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

2011 ANNUAL REPORT



** For identification purpose only*

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Chairman's Statement

Chairman
Chen Jinhang

DEAR SHAREHOLDERS,

Looking back to 2011, in face of fierce competition in the renewable energy industry both at home and abroad, the Group, intent all along on building itself into a first-rate listed enterprise, has proactively promoted industrialized, diversified and international operations under the development strategy of "Complete Industrial Chain, All-round Businesses, Advanced Technology, and International Operation", sparing no efforts to fulfill its commitment to shareholders and investors ever since its listing.

As at December 31, 2011, the Group's consolidated installed capacity increased from 4,028 MW in 2010 to 5,259 MW, representing an increase of 30.56%, and profit attributable to the equity holders of the Company increased from RMB455.8 million at the end of 2010 to RMB729.8 million, up 60.11% year on year.

Amid concerns over the global climate change issue, our Company has always been committed to our mission of advancing the development of renewable energy projects and performing the obligation of energy conservation and emission reduction. During 2011, we reduced carbon dioxide emissions by 7,450,000 tonnes which is equivalent to a saving of 3,010,000 tonnes standard coal, and we had 605 MW Clean Development Mechanism ("CDM") projects successfully registered with the United Nations' CDM Executive Board.

Looking into 2012, the world economy will still encounter various complications. China will focus on transforming economic growth modes and building a green and low-carbon society as part of its major development targets during the "12th Five-Year Plan" period. With the consolidation of upstream industries and upgrade of wind power standards, the wind power market is bound to enter a phase of quality enhancement; and the solar power industry will come to a critical stage for both cost reduction and technical renovation, under the influence of the State's benchmark on-grid tariff. The entire renewable energy industry in the PRC is expected to grow more robust amid intense competition.

With both opportunities and challenges coming ahead, the board of the directors (the "Board) of the Group, in strict compliance with its established duties and responsibilities, will tackle all the challenges in a sober and composed manner, innovate governance approaches, boost decision making efficiency, and procure the senior management and employees at all levels of the Company to accelerate optimization of the growth pattern, strive for better growth quality, enhance our profitability, growth capability and control capability comprehensively, while maintaining our dominance in the domestic wind power sector. We aims to turn the Company into a domestically leading and world-class renewable energy enterprise, endeavouring to bring greater and more investment returns to our shareholders.

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

Message from the President

President
Hu Yongsheng

DEAR SHAREHOLDERS,

The year of 2011 was quite an extraordinary year during the development of the Group. In this year, with the support from all circles in the society, under the leadership of the Board and through the concerted efforts of all staff, the Company, by overcoming various difficulties with determination and courage, fully achieved its business development goals, and made new breakthroughs in its development history.

Consolidated installed capacity kept increasing. As at December 31, 2011, the Group's new installed capacity during the year amounted to 1,231 MW, representing a year-on-year growth of 30.56% and pushing up its total installed capacity to 5,259 MW.

Power generation and profits grew at a rapid pace. The Group's power generation for the year amounted to 7,451 GWh, representing a year-on-year growth of 44.62%, or 2,299 GWh. Profit attributable to the equity holders of the Company for the year amounted to RMB729.8 million, representing an increase of 60.11% over 2010.

With a more rational strategic geographical layout, the Group 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, with projects under development in 30 provinces (autonomous regions and municipalities directly under the central government) nationwide. It has entered into agreements for wind resources development with local governments of various levels, and commenced wind testing works, which has realized rational strategic geographical layout.

Technological innovation further enhanced corporate growth in the long run. In 2011, the Group explored new approaches for wind power development technologies, achieved substantial results in supply of heat using idle wind power units, large-scale and distributed wind power development and obtained high recognition from the National Energy Administration.

In respect of overseas business development, the Group continued to step up efforts in its cooperation projects in the USA, Brazil, Australia and Eastern Europe, and have carried out feasibility studies over 46 renewable energy projects in 18 countries, thus has determined the development philosophy and deployment plan for overseas business.

While consolidating its leading position in the domestic wind power sector, the Group actively explored other renewable energy businesses. On one hand, we steadily developed solar power projects, selectively developed favourable power projects in biomass, CBM and energy performance contracting ("EPC"). On the other hand, we paid close attention to policy changes and the development of the industry, and actively explored highly profitable projects.

In 2012, China's economy is likely to maintain rapid growth, thus offering important strategic opportunities for development of the wind power industry. The Group will seize the favourable opportunities to roll out its development strategy of "Complete Industrial Chain, All-round Businesses, Advanced Technology, and International Operation", with focus on economic benefit, and continuously boost its management level, profitability, development capability and control capability in a bid to realize optimal development.

Finally, on behalf of the management the Group, I would like to extend our sincere gratitude to the shareholders' general meeting, the Board and the Supervisory Committee for their trust and support and to all our staff for their hard work and contribution. In the new year, we are poised to seize every opportunity and make more efforts to build the Company into a public renewable energy company with top-rank performance.

Company Profile

The Company is a subsidiary controlled by 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, 2011, the Group had a total of 7,273,701,000 shares issued.

Principal activities: 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; import and export services of renewable energy equipment and technologies; external investment; renewable energy-related trainings and consulting services; as well as lease of property.

Strategic objectives: under the development strategy of "Complete Industrial 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 at the end of 2011, the Group's new wind power consolidated installed capacity for the year amounted to 1,144 MW, and wind power consolidated installed capacity amounted to 5,172 MW. Wind resource reserves amounted to 93,934 MW, and operating, under-construction and pipeline projects spread across 30 provinces (autonomous regions and municipalities directly under the central government), except Tibet Autonomous Region, 156 prefecture-level cities and 312 regions (counties).

Other renewable energy sources business: the Group is actively engaged in the development of other renewable sources business including solar power, biomass, CBM as well as EPC. The Company's solar power photovoltaic projects in Qingtongxia of Ningxia and Delingha of Qinghai have commenced production in succession, and such pipeline solar power generation projects have a prospective capacity of 8,793 MW. On biomass development, the Company adopts a recycling economy approach and has developed biomass comprehensive utilization projects in 11 provinces nationwide. The Company has started CBM power generation projects in regions including Inner Mongolia, Shanxi, Henan and Guizhou, and the 5-MW CBM power generation project in Majunyu of Shanxi has commenced operation upon completion of construction. On EPC, the Group's residual heat utilization projects at Lucheng of Shanxi were proactively in progress, and we had pipeline EPC projects with a prospective capacity of 436 MW.

Corporate Structure: as of December 31, 2011, the Company's corporate structure was as follows:

- Datang Jilin — 8.24%
- Datang — 57.37%
- Shareholders of H Shares — 34.39%

the Company

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

- 100% Datang Xiangyang Wind Power Generation Co., Ltd.
- 31% Datang Jilin Wind Power Generation Co., Ltd.
- 51% Datang Zhongdian (Jilin) Power Generation Co., Ltd.
- 51% Datang Zhongdian (Jilin) Renewable Power Company Limited
- 100% Datang Zhangbei Wind Power Generation Co., Ltd.
- 100% Chifeng Tangneng Renewable Power Co., Ltd.
- 28% Shanghai Dong Hai Wind Power Generation Co., Ltd.
- 100% Datang Eryuan Wind Power Generation Co., Ltd.
- 90% Datang Sanmenxia Wind Power Generation Co., Ltd.
- 100% Datang Jingtai Wind Power Generation Co., Ltd.
- 100% Datang Yumen Changma Wind Power Generation Co., Ltd.
- 60% Gansu Datang Yumen Wind Power Co., Ltd.
- 100% Datang Shandong Renewable Power Co., Ltd.
  - 100% Datang Laizhou Wind Power Generation Co., Ltd.
  - 100% Shandong Datang International Dongying Wind Power Generation Co., Ltd.
  - 100% Datang Wendeng Wind Power Generation Co., Ltd.
  - 100% Datang Pingdu Wind Power Generation Co., Ltd.
- 100% Datang Jiaonan Wind Power Generation Co., Ltd.
- 100% Datang Daqing Donghui Renewable Power Co., Ltd.
- 100% Datang Daqing Donggang Renewable Power Co., Ltd.
- 100% Datang Renewable Power Qingtongxia Co., Ltd.
- 100% Datang Tuquan Wind Power Co., Ltd.
- 60% Datang (Taonan) Sanhe Renewable Power Co., Ltd.
- 75% Jianping Shiyingzi Wind Power Generation Company Limited
- 100% Beijing Tanghao Electricity Engineering Technology Reasearch Co., Ltd.
- 100% Datang (Kezuohouqi) Renewable Power Co., Ltd.

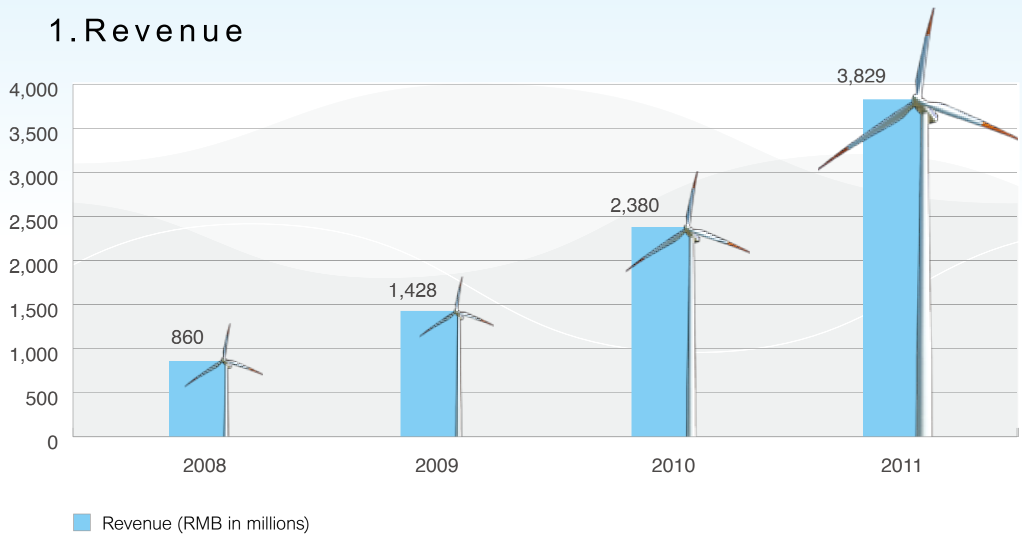
- 100% Datang Renewables (H.K.) Co., Limited
  - 100% Datang Renewables (Sigapore) Pte., Limited
    - 63.75% Auschina Energy Development Limited
- 100% Datang Guilin Renewable Power Co., Ltd.
- 100% Datang Wuwei Renewable Power Co., Ltd.
- 100% Datang Changzhi Renewable Energy Power Generation Co., Ltd.
- 100% Datang Tongxin Renewable Power Co., Ltd.
- 100% Datang Jingbian Renewable Power Co., Ltd.
- 100% Datang Bayannur Wind Power Generation Co., Ltd.
- 100% Datang Xilin Gol Wind Power Generation Co., Ltd.
- 100% Datang Tsitsihar Wind Power Generation Co., Ltd.
- 100% Datang Jixian Wind Power Generation Co., Ltd.
- 51% Datang Hailin Wind Power Generation Co., Ltd.
- 100% Datang Huachuan Wind Power Generation Co., Ltd.
- 82.33% Datang Yilan Wind Power Generation Co., Ltd.
- 70% Datang Huanan Wind Power Generation Co., Ltd.
- 100% Datang Renewable Shuozhou Wind Power Generation Co., Ltd.
- 51% Datang Yaneng Renewable Power Nantong Co., Ltd.
- 95% Datang Yunnan Renewable Power Co., Ltd.
- 100% Datang Renewable Qujing Qilin Wind Power Generation Co., Ltd.
- 100% Datang Yantai Renewable Power Co., Ltd.
- 60% Datang (Chifeng) Renewable Power Co., Ltd.
  - 100% Datang Duolun Renewable Power Co., Ltd.
- 100% Datang Wuzhong Renewable Power Co., Ltd.
- 51% Datang Sanhe (Linxi) Renewable Power Co., Ltd.
- 100% Datang Hulumber Wind Power Generation Co., Ltd

- 100% Datang (Zhangzhou) Renewable Power Co., Ltd.
- 100% Datang Weihai Renewable Power Co., Ltd.
- 100% Datang Hunyuan Mimazongliang Renewable Power Co., Ltd.
- 100% Datang (Keyouzhongqi) Renewable Power Co., Ltd.
- 100% Datang Suibin Renewable Power Co., Ltd.
- 100% Datang Delhi Renewable Power Co., Ltd.
- 95% Datang Weifang Renewable Power Co., Ltd.
- 85% Harbin Ruichi Wind Power Co., Ltd.
- 100% Datang Dianbai Renewable Power Co., Ltd.
- 100% Datang (Zunhua) Renewable Power Co., Ltd.
- 100% Datang Huai'an Renewable Power Co., Ltd.
- 100% China Datang Times Energy Technology Co., Ltd.
- 95% Datang Yuxi Renewable Power Co., Ltd.
- 100% Datang Wulan Renewable Power Co., Ltd.
- 60% Datang Guoxin Binhai Offshore Wind Power Generation Co., Ltd.
- 100% Datang Fengning Renewable Power Co., Ltd.
- 100% Datang (Hohhot) Renewable Power Co., Ltd.
- 30% Xiangdian Wind Power (Fujian) Company Limited
- 70% Datang Huludao Renewable Power Co., Ltd.
- 100% Datang Xing'anmeng Renewable Power Co., Ltd.
- 100% Datang Baotou Renewable Power Co., Ltd.
- 51% Datang Baotou Yaneng Power Co., Ltd.
- 80% Dalian Datang Haipai Renewable Power Co., Ltd.
- 60% Datang (Chaoyang) Renewable Power Co., Ltd.
- 51% Inner Mongolia Datang Wanyuan Renewable Power Co., Ltd.
- 100% Bayannur Wulate Houqi Fuhui Wind Energy Power Co., Ltd.

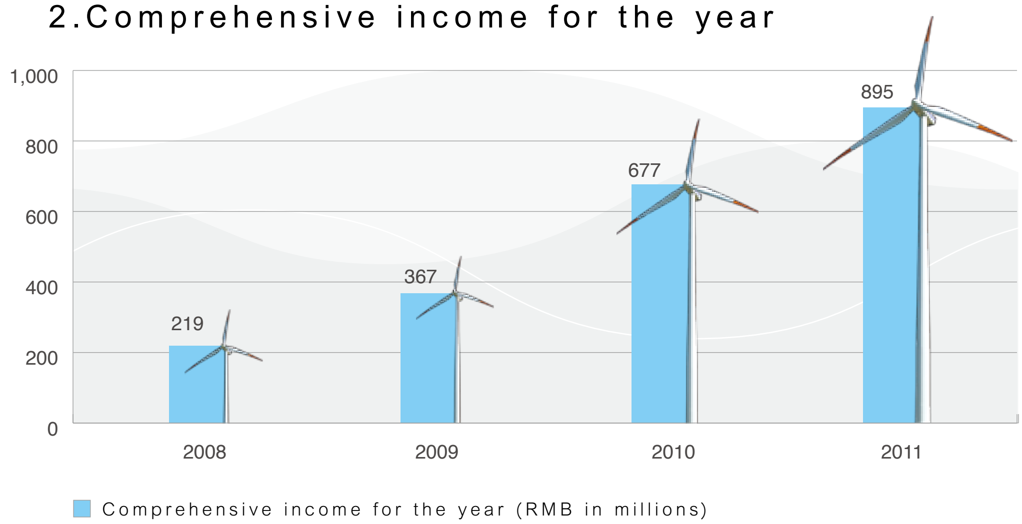
- 100% Bayannur Wulate Zhongqi Fuhui Wind Power Generation Co., Ltd.
- 100% Datang (Tongliao) Huolinhe Renewable Power Co., Ltd.
- 51% Datang Sino-Japan (Chifeng) Renewable Power Co., Ltd.
- 100% Datang Kailu Renewable PowerCo., Ltd.
- 100% Datang Zhalute Qi Renewable Power Co., Ltd.
- 100% Ning'an Jingbo Erdaoling Wind Power Generation Co., Ltd.
- 100% Datang Wengniute Qi Renewable Power Co., Ltd.
- 100% Datang Xianghuang Qi Renewable Power Co., Ltd.
- 100% Datang Lingwu Renewable Power Co., Ltd.
- 100% Ning'an Jingbo Toudaoling Wind Power Generation Co., Ltd.
- 80% Datang Tebian Electricity Apparatus Tulufan Renewable Power Co., Ltd.
- 100% Datang Aluke'erqin Qi Renewable Power Co., Ltd
- 100% Datang Renewable Power Shuozhou Pinglu Wind Power Co., Ltd.
- 95% Datang Hubei Renewable Power Co., Ltd.
- 100% Datang Huludao Wind Power Generation Co., Ltd.
- 51% DTM (Beijing) Energy Technology Development Co., Ltd.
- 100% Datang Yan'an Renewable Power Co., Ltd.
- 100% Datang Shuyang Renewable Power Co., Ltd.
- 100% Datang Sihong Renewable Power Co., Ltd.
- 100% Datang Lianyungang Renewable Power Co., Ltd.
- 100% Datang Siyang Renewable Power Co., Ltd.
- 100% Datang Wendeng Clean Energy Development Co., Ltd.
- 100% Datang Laizhou Renewable Power Co., Ltd.

Key Operating and Financial Data

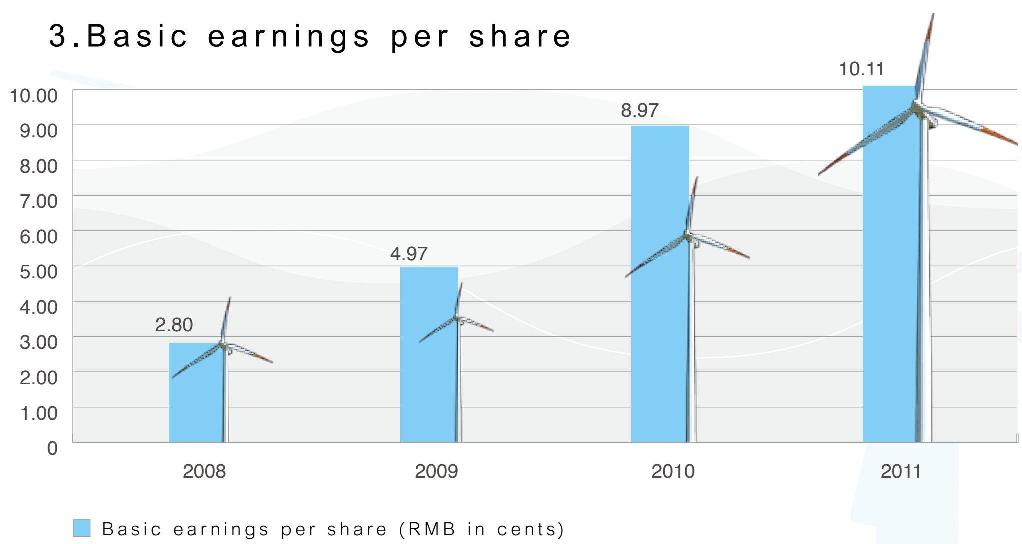
1. Revenue



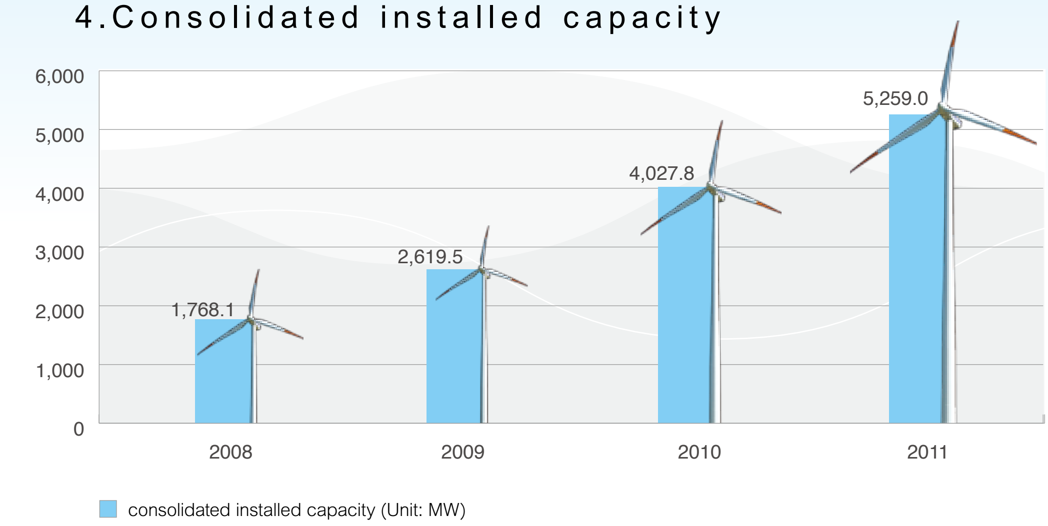
2. Comprehensive income for the year



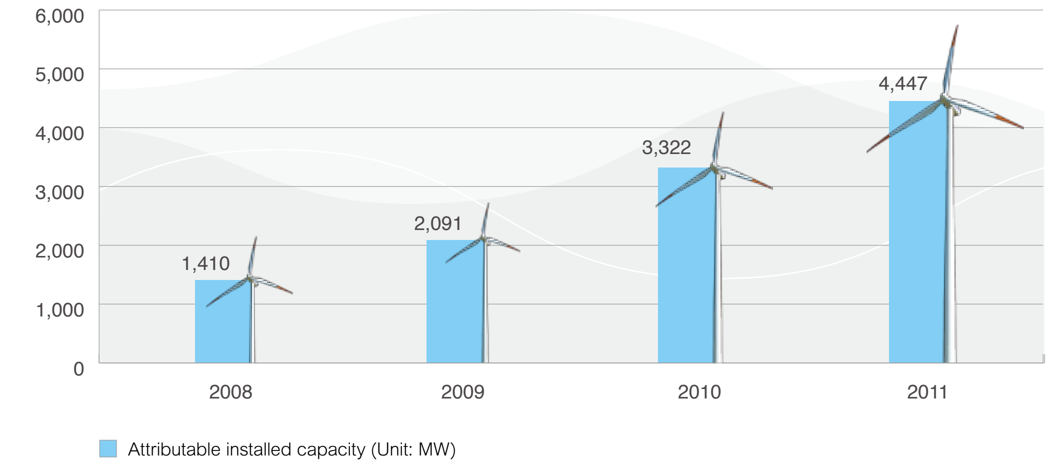
3. Basic earnings per share



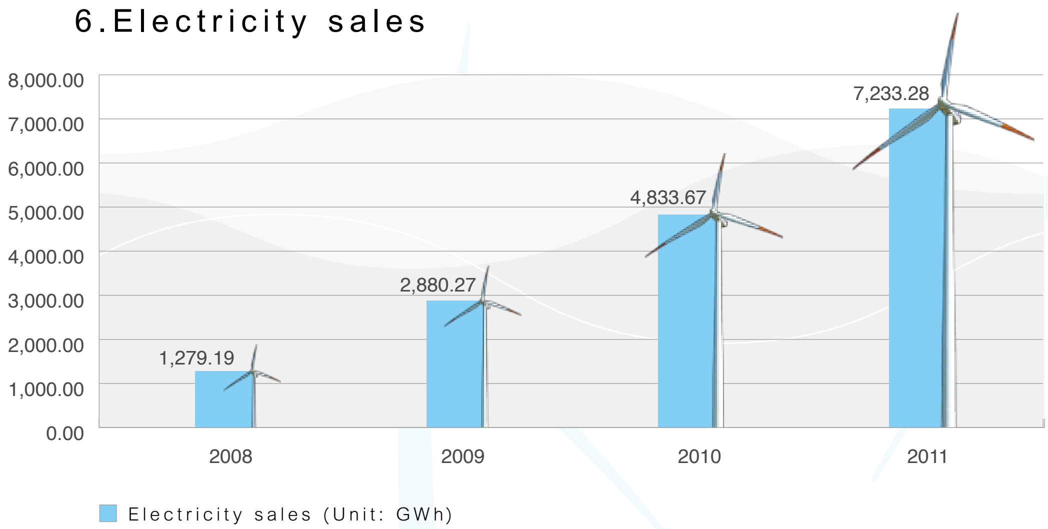
4.Consolidated installed capacity



5.Attributable installed capacity



6.Electricity sales



Financial Highlights

	Year ended December 31			
	2011	2010	2009	2008
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Revenue	3,828,808	2,379,727	1,428,072	860,282
Other income and other gains-net	518,350	368,705	206,838	120,664
Operating expenses	(1,918,177)	(1,245,808)	(775,120)	(519,173)
Operating profit	2,428,981	1,502,624	859,790	461,773
Profit before taxation	1,005,258	734,586	384,203	240,235
Income tax	(34,954)	(57,105)	(17,326)	(21,725)
Profit for the year	970,304	677,481	366,877	218,510
Total other comprehensive loss	(75,695)	—	—	—
Total comprehensive income for the year	894,609	677,481	366,877	218,510
Profit attributable to:				
— Equity holders of the Company	729,842	455,831	248,386	139,825
— Non-controlling interests	240,462	221,650	118,491	78,685
	970,304	677,481	366,877	218,510
Total comprehensive income attributable to:				
— Equity holders of the Company	654,147	455,831	248,386	139,825
— Non-controlling interests	240,462	221,650	118,491	78,685
	894,609	677,481	366,877	218,510
Basic and diluted earnings per share for profit attributable to equity holders of the Company (expressed in RMB per share)	0.1011	0.0897	0.0497	0.0280

	At December 31			
	2011 *RMB'000*	2010 *RMB'000*	2009 *RMB'000*	2008 *RMB'000*
		Restated		
Total non-current assets	42,574,808	32,181,336	21,950,708	14,117,990
Total current assets	11,708,097	9,178,594	2,588,986	1,463,034
Total assets	54,282,905	41,359,930	24,539,694	15,581,024
Equity attributable to equity holders of the Company	9,088,648	8,352,742	3,852,074	2,825,977
Non-controlling interests	2,647,019	2,197,650	1,793,193	1,485,347
Total equity	11,735,667	10,550,392	5,645,267	4,311,324
Total non-current liabilities	29,717,142	22,023,169	14,354,287	7,642,550
Total current liabilities	12,830,096	8,786,369	4,540,140	3,627,150
Total equity and liabilities	54,282,905	41,359,930	24,539,694	15,581,024

Note:

The financial information of the Group for the years ended December 31, 2008 and 2009 was extracted from the Company's 2010 annual report published on April 10, 2011, which also set forth the details of the basis of presentation of the consolidated financial statements. The financial information of the Group as at December 31, 2010 and for the year then ended was restated in the consolidated financial statments for the business combinations under common control which occurred during 2011. The financial information of the Group for the year ended December 31, 2011 is set forth on pages 84 to 196, and is presented on the basis set out in Note 2.1 to the financial statements.

Management Discussion and Analysis

I. INDUSTRY OVERVIEW

The year of 2011 witnessed the start of China's "12th Five-Year Plan", as well as the exceptionally complicate economic conditions. Internationally, with the European debt crisis deepening further and recovery of the American economy faltering, financial markets worldwide were trapped in depression. Domestically, as the PRC government adopted the strategy of "stabilizing economy, adjusting structure and curbing inflation" for its economic development, the overall national economy demonstrated steady and robust growth momentum.

In 2011, the government vigorously promoted development of renewable energy as a significant measure to fight climate change, save energy and reduce emission, and raised tariff surcharge of electricity generated from renewable energy. In addition, it issued in succession 18 technical standards including the Technical Specifications for Large Wind Farms Grid Connection Design (大型風電場並網設計技術規範), which has enhanced the level of wind generating units in a continuous manner. All these have brought a new growth opportunity for the wind power industry. Further, with the launch of provisions on the benchmark photovoltaic tariff, a research and application guided by innovation in photovoltaic technologies and involving renewable energies such as biomass and coal bed methane ("CBM") technologies was in full swing. The renewable energy industry was gradually set on a path to diversified development.

II. BUSINESS REVIEW

As at December 31, 2011, the Group's consolidated installed capacity amounted to 5,259 MW, representing an increase of 30.6% over last year. Electricity generation for the year amounted to 7,451,047 MWh, representing an increase of 44.6% over last year. The Group's average wind power on-grid tariff (tax inclusive) was RMB0.5914 per KWh, representing an increase of RMB0.0157 per KWh over 2010. Profit attributable to the equity holders of the Company amounted to RMB729.8 million, representing an increase of 60.1% over last year.

1. Proactively carrying out preliminary work to secure optimal growth of resource reserves

In 2011, the Group, positioned itself as a resources enterprise, carried out diversified and multi-level development by closely tracking policy changes and adjusting growth concepts in time. The Group has deployed projects in 30 provinces (autonomous regions and municipalities directly under the central government), 156 prefecture-level cities, and 312 regions (counties) across the PRC, with approved projects covering 17 provinces (autonomous regions and municipalities directly under the central government). Meanwhile, the Group actively promoted the development of wind power projects in low wind speed regions and achieved project approvals in Central and Eastern region as well as six provinces along the Southern Coastline. The Group also pressed vigorously ahead with development of offshore wind power projects in places such as Binhai and Sheyang in Jiangsu Province and Lingao Cape in Hainan Province, and development of overseas projects, having conducted feasibility study over 46 renewable energy projects in 18 countries, and determined the strategy for overseas projects development.

While enhancing optimal distribution of resources, the Company put more efforts in research and development of new wind power development modes such as supply of heat using idle wind power units, and centralized and decentralized development of large wind power projects. In particular, a substantial result has been achieved in the supply of heat using idle wind power units, which was highly acknowledged by the National Energy Administration, thus creating a new mode for the development and utilization of wind power in China.

As at the end of 2011, the Group had 93,933.5 MW wind resource reserve in total, among which the Central and Western region and the Southeastern Coastline region recorded on an aggregated basis an increase of 91.3% as compared with 20,695 MW for last year. A scientific and reasonable strategic distribution of nationwide resources development has basically taken shape.

As at December 31, 2011, the geographical distribution of the Group's wind resources reserve was as follows:

	Wind resources reserve capacity *(MW)*	Percentage of total wind resources reserve *(%)*
Inner Mongolia	36,909.5	39.3%
Three northeastern provinces	17,428.8	18.6%
Central and Western	27,937.7	29.7%
Southeastern Coastline	11,657.5	12.4%
Total	93,933.5	100%

2. Continuing to strengthen project management for steady progress of project construction

In 2011, the State introduced a series of regulatory measures on the approval procedures and grid-connection standards for wind power projects, which, to a certain extent, affected the construction and commissioning progress of our wind power projects in the short run. As at December 31, 2011, the Group's consolidated installed capacity amounted to 5,259 MW, including 5,172 MW of consolidated wind power installed capacity and 87 MW of consolidated installed capacity of other renewable energy sources. Newly-added consolidated installed capacity in 2011 amounted to 1,231 MW. The consolidated installed capacity in Inner Mongolia, Northeastern, Central and Western as well as Southeastern Coastline regions was as follows:

Region	Consolidated installed capacity as at the end of 2011 (MW)	Consolidated installed capacity as at the end of 2010 (MW)	Change in consolidated installed capacity *(%)*
Inner Mongolia	2,309.3	2,016.6	14.5%
Northeastern	1,177.4	977.4	20.5%
Central and Western	1,008.3	597.3	68.8%
Southeastern Coastline	764.0	436.5	75.0%
Total	5,259.0	4,027.8	30.6%

In facing such difficulties as the prolonged pre-approval process and the geographical dispersion of infrastructure projects, the Company took various measures, efficiently arranged construction tendering, and endeavored to co-ordinate and tackle challenges in project construction. Work safety at construction sites was generally secured, without any significant injuries or casualties or other major safety incidents. Accordingly, the safety level at construction site was improved in a continuous manner. The Company's average unit construction cost in 2011 was RMB7,730/KW, down 6.9% from last year.

3. Overcoming adverse factors and steadily elevating operation and maintenance standard

In 2011, affected by adverse factors such as low wind speed throughout the year, intensified transmission limitations in certain regions and higher percentage of wind power projects in low wind speed regions including southeastern coastline, the Group's average wind power utilization hours were 1,951 hours, representing a decrease of 8.6% over last year. The average utilization hours of the Group's wind farms by geographical area were as follows:

Region	Average utilization hours of wind power for 2011 (hours)	Average utilization hours of wind power for 2010 (hours)
Inner Mongolia	2,054.6	2,163.8
Northeastern	1,862.5	2,132.8
Central and Western	1,854.4	1,964.4
Southeastern Coastline	1,808.9	2,076.4
Annual average	1,950.8	2,133.6

In response to the aforesaid unfavorable objective conditions, the Group targeted at the prevention of safety risks, achieving initial results in developing intrinsically-safe wind farms. The power generation capacity of our generating units kept improving and the average utilisation rate of our wind turbines reached 98.6%, a leading level in the industry. Meanwhile, the Group also actively explored the "unwatched and slightly attended" model in large wind farms and promoted the research and development of comprehensive simulation training systems for operation and maintenance of wind power by setting up simulation training centres in our repair company and Chifeng company, realized the simulation teaching of the operation and maintenance of wind turbines and substations, thereby further improving wind power generation and management systems and mechanisms.

As at December 31, 2011, the Group generated electricity of 7,451,047MWh on an accumulative basis, representing a year-on-year increase of 44.6%.

4. Accurately grasping the industry development trend and actively developing other renewable energy businesses

In 2011, in a bid to consolidate its leading position in the renewable energy industry, the Group kept closely following State policies, carefully analyzed market prospects and proactively explored various renewable energy businesses.

On development of solar power, the Group's ground photovoltaic projects in Qingtongxia of Ningxia, Delingha of Qinghai, Angli Lingwu of Ningxia, etc, and the rooftop photovoltaic projects in Lianyungang and Huaian, etc., have all commenced operation and power generation, with aggregate installed photovoltaic capacity of 82 MW; meanwhile, our 50-MW concentrated solar power project in Ordos of Inner Mongolia is progressed intensely. As at December 31, 2011, the Company had pipeline solar power generation projects with a prospective capacity of 8,793 MW.

On development of biomass, the Group's biomass power generation project in Nanpi and projects for comprehensive utilization of biomass in Nanning and Jilin are proceeding well. As at December 31, 2011, we had pipeline biomass projects with a prospective capacity of 620 MW.

On CBM power generation, the Group already started preliminary work in such regions as Inner Mongolia, Shanxi, Henan and Guizhou, and the 5-MW CBM power generation project in Majunyu of Shanxi has completed construction during the year. As at December 31, 2011, we had pipeline CBM projects with a prospective capacity of 21 MW.

On energy performance contracting ("EPC") aspect, the Group's residual heat utilization projects at Lucheng of Shanxi were still under construction. As at December 31, 2011, we had pipeline EPC projects with a prospective capacity of 436 MW.

As at December 31, 2011, the increase in the Group's other renewable energy resources reserve was as follows:

Region	Reserve capacity as at the end of 2011 (MW)	Reserve capacity as at the end of 2010 (MW)	Change (%)
Solar power	8,793	7,174	22.6%
Biomass	620	180	244.4%
CBM	21	18	16.7%
EPC	436	—	—
Total	9,870	7,372	33.9%

5. Taking multiple measures to secure revenue streams and steadily enhancing the profitability

In 2011, the Group responded actively to such adverse conditions as the tight monetary policy in China and the rising finance expenses as a result of Renminbi appreciation, endeavoured to explore power generation potential and kept improving staff's efficiency awareness by taking multiple measures and making concerted efforts, thereby achieving a noticeable increase in operating results.

The Company fully utilized the financing function of capital market and issued RMB4.2 billion corporate bonds and RMB2 billion short-term debentures, which has helped lower finance expenses of the Company.

Leveraging on the brand advantage of Datang Renewables, the Company has completed the acquisition of equity interests in the wind power projects such as Harbin Ruichi, Shandong Laizhou and Shandong Wendeng, thus enhancing its profitability.

The Company managed to extend the industrialization chain. Our repair company obtained the State's grade-3 qualification licenses for installation, repairing and testing, and independently completed installation of a 50-MW wind farm and a 200-MW substation, which indicating its successful entry into the construction and installation field. Through cooperation with Shenyang Blower Works Group Corporation and Asia Renewable Energy Limited (亞洲新能源公司), the Company made its way into the industrial processing field and added another profit growth point. Datang Mercuria (Beijing) Energy Technology Development Co., Ltd. (大唐摩科瑞（北京）能源科技發展有限公司), jointly established by the Company and Mercuria Energy Group Ltd., has possessed the expertise in independent development of CDM projects. As at December 31, 2011, the Group had cumulatively registered 50 CDM projects with the CDM Executive Board of the United Nations, with aggregate installed capacity of 2,916 MW, of which 13 projects were newly registered in 2011, with additional capacity of 605 MW. The Group recorded a total income of RMB370.8 million from CDM projects in 2011, representing an increase of 61.6% over 2010.

In 2011, profit attributable to the equity holders of the Company amounted to RMB729.8 million, representing an increase of 60.1% as compared with RMB455.8 million for 2010.

6. Continuing with technological research and achieving remarkable results in technological innovations

In 2011, based on its positioning as a technology enterprise, the Group robustly implemented the technology-based and technology-driven development strategy.

In terms of technology application, the Group furthered research on the technology of power generation with recovered residual heat, creating new means of tapping the domestic energy conservation technology market; we pushed ahead with construction of grid-friendly wind farms, and our Dalian company and Chaoyang company were the first to obtain certification of low voltage ride-through monitoring in Liaoning; we have developed on-site power sampling devices for wind turbine, and our research institute has been able to independently measure wind turbine power curves on site according to international standards, which offers technical support for testing the efficiency of wind turbines.

In terms of application of cutting-edge technologies, the Group was officially enrolled as the supporting organization of Non-food Biomass Raw Materials R&D Center of the National Energy Administration (國家能源非糧生物質原料研發中心) and will commence research and development on the basic applied science, key technologies and equipment as well as production management policies with respect to non-food biomass raw materials, striving to build a highly-productive, high-quality and low-consuming sustainable supply system for non-food biomass raw materials. Two projects of the Company, i.e. technological development and engineering demonstration of large-scale compressed-air energy storage power station for wind power (適用於風電的大規模壓縮空氣儲能電站成套技術開發與工程示範) and solar/conventional fuel hybrid power-generation technology (太陽能熱與常規燃料互補發電技術), were included in the National High-Tech Research and Development Program of China (also known as "863" Program). In addition, Survey and Study on Carbon Emissions in Power Industry (電力行業碳排放核查研究) and Research on Key Technologies for Assessing Compliance of Wind Farm Grid Connection (風電場並網符合性評估關鍵技術研究), two national study projects under the "12th Five-Year Plan" undertaken by the Company, were approved by The Ministry of Science and Technology of China and the National Energy Administration of China respectively.

7. Constantly enhancing management level through institutional innovation

In 2011, the Group endeavoured to intensify risk prevention and control, further improved its internal control management system, clarified the responsibilities and procedures for investment decision-making, standardized the financial management model for newly-registered companies, and realized centralized monitoring, online management and comprehensive balancing of the Company's capital. Meanwhile, it innovated the region-based management system, further standardized its management model, explored establishment of a management mechanism through province-based coordination, adjusted the functions and powers of some regional companies, improved the mechanism to develop and manage preparation offices. Moreover, it strengthened staffing development, raised the quality of talents introduction, basically ensured timely placement of highly demanded professionals for preliminary work, engineering and production, continuously enhancing the quality of staffs of various specialties.

III. MANAGEMENT DISCUSSION AND ANALYSIS ON 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 and other sections therein.

1. Overview

The Group's profitability was improved substantially in 2011. Profit for the year increased 43.2% to RMB970.3 million compared to RMB677.5 million in 2010. Profit attributable to the equity holders of the Company amounted to RMB729.8 million.

2. Revenue

The Group's revenue increased by 60.9% to RMB3,828.8 million in 2011 compared to RMB2,379.7 million in 2010, primarily due to increases in on-grid electricity and income from other businesses as a result of higher installed capacity.

The Group's electricity sales revenue increased by 53.7% to RMB3,656.2 million in 2011 compared to RMB2,378.4 million in 2010, primarily due to the increase in on-grid electricity.

The Group's service concession construction revenue was RMB24.2 million for 2011.

3. Other income and other gain-net

The Group's other income and other gain-net increased by 40.6% to RMB518.4 million in 2011 compared to RMB368.7 million in 2010, primarily due to the increases in registered CDM projects, on-grid electricity and government grants.

The Group's income from CDM projects increased by 61.6% to RMB370.8 million in 2011 compared to RMB229.5 million in 2010, primarily due to the increases in registered CDM projects from 37 to 50 and on-grid power.

The Group's government grants increased by 18.4% to RMB184.9 million in 2011 compared to RMB156.2 million in 2010, primarily due to the increase in finance subsidies and VAT refund received in the year.

4. Operating expenses

The Group's operating expenses (excluding service concession construction costs) increased by 52.0% to RMB1,893.9 million in 2011 compared to RMB1,245.8 million in 2010. This increase is mainly attributable to the increases in depreciation and amortization, staff costs and other expenses.

The Group's depreciation and amortization increased by 53.5% to RMB1,360.8 million in 2011 compared to RMB886.3 million in 2010, primarily due to more generating units being put into production during the year.

The Group's labor costs increased by 97.0% to RMB187.7 million in 2011 compared to RMB95.3 million in 2010, primarily due to the increase in employees as a result of business expansion.

The Group's other operating expenses increased by 42.1% to RMB245.8 million in 2011 compared to RMB173.0 million in 2010, primarily due to the increase in generating units which incurred more expenses.

5. Operating profit

The Group's operating profit increased by 61.7% to RMB2,429.0 million in 2011 compared to RMB1,502.6 million in 2010, reflecting the further enhancement of the Company's profitability and the rapid growth of its operating profit.

6. Net finance expense

The Group's net finance expenses increased by 86.9% to RMB1,431.3 million in 2011 compared to RMB766.0 million in 2010, primarily due to the increase of interest expense as a result of more generating units being put into production, which leading the cessation of interest capitalization, the increase in exchange loss from our Hong Kong dollar-denominated deposits as a result of RMB appreciation and the increase in the cost of capital as a result of higher interest rate on bank loans.

7. Share of loss of associates and share of profit of a jointly controlled entity

The Group recorded a loss of RMB7.4 million in share of loss of associates in 2011 whilst the loss was RMB2.0 million in 2010.

The Group recorded a profit of RMB15.0 million in share of profit of a jointly controlled entity in 2011.

8. Income tax

The Group's income tax expenses dropped by 38.7% to RMB35.0 million in 2011 compared to RMB57.1 million in 2010. This decrease was mainly due to the changes of profitability of certain subsidiaries located in region with preferential income tax rate as well as the difference in the initiation and expiration of tax benefit.

9. Profit for the year

The Group's profit for the year increased by 43.2% to RMB970.3 million in 2011 compared to RMB677.5 million in 2010. For the year ended December 31, 2011, the Group's profit for the year as a percentage of our total revenue (excluding service concession construction revenue) decreased to 25.5% compared to 28.5% in 2010, primarily due to the increase in finance expenses.

10. Profit attributable to the equity holders of the Company

The profit attributable to the equity holders of the Company increased by 60.1% to RMB729.8 million in 2011 compared to RMB455.8 million in 2010.

11. Profit attributable to the holders of non-controlling interests

The profit attributable to the holders of non-controlling interests of the Group increased by 8.5% to RMB240.5 million in 2011 compared to RMB221.7 million in 2010.

12. Liquidity and capital sources

As of 31 December 2011, the Group's cash and cash equivalents decreased by 17.3% to RMB4,162.4 million in 2011 compared to RMB5,031.3 million as of 31 December 2010. The main sources of the Group's operating capital are revenue from sales of electricity.

As of December 31, 2011, the Group's borrowings increased by 37.6% to RMB35,181.3 million compared to RMB25,576.3 million as at December 31, 2010. In particular, RMB5,667.3 million (including RMB2,984.4 million of long-term borrowings due within 1 year) was short-term borrowings, and RMB29,514.0 million was long-term borrowings. The above borrowings include RMB34,883.1 million of borrowings denominated in RMB, and RMB298.2 million of borrowings denominated in USD.

13. Capital expenditure

The Group's capital expenditure increased by 1.0% to RMB11,200.6 million in 2011 compared to RMB11,085.9 million in 2010. Capital expenditure mainly comprises engineering construction costs such as purchase or construction of property, plant and equipment, land use rights and intangible assets, etc.

14. Net gearing ratio

In 2011, the Group's net gearing ratio (net debt (total borrowings minus cash and cash equivalents) divided by total equity and net debt) was 72.6%, 6.5 percentage points higher than 66.1% in 2010, mainly due to the increase in total borrowings as a result of the issue of short-term debentures and corporate bonds by the Company in the period.

15. Major investment

The Group made no major investment during the year of 2011.

16. Major acquisition and disposal

In 2011, the Group entered into the agreements with Datang Shandong Power Generation Co., Ltd. (大唐山東發電有限公司) ("Datang Shandong") and Datang Shandong Electric Power Overhaul & Operation Co., Ltd (大唐山東電力檢修運營有限公司)("Datang Overhaul"), pursuant to which the Company would acquire from Datang Shangdong and Datang Overhaul the 100% equity interests in Datang Laizhou Renewable Energy Co., Ltd. (大唐萊州新能源有限公司) ("Datang Laizhou") and Datang Wendeng Clean Energy Development Co., Ltd. (大唐文登清潔能源開發有限公司) ("Datang Wendeng") respectively, at a total consideration of RMB204 million. The Company, Datang Shandong and Datang Overhaul are under the common control of Datang Corporation immediately before and after the acquisition date.

17. Pledge of assets

Some of our bank loans are secured by property, plant and equipment, intangible assets and tariff collection rights. As of December 31, 2011, net carrying value of the pledged assets amounted to RMB2,323.2 million.

18. Contingent liabilities

As at December 31, 2011, the Group had no material contingent liabilities.

IV. 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 Group has, based on the actual situation, adjusted its development strategy to further optimize resource development process and strengthen coordination and communication with governments at all levels. The newly-released 18 national standards for wind power involve key technical standards such as grid connection. The release of such standards is another important move taken by the National Energy Administration to enhance the quality management of wind power products and the control over wind power industry, which has laid a solid foundation for further establishing and improving the quality management systems concerning standard, testing and certification of wind power industry in the country as well as promoting sound and rapid development of the industry. Meanwhile, such new standards 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 in the wind power industry is increasing fiercely as many entities are investing in wind power projects, all of which are competing for resources through different ways and measures. The Group will continue to enhance the acquisition of resources and the approval of projects, scientifically adjust its portfolio, strengthen and consolidate existing resource reserves, explore new area of resources and further expand resource reserves. At the same time, the Company will enhance efforts in technology and management innovation and keep improving its core competitiveness by making use of its existing advantages.

3. Grid-related risks

With the strong support from the State's policies, China has witnessed rapid development of its wind power projects. Grids planning and construction and wind farm construction in certain regions are out of sync, which will hinder our power transmission upon completion of the projects. In addition, if all electricity generated by our wind farms upon operation at full load fails to be consumed locally, the Company may reduce its power generation. In view of this, the Group 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 mitigated during the "12th Five-Year Plan" period.

4. Risks related to development of CDM projects

As for CDM, as the first commitment period under the Kyoto Protocol ends by end of 2012 and the European debt crisis is worsening, the price of emissions units in secondary carbon market in Europe saw a substantial decline as compared with the beginning of 2011 and the possibility of risks of international buyers' default (or non-performance) was increased. From the perspective of the continuity of laws as well as market demand, especially after the Durban conference, most participating countries agreed to further fulfil the second commitment period under the Kyoto Protocol. Therefore, CDM will continue to apply. In this regard, the Group will coordinate with technical service companies, third-party accreditation bodies and buyers to work out a practicable guideline and an implementation plan, so as to effectively secure the Company's project development and gains from emission reductions.

5. Risks related to geographical concentration of wind power projects

As the Group's wind power projects are primarily located in Inner Mongolia region, our wind power business is exposed to a variety of risks peculiar to the region. Although with abundant wind resources for developing wind power projects, Inner Mongolia provides wind power companies with relatively low benchmark on-grid tariffs compared to other regions in the PRC. However, wind power projects in Inner Mongolia are currently adversely affected by transmission limitations due to the underdevelopment of local power grids. Any changes adversely affecting the local wind conditions, local grid transmission capacity, on-grid tariffs and changes in government policy in Inner Mongolia, could reduce the electricity we generate and cause our wind power business to suffer. To cope with this, the Group accordingly adjusts its project mix in response to its business strategy, changes in government policy and other factors.

6. Climate risk

The commercial viability and profitability of the Group's wind farms are highly dependent on suitable wind resources and weather conditions. The electricity and revenue generated from a wind power project are highly dependent on local climatic conditions, particularly conditions of wind resources, which vary substantially in different seasons and regions and are difficult to predict. Turbines will only start to operate when the wind speed reaches a certain minimum velocity, and must be disconnected when the wind speed exceeds a certain maximum velocity to avoid damage. The Group's investment decisions for each wind power project are based on the findings of feasibility studies conducted on site before starting construction. However, the actual climatic conditions at a project site, particularly wind conditions, may not conform to the findings of these feasibility studies, and, therefore, the wind power projects may not meet anticipated production levels, which could adversely affect our forecasted profitability.

7. Risks related to safety management

The Group has transformed its business from wind power generation to a diversified portfolio comprising wind power, solar power, biomass, CBM, and EPC, etc., with a focus on wind power. There will be more and more hazard sources and hidden hazards in the course of our business diversification, as we are yet to be familiar with the features and patterns of production safety management in these sectors and it takes time for us to establish a rigorous, sound and orderly production safety management system. In this regard, the Group will put more efforts in scientific research and promote the establishment and improvement of our production safety management system through thorough studies and practical experience.

8. Interest risk

In 2011, the People's Bank of China raised benchmark lending rates for 3 times. Such change in interest rate indicates that China is in an interest rate hike cycle, which will pose certain impact on the Group's finance expenses. Due to the rising finance expenses, the Group is further exposed to financial risks. The Group will fully utilize the financing function of capital market to issue short-term financing bills and corporate bonds, etc., and proactively broaden financing channels to lower financing costs and adjust debt structure, keep a close eye on macro economic dynamics and timely adjust our financing strategy, so as to minimize the impact from higher interest rates.

9. Exchange rate risk

Fluctuation of RMB could adversely affect the Group's financial position and operating results. The Group conduct substantially all of its business operations in China, with RMB being the functional currency. Currently, all our revenue is denominated in RMB. However, we also derive revenue from the sales of certified emission reductions ("CERs") which is denominated in foreign currencies, and we convert RMB into foreign currencies to purchase foreign equipment and services, make investments and acquisitions overseas, or pay dividends to our shareholders. We are therefore subject to risks associated with foreign currency fluctuations. Fluctuations in the value of RMB against foreign currencies may reduce our RMB revenue from the sales of CERs, increase our RMB costs for foreign acquisitions and foreign currency borrowings, or affect the prices of our imported equipment and materials. The Group will keep a close eye on the movement of exchange rates in the capital market and conduct research thereon, and use various means to enhance our control over exchange rate risk.

10. Risks related to capital intensity

The Group operates in a capital-intensive business, and a significant increase in capital costs could have a material adverse effect on our business, financial condition or operating results. We have significant construction and capital expenditure requirements, and the recovery of the capital investment in a wind farm or other renewable energy facility occurs over a long period of time. The capital investment required to develop and construct a wind power project generally varies based on the cost of the necessary fixed assets. A significant increase in the costs of developing and constructing our wind power projects could have a material adverse effect on our ability to achieve our targets and on our business, financial condition and operating results. The Group will monitor the market dynamics closely and make adjustment to our strategy accordingly. At the same time, we will make use of various financing channels to adjust our finance structure.

V. OUTLOOK

1. Opportunities

Global economy will remain weak throughout 2012 while China's economy is still expected to maintain rapid growth within a reasonable range. As the PRC government strives for transformation of the development mode and adjustment of the economic structure to cope with the complicated domestic and international economic environment, the renewable energy industry is emerging as one of the major focuses of the State and will therefore have a brighter development prospect.

As for the wind power business, the State has listed wind power as an emerging strategic industry. It is expected that the domestic wind power market will grow rapidly at the rate of approximately 15GW per year during the "12th Five-Year Plan" period. Meanwhile, the National Development and Reform Commission has increased the tariff surcharge of electricity generated from renewable energy sources from the current RMB0.4 cent/kWh to RMB0.8 cent/kWh; the quota system for wind power grid connection will also be introduced soon. All these factors indicate that China's wind power industry is entering a new stage of standard and orderly development.

As to other renewable energy businesses, with more positive policy support from the State and the technological innovation and breakthrough in renewable energy sources such as solar energy and biomass, the renewable energy industry will enter a brand-new period of development.

2. Business principles for 2012

The year 2012 is an important juncture of the "12th Five-Year Plan" period. Based on the judgement of current situation and understandings of the Company's actual conditions, the Group formulated the following business principles for 2012:

(1) *Accelerate development, optimize the distribution and improve capabilities in sustainable development*

Comprehensively promote basic management, constantly improve the basic standard and process for preliminary work; speed up the distribution optimization, ensure the orderly projects development on both the macro and micro basis, enhance development quality, further press ahead with the strategies of diversified development, proactively tap into the overseas renewable energy market; spare no effort in pushing forward project approval, comprehensively strengthen communication and coordination with national and local energy administrations and grid companies with a view to promoting project development and approval.

(2) *Use innovative means to make key breakthroughs and improve the capacity and quality of projects upon commencing operation*

Make proactive planning, work out scientific and rational production schedules, make full preparation for project construction, determine and secure construction funds, strengthen the construction and delivery of major equipment, establish a sound project construction goal system and management and appraisal system to ensure the commencement of production of projects as scheduled; reinforce guidance and supervision over units at lower level, arrange capable personnel to manage and administer key regions, key projects and tackle major limitations to ensure the smooth progress of construction; standardize management, keep improving the standards and systems for safety and quality process control, control the key aspects of construction works to improve project construction quality and create fine construction projects; strengthen process control and organize equipment biddings in due course based on the fluctuations of equipment prices, enhance the approval procedure for non-tender items and big budgets so as to lower construction costs and maximize economic benefits.

(3) *Adhere to our management concepts to enhance safety production management*

Further stick to the concepts of "specialized, standardized, informationized and intelligentized" management and "building itself into a top-rated enterprise, tapping potentials and making innovations according to the benchmarks" so as to ensure safety in production and increase in electricity output; put more effort in the construction of intrinsically-safe wind farms to promote safety management; apply the lifecycle management mode to improve equipment management; proceed with the centralized control and few-on-duty mode to enhance operation management; advance the management of intrinsically-safe, grid-friendly and environment friendly wind power enterprises to improve comprehensive management.

(4) *Innovate modes, tap potentials and increase efficiency to improve the Company's profitability*

While enhancing marketing ability and tapping potential for power generation, we will accelerate project construction and reduce loss form transmission limitations through grid-friendly wind farms and supply of heat using idle wind power units; expedite the implementation of industrialization strategy to develop a complete upstream and downstream industry chain, and foster new profit drivers in the areas of engineering design, industrial manufacturing, maintenance services, engineering installation, carbon asset management, information services, logistics and transportation; make more efforts to control costs such as strict control over the cost and expenses of every segment of the entire cost chain, tapping the potentials of inefficient assets and reasonable use of capital, so as to minimize finance expenses; continue to study fiscal policies launched by the State with a view to reaping benefits from favourable policies.

(5) *Be open to new ideas, strengthen operation and enhance competitiveness in the capital market*

Actively work for merger and acquisition of projects and make great effort in high-quality projects within or outside the Group to the extent that gains from such projects are guaranteed; speed up the building of the financial system and promote diversification of investment and financing channels; tighten up the management of information disclosure, public relations and investor relations to effectively improve the Company's management abilities.

(6) *Strengthen R&D, foster cooperation and improve abilities in technological innovation*

Strengthen the research on wind power utilization technology, break the bottleneck of development, and promote the commercialization and application of innovation results; put more effort in research on technologies of wind power application to ensure the quality and efficiency of wind power utilization to the maximum extent possible; strength research on frontier technologies to stake out a dominant position for future development and enhance the Company's core competitiveness; strengthen research on technological standards and participate in the development of the industry and national standards to enhance bargaining power in the industry.

(7) *Raise awareness, strengthen management and comprehensively enhance capabilities in risk control*

Improve the comprehensive budget management system, tighten the capital budget management, and push forward the integration of financial and related businesses; strengthen the overall risk management, strictly tighten the management of investment risk and capital risk while constantly improving risk control and internal management systems to closely monitor the risks in key parts and important project areas; enhance the management of overall responsibilities and performance appraisal for all employees, give full play to the incentive and restrictive role of such management to improve the work efficiency and quality of all employees; strengthen comprehensive planning management to ensure the full implementation of every aspect of annual plan.

(8) *Strengthen the development and cultivation of key personnel and improve the quality of employees*

Strengthen the development of the management team and build a "learning" management team so as to continuously improve their overall abilities by enhancing their executive ability; optimize the allocation of human resources and focus on the development of the team of professional staff; put more efforts in the building of the Group's headquarter and enhance its employees' learning, management and innovation capabilities, forging a "service-oriented, learning and innovative" enterprise.

(9) *Uphold the guidance role of culture, build prestigious brand and improve the intrinsic motivation for development*

Strengthen the guidance role of culture, foster our corporate spirit bearing characteristics of the times, constantly extend cultural connotation to supply unceasing spiritual impetus for the Company's sustainable development; promote the public relations management, enhance the risk awareness on pubic opinions, and endeavour to build it into a renewable energy enterprise with prestigious brand.

Major Events in 2011

In February 2011	the Group held the 2011 working conference in Beijing, at which we analyzed the opportunities and challenges coming ahead for the renewable energy industry, and set out the development strategy and targets for 2011 and the coming decade.
In April 2011	the Group together with CBD Energy Limited and Baoding Tianwei Group Co., Ltd. established AusChina Energy Group in Australia, which became the first subsidiary of the Company mainly engaged in wind power and solar power development overseas.
In May 2011	the 2010 annual general meeting of the Group was held in Beijing, at which ten major resolutions were passed including the 2010 Work Report of the Board and the Operation and Investment Plan for 2011.
In July 2011	the Group and Mercuria Energy Group Ltd. from Switzerland jointly established Datang Mercuria (Beijing) Energy Technology Development Co., Ltd. (大唐摩科瑞(北京)能源科技發展有限公司), which indicated we officially obtained the expertise in independently developing CDM projects.
In August 2011	Datang Times Enertek Co., Ltd. (大唐時代節能科技有限公司) smoothly passed the appraisal of energy-saving services companies by the National Development and Reform Committee and the Ministry of Finance and became one of the third batch of energy-saving services companies filed with the National Development and Reform Committee, and thus acquired the basic conditions for relevant State energy conservation allowances and tax exemption policies as well as business qualification.
In September 2011	the Group successfully issued RMB2 billion short-term debentures.
In September 2011	the Group's firs solar power generation project, the 10MW photovoltaic power station in Qingtongxia of Ningxia successfully connected to the grid and commenced power generation.

In September 2011	the two projects submitted by the Group, respectively being "development of large-scale compressed air energy storage power station technology applied to wind power and its engineering demonstration" and "complementary power generation technology between solar thermal power and conventional fuel" were formally included into the National High-tech R&D Program of China (the "863" Program).
In September 2011	the National Energy Administration issued a notice, officially enrolling Datang Renewables Co., Ltd. (大唐新能源公司) as the supporting organization of Non-food Biomass Raw Materials R&D Center of the National Energy Administration (國家能源非糧生物質原料研發中心).
In October 2011	the Group's Aqidaode Wind Farm (阿旗道德風電場) and Tongliao Zhalute Wind Farm (通遼紮魯特風電場) received the "Silver Award for National Quality Project" (國家優質工程銀獎) for 2011, which was a milestone in our efforts to enhance wind power management level.
In November 2011	the Group successfully completed its first issuance of RMB4.2 billion corporate bonds in the domestic market.
In December 2011	the repair company obtained the grade-3 qualification for "Power Projects Engineering, Procurement and Construction", and independently completed installation of a 50-MW wind farm and a 200-MW substation, which thus enhanced its capability to engage in power business.
In December 2011	the Group's "50-MW parabolic-trough solar thermal project in Inner Mongolia", as the first exemplary solar thermal project in China, was granted by the Ministry of Finance the infrastructure construction expenditure subsidy under the central government budget for strategic emerging industries (energy) for 2011.

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; import and export services of renewable energy equipment and technologies; external investment; renewable energy-related trainings and consulting services; as well as lease of property.

Details of the Company's subsidiaries and associated companies 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, 2011 are set out in the consolidated statement of comprehensive income on pages 84 to 85 of the annual report. The financial position of the Group and the Company as at December 31, 2011 is set out in the statements of financial position on pages 86 to 88 of the annual report. The cash flows of the Group for the year ended December 31, 2011 is set out in the consolidated statement of cash flows on pages 91 to 93 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 12 to 32 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 for the year ended December 31, 2011 are set out in Note 13 to the financial statements.

IV. SHARE CAPITAL

As of December 31, 2011, 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. Details of the movements in share capital of the Company are set out in Note 24 to the financial statements.

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 require 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 25 to the financial statements, among which, details of reserves distributable to the equity holders of the Company are set out in Note 25 to the financial statements.

VII. DIVIDENDS

The Board has proposed distribution of a final dividend of RMB0.039 per share (tax inclusive) in cash to shareholders for the year ended December 31, 2011. All the dividends will be paid upon approval by shareholders at the Company's forthcoming annual general meeting.

VIII. PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

As of December 31, 2011, neither the Company nor its subsidiary has purchased, sold or redeemed any of the Company's listed securities.

IX. MAJOR CUSTOMERS AND SUPPLIERS

As of December 31, 2011, 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 not more than 30% of our total purchase for the year. In particular, the total purchase from the largest supplier accounted for not more than 10% of our total purchase for the year.

As of December 31, 2011, the sales to our five largest customers in aggregate contributed 73.21% to our total sales for the year. In particular, the sales to the largest customer contributed 31.47% 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 2.29% of the issued H shares of the Company as at December 31, 2011.

X. BANK LOANS AND OTHER BORROWINGS

Details of bank loans and other borrowings of the Group as at December 31, 2011 are set out in Note 26 to the financial statements.

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.

XII. BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Biographical details of Directors, supervisors and senior management are set out on pages 71 to 78 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, 2011, 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, 2012 to the latest practicable date of this annual report.

XVII. INTEREST OF DIRECTORS IN COMPETING BUSINESS

As at December 31, 2011, 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	Deputy Chief Engineer of Datang Corporation
Mr. Jian Yingjun	Non-executive Director	Head of Fuel Management Department of Datang Corporation

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, 2011, 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.

XIX. SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As of December 31, 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 *(Note)*	Domestic Shares	Beneficial owner and interests in controlled corporation	4,772,629,900 (Long position)	100%	65.61%
Datang Jilin *(Note)*	Domestic Shares	Beneficial owner	599,374,505 (Long position)	12.56%	8.24%

Note: Datang Corporation directly held 4,173,255,395 domestic shares and is deemed to be interested in 599,374,505 domestic shares held by Datang Jilin, by virtue of the fact that Datang Jilin is a wholly-owned subsidiary of Datang Corporation, therefore, Datang Corporation, directly and indirectly, held 4,772,629,900 domestic shares of the Company in total.

XX. MANAGEMENT CONTRACTS

As at and during the year ended December 31, 2011, 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 2011 are as follows:

(1) Non-exempt One-off Connected Transactions

The Group has entered into the following non-exempt one-off connected transactions during the year:

Acquisition of equity interests in Datang Wendeng and Datang Laizhou

On December 26, 2011, the Company entered into the Equity Transfer Agreements with Datang Shandong Power Generation Co., Ltd. (大唐山東發電有限公司) ("Datang Shandong") and Datang Shandong Electric Power Overhaul & Operation Co., Ltd (大唐山東電力檢修運營有限公司) ("Datang Overhaul") in relation to the acquisition of 100% equity interests in Datang Laizhou Renewable Energy Co., Ltd. (大唐萊州新能源有限公司) ("Datang Laizhou") and Datang Wendeng Clean Energy Development Co., Ltd. (大唐文登清潔能源開發有限公司) ("Datang Wendeng") held respectively by Datang Shandong and Datang Overhaul. As Datang Corporation directly and indirectly holds approximately 65.61% of the issued share capital of the Company, it is a controlling shareholder as defined under the Listing Rules and thus a connected person of the Company. Datang Shandong and Datang Overhaul are wholly-owned subsidiaries of Datang Corporation, and are therefore connected persons of the Company. Accordingly, the Equity Transfer Agreements and the transactions contemplated thereunder constitute connected transactions of the Company under the Listing Rules.

Pursuant to the Equity Transfer Agreements, the total consideration of such acquisitions was RMB204 million. Terms of the Equity Transfer Agreements were entered into after arm's length negotiations between the transferors and the Company and the consideration was settled by the existing cash balance of the Company. The acquisition of the wind power business through the Equity Transfer Agreements would increase the total installed capacity and gross power generation of the wind power business of the Company, and the competitions and potential competitions between Datang Corporation and the Company in the wind power business would be reduced at the same time.

(2) Non-exempt Continuing Connected Transactions

The Company has entered into certain non-exempt continuing connected transactions during the year.

In terms of the non-exempt continuing connected transactions of category 1 to category 3 as stated below, the Company obtained approval from the 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.

The table below set out the annual caps and the actual transaction amount of such connected transactions for 2011:

Connected Transactions	Connected Person	Annual Cap for 2011	Actual Transaction Amount for 2011
1 Provision of products and services by the Group	Datang Corporation	RMB20 million	RMB9.88 million
2 Provision of products and services to the Group	Datang Corporation	RMB3,300 million	RMB2,508 million
3 Provision of financial assistance to the Group	KEPCO International Hong Kong Ltd. (KEPCO Hong Kong)	The balance of the principal and accrued interests at the end of the year were USD47.34 million and USD3.83 million respectively	The balance of the principal at the end of the year and interests paid for the year were USD47.33 million and USD3.72 million respectively
4 Provision of financial services to the Group	China Datang Corporation Finance Company Limited (Datang Finance)	Daily deposit balance: RMB480 million	Maximum daily deposit balance: RMB480 million

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

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, among others, maintenance services, consulting and assessment 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;

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 bidding process is not required to determine the service price, 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 prior 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 2011 was RMB20 million and the actual transaction amount was RMB9.88 million.

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

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 2011 was RMB3,300 million and the actual transaction amount was RMB2,508 million.

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

Datang (Chifeng) Renewable Power Company Limited ("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.

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: 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, failure to perform on the date of such representation or warranty 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 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 Chapter 14A of the Listing Rules.

During the reporting period, the annual cap of this continuing connected transaction for 2011 was USD47.34 million, equivalent to the outstanding balance of the principal as of the end of 2011. The interests payable for this continuing connected transaction for the year was USD3.83 million. The actual outstanding balance of the principal as at the end of 2011 was USD47.33 million and the actual interests paid for the year was USD3.72 million.

4. *Provision of financial services by Datang Finance to the Group*

The Company and Datang Finance entered into the Financial Services Agreement on August 30, 2011, pursuant to which Datang Finance would provide the Group with financial services. According to this agreement, Datang Finance provides the Group with loan services, intra-group transfer and settlement services, assistance in the receipt and payment of transaction proceeds, bill acceptance and discount services, deposit services, finance lease, investment and financing advice and consultation services, financial consultation and training services, underwriting services concerning the issuance of bonds, guarantee trust services and relevant consultation, agent services and insurance agent services upon approval.

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

Datang Finance shall ensure the stable operation of fund management system to safeguard the fund, and to control the asset liability risk so as to satisfy the payments needs of the Group.

In respect of the provision of the loan services under the Financial Services Agreement, Datang Finance will grant integrated credit facilities of RMB4 billion to the Group for each of the three years ending December 31, 2011, December 31, 2012 and December 31, 2013.

In respect of the provision of the deposit services under the Financial Services Agreement, the maximum amount of the daily deposit balance (including any interest accrued thereon) for the Group's deposits with Datang Finance shall be not more than RMB480 million for each of the three years ending 31 December 2011, 2012 and 2013.

The term of the Financial Services Agreement shall be three years, i.e. from January 1, 2011 to December 31, 2013.

Datang Finance provides the aforementioned financial services to the Group based on the following pricing principles: the interest rate for the Group's deposits with Datang Finance shall be fixed as the deposit interest rate as published by the PBOC from time to time; the interest rate for loans granted to the Group by Datang Finance shall be 10% below the benchmark interest rates as published by the PBOC from time to time; and the fees charged by Datang Finance for the provision of financial services other than deposits and loans services shall not be higher than the rate charged by the other financial institutions in the PRC or charged to other customers for similar services.

As Datang Corporation directly and indirectly holds approximately 65.61% of the issued share capital of the Company, it is a controlling shareholder as defined under the Listing Rules and thus a connected person of the Company. Datang Finance is a subsidiary of Datang Corporation, and is therefore a connected person of the Company.

During the reporting period, the daily deposit balance of deposit service of this continuing connected transaction for 2011 was RMB480 million and the actual maximum amount of daily deposit balance was RMB480 million.

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.

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 Other 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.

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 in the attached list of continuing connected transactions, nothing has come to the auditor's attention that causes the auditor to believe that the disclosed continuing connected transactions have exceeded the maximum aggregate annual value disclosed in the previous announcement(s) dated December 17, 2010 and August 31, 2011 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.

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 confirmed 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 8 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 52 to 64 of this annual report for details.

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, 2011, 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 2011 annual results and the financial statements for the year ended December 31, 2011 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, 2011 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 ended December 31, 2012 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 10 to 11 of this annual report.

Corporate Governance Report

I. CORPORATE GOVERNANCE PRACTICES

The Company has always been committed to improving corporate governance since its establishment. 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 Meetings, Board of Directors, Supervisory Committee 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 2011. 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 Meetings, and implements the resolutions thereof.

(1) Composition of the Board of Directors

As at December 31, 2011, 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 71 to 78 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.

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:

Name	Date of birth	Position	Date of appointment
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

(2) *Board meetings*

According to the Articles of Association, the Board of Directors 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 2011, 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%

(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, 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 of Directors, 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.

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

As provided in the Articles of Association of the Company, Directors are elected by General Meetings 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*

Remuneration of Directors 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 professional 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). As at December 31, 2011, Mr. Wang Guogang served as the Chairman of the Audit Committee.

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

- appointing and supervising the work of our independent auditors, acting as the key representative body for overseeing the Company's relationship with the 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 audit, the organization, responsibilities, plans, performance, budget and staffing of our internal audit team and the quality and effectiveness of the Company's 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 suspected accounting or auditing improprieties, and ensuring that proper arrangements are in place for the fair and independent investigation of these matters and appropriate follow-up action.

During the reporting period, the Audit Committee held two meetings, details of which are set out as follows:

- The 2011 first meeting of the Audit Committee of the first session of the Board of Directors was held on March 16, 2011, at which the following were considered and approved: (1) the 2010 annual results announcement and annual report of the Company; (2) the 2010 final financial report of the Company; (3) the budget report of the Company for 2011; (4) the profit distribution plan of the Company for 2010; (5) the 2010 report on internal control of the Company; and (6) the re-appointment of the Company's domestic and international auditors for 2011 and their remuneration.

- The 2011 second meeting of the Audit Committee of the first session of the Board was held on August 18, 2011, at which the (1) the 2011 interim results announcement and interim report of the Company and (2) the fees for review of 2011 interim financial information were considered and approved.

All members of the Audit Committee were present at the aforesaid meetings.

(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). As at December 31, 2011, Mr. Wu Jing served as the Chairman of the Nomination Committee.

The primary responsibilities of the Company's Nomination Committee are to review the structure, size and composition of the Board, formulate the criteria and procedures for selection of candidates for Directors and senior management, make recommendations to the Board on the appointment of and succession planning for Directors and to conduct preliminary review of the qualifications of the candidates for Directors and senior management.

The 2011 first meeting of the Nomination Committee of the first session of the Board of Directors was held on March 16, 2011, for the purpose of reviewing the composition of the first session of the Board and the independence of independent non-executive Directors.

All members of the Nomination Committee were present at the meeting.

(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). As at December 31, 2011, Mr. Wu Jing served 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 promulgate the compensation schemes for the Directors and senior management and make recommendations to the Board in respect thereof, including, among other things:

- drawing up the overall 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.

The 2011 first meeting of the Remuneration and Assessment Committee of the first session of the Board of Directors was held on March 16, 2011, at which the assessment and incentive proposal for the Company's operation management team was considered and approved.

All members of the Remuneration and Assessment Committee were present at the meeting.

(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). As at December 31, 2011, Mr. Yin Li served as the Chairman of the Strategic Committee.

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.

The 2011 first meeting of the Strategic Committee of the first session of the Board of Directors was held on March 16, 2011, at which the operation and investment plans of the Company for 2011 were considered and approved.

All members of the Strategic Committee were present at the meeting.

3. Directors' Responsibility for the Financial Statements

The Board of Directors has acknowledged its responsibility for preparing the financial statements of the Group for the year ended December 31, 2011. The Board 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 uncertainties that may exert significant impact on the Group's ability to continue as a going concern.

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

Attaching great importance to internal control, the Company has preliminarily established a complete and prudent internal control system and worked out a set of rules to ensure the institutionalization and systematization of internal controls.

In terms of organizational structure, the Company has established the President Office Department, General Planning Department, Securities and Capital Operation Department, Human Resources Department, Development and Planning Department, Financing and Property Management Department, Operation Safety 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 arranges 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.

All departments are under direct leadership of the President of the Company, who is 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 of Directors 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, 2011 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 RMB9.98 million.

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 responses 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.

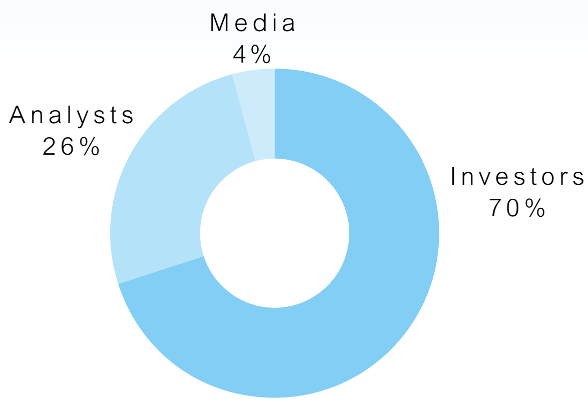
The Board of Directors welcomes views from shareholders and encourages them to attend General Meetings to communicate any concerns they may have with the Board of Directors or the management. The Chairman of the Board of Directors and the Chairmen of all committees usually attend annual general meetings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

The 2010 annual general meeting and 2011 first extraordinary general meeting of the Company were held in 2011.

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

I. MANAGEMENT OF INVESTOR RELATIONS IN 2011

1. Investors' routine visits



In the usual course of our work, we always give detailed answers to the queries raised by investors and analysts in compliance with the information disclosure rules. As at the end of 2011, the Company had exchanged views and communicated with investors and analysts from over two hundred institutions for over 630 times via meetings, telephone calls and emails, thus establishing stable and reliable business relationships.

2. Reverse roadshows for analysts

In 2011, the Group held reverse roadshows, during which we arranged over 30 investors and analysts to visit our Chifeng Dongshan Wind Farm and meet with our management at our headquarters, with a view to giving them a better understanding of the operation and daily management of wind farms. Accordingly, our recognition in the capital market was effectively enhanced.

3. Participation in investors' forums

The Group actively participated in major summits and investment forums in Singapore, Mainland China and Hong Kong organized by world-famous investment banks, at which we had one-on-one or group meetings with important investors from different regions, thus deepening their understanding towards the Company.

Major Investor Events 2011

Time	Event	Organizer
January	• International Power Industry Investors Tour	Morgan Stanley
	• UBS Greater China Investment Forum	UBS AG
March	• 2010 annual results release Press conference Analysts conference	The Company
	• Non-deal roadshow One-to-one meetings with investors Many-to-one telephone conference	Investment bank
April	• China Renewable Energy Industry Seminar 2011	Citibank
May	• The 2nd Investors' Forum	Morgan Stanley
July	• Analysts reverse roadshow	The Company
August	• 2011 interim results release Press conference Analysts conference	The Company
	• Non-deal roadshow One-to-one meetings with investors Many-to-one telephone conference with investors	Investment bank
September	• Hong Kong power industry investors tour	CLSA
November	• China Investment Summit	Bank of America Merrill Lynch
	• 3rd Quarter Investor Telephone Conference	Citibank
	• The 10th Asia-Pacific Investment Summit	Morgan Stanley
December	• Wind Power Industry Seminar	Standard Chartered Bank
	• 3rd Quarter Investor Telephone Conference	BOC International

4. Results briefings

The Company published its interim and annual results announcements in due course and held press conferences and analyst conference in Hong Kong in a timely manner to disclose its latest results information to the public, thus safeguarding the public's right to be informed.

5. Improvement of the efficiency of information disclosure

The Company further improved its standards and contents of information disclosure by setting up investor relations management rules. Meanwhile, an information officer system was established at all levels of the Company for the purposes of updating the information and news on the Company's website on a regular basis and publishing important announcements in a timely manner, thereby enhancing the timeliness and effectiveness of information disclosure.

II. OUTLOOK FOR INVESTOR RELATIONS IN 2012

1. Information disclosure

After one year's exchanges and communication, many investors and analysts recommended the Company to establish a more transparent and sustaining information disclosure mechanism. In the future, the Company will further enhance the cooperation among internal divisions and actively study the feasibility of publication of monthly reports and quarterly reports on power generation, striving to provide more timely, complete and accurate business information to the public.

2. 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 our 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 Supervisory Committee

In 2011, all members of the Supervisory Committee of the Company have earnestly performed their supervisory functions to safeguard the rights and interests of the Group and the shareholders in accordance with the Company Law, the Articles of Associations, the Rules of Procedures of the Supervisory Committee and the relevant provisions in the Listing Rules of the Hong Kong Stock Exchange.

I. MEETINGS OF THE SUPERVISORY COMMITTEE

1. On March 16, 2011, the Company held the third meeting of the first session of the Supervisory Committee in Beijing, at which the following resolutions were considered and approved: the Report of the Supervisory Committee of the Company for 2010, Annual Results Announcement and Annual Report of the Company for 2010, the Final Financial Report of the Company for 2010, the Financial Budget Report of the Company for 2011 and the Profit Distribution Plan of the Company for 2010.

2. On August 18, 2011, the Company held the fourth meeting of the first session of the Supervisory Committee in Beijing, at which the resolution regarding the 2011 Interim Results Announcement and Interim Report of the Company was considered and approved.

II. PRINCIPAL INSPECTION AND SUPERVISION WORK OF THE SUPERVISORY COMMITTEE IN 2011

1. Members of the Supervisory Committee 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 irregular reviews of accounting documents and books of the Company.

2. Members of the Supervisory Committee attended the Annual General Meeting for 2010 and the first Extraordinary General Meeting for 2011 of the Company and attended two Board meetings without voting rights, exercising supervision in respect of the lawfulness and compliance of the procedures of the matters considered by the Board meetings.

3. The Supervisory Committee made no objection to the reports and motions tabled at the General Meetings and was convinced that the Board of Directors had faithfully implemented the resolutions approved by the General Meetings.

III. INDEPENDENT OPINIONS ISSUED BY THE SUPERVISORY COMMITTEE ON RELEVANT MATTERS

1. Operation and management of the Company

During the reporting period, the Company managed to achieve satisfying 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 approved by the Board of Directors.

2. Financial matters of the Company

Members of the Supervisory Committee monitored and examined the financial management system and the financial condition and reviewed relevant financial information of the Company. Upon examination, the Supervisory Committee 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 implemented effectively; the 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 Supervisory Committee reviewed the standard, unmodified audit opinion 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, 2011 prepared in accordance with IFRSs and Accounting Standards for Business Enterprises of the PRC respectively, and raised no objection to such reports.

3. Connected transactions

The Supervisory Committee reviewed the connected transactions between the Group 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 was not any matter prejudicial to the interests of the Company or shareholders.

4. Implementation of the resolutions of General Meetings

The Supervisory Committee 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 approved by the General Meetings.

In 2012, the Supervisory Committee 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, the Articles of Association, the Rules of Procedure of the Supervisory Committee and the Listing Rules of the 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 Supervisory Committee
Wang Guoping
Chairman of the Supervisory Committee

Beijing, the PRC, March 16, 2012

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 for engineering professionals 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 speciality and technology equivalent to professor title for engineering professionals in the PRC).

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 deputy chief engineer of China Datang Corporation since August 2011. He served as the chief of Planning and Development Department of China Datang Corporation from December 2006 to August 2011, the president of the Tibet Branch of China Datang Corporation from November 2009 to September 2011, and the deputy chief of Development and Planning Department of China Datang Corporation from January 2003 to December 2006. Mr. Yin acted as 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 speciality and technology for engineering professionals in the PRC) and an expert enjoying special allowance from the State Council.

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 head of Fuel Management Department of China Datang Corporation since August 2011. He served as the president of Datang Jilin Power Generation Company Limited form December 2005 to August 2011, 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 speciality and technology for engineering professionals in the PRC).

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 speciality 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.

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.

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 financial advisory and investment firm.

Mr. Yu currently acts in the capacity of independent non-executive director of the following ten (10) listed companies:

No.	Company Name and Stock Code
1.	Great China Holdings Limited (0141.HK)
2.	Haier Electronics Limited (1169.HK)
3.	China Renewable Energy Investment Limited (fomerly known as Hong Kong Energy (Holdings) Limited) (0987.HK)
4.	Media Chinese International Limited (fomerly 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. 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.

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 speciality and technology for engineering professionals in the PRC).

IV. SUPERVISORS

Mr. Wang Guoping, born in January 1957, has been the Chairman of the Supervisory Committee 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 speciality and technology for accounting professionals in the PRC) and international certified internal auditor (CIA).

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 speciality and technology for accounting professionals 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 speciality and technology for political science professionals in the PRC).

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 speciality and technology for engineering professionals 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 speciality and technology for engineering professionals in the PRC).

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 speciality and technology for engineering professionals 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 speciality and technology for accounting professionals in the PRC).

I. PROFILE OF HUMAN RESOURCES

Currently, the Group has 2,590 employees in total, including 20 employees aged 56 and above, representing 0.77% of the total, 109 employees aged from 46 to 55, representing 4.21%, 447 employees aged from 36 to 45, representing 17.26%, and 2,014 employees aged 35 or below, representing 77.76%. Educational background of our employees is as follows:

No.	Category	Number of staff	Proportion (%)
1	Postgraduate and above	112	4.32
2	Undergraduate	1085	41.89
3	College diploma	1074	41.47
4	Technical secondary school and below	319	12.32

II. STAFF INCENTIVES

Based on its development needs, the Group clearly defined targets for various posts and further established and improved the mechanism of Total Responsibility Management and Whole Staff Performance Assessment System. Through decomposing and assigning tasks in the Group's development plans to each post, establishing performance goals for different positions and performance standards, we could assess each employee's performance of his duties accordingly in an objective and accurate manner, and score each employee based on the quantified assessment results. Incentives and penalties then would be reflected in the performance portion of employees' remuneration. In this way, the Company was able to stimulate employees' potential, arouse their enthusiasm and made clear its approach of stressing on both motivations and regulations, which has laid a solid foundation for staff career development.

III. STAFF REMUNERATION

Staff's 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 worked on building up talents teams 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 utilizing " talents, thus enabling the talents to play an important role in the development of the Company.

V. GUARANTEE OF STAFF RIGHTS

The Group strictly complies with the Labour Law and the Labour Contract Law and makes contributions to social insurance and housing provident fund for employees according to these laws, among which the social insurance includes basic pension insurance, medical insurance, occupational injury insurance, unemployment insurance and maternity insurance.

VI. MAJOR AWARDS AND HONORS RECEIVED IN 2011

Award/Honor	Grantor	Winner
2011 World Top 500 Renewable Energy Enterprises	China Energy News, China Institute of Energy Economics	The Group
Low Carbon Prize at 2011 (3rd) Chinese Energy Enterprise Senior Executives Forum and Annual Awards for Energy Enterprises (2011(第三屆)中國能源企業高層論壇暨能源年度評選能源企業低碳之星獎)	Energy Magazine (能源雜誌社)	The Group
2011 National Quality Project — Silver Prize	Construction Enterprise Management Association of China	Aqidaode wind power project Zhalute wind power project
2011 China Power Outstanding Project Award	China Electric Power Construction Association	Aqidaode wind power project Zhalute wind power project

Award/Honor	Grantor	Winner
Informationization Innovation Achievement Prize under Power Industry "11th Five-Year Plan"	Informatization Promotion Office for Power Industry (電力行業信息化推進辦公室)	Dendroid Database Mirroring Transmission for Wind Farm Groups (《風電場群「樹狀數據庫鏡像」傳輸》)
First Prize of Management Innovation Achievement in National Power Industry	China Electricity Council	Exploration and Practice of Development of Intrinsically Safe Wind Farms (《本質安全性風電場創建的探索與實踐》)
Second Prize of the 3rd Equipment Management Innovation Achievement in National Power Industry	Electric Power Equipment Management Association of China	Construction of Multi-Intelligent System-Based Grid-friendly Wind Farms (《基於融合多智能系統支撐的「電網友好型風電場」建設》)
Second Prize of Management Innovation Achievement in National Power Industry	China Electricity Council	Joint Reserve Management Model of Turbine Spare Parts Aiming for Triple-Win of Manufacturer, Operator and Service Provider (《基於製造商 — 運營商 — 服務商三贏的風機備件聯合儲備管理模式》)

Independent Auditor's Report

羅兵咸永道

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 84 to 196, which comprise the consolidated and company statements of financial position as at December 31, 2011, 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.

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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, 2011, 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 in accordance with our agreed terms of engagement, 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, 2012

Consolidated Statement Of Comprehensive Income

For The Year Ended December 31, 2011
(All amounts are in thousands of RMB unless otherwise stated)

		Year ended December 31	
	Note	2011	2010
Revenue	5	3,828,808	2,379,727
Other income and other gains-net	6	518,350	368,705
Depreciation and amortization		(1,360,819)	(886,338)
Service concession construction costs		(24,249)	—
Labour costs		(187,749)	(95,331)
Repairs and maintenance		(69,466)	(66,441)
Material costs		(30,091)	(24,671)
Other expenses		(245,803)	(173,027)
		(1,918,177)	(1,245,808)
Operating profit	8	2,428,981	1,502,624
Finance income	7	10,852	19,976
Finance costs	7	(1,442,166)	(785,994)
Net finance expenses		(1,431,314)	(766,018)
Share of loss of associates	17	(7,421)	(2,020)
Share of profit of a jointly controlled entity	18	15,012	—
Profit before taxation		1,005,258	734,586
Income tax	9	(34,954)	(57,105)
Profit for the year		970,304	677,481

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

	Note	Year ended December 31 2011	2010
Other comprehensive loss			
Change in value of available-for-sale investments	19	(73,920)	—
Currency translation differences		(1,775)	—
Total other comprehensive loss for the year		(75,695)	—
Total comprehensive income for the year		894,609	677,481
Profit attributable to:			
Equity holders of the Company		729,842	455,831
Non-controlling interests		240,462	221,650
		970,304	677,481
Total comprehensive income attributable to:			
Equity holders of the Company		654,147	455,831
Non-controlling interests		240,462	221,650
		894,609	677,481
Basic and diluted earnings per share for profit attributable to equity holders of the Company *(expressed in RMB per share)*	10	0.1011	0.0897

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

	Note	Year ended December 31 2011	2010
Dividends	11	283,674	100,297

Statements Of Financial Position

As At December 31, 2011

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

		Group As at December 31		Company As at December 31	
	Note	2011	2010	2011	2010
			Restated *(Note 32(a))*		
Non-current assets					
Property, plant and equipment	13	41,111,111	31,405,634	430,757	311,287
Intangible assets	14	422,237	402,522	3,622	1,480
Land use rights	15	301,043	242,543	—	—
Investment in subsidiaries	16	—	—	12,665,505	8,391,696
Investment in associates	17	28,430	20,851	35,851	20,851
Investment in a jointly controlled entity	18	55,012	—	40,000	—
Available-for-sale investments	19	433,386	51,167	—	—
Deferred income tax assets	29	7,959	8,528	—	—
Other non-current assets	20	215,630	50,091	2,346,154	90,000
Total non-current assets		42,574,808	32,181,336	15,521,889	8,815,314
Current assets					
Inventories		12,464	10,409	2,040	852
Trade and bills receivable	21	2,693,738	1,495,226	113,265	49,019
Prepayments, other receivables and other current assets	22	4,795,676	2,629,984	7,380,881	1,029,259
Current income tax prepayments		14,995	11,629	—	—
Restricted cash	23(a)	28,800	—	—	—
Cash and cash equivalents	23(b)	4,162,424	5,031,346	2,837,112	4,264,539
Total current assets		11,708,097	9,178,594	10,333,298	5,343,669
Total assets		54,282,905	41,359,930	25,855,187	14,158,983

As At December 31, 2011

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

		Group		Company	
		As at December 31		As at December 31	
	Note	2011	2010	2011	2010
			Restated *(Note 32(a))*		
Equity					
Equity attributable to equity holders of the Company					
Share capital	24	7,273,701	7,142,610	7,273,701	7,142,610
Share premium	24	2,080,969	1,971,884	2,080,969	1,971,884
Other reserves	25	(1,607,823)	(1,442,011)	1,424,567	1,364,751
Retained earnings					
— proposed final dividend	11	283,674	—	283,674	—
— others		1,058,127	680,259	285,469	38,390
		9,088,648	8,352,742	11,348,380	10,517,635
Non-controlling interests		2,647,019	2,197,650	—	—
Total equity		11,735,667	10,550,392	11,348,380	10,517,635
Non-current liabilities					
Borrowings	26(a)	29,514,045	21,956,859	5,298,686	1,408,000
Deferred income tax liabilities	29	59,932	60,995	—	—
Other non-current liabilities		143,165	5,315	—	—
Total non-current liabilities		29,717,142	22,023,169	5,298,686	1,408,000

Statements Of Financial Position (Continued)

As At December 31, 2011
(All amounts are in thousands of RMB unless otherwise stated)

		Group As at December 31		Company As at December 31	
	Note	2011	2010	2011	2010
			Restated *(Note 32(a))*		
Current liabilities					
Borrowings	26(b)	5,667,269	3,619,414	8,781,645	2,033,794
Trade and bills payable	27	503,708	85,115	4,924	1,326
Current income tax liabilities		22,256	50,513	2,142	2,142
Other payables	28	6,636,863	5,031,327	419,410	196,086
Total current liabilities		12,830,096	8,786,369	9,208,121	2,233,348
Total liabilities		42,547,238	30,809,538	14,506,807	3,641,348
Total equity and liabilities		54,282,905	41,359,930	25,855,187	14,158,983
Net current (liabilities)/ assets		(1,121,999)	392,225	1,125,177	3,110,321
Total assets less current liabilities		41,452,809	32,573,561	16,647,066	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, 2012 and were signed on its behalf.

Director *Director*

Consolidated Statement Of Changes In Equity

For The Year Ended December 31, 2011

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

	Equity attributable to equity holders of the Company					Non-controlling interests	Total equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
	(Note 24)	*(Note 24)*	*(Note 25)*				
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
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 24)*	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
Common controlled business combination — capital contributions by the then equity owners	—	—	20,000	—	20,000	—	20,000
Appropriations							
— reserves	—	—	15,410	(15,410)	—	—	—
— others	—	—	—	(6,149)	(6,149)	(4,220)	(10,369)
Dividends and dividends by subsidiaries	—	—	—	(100,297)	(100,297)	(102,655)	(202,952)
Transaction with owners	7,142,610	1,971,884	(4,947,801)	(121,856)	4,044,837	182,807	4,227,644
At December 31, 2010, as restated *(Note 32(a))*	7,142,610	1,971,884	(1,442,011)	680,259	8,352,742	2,197,650	10,550,392

Consolidated Statement Of Changes In Equity (Continued)

For The Year Ended December 31, 2011

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

	Equity attributable to equity holders of the Company					Non-controlling interests	Total equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
	(Note 24)	*(Note 24)*	*(Note 25)*				
At January 1, 2011, as previously stated	7,142,610	1,971,884	(1,462,011)	680,259	8,332,742	2,197,650	10,530,392
Common controlled business combinations *(Note 32(a))*	—	—	20,000	—	20,000	—	20,000
At January 1, 2011, as restated	7,142,610	1,971,884	(1,442,011)	680,259	8,352,742	2,197,650	10,550,392
Comprehensive income:							
Profit for the year	—	—	—	729,842	729,842	240,462	970,304
Other comprehensive income							
— Change in value of available-for-sale investments *(Note 19)*	—	—	(73,920)	—	(73,920)	—	(73,920)
— Currency translation differences	—	—	(1,775)	—	(1,775)	—	(1,775)
Total comprehensive income	—	—	(75,695)	729,842	654,147	240,462	894,609
Transaction with owners:							
Issuance of shares, net of issuance costs *(Note 24)*	131,091	109,085	—	—	240,176	—	240,176
Acquisition of non-controlling interests of subsidiaries *(Note 16(vi))*	—	—	14,027	—	14,027	(73,205)	(59,178)
Acquisition of subsidiaries *(Note 32(b))*	—	—	—	—	—	57,093	57,093
Common controlled business combination — capital contributions by the then equity owners	—	—	40,000	—	40,000	—	40,000
Common controlled business combinations - considerations by the Company *(Note 32(a))*	—	—	(204,000)	—	(204,000)	—	(204,000)
Capital contributions	—	—	40	—	40	396,579	396,619
Appropriations							
— reserves	—	—	59,816	(59,816)	—	—	—
— others	—	—	—	(8,484)	(8,484)	(5,656)	(14,140)
Dividends by subsidiaries	—	—	—	—	—	(165,904)	(165,904)
Transaction with owners	131,091	109,085	(90,117)	(68,300)	81,759	208,907	290,666
At December 31, 2011	7,273,701	2,080,969	(1,607,823)	1,341,801	9,088,648	2,647,019	11,735,667

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

Consolidated Statement Of Cash Flows

For The Year Ended December 31, 2011
(All amounts are in thousands of RMB unless otherwise stated)

	Note	Year ended December 31 2011	2010
Cash flows from operating activities			
Profit before taxation		1,005,258	734,586
Adjustments for:			
Depreciation of property, plant and equipment	8	1,338,788	867,544
Amortization of intangible assets and land use rights	8	22,031	18,794
Gain on disposal of property, plant and equipment		—	(11)
Interest expenses	7	1,328,200	771,686
Interest income	7	(10,852)	(19,976)
Foreign exchange losses, net	7	113,966	14,308
Interest income from entrusted loans		—	(665)
Gain on disposal of available-for-sale investments		(2,265)	—
Share of loss of associates	17	7,421	2,020
Share of profit of a jointly controlled entity	18	(15,012)	—
Changes in working capital:			
Increase in inventories		(2,055)	(4,378)
Increase in trade and bills receivable		(1,210,542)	(633,481)
Increase in prepayments, other receivables and other current assets		(558,291)	(207,562)
(Decrease)/increase in trade and bills payable		(22,412)	38,061
Increase in other payables		547,603	295,353
Cash generated from operations		2,541,838	1,876,279
Interest received		10,315	19,976
Income tax paid		(67,071)	(52,404)
Net cash generated from operating activities		2,485,082	1,843,851

Consolidated Statement Of Cash Flows (Continued)

For The Year Ended December 31, 2011
(All amounts are in thousands of RMB unless otherwise stated)

		Year ended December 31	
	Note	2011	2010
			Restated *(Note 32(a))*
Cash flows from investing activities			
Purchase of property, plant and equipment, land use rights and intangible assets		(10,469,094)	(9,854,789)
Entrusted loans and other loans to related parties		(140,137)	(374,228)
Asset-related government grants received		50,000	—
Investment in an associate and available-for-sale investments		(511,139)	(8,571)
Investment in notes receivable	22	(400,000)	—
Prepayment for acquisition of a subsidiary	22	(24,800)	(80,000)
Increase in restricted cash		(28,800)	—
Acquisition of non-controlling interests		(59,178)	(23,713)
Acquisition of subsidiaries, net of cash required	32	(146,019)	1,445
Proceeds from disposal of property, plant and equipment		248	22,822
Proceeds from repayments of entrusted loans and other loans to related parties		59,180	500,997
Gain on disposal of available-for-sale investments		2,265	—
Interest income from entrusted loans		—	665
Net cash used in investing activities		(11,667,474)	(9,815,372)

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

	Note	Year ended December 31 2011	2010 Restated (Note 32(a))
Cash flows from financing activities			
Capital contributions		40,000	16,776
Cash proceeds from issuance of shares, net of issuance costs	24(ii)	240,176	4,174,569
Cash proceeds from issuance of bonds, net of issuance costs	26	6,170,383	—
Capital contributions from the non-controlling interests		396,615	318,391
Proceeds from borrowings		7,877,228	14,873,211
Repayments of borrowings		(4,448,696)	(5,151,954)
Dividends paid by subsidiaries to the non-controlling interests		(181,372)	(95,056)
Dividends paid to equity owners of the Company		(100,297)	(9,823)
Interest paid		(1,666,439)	(1,078,439)
Proceeds from other loans from related parties		659,571	420,798
Repayments of other loans from related parties		(475,530)	(967,448)
Decrease in other payables		(62,541)	(3,005)
Net cash generated from financing activities		8,449,098	12,498,020
Net decrease/increase in cash and cash equivalents		(733,294)	4,526,499
Cash and cash equivalents at beginning of year		5,031,346	531,164
Exchange losses on cash and cash equivalents		(135,628)	(26,317)
Cash and cash equivalents at end of year	23	4,162,424	5,031,346

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

For The Year Ended December 31, 2011
(All amounts are in thousands of RMB unless otherwise stated)

1. GENERAL INFORMATION, REORGANIZATION AND PRINCIPLE 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 (the "PRC") on July 9, 2010, as part of the reorganization of the wind power generation business of China Datang Group Corporation ("Datang Corporation"), a limited liability company incorporated in the PRC and controlled by the PRC government (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

1. GENERAL INFORMATION, REORGANIZATION AND PRINCIPLE 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 its primary Listing on The Main Board of The Stock Exchange of Hong Kong Limited.

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

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, 2012.

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 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 investments.

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.

2.1.1 Going concern

As of December 31, 2011, the Group's current liabilities exceeded its current assets by approximately RMB1,122 million (2010: net current assets of RMB 392 million). The Group meets its day to day working capital requirements through its bank facilities. As of December 31, 2011, the Group's unutilized banking facilities amounting to approximately RMB82,724 million (Note 3.1(c)), of which approximately RMB10,751 million are subject to renewal during the next 12 months from the date the Group's financial statements are approved. The Group is expected that it will continue complying with the relevant requirements and covenants of its banking facilities.

Based on its assessment, the Board of Directors of the Company is confident that the Group has adequate resources to continue in operation for the foreseeable future not less than 12 months from the date these financial statements are approved. The Group therefore continues to adopt the going concern basis in preparing these financial statements. Further information on the Group's borrowing is given in Note 26.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.1 Basis of preparation *(Continued)*

2.1.2 Changes in accounting policy and disclosures

(a) New and amended standards adopted by the Group

The following new standards and amendments to standards are mandatory and relevant to the Group and adopted by the Group for the first time for the financial year beginning January 1, 2011:

- Amendments to IAS 1, 'Presentation of financial statements'. The amendment was as a result of the May 2010 Improvements which is effective for financial year beginning January 1, 2011. The amendment confirms that entities may present either in the statement of changes in equity or within the notes, an analysis of the components of other comprehensive income by item. The adoption of amendments to IAS 1 did not result any significant impact to the Group.

- Amendments to IFRS 7, 'Financial instruments: disclosures'. The amendments were as a result of the May 2010 Improvements which is effective for financial year beginning January 1, 2011 and amendments on disclosure requirements of transfers of financial assets released in October 2010 which is effective for financial year beginning 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 Group. The adoption of amendments to IFRS 7 did not result any significant impact to the Group.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.1 Basis of preparation *(Continued)*

2.1.2 Changes in accounting policy and disclosures (Continued)

(a) New and amended standards adopted by the Group *(Continued)*

- IFRIC - Int 19, 'Extinguishing financial liabilities with equity instruments', (effective for financial year beginning July 1, 2010). The interpretation clarifies the accounting by an entity when the terms of a financial liability are renegotiated and result in the entity issuing equity instruments to a creditor of the entity to extinguish all or part of the financial liability (debt for equity swap). It requires a gain or loss to be recognized in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments should be measured to reflect the fair value of the financial liability extinguished. The adoption of amendments to IFRIC - Int 19 did not result any significant impact to the Group.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.1 Basis of preparation *(Continued)*

2.1.2 Changes in accounting policy and disclosures (Continued)

(b) New standards issued and are currently relevant to the Group, but not effective for the financial year beginning January 1, 2011 and not early adopted

- IFRS 9, 'Financial instruments' issued in November 2009 and October 2010 and is effective for financial year beginning January 1, 2015. It contains new measurement and classification rules for financial assets. On the basis of financial assets it has as of December 31, 2011, 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, 2015.

- IFRS 10 'Consolidated financial statements' replaces all of the guidance on control and consolidation in IAS 27, 'Consolidated and separate financial statements', and SIC-12, 'Consolidation ? special purpose entities'. IAS 27 is renamed 'Separate financial statements', and it continues to be a standard dealing solely with separate financial statements. The existing guidance for separate financial statements is unchanged. The amendment is applicable to annual periods beginning on or after January 1, 2013 with early adoption permitted. The Group will adopt IFRS 10 from January 1, 2013.

- IFRS 12 'Disclosure of interests in other entities' sets out the required disclosures for entities reporting under the two new standards, IFRS 10, 'Consolidated financial statements', and IFRS 11,'Joint arrangements'. It replaces the disclosure requirements currently found in IAS 28, 'Investments in associates'. The existing guidance and disclosure requirements for separate financial statements are unchanged under IAS 27 (as amended in 2011). The amendment is applicable to annual periods beginning on or after January 1, 2013 with early adoption permitted. The Group will adopt IFRS 12 from January 1, 2013.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.1 Basis of preparation *(Continued)*

2.1.2 Changes in accounting policy and disclosures (Continued)

(b) New standards issued and are currently relevant to the Group, but not effective for the financial year beginning January 1, 2011 and not early adopted *(Continued)*

- IFRS 13 'Fair value measurements' explains how to measure fair value and aims to enhance fair value disclosures. It does not say when to measure fair value or require additional fair value measurements. It does not apply to transactions within the scope of IFRS 2, 'Share-based payment', or IAS 17, 'Leases', or to certain other measurements that are required by other standards and are similar to, but are not, fair value (for example, value in use in IAS 36, 'Impairment of assets'). The amendment is applicable to annual periods beginning on or after January 1, 2013 with early adoption permitted. The Group will adopt IFRS 13 from January 1, 2013.

The Group has already commenced an assessment of the related impact of the above new standards to the Group's financial statements and is not expecting any significant impact to the Group's financial position and results.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Consolidation and subsidiaries

(a) *Subsidiaries*

Subsidiaries are all entities over which the Group have 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.

The Group also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. De-facto control may arise in circumstances where the size of the Group's voting rights relative to the size and dispersion of holdings of other shareholders give the Group the power to govern the financial and operating policies, enhanced minority rights or contractual terms between shareholders, etc.

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.

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognized in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Consolidation and subsidiaries *(Continued)*

(b) Common control business combinations

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Consolidation and subsidiaries *(Continued)*

(c) *Other business combinations*

The Group applies the acquisition method to account for business combinations other than common control business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree 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 recognized amounts of acquiree's identifiable net assets.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Consolidation and subsidiaries *(Continued)*

(d) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between fair value of 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.

(e) Disposal of subsidiaries

When the Group ceases to have control or significant influence, any retained interest in the entity is re-measured 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.

(f) Acquisition-related costs

All acquisition-related costs are expensed as incurred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Consolidation and subsidiaries *(Continued)*

(g) Separate financial statements

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.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.3 Jointly controlled entities and associates

A jointly controlled entity is the result of contractual arrangements whereby the Group and other parties undertake an economic activity which is subject to joint control and none of the participating parties has unilateral control over the economic activity. Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

Investments in jointly controlled entities or associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in jointly controlled entities/associates includes goodwill identified on acquisition.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.3 Jointly controlled entities and associates *(Continued)*

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

The Group's share of post-acquisition profit or loss is recognized in the income statement, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in a jointly controlled entity or associate equals or exceeds its interest in the jointly controlled entity or associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the jointly controlled entity or associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the jointly controlled entity or associate and its carrying value and recognizes the amount adjacent to 'share of profit of jointly controlled entity' and 'share of profit of an associate' in the statement of comprehensive income.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognized in the Group's financial statements only to the extent of unrelated investor's interests in the jointly controlled entities or associates. Unrealized losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of jointly controlled entities or associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising in investments in jointly controlled entities or associates are recognized in the income statement.

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) *Transactions 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 income and other gains-net'.

Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in other comprehensive income.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.5 Foreign currency translation *(Continued)*

(c) *Group companies*

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognized in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognized in equity.

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

The assets' residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period.

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).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.6 Property, plant and equipment *(Continued)*

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

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 arises on the acquisition of subsidiaries, associates and joint ventures and represents the excess of the consideration transferred over Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or Groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or Group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognized immediately as an expense and is not subsequently reversed.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.8 Intangible assets *(Continued)*

(b) Concession assets

The Group, as an operator of wind power/solar power generation projects under service concession arrangements between the Group and government (the "Grantor"), is responsible for both the projects' 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.

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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.10 Financial assets

(a) Classification

Financial assets that the Group holds include loans and receivables and available-for-sale investments. 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 investments

Available-for-sale investments 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 end of the reporting period.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.10 Financial assets *(Continued)*

(b) *Recognition and measurement*

Regular 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 investments are subsequently carried at fair value. Loans and receivables are subsequently 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.

(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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.10 Financial assets *(Continued)*

(d) *Impairment of available-for-sale investments*

The Group assess at the end of each reporting period 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 investments, 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 investments 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.

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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

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.

2.13 Cash and cash equivalents

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

2.14 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.15 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried 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 end of each reporting period.

2.16 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

2.17 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.18 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.

2.19 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.19 Taxation *(Continued)*

(a) Current and deferred income tax (Continued)

(i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company's subsidiaries, jointly controlled entities and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred income tax

Inside basis differences

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 consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from 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 substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.19 Taxation *(Continued)*

(a) Current and deferred income tax (Continued)

(ii) Deferred income tax *(Continued)*

Outside basis differences

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability 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.

(iii) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes 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.

(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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.20 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.

2.21 Provisions

Provisions for environmental restoration, restructuring costs and legal claims are recognized when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.22 Revenue 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) Revenue from construction service contracts

When the outcome of a contract can be estimated reliably, revenue from construction and service contracts is recognized under the percentage of completion method and is measured mainly by reference to the contract costs incurred up to the balance sheet date as a percentage of total estimated costs for each contract. When the outcome of a construction contract cannot be estimated reliably, revenue is recognized only to the extent of contract costs incurred that it is probable will be recoverable and such contract costs is recognized as an expense in the period in which they are incurred.

Variation in contract work, claims and incentive payments are included in the contract revenue to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

If circumstances arise that may change the original estimates of revenues, costs or extent of progress toward completion, estimates are revised. These revisions may result in increases or decreases in estimated revenues or costs and are reflected in the consolidated statement of comprehensive income in the period in which the circumstances that give rise to the revision become known by management.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.22 Revenue recognition *(Continued)*

(c) *Revenues under service concession arrangement*

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.

(d) *Sales of services*

The Group provides certain repair and maintenance services to external wind farms and recognizes the related revenue in the period in which the services are rendered.

(e) *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.

2.23 Interest income

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.24 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.

2.25 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.26 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.

2.27 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.

3. FINANCIAL AND CAPITAL RISKS MANAGEMENT

3.1 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group currently does not use any derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by the Company headquarter finance department (Group Finance) on a group basis under policies approved by the board of directors. Group Finance identifies and evaluates financial risks in close co-operation with the Group's operating units.

(a) Market risk

(i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the HKD, Australian dollar ("AUD"), Euros ("EUR") and US dollar ("USD"). Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.

As of December 31, 2011, substantially all of the revenue-generating operations of the Group are located the PRC and transacted in RMB. To manage its foreign exchange risk arising from future commercial transactions and recognized assets and liabilities, entities in the Group has policy to minimize foreign currency transactions. Foreign exchange risk arises when future commercial transactions or recognized assets or liabilities are denominated in a currency that is not the entity's functional currency.

3. FINANCIAL AND CAPITAL RISKS MANAGEMENT *(Continued)*

3.1 Financial risk management *(Continued)*

(a) Market risk (Continued)

(i) Foreign exchange risk *(Continued)*

The Group has certain investments in foreign operations in Hong Kong and Australia, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

At December 31, 2011, if RMB had weakened/strengthened by 5% (2010: 5%) against other foreign currencies with all other variables held constant, post-tax profit for the year would have been RMB58.2 million (2010: RMB199.1 million) higher/lower mainly as a result of foreign exchange gain/losses on translation of recognized monetary assets and liabilities.

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.

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 form satisfying sufficient foreign currency demands.

3. FINANCIAL AND CAPITAL RISKS MANAGEMENT *(Continued)*

3.1 Financial risk management *(Continued)*

(a) Market risk (Continued)

(ii) Cash flow and fair value interest rate risk

The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash held at variable rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. During 2011 and 2010, the Group's borrowings at variable rate were denominated in the RMB and USD.

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios are run only for liabilities that represent the major interest-bearing positions.

At December 31, 2011, if interest rates on RMB and USD denominated loans had been 50 basis points (2010: 50 basis points) higher/lower respectively with all other variables held constant, interest expense charged to the consolidated statement of comprehensive income for the year would have been RMB120 million (2010: RMB90 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.

3. FINANCIAL AND CAPITAL RISKS MANAGEMENT *(Continued)*

3.1 Financial risk management *(Continued)*

(b) *Credit risk*

Credit risk is managed on Group basis, except for credit risk relating to receivable balances. Each local entity is responsible for managing and analyzing the credit risk for each debtor. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, the Group has policy to review the credit risks of any banks and financial institutions and does not expect any significant losses from non-performance by these banks and financial institutions. The Group's policy requires all of the Group's cash and cash equivalents in the PRC are deposited in the major state-owned/controlled PRC banks or financial institutions and well-known international banks outside of the PRC.

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.

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.

3. FINANCIAL AND CAPITAL RISKS MANAGEMENT *(Continued)*

3.1 Financial risk management *(Continued)*

(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.

Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Group Finance. Group Finance places the surplus cash with banks after considering sufficient liquidity to provide sufficient head-room as determined by Group Finance.

At December 31, 2011, the Group held cash and cash equivalents of RMB4,162 million (2010: RMB5,031 million) (Note 23(b)) and trade and bills receivable of RMB2,694 million (2010: RMB1,495 million) (Note 21) that are expected to readily generate cash inflows for managing liquidity risk. In addition, the Group holds listed equity securities of RMB382 million (2010: nil) (Note 19) in available-for-sale investments, which could be readily realized to provide a further source of cash if the need arose.

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

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, 2011					
Long-term loans *(Note 26(d))*	2,984,422	2,786,348	7,092,318	15,456,393	28,319,481
Long-term bonds *(Note 26(d))*	—	—	4,200,000	—	4,200,000
Short-term loans *(Note 26(b))*	688,215	—	—	—	688,215
Short-term bonds *(Note 26(b))*	2,000,000	—	—	—	2,000,000
Interest payables on borrowings	1,702,892	1,545,079	3,677,851	3,302,492	10,228,314
Other payables	6,636,863	—	—	—	6,636,863
Trade and bills payable	503,708	—	—	—	503,708
	14,516,100	4,331,427	14,970,169	18,758,885	52,576,581
At December 31, 2010					
Long-term loans *(Note 26(d))*	1,437,592	2,939,844	6,356,910	12,660,105	23,394,451
Short-term loans *(Note 26(b))*	2,181,822	—	—	—	2,181,822
Interest payables on borrowings	1,959,511	1,948,014	2,887,226	3,169,023	9,963,774
Other payables	5,031,327	—	—	—	5,031,327
Trade and bills payable	85,115	—	—	—	85,115
	10,695,367	4,887,858	9,244,136	15,829,128	40,656,489

3. FINANCIAL AND CAPITAL RISKS MANAGEMENT *(Continued)*

3.1 Financial risk management *(Continued)*

(c) Liquidity risk (Continued)

At December 31, 2011, the Group had total undrawn banking facilities of approximately RMB82,724 million (2010: RMB43,529 million), of which RMB10,751 million (2010: RMB3,290 million) will be expired in 12 months from the date of this report.

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue 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, return capital to shareholders, issue new shares or sell assets to reduce debt.

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, 2011 is 78% (2010: 74%), respectively.

The increase in the liability-to-asset ratio was primarily due to the increase of borrowings obtained from the issuance of long-term bonds and short-term bonds in 2011. 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.

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.

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

3. FINANCIAL AND CAPITAL RISKS MANAGEMENT *(Continued)*

3.3 Fair value estimation *(Continued)*

(a) Fair value measurements (Continued)

At December 31, 2011, except for available-for-sale investments of the Group amounting to RMB382 million (2010: nil) are measured at level 1 measurement hierarchy; all other available-for-sale investments are measured at Level 3 (2010: Level 3) measurement hierarchy.

These were no significant transfer of financial assets between level 1 and level 2 fair value hierarchy classification.

(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 payable, other payables, short-term borrowings approximate their fair values due to their short maturities.

The fair value of available-for-sale investments approximate their carrying value.

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.

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.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS *(Continued)*

(c) Revenue recognition for CDM income

For the year ended December 31, 2011, the Group has recognized income from CDM projects amounting to RMB371 million (2010: RMB229 million). In accordance with the relevant accounting policy as set out in Note 2.25, 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.

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

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS *(Continued)*

(f) Going concern

As disclosed in Note 2.1.1, the ability of the Group to continue as going concern basis is dependent upon the availability of the banking facilities in order to meet its day to day working capital requirements and its liabilities as they fall due. In the event the Group is unable to obtain adequate funding, there is uncertainty as to whether the Group will be able to continue as a going concern. These consolidated financial statements do not include any adjustments related to the carrying values and classifications of assets and liabilities that would be necessary should the Group be unable to continue as a going concern.

5. REVENUE

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

	Year ended December 31	
	2011	2010
Sales of electricity	3,656,207	2,378,428
Service concession construction revenue *(Note (i))*	24,249	—
Other revenues *(Note (ii))*	148,352	1,299
	3,828,808	2,379,727

5. REVENUE *(Continued)*

Notes:

(i) In 2011, the Group, through a subsidiary, entered into a service concession agreement with local provincial government (the "Grantor") to construct and operate solar power plants during a concession period of 25 years of operation. The Group is responsible for construction and maintenance of the solar power plants during the concession period. At the end of the concession period, the Group either needs to dispose of the solar power plants or transfer them to the Grantor at nil consideration. Service concession construction revenue recognized during the year ended December 31, 2011 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 14(i)) representing the right the Group receives to charge a fee for sales of electricity.

(ii) Other revenue represented primarily revenue from the provision of repair and maintenance service to external wind farms.

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 as there is only one reportable segment.

The Company is domiciled in the PRC. During the year ended December 31, 2011 , all the Group's result of its revenue are derived from external customers in the PRC.

As of December 31,2011, substantially all the non-current assets are located in the PRC (including Hong Kong).

For the year ended December 31, 2011, all (2010: 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.

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

6. OTHER INCOME AND OTHER GAINS-NET

	Year ended December 31	
	2011	2010
Income from CDM projects	370,800	229,497
Foreign exchange losses, in relation to receivables from CDM projects	(46,711)	(18,271)
	324,089	211,226
Government grants	184,911	156,154
Others	9,350	1,325
	518,350	368,705

7. FINANCE INCOME AND EXPENSES

	Year ended December 31	
	2011	2010
Finance income		
Interest income on deposits with banks and other financial institutions	10,852	19,976
Finance expenses		
Interest expenses	(1,758,560)	(1,115,170)
Less: interest expenses capitalized into property, plant and equipment	430,360	343,484
	(1,328,200)	(771,686)
Foreign exchange losses, net	(113,966)	(14,308)
	(1,442,166)	(785,994)
Net finance expenses	(1,431,314)	(766,018)
Interest capitalization rate	5.35% to 7.05%	4.8% to 6.8%

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

8. OPERATING PROFIT

Operating profit is arrived at after charging:

	Year ended December 31	
	2011	2010
Labour costs *(Notes (i) and (ii))*		
— salaries and welfares	145,388	74,711
— retirement benefits-defined contribution plans	12,131	9,414
— staff housing benefits	8,179	6,797
— other staff costs	22,051	4,409
	187,749	95,331
Depreciation of property, plant and equipment *(Note 13)*	1,338,788	867,544
Amortization of intangible assets and land use rights *(Notes 14 and 15)*	22,031	18,794
Auditors' remuneration	9,975	6,247
Operating lease expenses	7,858	10,757

8. OPERATING PROFIT *(Continued)*

Notes:

(i) Retirement benefits

The Group are required to make specific contributions to the state-sponsored retirement plan at a rate of 20% to 22% (2010: 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, 2011 pursuant to these arrangements amounted to approximately RMB27.1 million (2010: RMB14.0 million).

(ii) 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% (2010: 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, 2011, the Group incurred approximately RMB16.8 million (2010: RMB10.1 million) to the fund.

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

9. INCOME TAX

	Year ended December 31	
	2011	2010
Current tax		
PRC enterprise income tax	35,448	65,938
Overseas income tax	—	—
Deferred tax *(Note 29)*		
Origination and reversal of temporary differences	(494)	(8,833)
Income tax expense	34,954	57,105

Upon the implementation of the new Corporate Income Tax Law ("CIT Law") from Jan 1, 2008, the applicable corporate income tax rate of the Group was adjusted to 25%. Pursuant to GuoFa (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, 2011, except for certain subsidiaries incorporated in the PRC which were exempted or entitled to preferential rate of 7.5% to 12.5% (2010: 7.5% to 12.5%), all other subsidiaries incorporated in the PRC are subjected to income tax rate of 25% (2010: 25%).Taxation on overseas profit has been calculated on the extracted assessable profit for the year at the rates of taxation prevailing in the counties in which the Group operates.

For the year ended December 31, 2011, the jointly controlled entities and associates are subjected to income tax rate of 25% (2010: 25%), and the share of income tax expense of jointly controlled entities and associates of RMB5 million (2010: nil) and RMB0.2 million (2010: nil) were included in 'share of profit of a jointly controlled entity' and 'share of loss of associates', respectively.

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

9. INCOME TAX *(Continued)*

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

	Year ended December 31	
	2011	2010
Profit before taxation	1,005,258	734,586
Taxation calculated at the statutory tax rate of 25% (2010: 25%)	251,315	183,647
Income tax effects of:		
— Preferential income tax treatments for qualified group companies	(246,688)	(119,401)
— Non-deductible expenses	2,049	2,401
— Tax losses for which no deferred income tax asset was recognized	34,076	92
— Utilization of previously unrecognized tax losses	—	(1,766)
— Income tax refunds *(Note (i))*	(5,798)	(7,868)
	34,954	57,105
Weighted average effective income tax rate *(Note (ii))*	3.48%	7.80%

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 in weighted average effective income tax rate were primarily attributable to the fluctuation in profitability of certain subsidiaries of the Company located in regions with preferential income tax rate as well as initiation and expiration of tax benefit of other subsidiaries of the Company.

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

10. EARNINGS PER SHARE

(a) Basic earnings per share

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

	Year ended December 31	
	2011	2010
Profit attributable to equity holders of the Company	729,842	455,831
Weighted average number of ordinary shares issued (thousands of shares)	7,219,828	5,082,182
Basic earnings per share for profit attributable to the equity holders of the Company *(RMB)*	0.1011	0.0897

(b) Diluted earnings per share

Diluted earnings per share for the year ended December 31, 2011 and 2010 is the same as the basic earnings per share as there are no dilutive potential shares.

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

11. DIVIDENDS

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. It was paid in October, 2011.

A dividend in respect of the year ended December 31, 2011 of RMB0.039 per share, amounting to a total dividend of RMB283.7 million is to be proposed by the Board at the forthcoming annual general meeting. These financial statements do not reflect this dividend payable.

	Year ended December 31	
	2011	2010
Special dividend paid	—	100,297
Interim dividend paid of RMB nil (2010: RMB nil) per share	—	—
Proposed final dividend of RMB0.039 (2010: nil) per share	283,674	—
	283,674	100,297

The aggregate amounts of the dividends paid and proposed during 2011 and 2012 have been disclosed in the consolidated statement of comprehensive income in accordance with the Hong Kong Companies Ordinance.

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

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, 2011

	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)	—	262	300	30	592
— Mr. Zhang Xunkui (張勛奎)	—	236	200	30	466
Independent non-executive directors					
— Mr. Wang Guogang (王國剛)	60	—	—	—	60
— Mr. Yu Hon To David (俞漢度)	60	—	—	—	60
— Mr. Liu Chaoan (劉朝安)	60	—	—	—	60
Supervisors					
— Mr. Wang Guoping (王國平)*	—	—	—	—	—
— Mr. Zhang Xiaochun (張小春)*	—	—	—	—	—
— Mr. Dong Jianhua (董建華)	—	234	200	30	464
	180	732	700	90	1,702

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

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, 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

* 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.

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 (2010: nil). No director or supervisor waived or agreed to waive any emoluments during the year (2010: nil).

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

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

(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, 2011 are set forth below:

	Year ended December 31	
	2011	2010
Director or supervisor	2	2
Non-director or supervisor	3	3
	5	5

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	
	2011	2010
Salaries and other emoluments	708	572
Discretionary bonuses	600	382
Retirement benefits-defined contribution plans	90	81
	1,398	1,035

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

	Year ended December 31	
	2011	2010
Nil to HKD1,000,000	5	5

During the year ended December 31, 2011, 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 (2010: nil).

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

13. PROPERTY, PLANT AND EQUIPMENT

	Group				
	Buildings	Electricity utility plant	Transportation facilities, office equipment and others	CIP	Total
At January 1, 2010					
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
Year ended December 31, 2010					
Opening net book amount	467,275	13,135,043	152,588	7,660,006	21,414,912
Additions	109	17,455	56,174	10,408,915	10,482,653
Additions from Common control business combinations	—	—	—	405,204	405,204
Disposals	—	(715)	(1,557)	(18,429)	(20,701)
Transfers and reclassifications	313,534	8,186,916	(12,345)	(8,488,105)	—
Depreciation	(26,975)	(835,431)	(14,028)	—	(876,434)
Closing net book amount	753,943	20,503,268	180,832	9,967,591	31,405,634
At December 31, 2010					
Cost, as previously stated	814,990	22,227,639	211,282	9,562,387	32,816,298
Common control business combinations	—	—	—	405,204	405,204
Cost, as restated	814,990	22,227,639	211,282	9,967,591	33,221,502
Accumulated depreciation	(61,047)	(1,724,371)	(30,450)	—	(1,815,868)
Net book amount, as restated	753,943	20,503,268	180,832	9,967,591	31,405,634

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

13. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

	Group				
	Buildings	Electricity utility plant	Transportation facilities, office equipment and others	CIP	Total
Year ended December 31, 2011					
Opening net book amount	753,943	20,503,268	180,832	9,967,591	31,405,634
Acquisition of subsidiaries *(Note 32(b))*	—	557	432	152,142	153,131
Additions	—	151,028	88,008	10,706,735	10,945,771
Transfers and reclassifications	411,180	10,063,353	(35,782)	(10,484,819)	(46,068)
Depreciation	(38,376)	(1,274,330)	(34,651)	—	(1,347,357)
Closing net book amount	1,126,747	29,443,876	198,839	10,341,649	41,111,111
At December 31, 2011					
Cost	1,226,170	32,442,949	263,958	10,341,649	44,274,726
Accumulated depreciation	(99,423)	(2,999,073)	(65,119)	—	(3,163,615)
Net book amount	1,126,747	29,443,876	198,839	10,341,649	41,111,111

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

13. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

For the year ended December 31, 2011, depreciation expense recognized in the consolidated statement of comprehensive income is analyzed as follows:

	Year ended December 31	
	2011	2010
Depreciation and amortization expense *(Note 8)*	1,338,788	867,544
Capitalization as CIP	8,569	8,890
	1,347,357	876,434

At December 31, 2011, certain property, plant and equipment were pledged as security for long-term bank and other loans of the Group (Notes 26 (a) (ii) and (iii)).

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

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
Year ended December 31, 2011					
Opening net book amount	13,518	282,340	15,429	—	311,287
Additions	98,947	9,776	1,335	31,622	141,680
Depreciation	(1,018)	(19,933)	(1,259)	—	(22,210)
Closing net book amount	111,447	272,183	15,505	31,622	430,757
At December 31, 2011					
Cost	117,777	388,166	19,657	31,622	557,222
Accumulated depreciation	(6,330)	(115,983)	(4,152)	—	(126,465)
Net book amount	111,447	272,183	15,505	31,622	430,757

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

14. INTANGIBLE ASSETS

	Group				Company
	Goodwill	Concession assets *(Note (i))*	Computer software	Total	Computer software
At January 1, 2010/ July 9, 2010					
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	—
Year/ period 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
Year ended December 31, 2011					
Opening net book amount	58,055	333,047	11,420	402,522	1,480
Additions	—	24,249	13,510	37,759	2,904
Amortization	—	(15,139)	(2,905)	(18,044)	(762)
Closing net book amount	58,055	342,157	22,025	422,237	3,622
At December 31, 2011					
Cost	58,055	387,573	26,820	472,448	4,676
Accumulated amortization	—	(45,416)	(4,795)	(50,211)	(1,054)
Net book amount	58,055	342,157	22,025	422,237	3,622

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

14. INTANGIBLE ASSETS *(Continued)*

Amortization expense for the year ended December 31, 2011 is analyzed as follows:

	Group Year ended December 31	
	2011	2010
Depreciation and amortization expense *(Note 8)*	17,712	16,281
Capitalization as CIP	332	172
	18,044	16,453

Notes:

(i) Concession assets represent the rights the Group obtained for the usage of the concessions in relation to a wind power plant and a solar power plant 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 original contracted operating period of the relevant service concession projects of 25 years.

14. INTANGIBLE ASSETS *(Continued)*

Notes: (Continued)

(ii) Impairment test for goodwill

At December 31, 2011, 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 WulateHouqi 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 8.6% (2010: 7.2%). 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, 2011 (2010: nil).

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

15. 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 years presented are as follows:

	Group		Company	
	Year ended December 31		Year ended December 31	Period from July 9, 2010 (date of establishment) to December 31
	2011	2010	2011	2010
At beginning of year/ period	242,543	56,872	—	—
Injections for establishment of the Company *(Note 1)*	—	—	—	5,855
Acquisitions of subsidiaries *(Note 32(b))*	838	—	—	—
Additions	63,119	188,885	—	—
Disposal	—	—	—	(5,855)
Amortization	(5,457)	(3,214)	—	—
At December 31,	301,043	242,543	—	—

Amortization expense for the year ended December 31, 2011 is analyzed as follows:

	Group Year ended December 31	
	2011	2010
Depreciation and amortization expense *(Note 8)*	4,319	2,513
Capitalization as CIP	1,138	701
	5,457	3,214

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

16. INVESTMENTS IN SUBSIDIARIES - COMPANY

	Year ended December 31, 2011	Period from July 9, 2010 (date of establishment) to December 31, 2010
Investments, at cost:		
At January 1	8,391,696	—
Injections for establishment of the Company *(Note 1)*	—	7,031,146
Acquisitions of subsidiaries *(Note 32)*	348,900	—
Establishment of new subsidiaries	914,489	179,600
Capital contributions to subsidiaries	3,010,420	1,180,950
At December 31	12,665,505	8,391,696

Note:

At December 31, 2011, the Company directly and indirectly holds equity interests in subsidiaries, all of which are unlisted securities.

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

16. INVESTMENTS IN SUBSIDIARIES - COMPANY *(Continued)*

As at December 31, 2011, the Company's principal subsidiaries summarized as follows:

Name	Place and date of incorporation and operation	Registered and fully paid capital	Effective interest held 2011	2010
Jilin Wind Power *(Note (ii))*	the PRC/ December 4, 2003	85,000	31%	31%
Datang Zhongdian Renewable Power	the PRC/ November 9, 2005	305,273	51%	51%
Gansu Datang Yumen Wind Power Generation Company Limited (甘肅大唐玉門風電有限公司)	the PRC/ November 9, 2005	271,197	60 %	60 %
Datang (Chifeng) Renewable Power Company Limited ("Chifeng Renewable Power") (大唐(赤峰)新能源有限公司)	the PRC/ April 28, 2006	Paid-in capital: USD299.0 million (RMB2,120.5 million) Registered capital: USD347.67 million (RMB2,329.4 million)	60%	60%
Chifeng Tangneng Renewable Power Company Limited (赤峰唐能新能源有限公司)	the PRC/ October 12, 2006	326,720	100%	100%
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) *(Note (iv))*	the PRC/ January 22, 2007	473,000	28%	28%
Datang Xilinguole Wind Power Generation Company Limited (大唐錫林郭勒風力發電有限責任公司)	the PRC/ March 7, 2007	444,690	100%	100%
Datang Zhongdian Jilin	the PRC/ March 28, 2007	165,260	51%	51%
Datang Huanan Wind Power Generation Company Limited (大唐樺南風力發電有限公司)	the PRC/ October 9, 2007	188,860	70%	70%

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

16. INVESTMENTS IN SUBSIDIARIES - COMPANY *(Continued)*

Name	Place and date of incorporation and operation	Registered and fully paid capital	Effective interest held 2011	2010
Datang Sanmenxia Wind Power Generation Company Limited (大唐三門峽風力發電有限公司)	the PRC/ October 23, 2007	54,060	90%	90%
Datang Yilan Wind Power Generation Company Limited (大唐依蘭風力發電有限公司) ("Datang Yilan") *(Note (vi))*	the PRC/ December 18, 2007	188,860	82.33%	51%
Datang Jingtai Wind Power Generation Company Limited (大唐景泰風電有限責任公司) *(Note (iii))*	the PRC/ January 10, 2008	Paid-in capital: 139,330 Registered capital: 99,330	100%	100%
Datang (Tongliao) Huolinhe Renewable Power Company Limited (大唐(通遼)霍林河新能源有限公司)	the PRC/ May 29, 2008	513,000	100%	100%
Datang Zhongri (Chifeng) Renewable Power Company Limited (大唐中日(赤峰)新能源有限公司)	the PRC/ July 30, 2008	165,920	51%	51%
Datang Sanhe (Linxi) Renewable Power Company Limited ("Sanhe Linxi")(大唐三合(林西)新能源有限公司) *(Note (v))*	the PRC/ December 2,2008	Paid-in capital: 122,337 Registered capital: 183,370	51%	51%
Datang Shandong Renewable Power Company Limited (大唐山東新能源有限公司) *(Note (iii))*	the PRC/ June 10, 2009	Paid-in capital: 546,833 Registered capital: 411,287	100%	100%
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%
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: 137,491 Registered capital: 100,000	80%	80%
Datang Eryuan Wind Power Generation Company Limited (大唐洱源風電有限責任公司) *(Note (iii))*	the PRC/ July 31, 2009	Paid-in capital: 89,030 Registered capital: 10,000	100%	100%

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

16. INVESTMENTS IN SUBSIDIARIES - COMPANY *(Continued)*

Name	Place and date of incorporation and operation	Registered and fully paid capital	Effective interest held 2011	Effective interest held 2010
Datang Zhangbei Wind Power Generation Company Limited (大唐張北風力發電有限責任公司) *(Note (iii))*	the PRC/ September 2, 2009	Paid-in capital: 94,507 Registered capital: 5,000	100%	100%
Datang Yumen Changma Wind Power Generation Company Limited (大唐玉門昌馬風電有限公司)	the PRC/ September 10, 2009	Paid-in capital: 266,200 Registered capital: 50,000	100%	100%
Jianping Shiyingzi Wind Power Generation Company Limited ("Jianping Shiyingzi") (建平石營子風力發電有限公司)	the PRC/ September 18, 2009	EUR17.75million (RMB166.41million)	75%	75%
Xiangyang Wind Power	the PRC/ October 30, 2009	525,900	100%	100%
Datang (Chaoyang) Renewable Power Company Limited (大唐(朝陽)新能源有限公司) *(Note (iii))*	the PRC/ December 11, 2009	Paid-in capital: RMB369 million (including: USD18 million i.e.: RMB122 million) Registered capital: 405,475	60%	60%
Datang Wuzhong Renewable Power Company Limited (大唐吳忠新能源有限公司)	the PRC/ June 2, 2010	180,457	100%	100%
Datang Wengniuteqi Renewable Power Company Limited (大唐翁牛特旗新能源有限公司)	the PRC/ June 21, 2010	113,183	100%	100%
Datang Renewable Power (HK) Company Limited (大唐新能源(香港)有限公司)	the PRC HK/ January 28, 2011	HKD100,000	100%	—

16. INVESTMENTS IN SUBSIDIARIES - COMPANY *(Continued)*

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) The principle activity of the above subsidiaries are all wind power generation.

(ii) Pursuant to the confirmations from the equity holders of the remaining 69% (2010: 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 and with the Company after the Reorganization (Note 1). 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.

(iii) 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.

(iv) As confirmed in writing from a 24% (2010: 24%) equity owner, it agreed to act in concert with Datang Corporation before the Reorganization and with the Company after the Reorganization (Note 1). 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.

(v) Sanhe Linxi is formerly named as Lixi Aolujia Renewable Power Development Company Limited ("Linxi Aolujia"). 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.

(vi) In August 2011, the Group acquired additional 31.33% equity interests of Datang Yilan, a subsidiary of the Company, from its non-controlling interests, for a total consideration of RMB59 million. The carrying value of the acquired non-controlling interests in Datang Yilan on the date of acquisition was RMB73 million. The Group recognized a decrease in non-controlling interests of RMB73 million and an increase in equity attributable to equity holders of the Company of RMB14 million (Note 25), which represented the excess of the present value of the consideration over the carrying value of the non-controlling interests acquired. Thereafter, the Company's equity interests in Datang Yilan was increased from 51% to 82.33%.

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

17. INVESTMENT IN ASSOCIATES

	Group		Company	
	Year ended December 31		Year ended December 31	Period from July 9, 2010 (date of establishment) to December 31
	2011	2010	2011	2010
At January 1	20,851	14,300	20,851	—
Injections for establishment of the Company *(Note 1)*	—	—	—	13,405
Additions	15,000	8,571	15,000	8,571
Share of loss for the year/period	(7,421)	(2,020)	—	(1,125)
At December 31	28,430	20,851	35,851	20,851

As at December 31, 2011, particulars of the Company's associates is as follows:

Company name	Place and date of establishment	Registered and fully paid capital	Effective interest held 2011	Effective interest held 2010	Principal activities
Xiangdian Wind Power (Fujian) Company Limited (湘電風能(福建)有限公司) ("Xiangdian")	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
Rongcheng Shengu Renewable Power Technology Company Limited (榮成沈鼓新能源科技有限公司) ("Rongcheng Shengu")	the PRC/ April 21, 2011	50,000	30%	—	Research, developing, investment of wind power resource

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

17. INVESTMENT IN ASSOCIATES *(Continued)*

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

	Assets		Liabilities		Revenue		Loss for the year	
Company name	2011	2010	2011	2010	2011	2010	2011	2010
Xiangdian	150,116	86,973	136,409	66,122	146,039	54,523	(7,144)	(2,020)
Rongcheng Shengu	15,107	—	384	—	—	—	(277)	—
	165,223	86,973	136,793	66,122	146,039	54,523	(7,421)	(2,020)

18. INVESTMENT IN A JOINTLY CONTROLLED ENTITY

	Group		Company	
	Year ended December 31		Year ended December 31	Period from July 9, 2010 (date of establishment) to December 31
	2011	2010	2011	2010
At January 1	—	—	—	—
Additions	40,000	—	40,000	—
Share of profits for the year/period	15,012	—	—	—
At December 31	55,012	—	40,000	—

As at December 31, 2011, particulars of the Company's jointly controlled entity is as follows:

Company name	Place and date of establishment	Registered and fully paid capital	Effective interest held 2011	Effective interest held 2010	Principal activities
Asian Renewable Power Technology Engineering Company Limited (亞洲新能源科技工程有限公司)	the PRC/ July 26, 2011	100,000	50%	—	Designing, manufacturing, sales of renewable power equipments and steel structure parts

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

18. INVESTMENT IN A JOINTLY CONTROLLED ENTITY *(Continued)*

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

	Group Year ended December 31	
	2011	2010
Assets	61,213	—
Liabilities	(6,201)	—
Revenue	43,438	—
Profit for the year	15,012	—

19. AVAILABLE-FOR-SALE INVESTMENTS

	Group Year ended December 31	
	2011	2010
At January 1	51,167	51,167
Additions *(Note)*	515,317	—
Disposal	(59,178)	—
Change in value transfer to equity	(73,920)	—
At December 31	433,386	51,167

Note:

In June and December 2011, the Company participated in the global public offerings of Huaneng Renewable Corporation Limited (華能新能源股份有限公司) ("Huaneng Renewable") and Guodian Technology & Environment Group Corporation Limited (國電科環集團股份有限公司) ("Guodian Technology"), both are subsidiary of companies controlled by the PRC government and acquired 1.47% and 1.82% equity interests in Huaneng Renewable and Guodian Technology for a cash consideration of RMB261 million and RMB195 million, respectively.

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

19. AVAILABLE-FOR-SALE INVESTMENTS *(Continued)*

At December 31, 2011, the Group's available-for-sale investments include the following:

	Group Year ended December 31	
	2011	2010
Listed securities:		
— Equity securities — Hong Kong	382,219	—
Unlisted securities:		
— Equity securities — the PRC	51,167	51,167
	433,386	51,167
Market value of listed securities	382,219	—

Available-for-sale investments are denominated in the following currencies:

	Group Year ended December 31	
	2011	2010
RMB	51,167	51,167
HKD	382,219	—
	433,386	51,167

At December 31, 2011 and 2010, the directors of the Company are of their opinion that the fair value of unlisted securities is approximate to their cost as the relevant entity is at development stage and has not commenced operation.

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

20. OTHER NON-CURRENT ASSETS

At December 31, 2011, other non-current assets comprise the following:

	Group At December 31		Company At December 31	
	2011	2010	2011	2010
Receivables from provision of construction services	322,124	—	322,124	—
Deposit for finance leases	54,975	48,675	—	—
Entrusted loans to subsidiaries	—	—	2,240,936	95,000
Others	54,516	1,416	39,079	—
	431,615	50,091	2,602,139	95,000
Less: Current portion of				
— Receivables from provision of construction services *(Note 22)*	215,985	—	215,985	—
— Entrusted loans to related parties	—	—	40,000	5,000
	215,985	—	255,985	5,000
	215,630	50,091	2,346,154	90,000

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

21. TRADE AND BILLS RECEIVABLE

	Group At December 31		Company At December 31	
	2011	2010	2011	2010
Trade receivables	2,683,858	1,493,926	113,265	49,019
Bills receivable	9,880	1,300	—	—
	2,693,738	1,495,226	113,265	49,019
Less: provision for doubtful debts	—	—	—	—
	2,693,738	1,495,226	113,265	49,019

Trade and bills receivable primarily represent receivables from regional or provincial grid companies for tariff revenue and from customers for which the Company provided repair and maintenance service. 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.

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

21. TRADE AND BILLS RECEIVABLE *(Continued)*

Aging analysis of trade and bills receivable was as follows:

	Group At December 31		Company At December 31	
	2011	2010	2011	2010
Within 1 year	2,265,933	1,482,976	101,968	49,019
Between 1 and 2 years	422,457	9,922	8,277	—
Between 2 and 3 years	3,020	—	3,020	—
Over 3 years	2,328	2,328	—	—
	2,693,738	1,495,226	113,265	49,019

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	
	2011	2010	2011	2010
Neither past due nor impaired	2,265,933	1,482,976	101,968	49,019
Past due within 1 year	422,457	—	8,277	—
Past due over 1 year	5,348	12,250	3,020	—
	2,693,738	1,495,226	113,265	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, 2011 and 2010, the Group has pledged proportion of their tariff collection rights as security for certain bank and other loans (Notes 26 (a) (ii) and (iii)).

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

22. PREPAYMENTS, OTHER RECEIVABLES AND OTHER CURRENT ASSETS

	Group At December 31		Company At December 31	
	2011	2010	2011	2010
VAT recoverable *(Note (i))*	2,400,267	1,573,808	214	—
Prepayments or advances for plant constructions	864,344	349,766	11,637	140,950
CDM assets	590,652	363,475	3,827	4,823
Notes receivable *(Note (ii))*	400,000	—	—	—
Receivables from provision of construction services *(Note 20)*	215,985	—	215,985	—
Staff advances	10,547	8,148	3,446	1,849
Prepayment for acquisition of a subsidiary *(Note 32(b))*	—	80,000	—	80,000
Entrusted loans and amounts due from related parties	103,131	22,384	5,915,000	666,266
Amounts due from subsidiaries	—	—	1,030,018	26,630
Others	210,750	232,403	200,754	108,741
	4,795,676	2,629,984	7,380,881	1,029,259
Less: provision for doubtful debts	—	—	—	—
	4,795,676	2,629,984	7,380,881	1,029,259

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

22. PREPAYMENTS, OTHER RECEIVABLES AND OTHER CURRENT ASSETS *(Continued)*

Notes:

(i) Balance of VAT recoverable mainly represents the input VAT relating to purchase of property, plant and equipment.

(ii) On October 31, 2011, a Hong Kong subsidiary of the Company entered into a promissory note agreement with China Everbright Financial Investments Limited (中國光大財務投資有限公司), a limited liability company incorporated in Hong Kong. To lend a total of RMB400 million at simple interest rate of 0.7%, maturing in January 31, 2012. The principal and interest totalling to RMB400.7 million was fully settled on January 31, 2012.

At December 31, 2011, substantially all prepayments, other receivables and other current assets (2010: 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 prepayment, other receivables and other current assets are denominated in the following currencies:

	Group At December 31		Company At December 31	
	2011	2010	2011	2010
RMB	4,129,422	2,266,509	7,377,054	1,024,436
USD	18,956	9,154	—	—
HKD	40,478	—	—	—
EUR	571,697	354,321	3,827	4,823
AUD	35,123	—	—	—
	4,795,676	2,629,984	7,380,881	1,029,259

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

23. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

(a) Restricted cash

As of December 31, 2011, restricted cash represents cash held at escrow account for the purpose of establishment of a new subsidiary, which the relevant legal process is in progress. The restricted cash are denominated in RMB.

(b) Cash and cash equivalents

Cash and cash equivalents comprise of the following:

	Group At December 31		Company At December 31	
	2011	2010	2011	2010
Cash in hand	101	51	9	15
Deposits with banks and other financial institutions	4,162,323	5,031,295	2,837,103	4,264,524
	4,162,424	5,031,346	2,837,112	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	
	2011	2010	2011	2010
RMB	3,622,404	879,978	2,360,714	115,375
USD	6,841	2,204	—	—
HKD	522,027	4,149,164	476,398	4,149,164
EUR	4,246	—	—	—
AUD	6,906	—	—	—
	4,162,424	5,031,346	2,837,112	4,264,539

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

24. SHARE CAPITAL AND SHARE PREMIUM

At December 31, 2011, share capital comprises of the following:

	Group and Company	
	December 31, 2011	December 31, 2010
State-owned ordinary shares	4,785,739	4,785,739
H shares	2,487,962	2,356,871
	7,273,701	7,142,610

The total authorized number of ordinary shares is 7,273 million shares with a par value of RMB1.00 per share. At December 31, 2011, 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 years, which will expire no later than on December 16, 2011. Of the total H shares, 700,659,000 shares (2010: 700,659,000) 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. The aforementioned lock-up period is expired as of December 31, 2011.

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

24. SHARE CAPITAL AND SHARE PREMIUM *(Continued)*

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

	Company			
	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
At January 1, 2011	7,142,610	7,142,610	1,971,884	9,114,494
Issue of H shares, net of issuance costs *(Note (iii))*	131,091	131,091	109,085	240,176
At December 31, 2011	7,273,701	7,273,701	2,080,969	9,354,670

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 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.

(iii) On May 30, 2011, in connection with the over-allotment of shares in relation to the Company initial public offering in December 2010, 131,091,000 H shares were issued at HKD2.33 (equivalent to approximately RMB1.94) per share for HKD305 million (equivalent to RMB254 million), net of issuance costs of RMB14 million. In connection with the issuance, 13,109,100 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 of the PRC.

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

25. OTHER RESERVES AND RETAINED EARNINGS

A summary of the movements of other reserves for the year ended December 31, 2011 is as follows:

	Group				
	Statutory surplus reserve	Other reserves	Available-for-sale investments	Currency translation	Total
	(Note (a))	*(Note (b))*			
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
Common controlled business combination - capital contributions by the then equity owners	—	20,000	—	—	20,000
Appropriations	15,410	—	—	—	15,410
At December 31, 2010	24,702	(1,466,713)	—	—	(1,442,011)

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

25. OTHER RESERVES AND RETAINED EARNINGS *(Continued)*

	Group				
	Statutory surplus reserve	Other reserves	Available-for-sale investments	Currency translation	Total
	(Note (a))	*(Note (b))*			
At January 1, 2011	24,702	(1,486,713)	—	—	(1,462,011)
Common controlled business combinations *(Note 32)*	—	20,000	—	—	20,000
At January 1, 2011, as restated	24,702	(1,466,713)	—	—	(1,442,011)
Acquisition of non-controlling interests of subsidiaries *(Note 16(vi))*	—	14,027	—	—	14,027
Common controlled business combination - capital contributions by the then equity owners	—	40,000	—	—	40,000
Common control business combinations-Consideration by the Company *(Note 32(a))*	—	(204,000)	—	—	(204,000)
Capital contributions	—	40	—	—	40
Appropriations	59,816	—	—	—	59,816
Revaluation	—	—	(73,920)	—	(73,920)
Currency translation difference	—	—	—	(1,775)	(1,775)
At December 31, 2011	84,518	(1,616,646)	(73,920)	(1,775)	(1,607,823)

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

25. OTHER RESERVES AND RETAINED EARNINGS *(Continued)*

	Company			
	Other reserves			Retained earnings
	Statutory surplus	Others	Total	
	(Note (a))	*(Note (b))*		
At July 9, 2010 (date of establishment)	—	—	—	—
Profit for the year	—	—	—	154,097
Injection by the equity holder of the Company as part of Reorganization *(Note 1)*	—	1,349,341	1,349,341	—
Dividends paid relating to 2009	—	—	—	(100,297)
Appropriations	15,410	—	15,410	(15,410)
At December 31, 2010	15,410	1,349,341	1,364,751	38,390
At January 1, 2011	15,410	1,349,341	1,364,751	38,390
Profit for the year	—	—	—	590,569
Appropriations	59,816	—	59,816	(59,816)
At December 31, 2011	75,226	1,349,341	1,424,567	569,143

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.

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

26. BORROWINGS

(a) Long-term borrowings:

	Group At December 31		Company At December 31	
	2011	2010	2011	2010
Bank loans				
— unsecured loans	18,928,667	16,780,024	2,326,700	1,431,000
— guaranteed loans *(Note (i))*	3,652,550	3,607,084	—	—
— secured loans *(Note (ii))*	2,274,220	700,300	—	—
Corporate bonds-unsecured *(Note (iv))*	4,178,986	—	4,178,986	—
Other borrowings				
— unsecured loans	—	—	—	—
— guaranteed loans *(Note (i))*	3,165,801	1,836,817	—	—
— secured loans *(Note (iii))*	298,243	470,226	—	—
	32,498,467	23,394,451	6,505,686	1,431,000
Less: Current portion of long-term borrowings *(Note 26(b))*				
— bank loans	2,798,928	1,280,850	1,207,000	23,000
— other borrowings	185,494	156,742	—	—
	2,984,422	1,437,592	1,207,000	23,000
	29,514,045	21,956,859	5,298,686	1,408,000
Estimated fair value of long-term borrowings *(Note (v))*	32,556,538	23,394,451	6,505,686	1,431,000

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

26. BORROWINGS *(Continued)*

(a) Long-term borrowings: *(Continued)*

Notes:

(i) Details of guaranteed loans are as follows:

	Group At December 31		Company At December 31	
	2011	2010	2011	2010
Guarantor				
— Company	5,467,968	4,189,359	—	—
— Non-controlling interests of subsidiaries and an ultimate holding company of non-controlling interests	1,350,383	1,254,542	—	—
	6,818,351	5,443,901	—	—

(ii) At December 31, 2011, secured loans amounting to RMB577 million (2010: RMB494 million) were secured by certain property, plant and equipment amounting to RMB884 million (2010: RMB1,016 million) (Note 13). Secured loans amounting to RMB 293 million (2010: nil) were secured by intangible assets amounting to RMB318 million (2010: nil) (Note 15). The remaining balance of the secured loans amounting to RMB1,404 million (2010: RMB206 million) were secured by the tariff collection rights amounting to RMB106 million (2010: RMB26 million) (Note 21).

(iii) At December 31, 2011, secured loans from other financial institutions amounting to RMB298 million (2010: RMB470 million) were secured by tariff collection rights amounting to RMB481 million (2010: RMB319 million) (Note 21), insurance contract and certain property, plant and equipment with carrying amount of RMB535 million (2010: RMB565 million) (Note 13).

(iv) In November 2011, the Company issued corporate bonds with par value of RMB100 each totalling RMB4,200 million. These bonds have 5 years maturity with a fixed annual coupon and effective interest rates of 5.40% and 5.52%, respectively. Total proceeds received net of issuance costs, amounted to RMB4,178 million. These bonds are traded on Shanghai Stock Exchange.

(v) 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, 2011 were ranging 3.57%to 7.76% (2010: 3.57% to 5.76%).

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

26. BORROWINGS *(Continued)*

(b) Short-term borrowings:

	Group At December 31		Company At December 31	
	2011	2010	2011	2010
Bank loans-unsecured loans	688,215	2,040,600	5,580,013	1,970,794
Short-term bonds *(Note)*	1,994,632	—	1,994,632	—
Other borrowings				
— unsecured loans	—	141,222	—	40,000
Current portion of long-term borrowings *(Note 26(a))*				
— bank loans	2,798,928	1,280,850	1,207,000	23,000
— other borrowings	185,494	156,742	—	—
	5,667,269	3,619,414	8,781,645	2,033,794

Note:

In September, 2011, the Company issued short-term bonds with par value of RMB100 each totalling RMB2,000 million with annual coupon and effective interest rate at 5.94% and 6.36%, respectively and matured within one year. Total proceeds received net of issuance costs, amounted to RMB1,992 million.

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

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

26. BORROWINGS *(Continued)*

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

	Group		Company	
	Year ended December 31		Year ended December 31	From July 9, 2010 (date of establishment) to December 31
	2011	2010	2011	2010
Long-term				
Bank loans	3.57%--7.76%	3.57%--5.76%	4.86%--6.70%	4.86%--5.53%
Other borrowings	5.44%--7.05%	4.86%--5.53%	—	4.86%
Short-term				
Bank loans	4.00%--7.05%	4.78%--5.53%	4.78%--6.56%	4.78%--5.23%
Other borrowings	4.37%--7.87%	4.37%--5.40%	4.37%--5.90%	4.37%--4.78%

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

	Group At December 31		Company At December 31	
	2011	2010	2011	2010
Within 1 year	2,984,422	1,437,592	1,207,000	23,000
After 1 year but within 2 years	2,786,348	2,939,844	138,000	1,178,000
After 2 years but within 5 years	11,271,304	6,356,910	4,602,986	114,000
After 5 years	15,456,393	12,660,105	557,700	116,000
	32,498,467	23,394,451	6,505,686	1,431,000
Wholly repayable within 5 years	7,063,425	1,155,000	5,327,986	1,150,000

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

26. BORROWINGS *(Continued)*

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

	Group At December 31		Company At December 31	
	2011	2010	2011	2010
RMB	34,883,071	25,106,047	14,080,331	3,441,794
USD	298,243	470,226	—	—
	35,181,314	25,576,273	14,080,331	3,441,794

27. TRADE AND BILLS PAYABLE

	Group At December 31		Company At December 31	
	2011	2010	2011	2010
Trade payables	21,703	44,115	4,924	1,326
Bills payable	482,005	41,000	—	—
	503,708	85,115	4,924	1,326

At December 31, 2011 and 2010, substantially all trade and bills payable are within one year since the invoice date, and are denominated in RMB.

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

28. OTHER PAYABLES

	Group At December 31		Company At December 31	
	2011	2010	2011	2010
Payables for property, plant and equipment	5,571,340	4,257,615	138,049	2,465
Amounts due to related parties	476,113	292,072	57,354	—
Interests payable	143,694	53,731	77,345	5,141
Payables for CDM projects	112,430	61,836	205	244
Payables for land use rights	1,377	10,290	—	—
Accrued staff related costs	37,298	22,379	2,968	2,006
Payables for other taxes	32,648	20,581	11,840	2,644
Dividends payable	19,231	134,997	—	100,297
Consideration payables for business combinations under common control *(Note 32(a))*	102,000	—	102,000	—
Other accruals and payables	140,732	177,826	29,649	83,289
	6,636,863	5,031,327	419,410	196,086

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

	Group At December 31		Company At December 31	
	2011	2010	2011	2010
RMB	6,511,393	4,969,491	408,090	195,842
USD	2,186	815	—	—
HKD	11,115	—	11,115	—
EUR	110,245	61,021	205	244
AUD	1,924	—	—	—
	6,636,863	5,031,327	419,410	196,086

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

29. DEFERRED INCOME TAX

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

	At December 31	
	2011	2010
Deferred income tax assets:		
— Deferred income tax assets to be recovered after more than 12 months	7,873	8,176
— Deferred income tax assets to be recovered within 12 months	86	352
	7,959	8,528
Deferred income tax liabilities:		
— Deferred income tax liabilities to be settled after more than 12 months	(56,389)	(57,982)
— Deferred income tax liabilities to be settled within 12 months	(3,543)	(3,013)
	(59,932)	(60,995)
Deferred income tax liabilities, net	(51,973)	(52,467)

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

29. DEFERRED INCOME TAX *(Continued)*

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

	At December 31	
	2011	2010
At January 1	(52,467)	(61,300)
Tax credited to the consolidated statement of comprehensive income *(Note 9)*	494	8,833
At December 31	(51,973)	(52,467)

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:

	Tax losses and others	Assets revaluation
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)
At January 1, 2011	8,528	(60,995)
Credited to the consolidated statement of comprehensive income	(569)	1,063
At December 31, 2011	7,959	(59,932)

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

29. 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 are summarized as follows:

	At December 31	
	2011	2010
Year of expiry		
2014	6,442	6,442
2015	369	369
2016	161,653	—
	168,464	6,811

30. COMMITMENTS

(a) Capital commitments of property, plant and equipment

	Group At December 31		Company At December 31	
	2011	2010	2011	2010
Contracted but not provided for	6,718,272	6,802,662	—	—
Authorized but not contracted for	10,239,905	11,550,224	—	—
	16,958,177	18,352,886	—	—

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

30. COMMITMENTS *(Continued)*

(b) Commitment under operating leases

At December 31, 2011, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

	Group At December 31		Company At December 31	
	2011	2010	2011	2010
Within 1 year	10,544	980	—	—
Between 2 and 5 years	34,079	3,920	—	—
Over 5 years	4,877	6,600	—	—
	49,500	11,500	—	—

(c) Commitment for capital contribution

As of December 31, 2011, the Group and the Company have commitment to inject additional capital to its jointly controlled entities/associates and its subsidiaries, respectively as follows:

	Group At December 31		Company At December 31	
	2011	2010	2011	2010
Commitment for capital contribution	—	—	275,956	249,777

31. CONTINGENT LIABILITIES

At December 31, 2011, the Group and the Company do not have significant contingent liabilities.

32. BUSINESS COMBINATIONS

During the year ended December 31, 2010, except for the business combinations in connection with the Reorganization and the acquisition as set out in Note 16(iv), there is no other business combinations.

During the year ended December 31, 2011, the Company completed the following acquisitions:

(a) Common controlled business combinations

In December 2011, the Company acquired 100% equity interests in Datang Laizhou Renewable Power Company Limited (大唐萊州新能源有限公司) ("Datang Laizhou") and Datang Wendeng Clean Power Development Company Limited (大唐文登清潔能源開發有限公司) ("Datang Wendeng"), both are limited liability companies incorporated in the PRC, from Datang Shandong Power Generation Company Limited (大唐山東發電有限公司) ("Datang Shandong Power") and Datang Shandong Electric Power Overhaul & Operation Company Limited (大唐山東電力檢修運營有限公司) ("Datang Overhaul"), limited liability companies incorporated in the PRC, for a cash consideration in aggregate of RMB204 million. The Company, Datang Shandong Power and Datang Overhaul are under common control of Datang Corporation.

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

32. BUSINESS COMBINATIONS *(Continued)*

(a) Common controlled business combinations *(Continued)*

	Datang Laizhou	Datang Wendeng	Total
Consideration:			
— Cash paid in 2011	83,000	19,000	102,000
— Consideration payable *(Note 28)*	83,000	19,000	102,000
Total consideration	166,000	38,000	204,000
Recognized amounts of carrying value of identifiable assets acquired and liabilities :			
Cash and cash equivalents	48,052	7,418	55,470
Trade and bills receivable	24,676	21,243	45,919
Prepayments, other receivables and other current assets	23,887	125,792	149,679
Properties, plants and equipments	673,687	369,140	1,042,827
Land use rights	—	9,286	9,286
Other non-current assets	3,750	—	3,750
Other payables	(451,004)	(175,487)	(626,491)
Borrowings	(260,000)	(334,000)	(594,000)
Total identifiable net assets	63,048	23,392	86,440

32. BUSINESS COMBINATIONS *(Continued)*

(a) Common controlled business combinations *(Continued)*

Datang Wendeng and Datang Laizhou were established and incorporated in November 2010 and March 2011, respectively. As of January 1, 2010 and December 31, 2010, the net assets of Datang Wendeng and Datang Laizhou in aggregate are nil and RMB20,000, respectively.

In accordance with the principles of merger accounting, the assets and liabilities of Datang Laizhou and Datang Wendeng are consolidated in the financial statements of the Company using the existing book values as stated in the consolidated financial statements of Datang Corporation immediately prior to the combination. The consolidated statement of financial position and the statement of comprehensive income for the year ended December 31, 2010 are restated as if the combination occurred at January 1, 2010 or the date of the inception of the respective businesses acquired, whichever is earlier.

All acquisition-related cost have been charged to other operating expenses in the consolidated statement of comprehensive income for the year ended December 31, 2011.

Since the acquisition was completed on December 26, 2011, revenue and profit contributed by the above mentioned acquired businesses since the acquisition date to the year ended are not significant. Contribution of revenue and profit from January 1 to December 31, 2011 amounting to RMB80 million and RMB26 million, respectively.

(b) Non-common controlled business combinations

In February 2011, the Company acquired 75% equity interests and obtained control of Jianping Shiyingzi, a limited liability company incorporated in the PRC, from Sistemas Energeticos de Tarfia, S.L. Unipersonal, a limited liability company incorporated in Spain, by assuming its share of capital contribution commitment in Jianping Shiyingzi amounting to EUR13.3 million (equivalent to RMB130 million).

In March 2011, the Company acquired 51% equity interests and obtained control of Harbin Ruichi Wind Power Co., Ltd (哈爾濱銳馳風力發電有限公司) ("Harbin Ruichi"), a limited liability company incorporated in the PRC, from its shareholders, for a cash consideration of RMB14.3 million.

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

32. BUSINESS COMBINATIONS *(Continued)*

(b) Non-common controlled business combinations *(Continued)*

In September 2011, the Company acquired 100% equity interests and obtained control of Beijing Puhua Yineng Wind Power Technology Co., Ltd (北京普華億能風電技術有限公司) ("Puhua Yineng"), a limited liability company incorporated in the PRC, from its shareholders, for a cash consideration of RMB0.5 million.

	Jianping Shiyingzi	Harbin Ruichi	Puhua Yineng	Total
Consideration:				
— Cash paid in 2011	50,120	14,280	500	64,900
— Cash paid prior to 2011 *(Note 22)*	80,000	—	—	80,000
Total consideration	130,120	14,280	500	144,900
Recognized amounts of provisional value of identifiable assets acquired and liabilities assumed :				
Cash and cash equivalents	330	20,551	—	20,881
Properties, plants and equipments *(Note 13)*	140,645	7,436	5,050	153,131
Land use rights *(Note 15)*	838	—	—	838
Prepayments, other receivables and other current assets	51,358	13	—	51,371
Other payables	(4,678)	—	(4,550)	(9,228)
Borrowings	(15,000)	—	—	(15,000)
Total identifiable net assets	173,493	28,000	500	201,993
Non-controlling interests	(43,373)	(13,720)	—	(57,093)
	130,120	14,280	500	144,900

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

32. BUSINESS COMBINATIONS *(Continued)*

(b) Non-common controlled business combinations *(Continued)*

	Jianping Shiyingzi	Harbin Ruichi	Puhua Yineng	Total
(Outflow)/Inflow of cash to acquire businesses, net of cash acquired:				
— Cash consideration paid in 2011	(50,120)	(14,280)	(500)	(64,900)
— Cash and cash equivalents in subsidiaries acquired	330	20,551	—	20,881
Cash (outflow)/inflow on acquisitions in 2011	(49,790)	6,271	(500)	(44,019)

As all the acquired businesses are in construction stage and had not commence any commercial operation on the respective acquisition dates, the fair value of the identifiable assets acquired and liabilities assumed approximates their book value. The acquired identifiable assets are mainly prepayments and construction in progress of property plant and equipment.

All acquisition-related costs have been charged to other operating expenses in the consolidated statement of comprehensive income for the year ended December 31, 2011.

The acquired businesses in aggregate contributed revenues of RMB41 million and profit of RMB25 million to the Group since their respective acquisition dates to December 31, 2011. Had these acquired businesses been consolidated from January 1, 2011, the consolidated statement of comprehensive income would show the same revenue and profit as above as they were in construction stage prior to the respective acquisition dates.

33. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

As at December 31, 2011, the directors of the Company regard Datang Corporation as the Company's ultimate holding company.

In accordance with IAS 24 (revised), "Related Party Disclosures", government-related entities and their subsidiaries, directly or indirectly controlled, jointly controlled or significantly influenced by the PRC government are defined as related parties of the Group. On that basis, related parties include Datang Corporation and its subsidiaries (other than the Group), other government-related entities and their subsidiaries ("other state-owned enterprises"), other entities and corporations in which the Company is able to control or exercise significant influence and key management personnel of the Company and Datang Corporation as well as their close family members.

Apart from business combinations under common control in connection with the Reorganization as set out in Notes 1 and 32(a), significant related party transactions which were carried out in the normal course of businesses of the Group during the year ended December 31, 2011 and related balances at December 31, 2011 are as follows:

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

33. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES *(Continued)*

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

	Group Year ended December 31	
	2011	2010
Provision of installation, construction, general contracting services to/(by):		
— A Fellow subsidiary	9,882	—
— Fellow subsidiaries *(Note (i))*	(1,862,922)	(1,194,212)
Purchases of equipment from:		
— Fellow subsidiaries	(644,784)	(1,789,405)
— An associate	(22,958)	—
	(667,742)	(1,789,405)
Working capital provided to/(from):		
— Ultimate holding company	—	5,136
— Ultimate holding company	—	(1,200,000)
— Fellow subsidiaries *(Note (ii))*	124,137	253,362
— Fellow subsidiaries	(659,571)	(710,403)
	(535,434)	(1,651,905)
Entrusted loans to:		
— A fellow subsidiary	8,000	—
Borrowing from:		
— A fellow subsidiary	(800,000)	(1,857,000)

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

33. 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	
	2011	2010
Interest expense on working capital and borrowings from:		
— Ultimate holding company	—	(2,349)
— Fellow subsidiaries	(44,229)	(79,181)
	(44,229)	(81,530)
Interest income on working capital and entrusted loans to:		
— Fellow subsidiaries	402	2,037
Assets disposed to:		
— Fellow subsidiaries	—	19,991

Notes:

(i) Provision of general contracting services by certain fellow subsidiaries of the Group included purchase of equipment and constructions services.

(ii) Working capital provided to fellow subsidiaries included non-trade advances: (a) by two subsidiaries of the Company to certain fellow subsidiaries of the Company amounted to RMB22 million (2010: RMB51 million); and (b) by Datang Wendeng to certain fellow subsidiaries of the Company amounted to RMB102 million (2010: RMB19 million) prior to Datang Wendeng was acquired by the Company in December 2011 (Note 32(a)).

In August 2011, the Company and China Datang Corporation Finance Company Limited (中國大唐集團財務有限公司) ("Datang Finance"), a fellow subsidiary of the Company which is a financial institution incorporated in the PRC, entered into an agreement for which Datang Finance agreed to provide certain loan, depository and other financial services to the Group for a period of three year ("Financial Service Agreement"). For the year ended December 31, 2011, service fees paid to Datang Finance under the Financial Service Agreement was not significant. As of December 31, 2011, the Group has cash deposit held at Datang Finance amounted to RMB480 million (Note 33(b)).

All transactions with related parties above are conducted on prices and terms mutually agreed by the parties involved.

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

33. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES *(Continued)*

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

	Group At December 31	
	2011	2010
Included in 'property, plant and equipment':		
— Fellow subsidiaries	216,091	984,058
Included in 'prepayments, other receivables and other current assets': *(Note (i))*		
— Fellow subsidiaries	104,617	23,143
Included in 'trade and bills receivable':		
— A Fellow subsidiary	1,769	—
Included in 'trade and bills payable':		
— Fellow subsidiaries	(1,864)	(3,498)
Included in 'other payables': *(Note (ii))*		
— Parent company	—	(100,297)
— Fellow subsidiaries	(1,706,266)	(1,127,662)
	(1,706,266)	(1,227,959)
'Cash and cash equivalents' deposited with: *(Note 33(a))*		
— A fellow subsidiary	480,000	—

33. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES *(Continued)*

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

All balances with related parties were arising primarily resulted from transactions as disclosed in Note 33(a).

As at December 31, 2011, except for amount included in 'other payables' of RMB283 million (2010: nil) payable to certain fellow subsidiaries of the Company bear interest at 5.27% to 6.35% (2010: nil), all (2010: all) other balances with Datang Corporation and its subsidiaries are interest-free, unsecured and due on demand.

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

For the year ended December 31, 2011, all revenue from the sales of electricity is made to the provincial power grid companies in which the group companies are operated (2010: all). These power grid companies are directly or indirectly owned or controlled by the PRC government. At December 31, 2011, substantially all trade and bills receivable (Note 21) are due from these power grid companies (2010: all).

Apart from the above, for the years ended December 31, 2011 and 2010, 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, 2011 and 2010, and the relevant interest income earned and expenses incurred are transacted with banks and other financial institutions owned/controlled by the PRC government.

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

33. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES *(Continued)*

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

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.

(d) Key management personnel remuneration

	Year ended December 31	
	2011	2010
Basic salaries, housing allowances, other allowances and benefits in kind	1,901	1,549
Discretionary bonus	1,659	849
Pension costs - defined contribution schemes	237	215
	3,797	2,613

"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
"auxiliary electricity"	electricity consumed by a wind power project in the course of power generation and transmission
"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
"Board"	the board of Directors of the Company
"capacity"	if used alone, is an abbreviated form of installed capacity for operating projects, constructing capacity for projects under construction, or prospective capacity for pipeline projects (as the case may be)

"constructing capacity"	the capacity of projects under construction
"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
"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" or "consolidated net electricity sales"	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
"EPC"	energy performance contracting, an energy-saving service mechanism that an energy services company contractually guarantees to its customer that a certain amount of energy savings will be achieved and to such end it will provide necessary services to the customer which, in return, will pay the energy services company the costs it incurs for such services plus a reasonable profit.
"electricity sales" or "net power generation"	gross power generation less (i) auxiliary electricity; and (ii) the electricity generated during the construction and testing period. Income attributable to the sales of electricity generated during the construction and testing period is not included in the electricity sales revenue, but is offset against the cost of property, plant and equipment
"Group" or "we" or "us"	China Datang Corporation Renewable Power Co., Limited and its subsidiaries
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"kW"	unit of energy, kilowatt. 1 kW = 1,000 watts
"Our Company" or "Company"	China Datang Corporation Renewable Power Co., Limited*

"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
"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
"dispatch"	as a noun, the schedule of production for all the generating units on a power system, generally varying at short notice to match the needs of power. As a verb, to direct a power project to operate
"emission reduction factors"	factors used to measure the CER credit generated. The NDRC publishes emission reduction factors for each regional power grid annually determined according to the requirements and standards promulgated by the CDM Executive Board of the United Nations. Each relevant wind farm project applies the appropriate emission reduction factor as published by the NDRC at the time the project was approved

"generating capacity"	the capacity of wind turbines that have started to produce electricity, which capacity corresponds to the amount of power generation salable to the power grid companies plus the auxiliary electricity
"gross power generation"	for a specified period, the total amount of electricity produced by a power plant in that period, including electricity sales, auxiliary electricity and electricity generated during the construction and testing period
"GW"	unit of energy, gigawatt. 1 GW = 1,000 MW
"GWh"	unit of energy, gigawatt-hour. 1 GWh = 1 million kWh
"installed capacity"	the capacity of those wind power projects in which the wind turbines have been completely assembled and erected
"km"	kilometres
"kV"	unit of voltage, kilovolt. 1 kV = 1,000 volts
"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 power generator producing one thousand watts for one hour
"Kyoto Protocol"	a protocol to the United Nations Framework Convention on Climate Change, effective on February 16, 2005
"MW"	unit of energy, megawatt. 1 MW = 1,000 kW. The capacity of a power project is generally expressed in MW
"MWh"	unit of energy, megawatt-hour. 1 MWh = 1,000 kWh
"on-grid tariff"	the price of electricity per kWh for which a power project could sell the electricity it generated to the power grid companies. On-grid tariff includes (1) benchmark or approved on-grid tariff; (2) tariff premiums for wind power companies to compensate the costs of transmission lines that wind power companies constructed and owned (if applicable); and/or (3) discretionary tariff subsidies granted by the local government (if applicable)
"operating projects" or "projects in operation"	projects in which the wind turbines have been completely assembled and erected
"O&M"	operations and maintenance
"projects under construction"	projects for which the construction work on the roads, foundations or electrical infrastructure has commenced, and the project has received the project approval of the NDRC or provincial DRC and detailed engineering and construction blueprints have been completed

"prospective capacity"	the capacity of pipeline projects reserved for future development
"renewable energy sources"	sustainable sources that are regenerative or, for all practical purposes, cannot be depleted, such as wind, sunlight or water (based on industry consensus, hydro power less than 50 MW is categorized as renewable energy, which is encouraged by the Renewable Energy Law)
"smart grid"	generally used in the power industry to refer to a new type of power grid based on integrated, high-speed and two-way communication network, which is expected to lead to improvements in the reliability, compatibility, safety and efficiency of the power grids and cost reduction through the application of advanced sensor and measurement technologies, equipment technologies, control method and decision-making support system
"total installed capacity," "total generating capacity" or "total constructing capacity"	the aggregate amount of installed capacity, generating capacity or constructing capacity of our projects that we fully consolidate in our consolidated financial statements
"TWh"	unit of energy, terawatt-hour. 1 TWh = 1 billion kWh
"VERs"	voluntary emission reductions, which are carbon credits that are not mandated by any law or regulation, but originated from an organization's desire to take active part in climate change mitigation efforts
"weighted average on-grid tariff"	electricity sales revenue in a period divided by the corresponding electricity sales in such period
"%"	per cent.
"sq. m." or "m^2"	square meter(s)
"m^3"	cubic meter(s)

團 Corporate Information

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ENGLISH NAME OF THE COMPANY

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Mr. Chen Jinhang

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Mr. Hu Yongsheng

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Mr. Hu Guodong

Ms. Gloria Sau-kuen Ma

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

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

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

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

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

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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)*

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