshan Power Plant, vice chief of Operation Branch of Yuanbaoshan Power Plant and president of Railway Operation Company of Yuanbaoshan Power Plant from August 1982 to December 2003. Mr. Hu graduated in 2005 from Dalian University of Technology with a master degree in Business Administration and is a senior engineer (a senior title of qualification of specialty and technology in relation to engineering professional in the PRC).

Mr. Wang Wenpeng, born in July 1966, has been a Vice President since he joined the Group in August 2004. Mr. Wang has been the vice president of the Group (previously named Datang Chifeng Saihanba Wind Power Generation Co., Ltd. and then China Datang Corporation Renewable Power Co., Ltd.) since August 2005. He also worked as deputy chief of Datang Inner Mongolia Chifeng Power Project Preparation and Construction office from August 2004 to August 2005. Prior to joining the Group, Mr. Wang successively worked as deputy chief and chief of Electric Branch of Yuanbaoshan Power Plant, the manager of Electric Maintenance Branch of Dongyuan Electric Power Equipment Maintenance Company and vice president of Dongyuan Electric Power Equipment Maintenance Company. Mr. Wang graduated in July 1995 from Northeast Dianli University with a bachelor degree in Electric Power System and Automation and is a senior engineer (a senior title of qualification of specialty and technology in relation to engineering professional in the PRC).

Profile of Directors, Supervisors and Senior Management (Continued)

Mr. Meng Lingbin, born in April 1962, has been a Vice President since he joined the Group in January 2007. Mr. Meng has been the vice president of the Group (previously named Datang Chifeng Saihanba Wind Power Generation Co., Ltd. and then China Datang Corporation Renewable Power Co., Ltd.) since January 2007. Prior to joining the Group, Mr. Meng successively worked as deputy general engineer and chief of Production Department of Electric Power Bureau of Chifeng, the deputy chief of Electric Power Bureau of Chifeng and the vice president of Dongdian Maolin Wind Energy Development Co., Ltd. from April 1998 to January 2007. Mr. Meng graduated in 2002 from Northeast Dianli University with a bachelor degree in Electrical Engineering and Automation. He is an engineer (a title of qualification of specialty and technology in relation to engineering professional in the PRC).

Mr. Zhang Xuefeng, born in September 1968, has been the Chief Financial Officer since he joined the Group in February 2005. Mr. Zhang has been the deputy chief accountant and chief of Accounting Department of the Group (previously named China Datang Corporation Renewable Power Co., Ltd.) since March 2009. He also successively worked as chief of Accounting Department, deputy chief accountant and chief accountant of Datang Chifeng Saihanba Wind Power Generation Co., Ltd. (the predecessor of the Company) from February 2005 to March 2009 and as accountant, chief accountant, deputy chief and chief of Accounting Department of Chifeng Heat Power Plant under Northeast Electric Administration Bureau (now named Northeast China Grid Company Limited) and accounting manager of Accounting Department of Fuye Company of Chifeng Heat Power Plant of China Power Investment Corporation from July 1990 to January 2005. Mr. Zhang graduated from a postgraduate program of Business Administration in Dalian University of Technology in September 2005 and is a senior accountant (a senior title of qualification of specialty and technology in relation to accounting professional in the PRC).

Human Resources

I. PROFILE OF HUMAN RESOURCES

Currently, the Group has 1,437 employees in total, including 1 employee aged 56 and above, representing 0.07% of the total, 91 employees aged from 46 to 55, representing 6.33%, 278 employees aged from 36 to 45, representing 19.35%, and 1,067 employees aged 35 or below, representing 74.25%. Educational background of our employees is as follows:

No.	Category	Number of staff	Proportion (%)
1	Postgraduate and above	64	4.45
2	Undergraduate	591	41.13
3	College diploma	464	32.29
4	Technical secondary school and below	318	22.13

II. STAFF INCENTIVES

To meet the development needs, the Company, on the basis of its post-target responsibility system, has further established and improved the mechanism of Total Responsibility Management and Whole Staff Performance Management. Through separation of duties, identification of the performance goal of different positions, formulation of performance standards, assessing staff performance objectively and accurately, stimulation of the potential and enthusiasm of the employees, the Company has fully made clear its approach of stressing on both motivations and regulations, which has laid a solid foundation for staff career development.

Human Resources (Continued)

III. STAFF REMUNERATION

The staff remuneration comprises of basic salary and performance salary. The performance salary is determined according to the assessment of performance of the whole staff.

IV. STAFF TRAINING

Guided by the talents concept of “fully perform duties and tap talents at the great stage of Datang”, we actively carried out the “Talents Pool Plan” and vigorously strengthened on building up talents team in management, technical and skilled personnel. We aim to gradually establish and improve the talents cultivation system with our characteristics through “fostering, selecting, motivating and employing” talents, thus enabling the talents to play an important role in the development of the Company.

V. GUARANTEE OF STAFF RIGHTS

The Company strictly complies with “Labour Law” and “Labour Contract Law” and pays social insurance for employees according to these laws, including basic pension insurance, medical insurance, occupational injury insurance, unemployment insurance and maternity insurance.

Human Resources (Continued)

78

VI. MAJOR AWARDS AND TITLES OF OUTSTANDING INDIVIDUALS IN 2010

Award	Granting Authority	Number of Awardees
Top 10 Model Entity for Learning Organization in National Electric Power Industry	Organizing Committee of Annual Meeting for Corporate Culture of China Electric Power Industry	
Red Flag Team (Office) for Central Enterprises	State-owned Assets Supervision and Administration Commission of the State Council	
"Grid-friendly" wind farm National Outstanding Entrepreneur in National Electric Power Industry	Northeast China Grid Company Ltd. China Electricity Council	1
First Prize of Management Innovation Achievement in National Electric Power Industry	China Electricity Council	7
First Prize of Technology Achievement Award for National Electric Power Industry Staff	China Electricity Council	9

Independent Auditor's Report

79

PRICEWATERHOUSECOOPERS 

羅兵咸永道會計師事務所

PricewaterhouseCoopers
22/F, Prince's Building
Central, Hong Kong

To the shareholders of China Datang Corporation Renewable Power Co., Limited
(incorporated in the People's Republic of China with limited liability)

We have audited the consolidated financial statements of China Datang Corporation Renewable Power Co., Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 81 to 191, which comprise the consolidated and company statements of financial position as at December 31, 2010, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

Independent Auditor's Report (Continued)

80

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at December 31, 2010, and of the Group's profit and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

OTHER MATTERS

This report, including the opinion, has been prepared for and only for you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, March 16, 2011

Consolidated Statement of Comprehensive Income

For the year ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

81

	Note	Year ended December 31,	
		2010	2009
Revenue	5	2,379,727	1,428,072
Other net income and other gains	6	368,705	206,838
Depreciation and amortization	8	(886,338)	(552,722)
Service concession construction costs	5	—	(38,910)
Labour costs		(95,331)	(52,666)
Repairs and maintenance		(66,441)	(19,572)
Material costs		(24,671)	(9,467)
Other expenses		(173,027)	(101,783)
		(1,245,808)	(775,120)
Operating profit	8	1,502,624	859,790
Finance income	7	19,976	5,907
Finance expenses	7	(785,994)	(480,677)
Net finance expenses		(766,018)	(474,770)
Share of loss of an associate	17	(2,020)	(817)
Profit before taxation		734,586	384,203
Income tax	9	(57,105)	(17,326)
Profit for the year		677,481	366,877
Other comprehensive income for the year, net of tax		—	—
Total comprehensive income for the year		677,481	366,877

Consolidated Statement of Comprehensive Income (Continued)

For the year ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

82

	Note	Year ended December 31,	
		2010	2009
Profit attributable to:			
— Equity holders of the Company		455,831	248,386
— Non-controlling interests		221,650	118,491
		677,481	366,877
Total comprehensive income attributable to:			
— Equity holders of the Company		455,831	248,386
— Non-controlling interests		221,650	118,491
		677,481	366,877
Basic and diluted earnings per share for profit attributable to equity holders of the Company			
<i>(expressed in RMB per share)</i>	10	0.0897	0.0497

The accompanying notes are an integral part of these financial statements.

	Note	Year ended December 31,	
		2010	2009
Dividends	11	100,297	—

Consolidated Statements of Financial Position

As at December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

83

	Note	Group		Company
		As at December 31,		As at December 31,
		2010	2009	2010
Non-current assets				
Property, plant and equipment	13	31,000,430	21,414,912	311,287
Land use rights	14	242,543	56,872	—
Intangible assets	15	402,522	409,856	1,480
Investment in subsidiaries	16	—	—	8,391,696
Investment in an associate	17	20,851	14,300	20,851
Available-for-sale financial assets	18	51,167	51,167	—
Deferred income tax assets	27	8,528	2,995	—
Other non-current assets		50,091	606	90,000
Total non-current assets		31,776,132	21,950,708	8,815,314
Current assets				
Inventories		10,409	6,031	852
Trade and bills receivable	19	1,495,226	861,745	49,019
Prepayments, other receivables and other current assets	20	2,617,088	1,178,041	1,029,259
Current income tax prepayments		11,629	12,005	—
Cash and cash equivalents	21	5,031,346	531,164	4,264,539
Total current assets		9,165,698	2,588,986	5,343,669
Total assets		40,941,830	24,539,694	14,158,983

Consolidated Statements of Financial Position (Continued)

As at December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

	Note	Group		Company
		As at December 31,		As at
		2010	2009	December 31,
				2010
Equity				
Equity attributable to equity holders of the Company				
Share capital	22	7,142,610	—	7,142,610
Share premium	22	1,971,884	—	1,971,884
Other reserves	23	(1,462,011)	3,505,790	1,364,751
Retained earnings		680,259	346,284	38,390
		8,332,742	3,852,074	10,517,635
Non-controlling interests		2,197,650	1,793,193	—
Total equity		10,530,392	5,645,267	10,517,635
Non-current liabilities				
Borrowings	24(a)	21,956,859	14,289,992	1,408,000
Deferred income tax liabilities	27	60,995	64,295	—
Other non-current liabilities		5,315	—	—
Total non-current liabilities		22,023,169	14,354,287	1,408,000

Consolidated Statements of Financial Position (Continued)

As at December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

85

	Note	Group		Company
		As at December 31,		As at
		2010	2009	December 31,
				2010
Current liabilities				
Borrowings	24(b)	3,619,414	1,527,528	2,033,794
Trade and bills payable	25	85,115	6,054	1,326
Current income tax liabilities		50,513	28,212	2,142
Other payables	26	4,633,227	2,978,346	196,086
Total current liabilities		8,388,269	4,540,140	2,233,348
Total liabilities		30,411,438	18,894,427	3,641,348
Total equity and liabilities		40,941,830	24,539,694	14,158,983
Net current assets/(liabilities)		777,429	(1,951,154)	3,110,321
Total assets less current liabilities		32,553,561	19,999,554	11,925,635

The accompanying notes are an integral part of these financial statements.

These financial statements were approved by the Board of Directors on March 16, 2011 and were signed on its behalf.

Wu Jing
Director

Hu Yongsheng
Director

Consolidated Statement of Changes in Equity

For the year ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

	Equity attributable to equity holders of the Company				Total	Non-controlling interests	Total equity
	Share capital (Note 22)	Share premium (Note 22)	Other reserves (Note 23)	Retained earnings			
At January 1, 2009	—	—	2,651,555	174,422	2,825,977	1,485,347	4,311,324
Comprehensive income:							
Profit for the year	—	—	—	248,386	248,386	118,491	366,877
Other comprehensive income	—	—	—	—	—	—	—
Total comprehensive income	—	—	—	248,386	248,386	118,491	366,877
Transaction with owners:							
Capital contributions	—	—	847,326	—	847,326	249,246	1,096,572
An associate contributed by an equity owner (Note 17)	—	—	4,488	—	4,488	—	4,488
Appropriations							
— reserves	—	—	2,421	(2,421)	—	—	—
— others	—	—	—	(4,646)	(4,646)	(536)	(5,182)
Dividends prior to Reorganization (Note 11)	—	—	—	(69,457)	(69,457)	(59,355)	(128,812)
Total contributions by and distributions to owners	—	—	854,235	(76,524)	777,711	189,355	967,066
At December 31, 2009	—	—	3,505,790	346,284	3,852,074	1,793,193	5,645,267

Consolidated Statement of Changes in Equity (Continued)

For the year ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

87

	Equity attributable to equity holders of the Company					Non-controlling interests	Total equity
	Share capital (Note 22)	Share premium (Note 22)	Other reserves (Note 23)	Retained earnings	Total		
At January 1, 2010	—	—	3,505,790	346,284	3,852,074	1,793,193	5,645,267
Comprehensive income							
Profit for the year	—	—	—	455,831	455,831	221,650	677,481
Other comprehensive income	—	—	—	—	—	—	—
Total comprehensive income	—	—	—	455,831	455,831	221,650	677,481
Transaction with owners:							
Capitalization upon establishment of the Company (Note 1)	5,000,000	—	(5,000,000)	—	—	—	—
Issuance of shares, net of issuance costs (Note 22)	2,142,610	1,971,884	—	—	4,114,494	—	4,114,494
Acquisition of non-controlling interests of subsidiaries	—	—	13	—	13	(32,013)	(32,000)
Capital contributions	—	—	16,776	—	16,776	321,695	338,471
Appropriation							
— reserves	—	—	15,410	(15,410)	—	—	—
— others	—	—	—	(6,149)	(6,149)	(4,220)	(10,369)
Dividends	—	—	—	(100,297)	(100,297)	(102,655)	(202,952)
Total contributions by and distributions to owners	7,142,610	1,971,884	(4,967,801)	(121,856)	4,024,837	182,807	4,207,644
At December 31, 2010	7,142,610	1,971,884	(1,462,011)	680,259	8,332,742	2,197,650	10,530,392

The accompanying notes are an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

	Note	Year ended December 31,	
		2010	2009
Cash flows from operating activities			
Profit before taxation		734,586	384,203
Adjustments for:			
Depreciation of property, plant and equipment	8	867,544	536,718
Amortization of intangible assets and land use rights	8	18,794	15,919
Gains on disposal of property, plant and equipment		(11)	—
Interest expenses	7	771,686	480,025
Interest income	7	(19,976)	(5,907)
Foreign exchange losses, net	7	14,308	652
Interest income from entrusted loans		(665)	(1,288)
Share of loss of an associate		2,020	817
Changes in working capital:			
Increase in inventories		(4,378)	(2,590)
Increase in trade and bills receivable		(633,481)	(423,768)
Increase in prepayments, other receivables and other current assets		(207,562)	(51,391)
Increase/(decrease) in trade and bills payable		38,061	(2,525)
Increase in other payables		295,353	105,862
Cash generated from operations		1,876,279	1,036,727
Interest received		19,976	5,907
Income tax paid		(52,404)	(34,447)
Net cash from operating activities		1,843,851	1,008,187

Consolidated Statement of Cash Flows (Continued)

For the year ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

89

	Note	Year ended December 31,	
		2010	2009
Cash flows from investing activities			
Purchase of property, plant and equipment, land use rights and intangible assets		(9,854,789)	(8,140,760)
Entrusted loans to related parties		(289,000)	—
Proceeds from repayments of entrusted loans		305,100	107,120
Investment in an associate and available-for-sale financial assets		(8,571)	(61,796)
Prepayment for acquisition of a subsidiary	20(ii)	(80,000)	—
Acquisition of non-controlling interests		(23,713)	—
Payment of consideration payable for acquisition of subsidiaries		—	(162,918)
Cash acquired in connection with an acquisition of a subsidiary	16(vii)	1,445	—
Proceeds from disposal of property, plant and equipment		22,822	83,184
Proceeds from repayments of loans to related parties		195,897	79,807
Loans to related parties		(85,228)	(144,920)
Interest income from entrusted loans		665	1,288
Increase in other receivables		—	(14,160)
Net cash used in investing activities		(9,815,372)	(8,253,155)

Consolidated Statement of Cash Flows (Continued)

For the year ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

	Note	Year ended December 31,	
		2010	2009
Cash flows from financing activities			
Capital contributions from equity holders of the Company		16,776	847,326
Cash proceeds from issuance of shares, net of issuance costs	22	4,174,569	—
Capital contributions from the non-controlling interests		318,391	245,158
Proceeds from borrowings		14,873,211	8,312,712
Repayments of borrowings		(5,151,954)	(1,241,546)
Dividends paid by subsidiaries to the non-controlling interests		(95,056)	(41,287)
Dividends paid		(9,823)	(56,972)
Interest paid		(1,078,439)	(745,887)
Proceeds from loans from related parties		420,798	475,093
Repayments of loans from related parties		(967,448)	(511,944)
Decrease in other payables		(3,005)	(51,244)
Net cash from financing activities		12,498,020	7,231,409
Net increase/(decrease) in cash and cash equivalents		4,526,499	(13,559)
Cash and cash equivalents at beginning of year		531,164	545,118
Effect of foreign exchange rate changes		(26,317)	(395)
Cash and cash equivalents at end of year	21	5,031,346	531,164

The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

91

1 GROUP STRUCTURE, REORGANIZATION AND PRINCIPAL ACTIVITIES

China Datang Corporation Renewable Power Co., Limited (中國大唐集團新能源股份有限公司) (the “Company”) was established as a joint stock company with limited liability in the People’s Republic of China (“PRC”) on July 9, 2010, as part of the reorganization of the wind power generation business of China Datang Group Corporation (“Datang Corporation”) (the “Reorganization”). The address of its registered office is Room 149, Building 1, No. 3, Xijing Road, Badachu Hi-tech Zone of Shijingshan District, Beijing, the PRC.

The predecessor of the Company, Datang Chifeng Saihanba Wind Power Generation Co., Ltd. (大唐赤峰賽罕壩風力發電有限責任公司), was established by Datang Corporation on September 23, 2004 as a wholly state-owned subsidiary, and was subsequently renamed to China Datang Corporation Renewable Power Co., Ltd. (中國大唐集團新能源有限責任公司) (“Datang Renewable”) on March 19, 2009. For the preparation of the initial listing of the Company’s shares on the Main Board of The Stock Exchange of Hong Kong Limited (“HKSE”) (the “Listing”), Datang Corporation and its subsidiaries underwent the following reorganization:

- (a) Pursuant to the Reorganization, Datang Corporation transferred its direct and indirect equity interests in the entities, which are engaged in wind power generation, to Datang Renewable at nil consideration on April 30, 2009 and January 1, 2010, except for the entities held by Datang Jilin Power Generation Company Limited (大唐吉林發電有限公司) (“Datang Jilin”), a wholly-owned subsidiary of Datang Corporation and was incorporated in the PRC; Datang International Power Generation Co., Ltd (大唐國際發電股份有限公司), that 36.07% equity interests were held by Datang Corporation as of June 30, 2010 and was incorporated in the PRC and listed on the Main Board of HKSE, the London Stock Exchange and the Shanghai Stock Exchange; Guangxi Guiguan Electric Power Co., Ltd, that 50.51% equity interests were held by Datang Corporation as of June 30, 2010 and was incorporated in the PRC and listed on the Shanghai Stock Exchange; and six wind farms which were still under construction as of June 30, 2010 and held by Datang Corporation; and

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

92

1 GROUP STRUCTURE, REORGANIZATION AND PRINCIPAL ACTIVITIES (Continued)

- (b) On July 9, 2010, the Company was established as a joint stock company with limited liability in the PRC. Datang Corporation, as one of the promoters, contributed all the assets, liabilities and equity interests owned through Datang Renewable to the Company. In addition, Datang Jilin, another promoter, contributed its equity interests in four entities, namely Datang Zhongdian (Jilin) Power Generation Company Limited (大唐中電(吉林)發電有限公司) (“Datang Zhongdian Jilin”), Datang Zhongdian (Jilin) Renewable Power Company Limited (大唐中電(吉林)新能源發電有限公司) (“Datang Zhongdian Renewable Power”), Datang Jilin Wind Power Generation Company Limited (大唐吉林風力發電股份有限公司) (“Jilin Wind Power”) and Datang Xiangyang Wind Power Company Limited (大唐向陽風電有限公司) (“Xiangyang Wind Power”) (together, the “Jilin Group”), which are engaged in wind power generation. As consideration for such contributions, the Company issued 4,372 million shares of RMB1.00 each to Datang Corporation and 628 million shares of RMB1.00 each to Datang Jilin.

On December 17, 2010, the Company completed the Listing, with 2,142,610,000 H shares (par value: RMB1.00 per share) listed on the Main Board of HKSE.

The Company and its subsidiaries (the “Group”) are principally engaged in generation and sales of wind power.

At the date of these financial statements, the directors of the Company regard Datang Corporation as the Company’s parent company and ultimate holding company.

These financial statements are presented in Chinese Reminbi (“RMB”), unless otherwise stated. These financial statements have been approved for issue by the Board of Directors on March 16, 2011.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

2.1 Basis of presentation and preparation

(a) *Basis of presentation*

As there was no change in controlling shareholders before and after the aforementioned Reorganization, it has been accounted for as a reorganization of business under common control transaction in a manner similar to a uniting of interests. These financial statements include the combined financial position, results and cash flows of the companies now comprising the Group as if the existing group structure had been in existence throughout the years presented or since the respective dates of incorporation/establishment or acquisition, whichever is the shorter period.

(b) *Basis of preparation*

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB"). The consolidated financial statements of the Company have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

94

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of presentation and preparation (Continued)

(b) Basis of preparation (Continued)

During the year ended December 31, 2010, the Group have adopted all new and revised IFRSs, which are effective for the accounting periods beginning before January 1, 2010 and are relevant the Group's operations, consistently throughout the years presented unless otherwise stated. In addition, the Group has early adopted IAS 24 'Related party disclosures' (Revised 2009).

The revised and new accounting standards and interpretations issued but not yet effective for the accounting period beginning before January 1, 2010, that are relevant to the Group's operations, but the Group have not early adopted are set out below:

- IFRS 9, 'Financial instruments' issued in November 2009 and October 2010 and is effective for financial year beginning January 1, 2013. It contains new measurement and classification rules for financial assets. On the basis of financial assets and liabilities it has as of December 31, 2010, it is likely that the adoption will affect the Group's accounting for its financial assets. The Group will apply IFRS 9 on January 1, 2013.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of presentation and preparation (Continued)

(b) Basis of preparation (Continued)

- Amendments to IFRS 7, 'Financial instruments: disclosures'. The amendments were as a result of the May 2010 Improvements and amendments on disclosure requirements of transfers of financial assets released in October 2010 and will be effective from annual periods beginning on or after January 1, 2011 and July 1, 2011, respectively. The May 2010 Improvements clarified certain quantitative disclosures and removed the disclosure requirements on financial assets with renegotiated terms. The amendments on transfers of financial assets clarified and strengthened the disclosure requirements of transfers of financial assets which help users of financial statements evaluating related risk exposures and the effect of those risks on the financial position of the Company. The Company will apply these amendments in January 1, 2012.
- IFRIC - Int 19, 'Extinguishing financial liabilities with equity instruments' clarifies the requirements of IFRSs when an entity renegotiates the terms of a financial liability with its creditor and the creditor agrees to accept the entity's shares or other equity instruments to settle the financial liability fully or partially. The interpretation is effective for annual periods beginning on or after July 1, 2010. Earlier application is permitted. The Group will apply IFRIC – Int 19 on January 1, 2011.
- Third improvements to IFRS (2010) were issued in May 2010 by IASB. All improvements are effective in the financial year of 2011.

The Group has already commenced an assessment of the related impact of the above revised standards, amendments and interpretations to the Group's financial statements. The Group is not yet in a position to state whether any substantial changes to the Group's accounting policies and presentation of its financial statements will result.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

96

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Adoption of IFRS in preparation of the Company's financial statements

The Company was established on July 9, 2010 and the Company prepared its financial statements in accordance with China Accounting Standards ("CAS") issued by the Ministry of Finance of PRC. Subsequent to the completion of the Reorganization in July 2010, the Company adopted IFRSs for the preparation of its financial statements.

In accordance with IFRS 1, 'First-time adoption of International Financial Reporting Standards', December 31, 2010 represents the Company's first IFRS reporting date. The Company considers CAS to be its previous accounting standards when evaluating those applicable transitional exemptions that IFRS 1 permits and are elected by the Company. The Company applied all applicable standards, amendments and interpretations issued by the IASB that were effective as at December 31, 2010. In addition, the Company early adopted some other standards, amendments and interpretations, including 'Cost of an investment in a subsidiary, jointly controlled entity or associate (amendments to IFRS 1 and IAS 27) (issued 2008) and IAS 24 'Related party disclosures' (revised 2009).

The Company elected exemption permitted by IFRS 1 on transition date in relation to the costs of investments in subsidiaries. Management elected to use the carrying amounts of investments in subsidiaries under CAS at transition date to be their deemed costs on that date. At the transition date, the aggregate deemed costs that reflected the CAS carrying amounts for investments in subsidiaries of the Company totalled RMB7,031 million. Except for this exemption, the Company did not adopt any other exemptions under the provisions of IFRS 1.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Consolidation

The consolidated financial statements includes the financial statements of the Company and all of its subsidiaries at December 31.

(a) Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group control another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are de-consolidated from the date that control ceases.

In the Company's statement of financial position, the investments in subsidiaries acquired prior to July 2010 are stated at deemed cost at the Company's date of transition to IFRS as permitted under IFRS 1. Investments in subsidiaries acquired after that date are stated at transaction cost less provision for impairment losses (Note 2.9). The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

Inter-company transactions, balances and unrealized gains or losses on transactions between group companies are eliminated. A uniform set of accounting policies is adopted by those entities .

Transaction costs, including professional fees, registration fees, costs of furnishing information to shareholders, costs or losses incurred in combining operations of the previously separate businesses, etc., incurred in relation to the common control combination that is to be accounted for by using merger accounting is recognized as expenses in the period in which they are incurred.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

98

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Consolidation (Continued)

(b) Common control business combination

The consolidated financial statements incorporates the financial statements of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are combined using the existing book values from the controlling parties' perspective. No amount is recognized in consideration for goodwill or excess of acquirers' interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interest.

The consolidated statement of comprehensive income includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where there is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the consolidated financial statements are presented as if the entities or businesses had been combined at the previous balance sheet date or when they first came under common control, whichever is shorter.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Consolidation (Continued)

(c) *Non-common control business combination*

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognized directly in the consolidated statement of comprehensive income.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

100

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Consolidation (Continued)

(d) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity holders of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

101

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Consolidation (Continued)

(e) Associates

Associates are all entities over which the Group have significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method of accounting and are initially recognized at cost. The Group's share of the post-acquisition profits or losses of associates is recognized in the consolidated statement of comprehensive income and their share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investments. The group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss. When the Group's share of losses in an associate equals or exceeds their interest in the associate, including any other unsecured receivables, the Group do not recognize further losses, unless the Group have incurred obligations or made payments on behalf of the associates.

Unrealized gains on transactions between the Group and their associates are eliminated to the extent of the Group's interests in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

102

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors and certain senior management (including chief accountant) (together referred to as the "Senior Management") that makes strategic decisions.

2.5 Foreign currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each entity of the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in RMB, which is the functional and presentation currency of the Company.

(b) *Transaction and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of comprehensive income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or expenses'. All other foreign exchange gains and losses are presented in the income statement within 'other net income and other gains'.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

103

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Property, plant and equipment

Property, plant and equipment, apart from construction-in-progress ("CIP"), are stated at historical cost less accumulated depreciation and accumulated impairment loss. The initial cost comprises purchase price, import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the consolidated statement of comprehensive income during the financial period in which they are incurred.

CIP represents plant and properties under construction and is stated at cost, which includes the costs of construction, plant and machinery and other direct costs. CIP is not depreciated until such time as the relevant assets are completed and ready for its intended use when they are transferred to the relevant asset categories.

Depreciation is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Buildings	8-30 years
Electricity utility plants	
— wind turbines	20 years
— others	5-30 years
Transportation facilities, office equipment and others	3-9 years

The assets' residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at least at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.9).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are included within 'other net income and other gains' in the consolidated statement of comprehensive income.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

104

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Land use rights

Land use rights represent upfront prepayments made for the land use rights and are expensed in the consolidated statement of comprehensive income on a straight-line basis over the terms of the leases. Whenever there is impairment, the impairment is expensed in the consolidated statement of comprehensive income.

2.8 Intangible assets

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in 'intangible assets'. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose identified according to operating segment.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

105

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Intangible assets (Continued)

(b) Concession assets

The Group, as an operator of wind power generation project under service concession arrangement between the Group and government (the "Grantor"), is responsible for both the project's construction and its subsequent services in a specified period after the construction. At the end of concession period, the Group is obliged either to hand over the infrastructure to the Grantor in a specified condition or dispose it. The Group recognizes a concession asset, included in intangible asset, arising from a service concession arrangement when it has a right to charge for usage of the concession infrastructure. Intangible assets received as consideration for providing construction services in a service concession arrangement are measured at fair value upon initial recognition. Subsequent to initial recognition the intangible asset is measured at cost less accumulated amortization and accumulated impairment losses. Amortization of concession assets is charged to the consolidated statement of comprehensive income on a straight-line basis over the term of the arrangement upon the completion of construction.

(c) Computer software

Acquired computer software are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives and recorded in 'depreciation and amortization' in the consolidated statement of comprehensive income.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

106

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested annually for impairment. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.10 Financial assets

(a) Classification

Financial assets that the Group holds include loans and receivables and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date, which are classified as non-current assets. Loans and receivables primarily included 'trade and bills receivable', 'other receivables' and 'cash and cash equivalents' in the statement of financial position.

(ii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives financial assets that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the assets mature or management intends to dispose of it within 12 months after the balance sheet date.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

107

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Financial assets (Continued)

(b) Recognition and measurement

Regular way purchases and sales of financial assets are recognized on trade-date, which is the date on which the Group commit to purchase or sell the asset. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Available-for-sale financial assets are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group have transferred substantially all risks and rewards of ownership.

Changes in the fair value of available-for-sale investments are recognized in other comprehensive income. When available-for-sale investments are sold or impaired, the accumulated fair value adjustments recognized in equity are included in the consolidated statement of comprehensive income. Dividends on available-for-sale equity instruments are recognized in the consolidated statement of comprehensive income when the right of the Group to receive payments is established.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

108

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Financial assets (Continued)

(b) Recognition and measurement (Continued)

The Group assess at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial assets previously recognized in the consolidated statement of comprehensive income – is removed from equity and recognized in the consolidated statement of comprehensive income. Impairment losses recognized in the consolidated statement of comprehensive income on equity instruments are not reversed through the consolidated statement of comprehensive income. Impairment loss on the available-for-sale financial assets is measured as the difference between the carrying amount of the financial assets and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment testing of loans and receivables is described in Note 2.12.

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

109

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Inventories

Inventories include materials and spare parts for maintenance, which are stated at the lower of cost and net realizable value. Inventories are expensed to profit or loss when used, sold or capitalized to property, plant and equipment when installed, as appropriate, using moving weighted average method. Costs of inventories include direct material cost and transportation expenses incurred in bringing them to the working locations. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs in power generation and selling expenses.

2.12 Loans and receivables

Loans and receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of loans and receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the provision is the difference between the carrying amount of the asset and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amounts of the assets are reduced through the use of allowance accounts, and the amount of the provision is recognized in the consolidated statement of comprehensive income within 'other operating expense'. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited against expenses in the consolidated statement of comprehensive income.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

110

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other financial institutions.

2.14 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between proceeds (net of transaction costs) and the redemption value is recognized in the consolidated statement of comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group have contractual or an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.15 Borrowing costs

Borrowing costs incurred for the construction for any qualifying assets are capitalized during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed and included as finance expense in the period in which they are incurred.

2.16 Payables

Payables primarily include accounts payable and accrued liabilities, etc. and are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

111

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Employee benefits

(a) *Pension and other social obligations*

The Group have various defined contribution plans in accordance with the local conditions and practices in the municipalities and provinces in which they operate. Defined contribution plans are pension and/or other social benefit plans under which the Group pay fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior periods. The contributions are recognized as labour costs when they are due.

(b) *Housing benefits*

The Group contributes to the state-prescribed housing fund. Such costs are charged to the consolidated statement of comprehensive income as incurred. Apart from those described above, the Group do not have other legal or constructive obligations over such benefits.

2.18 Taxation

(a) *Current and deferred income tax*

The tax expense for the period comprises current and deferred income tax. Income tax is recognized in the consolidated statement of comprehensive income, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the income tax is also recognized in other comprehensive income or directly in equity, respectively.

The statutory income tax is assessed on an individual entity basis, based on each of results of operations of the Group. The commencement date of the tax holiday period of each power plant is individually determined. The income tax charges are based on assessable profit for the year and after considering deferred income tax.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

112

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Taxation (Continued)

(a) Current and deferred income tax (Continued)

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associate, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and deferred income tax liabilities are offset when meeting all the conditions below:

- The Group have the legally enforceable right to settle current income tax assets and current income tax liabilities; and
- The deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

113

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Taxation (Continued)

(b) *Value-added taxation ("VAT")*

Sales of goods of the Group are subjected to VAT. VAT payable is determined by applying 17% on the taxable revenue arising from sales of goods after offsetting deductible input VAT of the period.

Pursuant to Cai Shui [2008]156 issued by Ministry of Finance and State Administration of Taxation, wind power generation plants are entitled to a 50% refund of the VAT levied on electricity generated.

2.19 Contingencies

Contingent liabilities are recognized in the consolidated financial statements when it is probable that a liability will be recognized. Where no provision is recorded, they are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is not recognized in the consolidated financial statements unless virtually certain but disclosed when an inflow of economic benefits is probable.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

114

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Revenue and income recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the activities of the Group. Revenue is shown net of VAT, returns, rebates and discounts and after eliminating sales within the Group. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognized in the consolidated statement of comprehensive income as follows:

(a) *Sale of electricity*

Electricity revenue is recognized when electricity is supplied to the provincial power grid companies.

(b) *Service concession revenue*

Revenue relating to construction services under a service concession arrangement is recognized based on the stage of completion of the work performed. Operation or service revenue is recognized in the period in which the services are provided by the Group. When the Group provides more than one service in a service concession arrangement the consideration received is allocated by reference to the relative fair values of the services delivered.

(c) *Rental income from operating leases*

Rental income receivable under operating leases is recognized in the consolidated statement of comprehensive income in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

115

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Revenue and income recognition (Continued)

(d) *Interest income*

Interest income is recognized on a time-proportion basis using the effective interest method.

(e) *Government grants*

Grants from the government are recognized at their fair value when there is reasonable assurance that the grants will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognized in the consolidated statement of comprehensive income over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as 'deferred income' and are credited to the consolidated statement of comprehensive income on a straight-line basis over the expected lives of the related assets.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

116

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Revenue and income recognition (Continued)

(f) Income from Clean Development Mechanism ("CDM") Projects

The Group sell carbon credits known as Certified Emission Reductions ("CERs"), generated from the wind farms and other renewable energy facilities which have been registered as CDM projects with CDM Executive Board of the United Nations under the Kyoto Protocol. Income in relation to the CERs is recognized when following conditions are met:

- CDM projects have received the approval from National Development and Reform Committee ("NDRC") and have approved by the United Nations as registered CDM projects; and
- the counterparties have committed to purchases the CERs and prices have been agreed; and
- the relevant electricity has been generated.

CERs is initially recognized at fair value, and is subsequently stated at the lower of cost and net realizable value.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

117

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.21 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated statement of comprehensive income on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the consolidated statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

2.22 Dividend distribution

Dividend distribution is recorded as a liability in the financial statements in the period in which the dividends are approved by the shareholders or the board of directors.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

118

3. FINANCIAL AND CAPITAL RISKS MANAGEMENT

The Company works out general principles for overall risk management, including management of financial risks, as well as management policies covering specific areas. In considering the importance of risks, the Company identifies and evaluates risks at head office and individual subsidiary level, and requires analysis and proper communication for the information collected periodically.

3.1 Financial risk management

The activities of the Group expose them to a variety of financial risks including cash flow interest rate risk, foreign exchange risk, credit risk and liquidity risk. The overall risk management program of the Group focus on the unpredictability of financial markets and seek to minimise potential adverse effects on financial performance of the Group.

(a) *Market risk*

(i) Cash flow interest rate risk

As the Group have no significant interest-bearing assets except for bank deposits, the income and operating cash flows of the Group are substantially independent of changes in market interest rates.

Most of the bank deposits are maintained in the savings and fixed deposits accounts in the PRC. The interest rates are regulated by the People's Bank of China while the Group closely monitor the fluctuation on such rates periodically. As the average interest rates applied to the deposits are relatively low, the directors of the Company are of the opinion that the Group are not exposed to any significant interest rate risk for these assets held as at December 31, 2010 and 2009.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

119

3. FINANCIAL AND CAPITAL RISKS MANAGEMENT (Continued)

3.1 Financial risk management (Continued)

(a) Market risk (Continued)

(i) Cash flow interest rate risk

The interest rate risk of the Group arises from loans. Loans with variable interest rates expose the Group to cash flow interest rate risk. The exposures of such a risk are disclosed in Note 24. The Group analyses interest rate exposures on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing.

At December 31, 2010, if interest rates on RMB and US Dollars ("USD") denominated loans had been 50 basis points (2009: 50 basis points) higher/lower respectively with all other variables held constant, interest expense charged to the consolidated statement of comprehensive income would have been RMB90 million (2009: RMB48 million) higher/lower, respectively.

The estimated 50 basis points increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual balance sheet date.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

120

3. FINANCIAL AND CAPITAL RISKS MANAGEMENT (Continued)

3.1 Financial risk management (Continued)

(a) *Market risk (Continued)*

(ii) Foreign exchange risk

The Group are exposed to currency risk primarily through sales and purchases which give rise to receivables and payables, borrowings and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily HKD, Euros ("EUR") and USD.

Except for CERs sales which were denominated in foreign currencies, all of the revenue-generating operations of the Group are transacted in RMB. In addition, the Group have certain borrowings that are denominated in USD. Furthermore, the retained proceeds from the H share listing in December 2010 denominated in Hong Kong Dollars ("HKD") made the Group confront the foreign exchange risk relating to HKD.

On the other hand, RMB is not a freely convertible currency and the PRC government may at its discretion restrict access to foreign currencies for current account transactions in the future. Changes in the foreign exchange control system may prevent the Group from satisfying sufficient foreign currency demands.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

121

3. FINANCIAL AND CAPITAL RISKS MANAGEMENT (Continued)

3.1 Financial risk management (Continued)

(a) Market risk (Continued)

(ii) Foreign exchange risk (Continued)

The following table details the Group's exposure at the balance sheet date to currency risk arising from recognized assets or liabilities denominated in a currency other than RMB to which they relate.

	At December 31,				
	2010			2009	
	USD	EUR	HKD	USD	EUR
Cash and cash equivalents	2,204	—	4,149,164	14,584	—
Other current assets	9,154	354,321	—	10,414	150,891
Long-term borrowings	(470,226)	—	—	(546,256)	—
Net exposure in RMB	(458,868)	354,321	4,149,164	(521,258)	150,891

A 5% strengthening of RMB against the following currencies as at December 31, 2010 would have increased/(decreased) the exchange gains/(losses) by the amounts shown below:

	At December 31,	
	2010	2009
USD	22,943	26,063
EUR	(17,716)	(7,544)
HKD	(207,458)	—
	(202,231)	18,519

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

122

3. FINANCIAL AND CAPITAL RISKS MANAGEMENT (Continued)

3.1 Financial risk management (Continued)

(a) *Market risk (Continued)*

(ii) *Foreign exchange risk (Continued)*

At December 31, 2010, a 5% weakening of RMB against the above currencies would have had the equal but opposite effect (2009: equal but opposite effect) on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual balance sheet date. The analysis is performed on the same basis for the years presented.

(b) *Credit risk*

The Group's credit risk is primarily attributable to cash and cash equivalents, trade and bills receivable and prepayments, other receivables and other current assets.

The Group has policies to review the credit risks of any financial institutions and does not expect any losses from non-performance by these financial institutions. As at December 31, 2010, all of the Group's cash and cash equivalents in the PRC are deposited in the State-owned/controlled PRC bank, and the retained proceeds from the H shares listing are deposited in an international bank in Hong Kong.

The receivables from sales of electricity mainly represent receivables from the provincial power grid companies. The Group have no significant credit risk with any of these power grid companies as the Group maintain long-term and stable business relationships with these companies. For other receivables, the Group performs an ongoing individual credit evaluation of their customers' and counterparties' financial conditions, and are with the opinion that no debts are impaired.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

123

3. FINANCIAL AND CAPITAL RISKS MANAGEMENT (Continued)

3.1 Financial risk management (Continued)

(b) Credit risk (Continued)

Regarding balances with related parties, the Group assesses the credibility of the borrowers by reviewing the operating results and gearing ratios periodically.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position after deducting any impairment allowance.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group aims to maintain flexibility in funding by maintaining availability under committed credit facilities.

Management monitors the cash flow rolling forecasts of the Group which comprises the undrawn borrowing facility and cash and cash equivalents available as at each month end in meeting its liabilities.

At December 31, 2010, the Group had total undrawn banking facilities of approximately RMB43,529 million (2009: RMB3,835 million), of which RMB3,290 million (2009: RMB590 million) will be expired in 12 months from the date of this report.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

124

3. FINANCIAL AND CAPITAL RISKS MANAGEMENT (Continued)

3.1 Financial risk management (Continued)

(c) Liquidity risk (Continued)

The table below analyses the Group's non-derivative financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period from the balance sheet dates to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Within 1 year	1-2 years	2-5 years	Over 5 years	Total
At December 31, 2010					
Long-term loans (Note 24(d))	1,437,592	2,939,844	6,356,910	12,660,105	23,394,451
Short-term loans (Note 24(b))	2,181,822	—	—	—	2,181,822
Interest payables for loans	1,959,511	1,948,014	2,887,226	3,169,023	9,963,774
Other payables	4,633,227	—	—	—	4,633,227
Trade and bills payable	85,115	—	—	—	85,115
	<u>10,297,267</u>	<u>4,887,858</u>	<u>9,244,136</u>	<u>15,829,128</u>	<u>40,258,389</u>
At December 31, 2009					
Long-term loans (Note 24(d))	1,035,528	1,106,674	3,748,428	9,434,890	15,325,520
Short-term loans (Note 24(b))	492,000	—	—	—	492,000
Interest payables for loans	904,915	817,388	2,047,848	1,619,026	5,389,177
Other payables	2,978,346	—	—	—	2,978,346
Trade and bills payable	6,054	—	—	—	6,054
	<u>5,416,843</u>	<u>1,924,062</u>	<u>5,796,276</u>	<u>11,053,916</u>	<u>24,191,097</u>

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

125

3. FINANCIAL AND CAPITAL RISKS MANAGEMENT (Continued)

3.2 Capital risk management

The objectives of the Group when managing capital are to safeguard the ability of the Group in continuing as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debts.

The Group monitor their capital structure on the basis of liability-to-asset ratio, which is calculated by dividing total liabilities by total assets. The liability-to-asset ratio of the Group at December 31, 2010 is 74% (2009: 77%), respectively.

The decrease in the liability-to-asset ratio was primarily due to the increase of cash and cash equivalents obtained from the issuance of H shares in December 2010. Taking into consideration of the expected operating cash flows of the Group, the unutilized banking facilities and the Group's past experience in refinancing its short-term borrowings, the directors of the Company and management believe that the Group can meet their obligations when they fall due.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

126

3. FINANCIAL AND CAPITAL RISKS MANAGEMENT (Continued)

3.3 Fair value estimation

(a) *Fair value measurements*

The Company discloses fair value measurements of financial instruments by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs) (Level 3).

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

127

3. FINANCIAL AND CAPITAL RISKS MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(a) Fair value measurements (Continued)

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

At December 31, 2010, all available-for-sale financial assets are measured at Level 3 (2009: Level 3) fair value.

(b) Fair value disclosures

The carrying amounts of the Group's financial assets and liabilities including cash and cash equivalents, trade and bills receivable, other receivables, trade and bills payables, other payables, short-term borrowings approximate their fair values due to their short maturities.

The fair value of available-for-sale financial assets approximate their costs.

The fair value of financial liabilities for disclosure purpose is estimated by discounting the future contractual cash flows at the current market interest rates that are available to the Group for similar financial instruments.

Fair value estimates are made at a specific point of time and are based on relevant market information and information about the financial instruments. These estimates are subjective in nature and involve uncertainties and matters of significant judgement and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

128

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group make accounting estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal to the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Useful lives of property, plant and equipment

Management of the Group determine the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on projected wear and tear incurred during power generation. This could change significantly as a result of technical renovations on wind turbine and related equipment. Management will adjust the estimated useful lives where useful lives vary with previously estimated useful lives. It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require material adjustments to the carrying amount of property, plant and equipment.

(b) Impairment of property, plant and equipment

The Group perform impairment test on property, plant and equipment whenever any impairment indication exists. In accordance with Note 2.9, impairment is recognized as the amount by which the asset's carrying amount exceeds its recoverable amount. The estimation based on existing experience may be different from the result of the next financial year and may lead to material adjustments to the carrying amount of property, plant and equipment.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

129

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Continued)

(c) Revenue recognition for CDM income

For the year ended December 31, 2010, the Group has recognized income from CDM projects amounting to RMB229 million (2009: RMB137 million). In accordance with the relevant accounting policy as set out in Note 2.20, the income from CDM projects is determined by the electricity volume generated during the respective period, emission reduction factors and unit price of CERs. The volumes of electricity transmitted to the grid companies are subject to the verification and certification by the independent supervisors assigned by the CDM Executive Board. Based on past experience, the Group believes that, the discrepancy rate, if any, of the certified volumes will not exceed 3%. The Group has, therefore, recognized income from CDM projects after deducting a estimated discrepancies based on past experience. The estimation based on existing experience may be different from the result of the next financial year.

(d) Income tax

The Group pays income tax in various regions. There can be various uncertainties on the ultimate income tax treatments for many transactions and events arising from normal operating activities, overall assets transfers, corporate restructuring and preferential tax treatments granted by the tax authorities. The Group have to make critical accounting judgments when calculating income tax expense at different regions. In the event that the finalized amounts recognized for such tax events are different from those originally recorded, this could result in material adjustments to income tax expense and deferred income tax.

(e) Restrictions on power grid construction

Some wind construction projects of the Group are affected by the progress of grid connection system which transmits electricity from power generation companies. Local power grid companies are responsible for the construction of such grid connection system. The ready for use of grid connection system upon completion is a critical estimate and judgement of the Company's directors. Such an estimate and judgment are based on historical experience, understanding on the projects, as well as the communication with power grid companies. Managements are of the opinion that such wind construction projects will be connected to the grid and are free from impairment. Deviation from this estimate and judgment could result in material adjustments to the carrying amount of the property, plant and equipment.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

130

5. REVENUE

The amount of each significant category of revenue recognized during the year is as follows:

	Year ended December 31,	
	2010	2009
Sales of electricity	2,378,428	1,384,191
Service concession construction revenue (Note (i))	—	38,910
Others (Note (ii))	1,299	4,971
	2,379,727	1,428,072

Notes:

- (i) In 2007, the Group entered into a service concession agreement with local government (the "Grantor") to construct and operate wind power plants during a concession period of 24 years of operation. The Group is responsible for construction and maintenance of the wind power plants during the concession period. At the end of the concession period, the Group either needs to dispose of the wind power plants or transfer them to the Grantor at nil consideration. Service concession construction revenue recognized during the year ended December 31, 2009 represented the revenue recognized during the construction stage of the service concession period. The same amount of cost is recognized as substantially all construction activities were sub-contracted.

The Group has recognized intangible assets related to the service concession arrangement (Note 15(ii)) representing the right the Group receives to charge a fee for sales of electricity.

- (ii) Other revenue represented primarily revenue from the provision of transmission line lease and installation services.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

131

5. REVENUE (Continued)

The Group is domiciled in the PRC and all its operations are located in the PRC, and all (2009: all) revenues for the year ended 2010 are derived from external customers in the PRC.

For the year ended 2010, all (2009: all) revenue from the sales of electricity is charged to the provincial power grid companies in which the group companies are operated. These power grid companies are directly or indirectly owned or controlled by the PRC government. Service concession construction revenue is all from a provincial government controlled by the PRC government.

The chief operating decision-maker of the Company has been identified as the Company's Senior Management which is responsible for allocating resources and assessing performance of the operating segments. Senior Management has determined the operating segments on the basis of internal reports provided. As Senior Management considers the performance of the operating segments on a consolidated basis and therefore, no segment information is presented.

6. OTHER NET INCOME AND OTHER GAINS

	Year ended December 31,	
	2010	2009
Other net income		
— Income from CDM projects	229,497	137,445
— Government grants	156,154	60,776
— Others	1,325	1,861
	386,976	200,082
Other gains, net		
— Foreign exchange (losses)/gains, net, in relation to receivables from CDM projects	(18,271)	6,756
	368,705	206,838

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

132

7. FINANCE INCOME AND EXPENSES

	Year ended December 31,	
	2010	2009
Interest income on deposits with banks and other financial institutions	19,976	5,907
Finance income	19,976	5,907
Interest on bank and other borrowings wholly repayable within five years	(338,922)	(146,050)
Interest on other loans	(776,248)	(600,859)
Less: interest expenses capitalized into property, plant and equipment	343,484	266,884
Foreign exchange losses, net	(771,686)	(480,025)
	(14,308)	(652)
Finance expenses	(785,994)	(480,677)
Net finance expenses recognized in the consolidated statement of comprehensive income	(766,018)	(474,770)
Interest capitalization rate	4.8% to 6.8%	5.1% to 6.8%

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

133

8. OPERATING PROFIT

Operating profit is arrived at after charging:

	Year ended December 31,	
	2010	2009
Labour costs		
— salaries and welfares	74,711	40,829
— retirement benefits-defined contribution plans	9,414	4,183
— staff housing benefits	6,797	3,514
— other staff costs	4,409	4,140
	95,331	52,666
Depreciation of property, plant and equipment	867,544	536,718
Amortization of intangible assets and land use rights	18,794	15,919
Auditors' remuneration	6,247	1,337
Operating lease expenses	10,757	2,579

9. INCOME TAX

(a) Taxation in the consolidated statement of comprehensive income represent:

	Year ended December 31,	
	2010	2009
Current tax		
PRC enterprise income tax for the year	65,938	24,486
Deferred tax		
Origination and reversal of temporary differences	(8,833)	(7,160)
Income tax expense	57,105	17,326

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

134

9. INCOME TAX (Continued)

(a) Taxation in the consolidated statement of comprehensive income represent: (Continued)

Notes:

(i) PRC enterprise income tax

Upon the implementation of the new Corporate Tax Law ("CIT Law") from Jan 1, 2008, the applicable corporate income tax rate of the Group was adjusted to 25%. Pursuant to Guo Fa [2007]39 document, starting from January 1, 2008, entities which originally enjoyed "two-year tax exemption and three-year 50% reduction" or "three-year tax exemption and three-year 50% reduction" etc., continue to follow the original tax laws, administrative regulations and relevant documents until respective expiration dates. However, those having been entitled to preferential income tax treatment while not yet started the tax holiday as a result of tax losses, the preferential period started from 2008 onwards.

For the year ended December 31, 2010, except for certain subsidiaries which were exempted or taxed at preferential rate of 7.5% to 12.5% (2009: 7.5% to 12.5%), the remaining subsidiaries of the Company are subjected to income tax rate of 25% (2009: 25%).

(ii) Hong Kong profits tax

For the year ended December 31, 2010, there is no (2009: nil) Hong Kong profits tax applicable to the Group as there are no applicable assessable profit.

(iii) For the year ended December 31, 2010, the associate did not incur any income tax expense (2009: nil).

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

135

9. INCOME TAX (Continued)

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

	Year ended December 31,	
	2010	2009
Profit before taxation	734,586	384,203
Taxation calculated at the statutory tax rate	183,647	96,051
Income tax effects of:		
Preferential income tax treatments of certain companies	(119,401)	(67,852)
Non-deductible expenses	2,401	574
Tax losses for which no deferred income tax asset was recognized	92	1,957
Utilization of previously unrecognized tax losses	(1,766)	—
Income tax refunds (Note (i))	(7,868)	(13,404)
	57,105	17,326
Weighted average effective income tax rate (Note (ii))	7.8%	4.5%

Notes:

- (i) Income tax refunds represented refund of PRC enterprise income tax after the approval of preferential tax rates from the relevant tax authorities after the respective balance sheet dates.
- (ii) The changes of weighted average effective income tax rate were primarily attributable to the fluctuation in profitability of certain subsidiaries of the Company located in region with preferential income tax rate as well as initiation and expiration of tax on benefit of other subsidiaries of the Company.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

136

10. EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue during the year:

	Year ended December 31,	
	2010	2009
Profit attributable to the equity holders of the Company	455,831	248,386
Weighted average number of ordinary shares issued (<i>thousands of shares</i>)	5,082,182	5,000,000
Basic earnings per share for profit attributable to the equity holders of the Company (<i>RMB</i>)	0.0897	0.0497

(b) Diluted earnings per share

Diluted earnings per share for the year ended December 31, 2010 and 2009 is the same as the basic earnings per share as there are no diluting potential shares.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

137

11. DIVIDENDS

For the year ended December 31, 2009, no dividend has been paid or declared by the Company as it was established in July 9, 2010 as set out in Note 1. The dividends declared and paid in 2009 by subsidiaries out of their retained earnings to their then equity holders prior to the Reorganization as set out in Note 1 were RMB128.8 million.

On July 12, 2010, the Company declared a special dividend amounting to RMB100.3 million (2009: Nil), representing the distributable profit of the Group for the period from March 31, 2010 to July 31, 2010, to Datang Corporation and Datang Jilin, the promoters of the Company ("Special Dividend"). As of December 31, 2010, this special dividend payable is reflected as dividend payable in these financial statements.

Apart from the aforementioned Special Dividends, the directors of the Company do not recommend the payment of a final dividend for the year ended December 31, 2010.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

138

12. DIRECTORS', SUPERVISORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

- (a) The remuneration of each director and supervisor of the Company is set out below:

For the year ended December 31, 2010:

	Fees	Salaries allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total
Directors					
— Mr. Chen Jinhang (陳進行)*	—	—	—	—	—
— Mr. Wu Jing (吳靜)*	—	—	—	—	—
— Mr. Yin Li (殷立)*	—	—	—	—	—
— Mr. Jian Yingjun (簡英俊)*	—	—	—	—	—
— Mr. Hu Yongsheng (胡永生)	—	213	191	27	431
— Mr. Zhang Xunkui (張勛奎)	—	191	11	27	229
Independent non-executive directors					
— Mr. Wang Guogang (王國剛)	30	—	—	—	30
— Mr. Yu Hon To David (俞漢度)	30	—	—	—	30
— Mr. Liu Chaoan (劉朝安)	30	—	—	—	30
Supervisors					
— Mr. Wang Guoping (王國平)*	—	—	—	—	—
— Mr. Zhang Xiaochun (張小春)*	—	—	—	—	—
— Mr. Dong Jianhua (董建華)	—	192	127	27	346
	90	596	329	81	1,096

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

139

12. DIRECTORS', SUPERVISORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

- (a) The remuneration of each director and supervisor of the Company is set out below: (Continued)

For the year ended December 31, 2009:

	Fees	Salaries allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total
Directors					
— Mr. Chen Jinhang (陳進行)*	—	—	—	—	—
— Mr. Wu Jing (吳靜)*	—	—	—	—	—
— Mr. Yin Li (殷立)*	—	—	—	—	—
— Mr. Jian Yingjun (簡英俊)*	—	—	—	—	—
— Mr. Hu Yongsheng (胡永生)	—	225	156	59	440
— Mr. Zhang Xunkui (張勛奎)	—	19	—	2	21
Independent non-executive directors					
— Mr. Wang Guogang (王國剛)	—	—	—	—	—
— Mr. Yu Hon To David (俞漢度)	—	—	—	—	—
— Mr. Liu Chaoan (劉朝安)	—	—	—	—	—
Supervisors					
— Mr. Wang Guoping (王國平)*	—	—	—	—	—
— Mr. Zhang Xiaochun (張小春)*	—	—	—	—	—
— Mr. Dong Jianhua (董建華)	—	205	104	47	356
	—	449	260	108	817

- * These directors and supervisors of the Company receive emoluments from the Datang Corporation, part of which is in respect of their services to the Group. No apportionment has been made as the directors consider that it is impracticable to apportion this amount between their services to the Group and their services to Datang Corporation.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

140

12. DIRECTORS', SUPERVISORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

- (a) The remuneration of each director and supervisor of the Company is set out below: (Continued)

During the year, no emoluments were paid by the Group to the director or supervisor as an inducement to join or upon joining the Group or as compensation for loss of office (2009: Nil). No director or supervisor waived or agreed to waive any emoluments during the presented years (2009: Nil).

Except for Messrs Hu Yongsheng, Dong Jianhua and Zhang Xunkui, no remuneration was paid to other directors and supervisors during the year ended December 31, 2009 as they were appointed in July 2010.

- (b) Five highest paid individuals

The number of director and supervisor and non-director/supervisor included in the five highest paid individuals for the year ended December 31, 2010 are set forth below:

	Year ended December 31,	
	2010	2009
Director or supervisor	2	2
Non-director or supervisor	3	3
	5	5

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

141

12. DIRECTORS', SUPERVISORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

(b) Five highest paid individuals (Continued)

The emoluments of the directors and supervisors are disclosed in Note 12(a). The aggregate of the emoluments in respect of the remaining highest paid individuals are as follows:

	Year ended December 31,	
	2010	2009
Salaries and other emoluments	572	613
Discretionary bonuses	382	312
Retirement benefits-defined contribution plans	81	141
	1,035	1,066

The emoluments of the individuals with the highest emoluments are within the following bands:

	Year ended December 31,	
	2010	2009
Nil to HKD1,000,000	5	5

During the year ended December 31, 2010, no emoluments were paid by the Group to the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office (2009: Nil).

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

142

13. PROPERTY, PLANT AND EQUIPMENT

	Group				Total
	Buildings	Electricity utility plant	Transportation facilities, office equipment and others	CIP	
At January 1, 2009					
Cost	293,013	7,921,659	118,517	5,776,996	14,110,185
Accumulated depreciation	(15,609)	(364,578)	(15,964)	—	(396,151)
Net book amount	277,404	7,557,081	102,553	5,776,996	13,714,034
Year ended December 31, 2009					
Opening net book amount	277,404	7,557,081	102,553	5,776,996	13,714,034
Transfers and reclassifications	204,469	6,078,620	40,237	(6,323,326)	—
Additions	3,925	8,391	27,282	8,206,336	8,245,934
Disposals	—	(880)	(384)	—	(1,264)
Depreciation	(18,523)	(508,169)	(17,100)	—	(543,792)
Closing net book amount	467,275	13,135,043	152,588	7,660,006	21,414,912
At December 31, 2009					
Cost	501,402	14,007,689	185,633	7,660,006	22,354,730
Accumulated depreciation	(34,127)	(872,646)	(33,045)	—	(939,818)
Net book amount	467,275	13,135,043	152,588	7,660,006	21,414,912

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

143

13. PROPERTY, PLANT AND EQUIPMENT (Continued)

	Group				Total
	Buildings	Electricity utility plant	Transportation facilities, office equipment and others	CIP	
Year ended December 31, 2010					
Opening net book amount	467,275	13,135,043	152,588	7,660,006	21,414,912
Transfers and reclassifications	313,534	8,186,916	(12,345)	(8,488,105)	—
Additions	109	17,455	56,174	10,408,915	10,482,653
Disposals	—	(715)	(1,557)	(18,429)	(20,701)
Depreciation	(26,975)	(835,431)	(14,028)	—	(876,434)
Closing net book amount	753,943	20,503,268	180,832	9,562,387	31,000,430
At December 31, 2010					
Cost	814,990	22,227,639	211,282	9,562,387	32,816,298
Accumulated depreciation	(61,047)	(1,724,371)	(30,450)	—	(1,815,868)
Net book amount	753,943	20,503,268	180,832	9,562,387	31,000,430

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

144

13. PROPERTY, PLANT AND EQUIPMENT (Continued)

Depreciation expense for the year ended December 31, 2010 is analyzed as follows:

	Year ended December 31,	
	2010	2009
Depreciation and amortization expense	867,544	536,718
CIP	8,890	7,074
	876,434	543,792

At December 31, 2010, certain property, plant and equipment were pledged as security for long-term bank loans of the Group as follows:

	At December 31,	
	2010	2009
Pledged for security:		
— Long-term bank loans (Note 24 (a)(ii))	493,850	649,850
— Pledged property, plants and equipment (carrying amount)	1,015,659	1,065,302

In addition, as at December 31, 2010, certain property, plant and equipment were pledged as counter guaranty or security for long-term borrowings (Notes (24)(a)(i) and (iii)).

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

145

13. PROPERTY, PLANT AND EQUIPMENT (Continued)

	Company				
	Buildings	Electricity utility plant	Transportation facilities, office equipment and others	CIP	Total
Period from July 9, 2010 (date of establishment) to December 31, 2010					
Injections for establishment of the Company (Note 1)					
— cost	18,830	379,034	6,426	170,602	574,892
— accumulated depreciation	(4,804)	(87,298)	(1,854)	—	(93,956)
Transfers and reclassifications	—	(590)	590	(235,165)	(235,165)
Additions	—	—	11,252	64,563	75,815
Depreciation	(508)	(8,806)	(985)	—	(10,299)
Closing net book amount	13,518	282,340	15,429	—	311,287
At December 31, 2010					
Cost	18,830	378,390	18,322	—	415,542
Accumulated depreciation	(5,312)	(96,050)	(2,893)	—	(104,255)
Net book amount	13,518	282,340	15,429	—	311,287

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

146

14. LAND USE RIGHTS

Land use rights represent prepayments made by the Group for the land use rights located in the PRC which are held on leases between 10 years to 50 years.

The movements during the year presented are as follows:

	Group		Company
	Year ended December 31,		Period from July 9, 2010 (date of establishment) to December 31,
	2010	2009	2010
At January 1,	56,872	19,122	—
Injections for establishment of the Company (Note 1)	—	—	5,855
Additions	188,885	38,249	—
Disposal	—	—	(5,855)
Amortization	(3,214)	(499)	—
At December 31,	242,543	56,872	—

Amortization expense for the year ended December 31, 2010 is analyzed as follows:

	Group	
	Year ended December 31,	
	2010	2009
Depreciation and amortization expense	2,513	448
CIP	701	51
	3,214	499

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

147

15. INTANGIBLE ASSETS

	Group			Total	Company
	Goodwill	Concession assets (Note (i))	Computer software		Computer software
At January 1, 2009					
Cost	58,055	324,414	1,812	384,281	—
Accumulated amortization	—	—	(219)	(219)	—
Net book amount	58,055	324,414	1,593	384,062	—
Year ended December 31, 2009					
Opening net book amount	58,055	324,414	1,593	384,062	—
Additions	—	38,910	2,378	41,288	—
Amortization	—	(15,138)	(356)	(15,494)	—
Closing net book amount	58,055	348,186	3,615	409,856	—
At December 31, 2009					
Cost	58,055	363,324	4,190	425,569	—
Accumulated amortization	—	(15,138)	(575)	(15,713)	—
Net book amount	58,055	348,186	3,615	409,856	—

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

148

15. INTANGIBLE ASSETS (Continued)

	Group			Total	Company
	Goodwill	Concession assets (Note (i))	Computer software		Computer software
Year ended December 31, 2010					
Opening net book amount	58,055	348,186	3,615	409,856	—
Injections for establishment of the Company (Note 1)	—	—	—	—	1,108
Additions	—	—	9,119	9,119	504
Amortization	—	(15,139)	(1,314)	(16,453)	(132)
Closing net book amount	58,055	333,047	11,420	402,522	1,480
At December 31, 2010					
Cost	58,055	363,324	13,310	434,689	1,772
Accumulated amortization	—	(30,277)	(1,890)	(32,167)	(292)
Net book amount	58,055	333,047	11,420	402,522	1,480

Amortization expense for the year ended December 31, 2010 is analyzed as follows:

	Group	
	Year ended December 31, 2010	2009
Depreciation and amortization expense	16,281	15,471
CIP	172	23
	16,453	15,713

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

15. INTANGIBLE ASSETS (Continued)

Notes:

- (i) Concession assets represent the rights the Group obtained for the usage of the concession wind power plants for the generation of electricity. The Group recognized the intangible assets at the fair value of the concession construction service (Note 5(i)). The concession assets are amortized over the operating period of the service concession project of 24 years.
- (ii) Impairment test for goodwill

At December 31, 2010, all goodwill was recognized from the acquisition of 100% equity interest in Bayannur WulateZhongqi Fuhui Wind Power Generation Company Limited (巴彥淖爾烏拉特中旗富匯風能電力有限公司) (“Bayan Zhongqi”) and Bayannur WulateZhongqi Fuhui Wind Power Generation Company Limited (巴彥淖爾烏拉特後旗富匯風能電力有限公司) (“Bayan Houqi”) in 2008.

The Group allocates goodwill to cash-generating units (“CGU”) that are determined by different operating entities that represent subsidiaries mentioned above. The Group completed its annual impairment test for goodwill allocated to the respective CGU by comparing their recoverable amounts to their carrying amounts as at the reporting date.

The recoverable amount of a CGU is determined based on value in use. These assessments use cash flow projections based on financial budgets approved by management covering a 5-year period with a terminal value related to the future earnings potential of the CGU beyond the next five years. Future cash flows are discounted at the rate of 7.17% (2009: 7.68%). The estimated growth rates adopted do not exceed the long-term average growth rates for the businesses in which the CGU operates. Other key assumptions include expected tariff rates and demands of electricity in specific locations where these power plants are located. Management determined these assumptions based on the existing production capacity of the related power plants and adopted pre-tax interest rate that can reflect specific risk of the CGU as the discount rate.

Based on the assessments, the directors of the Company concluded that there has been no impairment on the goodwill of the Group as at December 31, 2010 (2009: Nil).

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

150

16. INVESTMENTS IN SUBSIDIARIES — COMPANY

	Period from July 9, 2010 (date of establishment) to December 31, 2010
At July 9, 2010 (date of establishment)	—
Injections of subsidiaries (Note1)	7,031,146
Establishments of subsidiaries	179,600
Capital contributions	1,180,950
	<hr/>
At December 31, 2010	8,391,696
	<hr/> <hr/>

At December 31, 2010, the Company directly and indirectly holds equity interests in subsidiaries, all of which are unlisted, established and registered in the PRC with limited liability.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

151

16. INVESTMENTS IN SUBSIDIARIES — COMPANY (Continued)

The following is a list of the Company's subsidiaries as at December 31, 2010:

Name	Place of incorporation and operation	Registered and fully paid capital	Effective interest held		Principal activities
			2010	2009	
Directly held:					
Jilin Wind Power (Note (i))	the PRC/December 4, 2003	85,000	31%	31%	Wind power generation
Datang Zhongdian Renewable Power	the PRC/November 9, 2005	305,273	51%	51%	Wind power generation
Gansu Datang Yumen Wind Power Generation Company Limited (甘肅大唐玉門風電有限公司) (Notes (ii) and (iv))	the PRC/November 9, 2005	Paid-in capital: 271,197 Registered capital: 298,387	60%	60%	Wind power generation
Datang (Chifeng) Renewable Power Company Limited ("Chifeng Renewable Power") (大唐(赤峰)新能源有限公司) (Note (iii))	the PRC/April 28, 2006	Paid-in capital: USD223.7 million (RMB1,634.6 million) Registered capital: USD347.67 million (RMB2,329.4 million)	60%	60%	Wind power generation
Chifeng Tangneng Renewable Power Company Limited (赤峰唐能新能源有限公司) (Notes (ii) and (iv))	the PRC/October 12, 2006	Paid-in capital: 326,720 Registered capital: 218,720	100%	87%	Wind power generation
Shanghai East China Sea Wind Power Generation Company Limited ("Shanghai East China Sea") (上海東海風力發電有限公司) (Notes (iv) and (vi))	the PRC/January 22, 2007	473,000	28%	28%	Wind power generation

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

152

16. INVESTMENTS IN SUBSIDIARIES — COMPANY (Continued)

The following is a list of the Company's subsidiaries as at December 31, 2010: (Continued)

Name	Place of incorporation and operation	Registered and fully paid capital	Effective interest held		Principal activities
			2010	2009	
Datang Xilinguole Wind Power Generation Company Limited ("Datang Ximeng") (大唐錫林郭勒風力發電有限責任公司) (Notes (ii) and (iv))	the PRC/ March 7, 2007	Paid-in capital: 414,689 Registered capital: 399,800	100%	100%	Wind power generation
Datang Zhongdian Jilin	the PRC/March 28, 2007	165,260	51%	51%	Wind power generation
Bayan Zhongqi	the PRC/July 12, 2007	75,000	100%	100%	Wind power generation
Bayan Houqi	the PRC/August 23, 2007	70,000	100%	100%	Wind power generation
Datang Huanan Wind Power Generation Company Limited (大唐樺南風力發電有限公司) (Note (iv))	the PRC/ October 9, 2007	188,860	70%	70%	Wind power generation
Datang Sanmenxia Wind Power Generation Company Limited (大唐三門峽風力發電有限公司) (Notes (ii) and (iv))	the PRC/October 23, 2007	96,156	90%	90%	Wind power generation
Datang Yilan Wind Power Generation Company Limited (大唐依蘭風力發電有限公司) (Notes (ii) and (iv))	the PRC/December 18, 2007	188,860	51%	51%	Wind power generation
Datang Jingtai Wind Power Generation Company Limited (大唐景泰風電有限責任公司) (Notes (ii) and (iv))	the PRC/January 10, 2008	99,330	100%	100%	Wind power generation

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

153

16. INVESTMENTS IN SUBSIDIARIES — COMPANY (Continued)

The following is a list of the Company's subsidiaries as at December 31, 2010: (Continued)

Name	Place of incorporation and operation	Registered and fully paid capital	Effective interest held		Principal activities
			2010	2009	
Datang Huachuan Wind Power Generation Company Limited (大唐樺川風力發電有限公司) (Notes (ii) and (iv))	the PRC/January 30, 2008	90,000	100%	100%	Wind power generation
Datang (Tongliao) Huolinhe Renewable Power Company Limited ("Datang Tongliao") (大唐(通遼)霍林河新能源有限公司) (Notes (ii) and (iii))	the PRC/May 29, 2008	404,000	100%	100%	Wind power generation
Datang Zhongri (Chifeng) Renewable Power Company Limited ("Datang Zhongri") (大唐中日(赤峰)新能源有限公司) (Note (iii))	the PRC/July 30, 2008	165,920	51%	51%	Wind power generation
Linxi Aolujia Renewable Power Development Company Limited ("Linxi Aolujia") (林西奧陸嘉新能源開發有限公司) (Note (vii))	the PRC/December 2, 2008	Paid-in capital: 43,641 Registered capital: 183,370	51%	0%	Wind power generation
Datang Hailin Wind Power Generation Company Limited ("Datang Hailin") (大唐海林風力發電有限公司) (Notes (ii), (iv) and (v))	the PRC/February 12, 2009	Paid-in capital: 65,720 Registered capital: 188,800	51%	49%	Wind power generation
Datang Bayannur Wind Power Generation Company Limited ("Datang Bayan") (大唐巴彥淖爾風力發電有限責任公司) (Notes (ii) and (iv))	the PRC/February 24, 2009	Paid-in capital: 84,354 Registered capital: 5,000	100%	100%	Wind power generation

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

154

16. INVESTMENTS IN SUBSIDIARIES — COMPANY (Continued)

The following is a list of the Company's subsidiaries as at December 31, 2010: (Continued)

Name	Place of incorporation and operation	Registered and fully paid capital	Effective interest held		Principal activities
			2010	2009	
Datang Jixian Wind Power Generation Company Limited (大唐集賢風力發電有限公司) (Note (iv))	the PRC/March 23, 2009	Paid-in capital: 72,900 Registered capital: 5,000	100%	100%	Wind power generation
Datang Qiqiha'er Wind Power Generation Company Limited ("Datang Qiqiha'er") (大唐齊齊哈爾風力發電有限公司) (Note (iv))	the PRC/March 30, 2009	5,000	100%	100%	Wind power generation
Datang Shandong Renewable Power Company Limited (大唐山東新能源有限公司) (Notes (ii) and (iv))	the PRC/June 10, 2009	Paid-in capital: 411,287 Registered capital: 200,685	100%	100%	Wind power generation
Inner Mongolia Datang Wanyuan Renewable Power Company Limited (內蒙古大唐萬源新能源有限公司)	the PRC/June 16, 2009	92,610	51%	51%	Wind power generation
Datang Yantai Renewable Power Company Limited (大唐煙臺新能源有限公司)	the PRC/June 19, 2009	Paid-in capital: 8,000 Registered capital: 5,000	100%	100%	Wind power generation
Dalian Datang Haipai Renewable Power Company Limited (大連大唐海派新能源有限公司) (Note (iii))	the PRC/July 17, 2009	Paid-in capital: 84,089 Registered capital: 100,000	80%	80%	Wind power generation
Datang Eryuan Wind Power Generation Company Limited (大唐洱源風電有限責任公司) (Notes (ii) and (iv))	the PRC/July 31, 2009	Paid-in capital: 79,030 Registered capital: 10,000	100%	100%	Wind power generation

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

155

16. INVESTMENTS IN SUBSIDIARIES — COMPANY (Continued)

The following is a list of the Company's subsidiaries as at December 31, 2010: (Continued)

Name	Place of incorporation and operation	Registered and fully paid capital	Effective interest held		Principal activities
			2010	2009	
Datang Baotou Renewable Power Company Limited (大唐包頭新能源有限責任公司)	the PRC/August 11, 2009	5,000	100%	100%	Wind power generation
Datang (Hohhot) Renewable Power Company Limited (大唐(呼和浩特)新能源有限公司)	the PRC/August 11, 2009	7,000	100%	100%	Wind power generation
Datang Zhangbei Wind Power Generation Company Limited (大唐張北風力發電有限責任公司) (Notes (ii) and (iv))	the PRC/September 2, 2009	Paid-in capital: 89,507 Registered capital: 5,000	100%	100%	Wind power generation
Datang Yumen Changma Wind Power Generation Company Limited (大唐玉門昌馬風電有限公司) (Note (iv))	the PRC/September 10, 2009	Paid-in capital: 167,660 Registered capital: 50,000	100%	100%	Wind power generation
Datang Xing'anmeng Renewable Power Company Limited (大唐興安盟新能源有限公司) (Note (ii))	the PRC/September 16, 2009	Paid-in capital: 72,000 Registered capital: 57,000	100%	100%	Wind power generation
Datang Huludao Renewable Power Company Limited (大唐葫蘆島新能源有限公司) (Note (ii))	the PRC/September 28, 2009	Paid-in capital: 16,000 Registered capital: 80,000	70%	70%	Wind power generation
Datang Baotou Yaneng Power Generation Company Limited (大唐包頭亞能電力有限公司)	the PRC/October 16, 2009	86,880	51%	51%	Wind power generation
Xiangyang Wind Power	the PRC/October 30, 2009	Paid-in capital: 110,000 Registered capital: 50,000	100%	100%	Wind power generation

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

156

16. INVESTMENTS IN SUBSIDIARIES — COMPANY (Continued)

The following is a list of the Company's subsidiaries as at December 31, 2010: (Continued)

Name	Place of incorporation and operation	Registered and fully paid capital	Effective interest held		Principal activities
			2010	2009	
Datang (Chaoyang) Renewable Power Company Limited (大唐(朝陽)新能源有限公司) (Note (ii))	the PRC/December 11, 2009	RMB210 million (including: USD9 million i.e.: RMB63 million)	60%	60%	Wind power generation
Datang Renewable Qijing Qilin Wind Power Generation Company (大唐新能源曲靖市麒麟區風力發電公司)	the PRC/January 18, 2010	Paid-in capital: 8,000 Registered capital: 5,000	95%	—	Wind power generation
Datang Yunnan Renewable Power Company Limited (大唐雲南新能源有限公司)	the PRC/March 9, 2010	5,000	95%	—	Wind power generation
Datang Renewable Power Shuozhou Wind Power Generation Company Limited (大唐新能源朔州風力發電有限公司)	the PRC/March 16, 2010	15,000	100%	—	Wind power generation
Datang Yaneng Renewable Power Nantong Company Limited (大唐亞能新能源南通有限公司)	the PRC/March 26, 2010	6,000	51%	—	Wind power generation
Datang Weihai Renewable Power Company Limited (大唐威海新能源有限公司)	the PRC/May 20, 2010	11,280	100%	—	Wind power generation
Datang Wuzhong Renewable Power Company Limited (大唐吳忠新能源有限公司)	the PRC/June 2, 2010	15,000	100%	—	Wind power generation
Datang (Zhangzhou) Renewable Power Company Limited (大唐(漳州)新能源有限公司)	the PRC/June 18, 2010	2,000	100%	—	Wind power generation
Datang Wengniuteqi Renewable Power Company Limited (大唐翁牛特旗新能源有限公司)	the PRC/June 21, 2010	55,000	100%	—	Wind power generation

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

157

16. INVESTMENTS IN SUBSIDIARIES — COMPANY (Continued)

The following is a list of the Company's subsidiaries as at December 31, 2010: (Continued)

Name	Place of incorporation and operation	Registered and fully paid capital	Effective interest held		Principal activities
			2010	2009	
Datang Hulunbei'er Wind Power Generation Company Limited (大唐呼倫貝爾風力發電有限公司)	the PRC/June 22, 2010	2,000	100%	—	Wind power generation
Datang Xianghuangqi Renewable Power Company Limited (大唐鑛黃旗新能源有限責任公司)	the PRC/July 7, 2010	Paid-in capital: 23,000 Registered capital: 3,000	100%	—	Wind power generation
Datang Ning'an Renewable Power Company Limited (甯安鏡泊二道嶺新能源有限公司)	the PRC/July 10, 2010	51,000	100%	—	Wind power generation
Datang Daqing Donggang Renewable Power Company Limited (大唐大慶東崗新能源有限公司)	the PRC/July 12, 2010	1,000	100%	—	Wind power generation
Datang Daqing Donghui Renewable Power Company Limited (大唐大慶東輝新能源有限公司)	the PRC/July 12, 2010	1,000	100%	—	Wind power generation
Datang Lingwu Renewable Power Limited (大唐靈武新能源有限公司)	the PRC/July 14, 2010	1,000	100%	—	Wind power generation
Datang Zhaluteqi Renewable Power Company Limited (大唐察魯特旗新能源有限公司)	the PRC/July 20, 2010	25,000	100%	—	Wind power generation
Datang Kailu Renewable Power Company Limited (大唐開魯新能源有限公司)	the PRC/July 21, 2010	8,000	100%	—	Wind power generation

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

158

16. INVESTMENTS IN SUBSIDIARIES — COMPANY (Continued)

The following is a list of the Company's subsidiaries as at December 31, 2010: (Continued)

Name	Place of incorporation and operation	Registered and fully paid capital	Effective interest held		Principal activities
			2010	2009	
Datang Tebian Electricity Apparatus Tulufan Renewable Power Company Limited (大唐特變電工吐魯番新能源有限公司)	the PRC/July 27, 2010	2,000	80%	—	Wind power generation
Datang Aluke'erqinqi Renewable Power Company Limited (大唐阿魯科爾沁旗新能源有限公司)	the PRC/August 4, 2010	3,000	100%	—	Wind power generation
Ninganjingbo Toudaoling Wind Power Company Limited (甯安鏡泊頭道嶺風力發電有限公司)	the PRC/September 17, 2010	50,000	100%	—	Wind power generation
Datang Renewable Power Qingtongxia Company Limited (大唐新能源青銅峽有限公司)	the PRC/September 25, 2010	3,000	100%	—	Wind power generation
Datang Tuquan Wind Power Company Limited (大唐突泉風力發電有限責任公司)	the PRC/October 22, 2010	Paid-in capital: 40,000 Registered capital: 5,000	100%	—	Wind power generation
Datang Hunyuan Mimazongliang Renewable Power Company Limited (大唐渾源密馬鬃梁新能源有限公司)	the PRC/October 28, 2010	20,000	100%	—	Wind power generation
Datang Renewable Shuozhou Pinglu Power Company Limited (大唐新能源朔州平魯風力發電有限公司)	The PRC/October, 26, 2010	5,000	100%	—	Wind power generation
Beijing Tang Hao Power Engineering Technology Company Limited. (北京唐浩電力工程技術研究有限公司)	the PRC/September 6, 2010	10,000	100%	—	Wind power generation

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

159

16. INVESTMENTS IN SUBSIDIARIES — COMPANY (Continued)

The following is a list of the Company's subsidiaries as at December 31, 2010: (Continued)

Name	Place of incorporation and operation	Registered and fully paid capital	Effective interest held		Principal activities
			2010	2009	
Datang TaonanSanhe Renewable Power Company Limited. (大唐(洮南)三合新能源有限公司)	the PRC/October 12, 2010	5,000	60%	—	Wind power generation
Datang KezuoHouqi Renewable Power Company Limited. (大唐科左後旗新能源有限公司)	the PRC/December 6, 2010	5,000	100%	—	Wind power generation
Datang KeyouZhongqi Renewable Power Company Limited. (大唐科右中旗新能源有限公司)	the PRC/December 13, 2010	5,000	100%	—	Wind power generation
Datang Suibin Renewable Power Company Limited (大唐綏濱新能源有限公司)	the PRC/December 14, 2010	50,000	100%	—	Wind power generation
Indirectly held:					
Datang Laizhou Wind Power Generation Company Limited (大唐萊州風力發電有限責任公司) (Notes (ii) and (iv))	the PRC/July 13, 2007	Paid-in capital: 169,235 Registered capital: 150,685	100%	100%	Wind power generation
Datang Duolun Renewable Power Company Limited ("Duolun Renewable Power") (大唐多倫新能源有限公司) (Note (iii))	the PRC/October 12, 2007	64,000	100%	100%	Wind power generation
Shandong Datang International Dongying Wind Power Generation Company Limited (山東大唐國際東營風電有限責任公司) (Note (iv))	the PRC/September 12, 2008	100,000	100%	100%	Wind power generation

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

160

16. INVESTMENTS IN SUBSIDIARIES — COMPANY (Continued)

The following is a list of the Company's subsidiaries as at December 31, 2010: (Continued)

Name	Place of incorporation and operation	Registered and fully paid capital	Effective interest held		Principal activities
			2010	2009	
Datang Wendeng Wind Power Generation Company Limited (大唐文登風力發電有限公司) (Note (iv))	the PRC/ December 10, 2008	50,000	100%	100%	Wind power generation
Datang Jiaonan Wind Power Generation Company Limited (大唐膠南風力發電有限公司)	the PRC/April 30, 2010	20,000	100%	—	Wind power generation
Datang Pingdu Wind Power Generation Company Limited (大唐平度風力發電有限公司)	the PRC/August 31, 2010	20,000	100%	—	Wind power generation

All English names represent the Company's Directors' best effort of translations and are for reference only. The official names of these entities are in Chinese.

Notes:

- (i) Pursuant to the confirmations from the equity holders of the remaining 69% (2009: 69%) equity interests in Jilin Wind Power, these equity holders confirmed in writing that they agreed to act in concert with Datang Jilin before the Reorganization (Note 1) and the Company after the Reorganization. The directors of the Company are of the opinion that the Company has power to govern the financial and operating policies of Jilin Wind Power during the years presented.
- (ii) The differences between paid-in capital of these companies and the registered capital is due to capital injections and/or capital verifications are in progress. These temporary timing differences did not have any impact on the equity interest held and registered capital remained unchanged.
- (iii) On April 30, 2009, Datang Corporation transferred all its equity interests in these companies to the Company at nil consolidation in accordance with the aforementioned Reorganization as set out in Note 1.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

161

16. INVESTMENTS IN SUBSIDIARIES — COMPANY (Continued)

Notes: (Continued)

- (iv) On January 1, 2010, Datang Corporation transferred all its equity interests in these companies to the Company at nil consideration in accordance with the aforementioned Reorganization (Note 1).
- (v) Heilongjiang Longtang Power Generation Investment Company (黑龍江龍唐電力投資公司) (“Heilongjiang Longtang”), a company controlled by Datang Corporation, holds 2% of the equity interest in Datang Hailin prior to November 23, 2010. Heilongjiang Longtang confirmed in writing that it agreed to act in concert with Datang Corporation before the Reorganization (Note 1) and the Company after the Reorganization. The directors of the Company are of the opinion that the Company has power to govern the financial and operating policies of Datang Hailin during the years presented. On November 23, 2010, Heilongjiang Longtang transferred its 2% equity interest in Datang Hailin to the Company at the consideration of RMB1.71 million. Thereafter, the Company’s equity interest in Datang Hailin was increased from 49% to 51%.
- (vi) As confirmed in writing from a 24% (2009: 24%) equity holder, it agreed to act in concert with Datang Corporation before the Reorganization (Note 1) and the Company after the Reorganization. The directors of the Company are of the opinion that the Company has power to govern the financial and operating policies of Shanghai East China Sea during the year presented.
- (vii) In June 2010, the Company completed the acquisition of 51% equity interest in Linxi Aolujia, which is mainly engaged in wind power generation, clear energy projects, from Beijing Aolujia Renewable Energy Development Company (北京奧陸嘉新能源發展公司) (“Beijing Aolujia”) by assuming all of Beijing Aolujia’s capital contribution commitment in Linxi Aolujia amounting to RMB94 million. At the date of the acquisition, Linxi Aolujia was still in development stage and has not commenced operation and Beijing Aolujia had not made any of its committed capital contribution.

The carrying value of the net assets of Linxi Aolujia at the date of the acquisition amounted to RMB3 million, representing capital contribution made by its other 49% equity owner, are credited to non-controlling interests.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

162

17. INVESTMENT IN AN ASSOCIATE

	Group		Company
	For the year ended December 31,		Period from July 9, 2010 (date of establishment) to December 31, 2010
	2010	2009	2010
At January 1,	14,300	—	—
Contribution by an equity holder of the Company	—	4,488	13,405
Capital injections	8,571	10,629	8,571
Share of loss for the year/period	(2,020)	(817)	(1,125)
At December 31,	20,851	14,300	20,851

In April 2009, Datang Corporation transferred its 30% equity interest in Xiangdian Wind Power (Fujian) Company Limited (湘電風能(福建)有限公司) (“Xiangdian Wind Power”) to the Company at nil consideration as part of the aforementioned Reorganization as set out in Note 1. During the year ended December 31, 2010, the Group further injected RMB8.6 million (2009: RMB11 million) into Xiangdian Wind Power for its share of the capital contribution. As at December 31, 2010, particulars of the Company’s associate is as follows:

Place and date of establishment	Registered and fully paid capital	Effective interest held		Principal activities
		2010	2009	
The PRC/ December 26, 2007	80,000	30%	30%	Developing, manufacturing, sales and services of wind power generator system, wind power generator and spare parts

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

163

17. INVESTMENT IN AN ASSOCIATE (Continued)

The Group's share of the results of its associate, its aggregated assets and liabilities, are as follows:

	Year ended December 31,	
	2010	2009
Assets	86,973	20,149
Liabilities	66,122	5,849
Equity	20,851	14,300
Revenue	54,523	13,631
Loss for the year	(2,020)	(817)

18. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group Year ended December 31,	
	2010	2009
At January 1,	51,167	—
Additions	—	51,167
At December 31,	51,167	51,167

At December 31, 2010, available-for-sale financial assets represented equity interest of 3.41% (2009: 3.41%) in Inner Mongolia Hohhot Pumped Storage Power Generation Company Limited (內蒙古呼和浩特抽水蓄能發電有限責任公司)("Inner Mongolia Hohhot"), a limited company incorporated in the PRC and is engaged in power generation. At December 31, 2010, Inner Mongolia Hohhot is at development stage and has not commenced operation.

At December 31, 2010 and 2009, all available-for-sale financial assets are denominated in RMB and are unlisted equity securities in the PRC.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

164

19. TRADE AND BILLS RECEIVABLE

	Group At December 31,		Company At December 31,
	2010	2009	2010
Trade receivables	1,493,926	861,745	49,019
Bills receivable	1,300	—	—
	1,495,226	861,745	49,019
Less: provision for doubtful debts	—	—	—
	1,495,226	861,745	49,019

Trade and bills receivable primarily represent receivables from regional or provincial grid companies for tariff revenue. These receivables are unsecured and non-interest bearing.

For trade and bills receivable arising from tariff revenue, the Group usually grant credit period of approximately one month to local power grid companies from the date of sales recognition as agreed in the electricity sales contracts between the Group and the respective local grid companies.

Aging analysis of trade and bills receivable was as follows:

	Group At December 31,		Company At December 31,
	2010	2009	2010
Within 1 year	1,482,976	859,417	49,019
Between 1 and 2 years	9,922	—	—
Between 2 and 3 years	—	—	—
Over 3 years	2,328	2,328	—
	1,495,226	861,745	49,019

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

165

19. TRADE AND BILLS RECEIVABLE (Continued)

The aging analysis of trade and bills receivable that are neither individually nor collectively considered to be impaired are as follows:

	Group At December 31,		Company At December 31,
	2010	2009	2010
Neither past due nor impaired	1,482,976	859,417	49,019
Past due within 1 year	—	—	—
Past due over 1 year	12,250	2,328	—
	1,495,226	861,745	49,019

Part of trade receivables due from the local power grid companies are funded by the government. Based on past experience and industry practice, these tariff premium is generally paid in 6 to 12 months from the date of recognition of sales. The management considers these trade and bills receivable from tariff premium are not impaired as it is funded by the government. Accordingly, an impairment allowance is not necessary in respect of these receivables that are past due over 1 year as there has not been a significant change in credit quality of the customers, and the balances are still considered fully recoverable.

At December 31, 2010 and 2009, the Group has pledged proportion of their tariff collection rights as security for certain bank loans (Note: 24(a)).

At December 31, 2010, trade and bills receivable due from the Group's top five customers represent 91% (2009: 93%) of the Group's total trade and bills receivable, respectively.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

166

20. PREPAYMENTS, OTHER RECEIVABLES AND OTHER CURRENT ASSETS

	Group		Company
	At December 31,		At December 31,
	2010	2009	2010
Prepayments or advances for plant constructions	349,766	129,485	140,950
Other prepayments	177,511	53,507	104,673
CDM assets	363,475	161,305	4,823
VAT recoverable (Note (i))	1,573,808	620,249	—
Entrusted loans	—	16,100	416,000
Staff advances	8,148	5,737	1,849
Amounts due from related parties	9,888	154,526	276,896
Prepayment for acquisition of a subsidiary (Note (ii))	80,000	—	80,000
Other debtors	54,492	37,132	4,068
	2,617,088	1,178,041	1,029,259
Less: provision for doubtful debts	—	—	—
	2,617,088	1,178,041	1,029,259

Notes:

- (i) Balance of VAT recoverable mainly represents the input VAT relating to purchase of property, plant and equipment.
- (ii) In September 2010, the Company entered into an agreement with Sistemas Energeticos de Tarifa, S.L. Unipersonal, a limited company incorporated in Spain, to acquire 75% equity interests in Jianping Shiyngzi Wind Power Generation Company Limited (建平石營子風力發電有限公司) (“Jianping Shiyngzi”), a limited company incorporated in the PRC, for a cash consideration of EUR13.3 million (equivalent to RMB122 million). As at December 31, 2010, the Company has paid a deposit to the seller amounting to RMB80 million (equivalent to EUR8.6 million).

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

167

20. PREPAYMENTS, OTHER RECEIVABLES AND OTHER CURRENT ASSETS (Continued)

At December 31, 2010, substantially all prepayments, other receivables and other current assets (2009: substantially all) were not past due. The directors of the Company are of the opinion that the counterparties are with good credit quality and the balances are considered fully recoverable and unimpaired.

The carrying amount of the Group and the Company's prepayments, other receivables and other current assets are denominated in the following currencies:

	Group At December 31,		Company At December 31,
	2010	2009	2010
RMB	2,253,613	1,016,736	1,024,436
USD (RMB equivalent)	9,154	10,414	—
Euro (RMB equivalent)	354,321	150,891	4,823
	2,617,088	1,178,041	1,029,259

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

168

21. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of the following:

	Group At December 31,		Company At December 31,
	2010	2009	2010
Cash on hand	51	86	15
Deposits with a related party (Note 31(b))	—	15,837	—
Deposits with banks and other financial institutions	5,031,295	515,241	4,264,524
	5,031,346	531,164	4,264,539

Cash and cash equivalents of the Group and the Company are denominated in the following currencies:

	Group At December 31,		Company At December 31,
	2010	2009	2010
RMB	879,978	516,580	115,375
USD (RMB equivalent)	2,204	14,584	—
HKD (RMB equivalent)	4,149,164	—	4,149,164
	5,031,346	531,164	4,264,539

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

169

22. SHARE CAPITAL AND SHARE PREMIUM

At December 31, 2010, share capital comprises of the following:

	Group and Company	
	December 31, 2010	December 31, 2009
State-owned ordinary shares	4,785,739	—
H shares	2,356,871	—
	7,142,610	—

The total authorized number of ordinary shares is 7,143 million shares with a par value of RMB1.00 per share. At December 31, 2010, all issued shares are registered, fully paid and rank pari passu to each other.

All issued State-owned ordinary shares are held by Datang Corporation and Datang Jilin and are subject to a lock-up period for one year, which will expire no later than on December 16, 2011. Of the total H Shares, 700,659,000 shares are subject to a lock-up period for trading of six months from the date of issuance, which will expire no later than on June 16, 2011.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

170

22. SHARE CAPITAL AND SHARE PREMIUM (Continued)

A summary of the movements in the Company's issued share capital and share premium is as follows:

	From July 9, 2010 (date of establishment) to December 31, 2010			
	Number of shares (thousands)	Share capital	Share premium	Total
At July 9, 2010 (date of establishment)	—	—	—	—
Issue of shares at establishment of the Company (Note (i))	5,000,000	5,000,000	—	5,000,000
Issue of H shares, net of issuance costs (Note (ii))	2,142,610	2,142,610	1,971,884	4,114,494
At December 31, 2010	7,142,610	7,142,610	1,971,884	9,114,494

Notes:

- (i) The Company was established on July 9, 2010, with an initial registered share capital of RMB5,000 million, divided into 5,000 million shares with a nominal value of RMB1.00 each. 4,372 million and 628 million shares were issued to Datang Corporation and Datang Jilin respectively, in consideration for the transfer of the core operations and businesses to the Company in connection with the aforementioned Reorganization as set out in Note 1.
- (ii) On December 17, 2010, 2,142 million H shares were issued at HKD2.33 (equivalent to approximately RMB2.00) per share for HKD4,875 million (equivalent to RMB 4,175 million), net of issuance costs of RMB60 million. In this connection, a total of 214,261,000 domestic state-owned shares of RMB1.00 each owned by Datang Corporation and Datang Jilin were converted into H shares and transferred to the National Council for Social Security Fund.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

171

23. OTHER RESERVES

A summary of the movements of other reserves for the year ended December 31, 2010 is as follows:

	Group		Total
	Statutory surplus reserve (Note (a))	Other reserves (Note (b))	
At January 1, 2009	6,871	2,644,684	2,651,555
Capital contributions	—	847,326	847,326
An associate contributed by an equity owner (Note 17)	—	4,488	4,488
Appropriations	2,421	—	2,421
At December 31, 2009	9,292	3,496,498	3,505,790
At January 1, 2010	9,292	3,496,498	3,505,790
Capitalization upon establishment of the Company (Note 1)	—	(5,000,000)	(5,000,000)
Acquisition of non-controlling interests of subsidiaries	—	13	13
Capital contributions	—	16,776	16,776
Appropriations	15,410	—	15,410
At December 31, 2010	24,702	(1,486,713)	(1,462,011)

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

172

23. OTHER RESERVES (Continued)

	Company		Total
	Statutory surplus reserve (Note (a))	Other reserves (Note (b))	
At July 9, 2010			
(date of establishment)	—	—	—
Capital contributions	—	1,349,341	1,349,341
Appropriations	15,410	—	15,410
At December 31, 2010	15,410	1,349,341	1,364,751

Notes:

(a) Statutory surplus reserve

In accordance with the relevant laws and regulations of the PRC and the articles of association of the Company, the Company is required to appropriate 10% of its net profit determined in accordance with China Accounting Standards for Enterprises issued by the Ministry of Finance of China, after offsetting any prior years' losses, to the statutory surplus reserve. When the balance of such a reserve reaches 50% of the registered capital, any further appropriation is optional.

The statutory surplus reserve can be used to offset prior years' losses, if any, and may be converted into share capital by issuing new shares to shareholders in proportion to their existing shareholding or by increasing the par value of the shares currently held by them, provided that the remaining balance of the reserve after such an issue is not less than 25% of registered capital. The statutory surplus reserve is non-distributable.

(b) Other reserves

Included in other reserves are mainly the difference between the consideration paid by the acquirer and the carrying value of acquirer's interest of acquirees' net assets less their retained earnings at the time of acquisition. Other reserves also included capital contributions by equity holders to the Group.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

173

24. BORROWINGS

(a) Long-term borrowings:

	Group At December 31,		Company At December 31,
	2010	2009	2010
Bank loans			
— unsecured loans	16,780,024	4,839,020	1,431,000
— guaranteed loans (Note (i))	3,607,084	7,849,944	—
— secured loans (Note (ii))	700,300	874,300	—
Other borrowings			
— unsecured	—	1,216,000	—
— guaranteed loans (Note (i))	1,836,817	—	—
— secured loans (Note (iii))	470,226	546,256	—
	23,394,451	15,325,520	1,431,000
Less: Current portion of long-term borrowings (Note 24(b))			
— bank loans	1,280,850	926,746	23,000
— other borrowings	156,742	108,782	—
	1,437,592	1,035,528	23,000
	21,956,859	14,289,992	1,408,000
Estimated fair value of long-term loans (Note (iv))	23,394,451	15,331,133	1,431,000

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

174

24. BORROWINGS (Continued)

(a) Long-term borrowings: (Continued)

Notes:

(i) Details of these loans are as follows:

	Group At December 31,		Company At December 31,
	2010	2009	2010
Guarantor			
— Parent Company (*)	—	5,239,304	—
— Fellow subsidiaries	—	1,600,840	—
— Company	4,189,359	—	—
— Non-controlling interests of subsidiaries and the ultimate holding company of a non-controlling interest	1,254,542	1,009,800	—
	5,443,901	7,849,944	—

* At December 31, 2009, secured loans amounting RMB1,466 million were secured by Datang Corporation and counter-guaranteed by tariff collection rights (Note 19), insurance contract and property, plant and equipment with carrying amount of RMB1,698 million (Note 13). All guarantees by the Company's parent company were released immediately before the Company's shares were listed on HKSE on December 17, 2010.

(ii) At December 31, 2010, secured loans amounting to RMB494 million (2009: RMB650 million) were secured by certain property, plant and equipment (Note 13). The remaining balance of the secured loans amounting to RMB206 million (2009: RMB224 million) were secured by the Group's tariff collection rights (Note 19).

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

175

24. BORROWINGS (Continued)

(a) Long-term borrowings: (Continued)

- (iii) At December 31, 2010, secured loans from an financial institution amounting to RMB470 million (2009: RMB546 million) were secured by tariff collection rights (Note 19), insurance contract and certain property, plant and equipment with carrying amount of RMB565 million (2009: RMB596 million) (Note 13).
- (iv) The estimated fair value of long-term loans (including current portion) is calculated based on discounted cash flow using applicable discount rates from prevailing market interest rates offered to the Group for loans with substantially the same characteristics and maturity dates. The annual discount rates applied as at December 31, 2010 were ranging 3.57% to 5.76% (2009: 3.57% to 7.83%),.

(b) Short-term borrowings:

	Group At December 31,		Company At December 31,
	2010	2009	2010
Bank loans			
— unsecured	2,040,600	192,000	1,970,794
Other borrowings			
— unsecured loans	141,222	300,000	40,000
Current portion of long-term borrowings (Note 24(a))			
— bank loans	1,280,850	926,746	23,000
— other borrowings	156,742	108,782	—
	3,619,414	1,527,528	2,033,794

The estimated fair values of short-term borrowings approximate their carrying amounts.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

176

24. BORROWINGS (Continued)

(c) Effective interest rates per annum on borrowings are as follows:

	Group		Company
	Year ended December 31,		From July 9, 2010 (date of establishment) to December 31, 2010,
	2010	2009	2010
Long-term			
Bank loans	3.57%--5.76%	3.57%--7.83%	4.86%--5.53%
Other borrowings	4.86%--5.53%	4.86%--5.35%	4.86%
Short-term			
Bank loans	4.78%--5.53%	4.37%--6.72%	4.78%--5.23%
Other borrowings	4.37%--5.40%	4.37%--6.33%	4.37%--4.78%

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

177

24. BORROWINGS (Continued)

(d) Long-term borrowings are repayable as follows:

	Group At December 31,		Company At December 31,
	2010	2009	2010
Within 1 year	1,437,592	1,035,528	23,000
After 1 year but within 2 years	2,939,844	1,106,674	1,178,000
After 2 years but within 5 years	6,356,910	3,748,428	114,000
After 5 years	12,660,105	9,434,890	116,000
	23,394,451	15,325,520	1,431,000
Wholly repayable within 5 years	1,155,000	450,000	1,150,000

(e) The carrying amounts of borrowings are denominated in the following currencies:

	Group At December 31,		Company At December 31,
	2010	2009	2010
RMB	25,106,047	15,271,264	3,441,794
USD (RMB equivalent)	470,226	546,256	—
	25,576,273	15,817,520	3,441,794

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

178

25. TRADE AND BILLS PAYABLE

	Group At December 31,		Company At December 31,
	2010	2009	2010
Trade payables	44,115	6,054	1,326
Bills payable	41,000	—	—
	85,115	6,054	1,326

At December 31, 2010 and 2009, substantially all trade and bills payable are within one year since the invoice date.

At December 31, 2010 and 2009, all trade and bills payable are denominated in RMB.

26. OTHER PAYABLES

	Group At December 31,		Company At December 31,
	2010	2009	2010
Payables for acquisition of property, plant and equipment	4,147,615	2,241,968	2,465
Payables for CDM projects	61,836	27,317	244
Payables for land use rights	10,290	2,492	—
Payables for staff related costs	22,379	10,626	2,006
Payables for other taxes	20,580	17,503	2,644
Interests payable	53,731	27,357	5,141
Dividends payable	134,997	36,924	100,297
Amounts due to related parties	4,000	550,650	—
Other accruals and payables	177,799	63,509	83,289
	4,633,227	2,978,346	196,086

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

179

26. OTHER PAYABLES (Continued)

The carrying amount of the Group and the Company's other payables are denominated in the following currencies:

	Group At December 31,		Company At December 31,
	2010	2009	2010
RMB	4,571,391	2,951,029	195,842
USD (RMB equivalent)	815	736	—
Euro (RMB equivalent)	61,021	26,581	244
	4,633,227	2,978,346	196,086

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

180

27. DEFERRED INCOME TAX

The analysis of deferred income tax assets and liabilities is as follows:

	At December 31,	
	2010	2009
Deferred income tax assets:		
— Deferred income tax assets to be recovered after more than 12 months	8,176	2,983
— Deferred income tax assets to be recovered within 12 months	352	12
	<u>8,528</u>	<u>2,995</u>
Deferred income tax liabilities:		
— Deferred income tax liabilities to be settled after more than 12 months	(57,982)	(59,938)
— Deferred income tax liabilities to be settled within 12 months	(3,013)	(4,357)
	<u>(60,995)</u>	<u>(64,295)</u>
Deferred income tax assets/(liabilities), net	<u>(52,467)</u>	<u>(61,300)</u>

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

181

27. DEFERRED INCOME TAX (Continued)

The gross movement on the deferred income tax account is as follows:

	At December 31,	
	2010	2009
At January 1	(61,300)	(68,460)
Tax credited to the consolidated statement of comprehensive income (Note 9)	8,833	7,160
At December 31	(52,467)	(61,300)

The movement in deferred income tax assets/(liabilities) during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	Deferred tax assets - tax losses and others	Deferred tax liabilities - assets revaluation
At January 1, 2009	192	(68,652)
Credited to the consolidated statement of comprehensive income	2,803	4,357
At December 31, 2009	2,995	(64,295)
At January 1, 2010	2,995	(64,295)
Credited to the consolidated statement of comprehensive income	5,533	3,300
At December 31, 2010	8,528	(60,995)

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

182

27. DEFERRED INCOME TAX (Continued)

Deferred income tax assets are recognized for tax losses carried-forward to the extent that the realization of the related income tax benefits through the future taxable profits is probable. The Group did not recognize deferred income tax assets in respect of certain losses that can be carried forward against future taxable income. The expiry dates of related tax losses to be utilised are summarized as follows:

	At December 31,	
	2010	2009
Year of expiry		
2012	—	—
2013	—	378
2014	6,442	7,830
2015	369	—
	6,811	8,208

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

183

28. EMPLOYEE BENEFITS

(a) Retirement benefits

The Group are required to make specific contributions to the state-sponsored retirement plan at a rate of 20% to 22% (2009:20% to 22%) of the specified salaries of the PRC employees. The PRC government is responsible for the pension liability to the retired employees. The PRC employees of the Group are entitled to a monthly pension upon their retirements.

In addition, the Group have implemented a supplementary defined contribution retirement scheme. Under this scheme, the employees of the Group make a specified contribution based on their service duration. The Group are required to make a contribution equal to 2 to 3 times of the staff's contributions. The Group may, at their discretion, provide additional contributions to the retirement fund depending on the operating results of the year. The employees will receive the total contributions and any returns thereon, upon their retirements.

The total retirement costs incurred by the Group for the year ended December 31, 2010 pursuant to these arrangements amounted to approximately RMB14.0 million (2009: RMB9.7 million).

(b) Housing fund

In accordance with the PRC housing reform regulations, the Group are required to make contributions to the state-sponsored housing fund at rates from 10% to 20% (2009: 10% to 20%) of the specified salaries of the PRC employees. At the same time, the employees are required to make a contribution based on certain percentages. The employees are entitled to claim the entire sum of the fund under certain specified withdrawal circumstances. The Group have no further obligations for housing benefits beyond the contributions made above. For the year ended December 31, 2010, the Group incurred approximately RMB10.1 million (2009: RMB6.7 million) to the fund.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

184

29. COMMITMENTS

- (a) Capital commitments for the purchase of property, plant and equipment outstanding at each year-end not provided for in the consolidated financial statements were as follows:

	Group At December 31,		Company At December 31,
	2010	2009	2010
Authorized and contracted	6,802,662	6,456,515	—
Authorized but not contracted	11,550,224	8,831,467	—
	18,352,886	15,287,982	—

- (b) At December 31, 2010, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

	Group At December 31,		Company At December 31,
	2010	2009	2010
Within 1 year	980	2,820	—
Between 2 and 5 years	3,920	4,033	—
Over 5 years	6,600	7,800	—
	11,500	14,653	—

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

185

29. COMMITMENTS (Continued)

(c) Commitment for capital contribution

	Group At December 31,		Company At December 31,
	2010	2009	2010
Commitment for capital contribution	41,848	323,773	249,777

30. CONTINGENT LIABILITIES

At December 31, 2010, the Group and the Company do not have significant contingent liabilities.

31. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

Parties are considered to be related if one party has the ability, directly or indirectly, control or jointly control the other party, or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control, jointly control or significant influence. State-owned enterprises and their subsidiaries, other than entities under Datang Corporation (also a state-owned enterprise), directly or indirectly controlled by the PRC government are also defined as related parties of the Group in accordance with IAS 24 "Related Party Disclosures".

Apart from business combinations under common control in connection with the Reorganization as set out in Note 1, significant related party transactions which were carried out in the normal course of businesses of the Group during the year ended December 31, 2010 and related balances at December 31, 2010 are as follows:

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

186

31. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

(Continued)

(a) Significant related party transactions arising with Datang Corporation and its subsidiaries

	Group	
	Year ended December 31,	
	2010	2009
Purchases of equipment from:		
— Parent company	—	3,536
— Fellow subsidiaries	1,789,405	1,431,318
	1,789,405	1,434,854
Purchases of engineering, project construction, general contracting services and/or supervising service from:		
— Fellow subsidiaries (Note (i))	1,194,212	1,213,854
Working capital provide to:		
— Parent company	5,136	10,055
— Fellow subsidiaries	234,573	228,728
	239,709	238,783
Working capital received from:		
— Parent company	1,200,000	6,988
— Fellow subsidiaries	426,414	487,449
	1,626,414	494,437
Entrusted loans via:		
— A fellow subsidiary	289,000	—

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

187

31. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

(Continued)(a) Significant related party transactions arising with Datang Corporation and its subsidiaries *(Continued)*

	Group	
	Year ended December 31,	
	2010	2009
Borrowing from:		
— A fellow subsidiary	1,857,000	1,469,000
Interest expense on borrowings and advances from:		
— Parent company	2,349	143
— Fellow subsidiaries	75,096	79,261
	77,445	79,404
Interest income on advances to:		
— Fellow subsidiaries	2,037	2,457
Assets transferred to:		
— Fellow subsidiaries <i>(Note (ii))</i>	19,991	—

Notes:

- (i) General contracting services includes services of equipment purchases and project constructions.
- (ii) In year 2010, two subsidiaries of the Company, Datang Jixian and Datang Qiqiha'er, transferred part of their assets, to Datang Heilongjiang Renewable Power Development Company Limited, one of Datang Corporation's subsidiary, at the total consideration of RMB12 million and RMB8 million, which equalled their carrying value, respectively.

All above transaction with related parties are conducted on prices and terms mutually agreed by the parties involved, and determined with reference to market prices.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

188

31. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

(Continued)

(b) Year-end balances due from/(to) Datang Corporation and its subsidiaries

	Group	
	At December 31,	
	2010	2009
Included in 'prepayments, other receivables and other current assets': (Note (i))		
— Parent company	—	23,916
— Fellow subsidiaries	10,647	187,233
	10,647	211,149
'Cash and cash equivalents' deposited with: (Note (ii))		
— A fellow subsidiary	—	15,837
Included in 'borrowings': (Note (ii))		
— A fellow subsidiary	—	(1,416,000)
Included in 'trade and bills payable':		
— A fellow subsidiary	(3,498)	—
Included in 'other payables': (Note (i))		
— Parent company	(100,297)	(9,862)
— Fellow subsidiaries	(839,590)	(1,203,704)
	(939,887)	(1,213,566)

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

189

31. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(b) Year-end balances due to/(from) Datang Corporation and its subsidiaries (Continued)

Notes:

- (i) Balances with related parties as at December 31, 2010 and 2009 were arising from non-trade activities and were primarily resulted from related party transactions disclosed in Note 34(a) and advances and reimbursement of expenses.
- (ii) This balance represents deposits with or borrowings from a fellow subsidiary which is a financial institution in the PRC.

At December 31, 2010, the balances with related parties are all unsecured, interest-free and repayable on demand. At December 31, 2009, except for cash and cash equivalents deposited with a fellow subsidiary, which bore interest rate of 0.36% to 1.17% per annum, and short-term borrowing and long-term borrowings due from a fellow subsidiary, which bore interest rate of 4.37% to 4.78% and 4.86% to 5.35%, all other amounts are unsecured, interest-free and repayable on demand.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

190

31. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

(Continued)

(c) Financial guarantees

	Group At December 31,	
	2010	2009
Long-term borrowings guaranteed by: (Note 24(a))		
— Parent company	—	5,239,304
— Fellow subsidiaries	—	1,600,840
	—	6,840,144

(d) Significant transactions with state-owned enterprises except Datang Corporation and its subsidiaries ("Other State-owned Enterprises")

For the year ended December 31, 2010, all revenue from the sales of electricity is made to the provincial power grid companies in which the group companies are operated (2009: All) and the related trade and bills receivable (Note 19) are due by these power grid companies. These power grid companies are directly or indirectly owned or controlled by the PRC government. At December 31, 2010, all trade and bills receivable (Note 19) are due from these power grid companies (2009: All).

Apart from the above, for the years ended December 31, 2010 and 2009, the Group's other significant transactions with other State-owned Enterprises are a large portion of its purchases of materials, property, plant and equipment and services. Substantially all cash and cash equivalents and borrowings at December 31, 2010 and 2009, and the relevant interest income earned and expenses incurred are transacted with banks and other financial institutions owned/controlled by the PRC government.

The transactions of revenues and expenses in nature conducted with Other State-owned Entities are based on terms as set out in the underlying agreements, based on statutory rates or market prices or actual cost incurred, or as mutually agreed.

Notes to the Financial Statements (Continued)

For The Year Ended December 31, 2010

(All amounts are in thousands of RMB unless otherwise stated)

191

31. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

(Continued)

(e) Key management personnel remuneration

	Year ended December 31	
	2010	2009
Salaries and other allowances	1,549	1,284
Discretionary bonus	849	675
Retired benefits-defined contribution plans	215	299
	2,613	2,258

Glossary of Terms

192

“attributable installed capacity”	the aggregate installed capacity of our wind power projects in which we have an interest in proportion to the level of our ownership in those projects. It is calculated by multiplying our percentage ownership in each project in which we have an interest by its installed capacity
“availability factor”	the amount of time that a wind turbine or a power plant is able to produce electricity over a certain period divided by the amount of time in such period
“average on-grid tariff”	electricity sales revenue in a period divided by the corresponding electricity sales in such period
“average utilization hours”	the consolidated power generation in a specified period (in MWH or GWH) divided by the average consolidated installed capacity in the same period (in MW or GW)
“biomass”	plant material, vegetation or agricultural waste used as a fuel or energy source
“CERs”	certified emission reductions, which are carbon credits issued by CDM EB for emission reductions achieved by CDM projects and verified by a designated operating entity under the Kyoto Protocol
“CDM”	the Clean Development Mechanism, an arrangement under the Kyoto Protocol allowing industrialized countries to invest in projects that reduce greenhouse gas emissions in developing countries in order to earn emission credits

Glossary of Terms (Continued)

"CDM EB"	the CDM Executive Board, which supervises the clean development mechanism under the authority and guidance of the Conference of the Parties to the United Nations Framework Convention on Climate Change
"consolidated installed capacity"	the aggregate installed capacity or capacity under construction (as the case may be) of our project companies that we fully consolidate in our consolidated financial statements only. This is calculated by including 100% of the installed capacity or capacity under construction of our project companies that we fully consolidate in our consolidated financial statements and are deemed as our subsidiaries. Consolidated installed capacity and consolidated capacity under construction do not include the capacity of our associated companies
"Consolidated power generation"	the aggregate gross power generation or net electricity sales (as the case may be) of our project companies that we fully consolidate in our financial statements for a specified period
"Datang Corporation"	China Datang Corporation (中國大唐集團公司), a state-owned corporation established in the PRC and a controlling shareholder and one of the Promoters of our Company
"Datang Jilin"	Datang Jilin Power Generation Company Limited (大唐吉林發電有限公司), a wholly-owned subsidiary of Datang Corporation and also our controlling shareholder and one of the Promoters of our Company
"electricity sales"	the actual amount of electricity sold by a power plant in a particular period, which equals gross power generation less consolidated auxiliary electricity
"Group" or "we" or "us"	China Datang Corporation Renewable Power Co., Limited and its subsidiaries

Glossary of Terms (Continued)

194

“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“renewable energy sources”	sustainable sources that are regenerative or, for all practical purposes, cannot be depleted, such as wind, water or sunlight
“kW”	unit of energy, kilowatt. 1 kW = 1,000 watts
“kWh”	unit of energy, kilowatt-hour. The standard unit of energy used in the electric power industry. One kilowatt-hour is the amount of energy that would be produced by a generator producing one thousand watts for one hour
“MW”	unit of energy, megawatt. 1MW=1,000 kW. The installed capacity of power plants is generally expressed in MW
“our Company”, “Company” or “we” or “us”	China Datang Corporation Renewable Power Co., Limited
“pipeline projects”	wind power projects that have been identified and reserved for future development pursuant to the wind energy investment and development agreements that we entered into with local governments at all levels under which we are authorized to develop wind farms at specified sites with certain estimated total capacity
“Prospectus”	The prospectus issued by the Company on December 7, 2010

Corporate Information

195

LEGAL NAME OF THE COMPANY

中國大唐集團新能源股份有限公司

ENGLISH NAME OF THE COMPANY

China Datang Corporation Renewable Power Co., Limited*

REGISTERED OFFICE

Room 149, Building 1,
No.3, Xijing Road,
Badachu Hi-tech Zone,
Shijingshan District, Beijing, the PRC

HEAD OFFICE IN THE PRC

8/F, Building 1,
No. 1 Caishikou Street,
Xicheng District, Beijing, the PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

8th Floor,
Gloucester Tower,
The Landmark,
15 Queen's Road Central,
Hong Kong

LEGAL REPRESENTATIVE OF THE COMPANY

Mr. Chen Jinhang

* For Identification Only

Corporate Information (Continued)

196

AUTHORIZED REPRESENTATIVES

Ms. Gloria Sau-kuen Ma

Mr. Hu Yongsheng

JOINT COMPANY SECRETARIES

Mr. Hu Guodong

Ms. Gloria Sau-kuen Ma

AUDIT COMMITTEE

Mr. Wang Guogang (*Independent Non-executive Director*) (*Chairman*)

Mr. Yu Hon To, David (*Independent Non-executive Director*)

Mr. Jian Yingjun (*Non-executive Director*)

NOMINATION COMMITTEE

Mr. Wu Jing (*Non-executive Director*) (*Chairman*)

Mr. Liu Chaoan (*Independent Non-executive Director*)

Mr. Wang Guogang (*Independent Non-executive Director*)

Corporate Information (Continued)

197

REMUNERATION AND APPRAISAL COMMITTEE

Mr. Wu Jing (*Non-executive Director*) (*Chairman*)

Mr. Yu Hon To, David (*Independent Non-executive Director*)

Mr. Liu Chaoan (*Independent Non-executive Director*)

STRATEGIC COMMITTEE

Mr. Yin Li (*Non-executive Director*) (*Chairman*)

Mr. Hu Yongsheng (*Executive Director*)

Mr. Zhang Xunkui (*Executive Director*)

AUDITORS

PricewaterhouseCoopers

22nd Floor, Prince's Building,
Central, Hong Kong

PricewaterhouseCoopers Zhong Tian CPAs Limited Company

11/F., PricewaterhouseCoopers Center,
2 Corporate Avenue,
202 Hu Bin Road,
Luwan District,
Shanghai, the PRC

Corporate Information (Continued)

198

LEGAL ADVISORS

As to Hong Kong law

Clifford Chance

28/F, Jardine House,
One Connaught Place,
Central, Hong Kong

As to Chinese law

Zhong Lun Law Firm

36-37/F, SK Tower,
6A Jianguomenwai Avenue,
Chaoyang District,
Beijing, the PRC

COMPLIANCE ADVISOR

China Everbright Capital Limited

40/F, Far East Finance Center,
16 Harcourt Road, Hong Kong

Corporate Information (Continued)

199

PRINCIPAL BANKS

- Industrial and Commercial Bank of China Limited Beijing Branch

Tower B, Tianyin Mansion,
No. 2 Fuxingmen Nandajie,
Xicheng District, Beijing, the PRC

- Bank of China Limited

Beijing Xuanwu Sub-branch

No. 1 South Xinhua Street,
Xuanwu District, Beijing, the PRC

- China Construction Bank Corporation

Beijing Xuanwu Sub-branch

No. 314 Guang'anmen Neidajie,
Xuanwu District, Beijing, the PRC

- Bank of Communications Co., Ltd. Beijing Branch

No. 33 Financial Street,
Xicheng District, Beijing, the PRC

H SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited

Shops 1712-1716, 17th Floor,
Hopewell Centre,
183 Queen's Road East,
Wanchai, Hong Kong

Corporate Information (Continued)

200

STOCK CODE

01798

INVESTOR INQUIRIES

Investor Hotline: 86 10 8395 6523

Fax: 86 10 8395 6519

Website: www.dtxny.com.cn



中国大唐集团新能源股份有限公司
China Datang Corporation Renewable Power Co., Limited*

