華電福新能源股份有限公司
HUADIAN FUXIN ENERGY CORPORATION LIMITED

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

Stock Code: 00816

2019
INTERIM REPORT

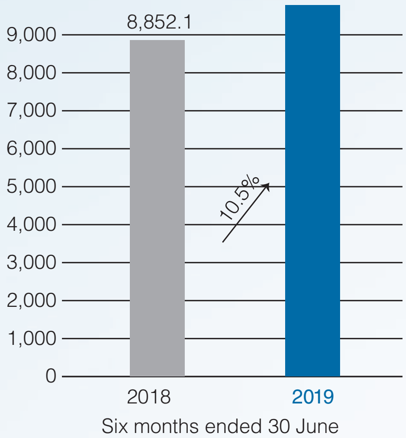
CONTENTS

Interim Results

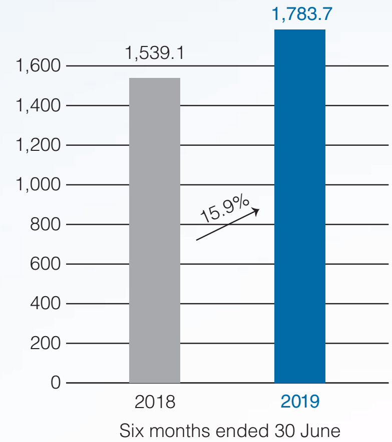
The board of directors (the "**Board**") of Huadian Fuxin Energy Corporation Limited (the "**Company**") hereby announces the unaudited operating results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 June 2019 (the "**reporting period**"), together with the operating results for the corresponding period of 2018 for comparison. For the six months ended 30 June 2019, the revenue of the Group amounted to RMB9,781.1 million, representing an increase of 10.5% over the corresponding period of 2018; profit before taxation amounted to RMB2,390.2 million, representing an increase of 31.7% over the corresponding period of 2018; profit attributable to equity holders of the Company amounted to RMB1,783.7 million, representing an increase of 15.9% over the corresponding period of 2018; earnings per share amounted to RMB18.41 cents, representing an increase of 8.4% over the corresponding period of 2018.

Key Operating and Financial Information

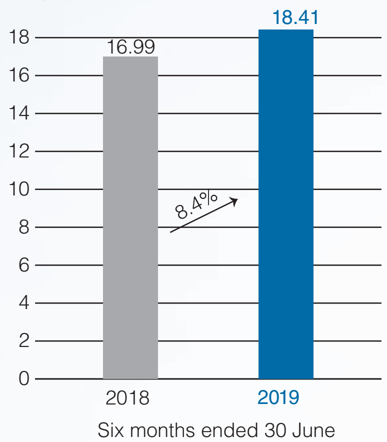
Revenue (RMB in million)



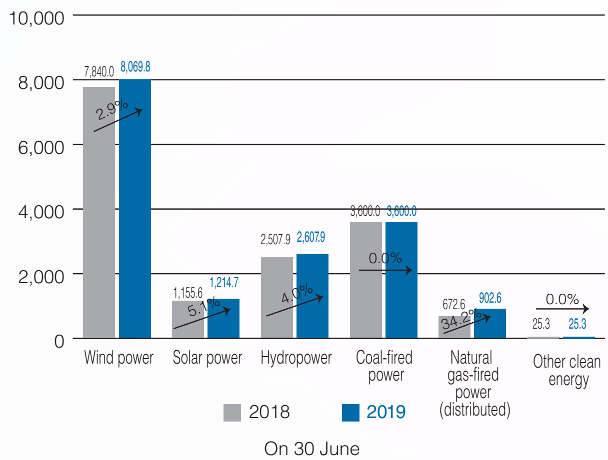
Profit attributable to equity holders of the Company (RMB in million)



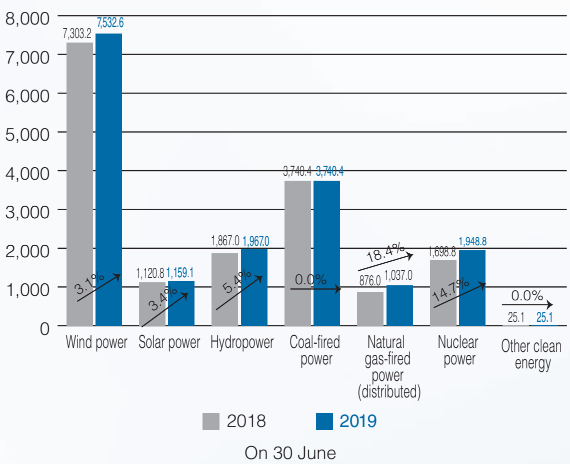
Basic and diluted earnings per share (RMB cents/share)



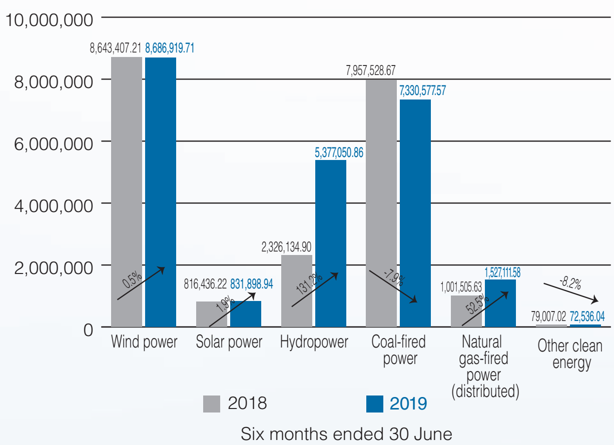
Consolidated installed capacity (MW)



Attributable consolidated installed capacity (MW)



Total electricity sales (MWh)



Management Discussion and Analysis

In the first half of 2019, the cumulative overall electricity consumption of the entire society in China reached 3,398 billion kWh, representing a period-on-period increase of 5.0%, with the growth rate falling by 4.4 percentage points over the corresponding period of 2018. In the first half of the year, in light of the complicated international and domestic situation, under the strong leadership of the CPC Central Committee with Comrade Xi Jinping at the core, the Chinese governments at all levels and their departments earnestly carried out and implemented the decisions and arrangements made by the CPC Central Committee and the State Council. By following the underlying principle of making progress while maintaining stability, adhering to the new development philosophy, pursuing high-quality development and focusing on the main task of supply-side structural reform, the governments deepened reforming and opening up and exerted efforts on "stabilisation in six aspects". The economic operation was still in a reasonable range and maintained its development trend of progress in overall stability. In the first half of the year, the gross domestic product amounted to RMB45,093.3 billion, representing a period-on-period increase of 6.3%.

I. BUSINESS REVIEW

In the first half of 2019, the Group continued to strengthen equipment maintenance and management and various operating indicators improved while maintaining stability. The new energy businesses took full advantage of various national policies on promoting the consumption of renewable energies, and made efforts to increase power generation and reduce curtailment ratio. In the Fujian area, the Group capitalised the favorable water flow for hydropower generation to conduct dispatch of the reservoirs, resulting in a sharp increase in the utilization hours.

For the six months ended 30 June 2019, profit attributable to equity holders of the Company was RMB1,783.7 million, representing an increase of 15.9% over the corresponding period of 2018; gross power generation was 24,060,269.9 MWh, representing an increase of 10.6% over the corresponding period of 2018; and as at 30 June 2019, consolidated installed capacity was 16,420.3 MW, representing an increase of 3.9% over the corresponding period of 2018.

The respective consolidated installed capacity of the power generating assets of the Group as at 30 June 2019 and 2018 by type was:

Consolidated installed capacity (MW)

Type	2019	2018	Percentage Change
Wind power	**8,069.8**	7,840.0	2.9%
Solar power	**1,214.7**	1,155.6	5.1%
Hydropower	**2,607.9**	2,507.9	4.0%
Coal-fired power	**3,600.0**	3,600.0	0.0%
Natural gas-fired power (distributed)	**902.6**	672.6	34.2%
Other clean energy	**25.3**	25.3	0.0%
Total	**16,420.3**	15,801.4	3.9%

I. BUSINESS REVIEW (CONTINUED)

The respective attributable consolidated installed capacity of the power generating assets of the Group as at 30 June 2019 and 2018 by type was:

Attributable consolidated installed capacity (MW)

Type	2019	2018	Percentage Change
Wind power	**7,532.6**	7,303.2	3.1%
Solar power	**1,159.1**	1,120.8	3.4%
Hydropower	**1,967.0**	1,867.0	5.4%
Coal-fired power	**3,740.4**	3,740.4	0.0%
Natural gas-fired power (distributed)	**1,037.0**	876.0	18.4%
Nuclear power	**1,948.8**	1,698.8	14.7%
Other clean energy	**25.1**	25.1	0.0%
Total	**17,410.0**	16,631.3	4.7%

The respective gross power generation of the power generating assets of the Group for the six months ended 30 June 2019 and 2018 by type was:

Gross power generation (MWh)

Type	2019	2018	Percentage Change
Wind power	**8,983,336.6**	8,940,423.1	0.5%
Solar power	**849,934.3**	822,243.2	3.3%
Hydropower	**5,456,046.8**	2,375,058.2	129.7%
Coal-fired power	**7,070,129.6**	8,432,132.4	-16.2%
Natural gas-fired power (distributed)	**1,628,286.1**	1,100,105.3	48.0%
Other clean energy	**72,536.6**	79,028.0	-8.2%
Total	**24,060,269.9**	21,748,990.2	10.6%

I. BUSINESS REVIEW (CONTINUED)

1. Wind power

As at 30 June 2019, the Group had a consolidated wind power installed capacity of 8,069.8 MW, representing an increase of 2.9% over the corresponding period of 2018. During the reporting period, the Group increased consolidated installed capacity from new wind power projects by 76.8 MW, and recorded gross wind power generation of 8,983,336.6 MWh, representing an increase of 0.5% over the corresponding period of 2018. The average wind power utilization hours was 1,107 hours in the first half of this year, representing a slight decrease of 38 hours over the corresponding period of 2018, due to the influence of wind resource in the first half of this year. The average on-grid tariff of wind power was RMB415.75/MWh (tax exclusive), representing a decrease of RMB17.99/MWh (tax exclusive) over the corresponding period of 2018. The Group continued to strengthen the maintenance and management of wind power units, striving to enhance power generation efficiency, with the availability of wind turbines reaching 98.95% in the first half of 2019, representing a period-on-period increase of 0.53 percentage point.

In the first half of 2019, a project of 100 MW was added to the 2019 first batch of grid parity wind power projects of the National Energy Administration. At present, the wind power projects included in the "Thirteenth Five Approved Plans" amounted to a capacity of approximately 1,912 MW. All of the projects were located in the regions "without wind power red-alert warning", of which 81.85% were located in central and southeast China.

2. Solar power business

As at 30 June 2019, the Group had a consolidated installed capacity of solar power generation projects in operation of 1,214.7 MW, representing an increase of 5.1% over the corresponding period of 2018. For the six months ended 30 June 2019, the Group's gross solar power generation was 849,934.3 MWh, representing an increase of 3.3% over the corresponding period of 2018. The average on-grid tariff was RMB810.69/MWh (tax exclusive).

3. Hydropower business

As at 30 June 2019, the Group had a consolidated hydropower installed capacity of 2,607.9 MW and a capacity under construction of 1,200.0 MW.

In the first half of 2019, as the inflow of reservoirs in Fujian Province saw a significant increase over the corresponding period of last year, the Group captured the power generation opportunity, optimized the dispatch of the reservoirs and boosted the utilization rate of water resources. As a result, the economic benefits were boosted to the utmost. For the six months ended 30 June 2019, the Group recorded gross hydropower generation of 5,456,046.8 MWh, representing an increase of 129.7% over the corresponding period of 2018; the average hydropower utilization hours was 2,177 hours, representing an increase of 1,229 hours over the corresponding period of 2018; and the average on-grid tariff of hydropower was RMB288.29/MWh (tax exclusive), representing an increase of RMB1.96/MWh (tax exclusive) over the corresponding period of 2018.

I. BUSINESS REVIEW (CONTINUED)

4. Coal-fired power business

As at 30 June 2019, the Group had a consolidated coal-fired power installed capacity of 3,600.0 MW, with one project under construction.

For the six months ended 30 June 2019, the Group recorded gross coal-fired power generation of 7,070,129.6 MWh, representing a decrease of 16.2% over the corresponding period of 2018; due to the waxing and waning of coal-fired power and hydropower, and the hydropower generation increased period-on-period as a result of the rich inflow in Fujian Province in the year, the average coal-fired power utilization hours was 1,964 hours, representing a period-on-period decrease of 378 hours; the coal consumption was 305.2 g/KWh, representing a decrease of 1.6 g/KWh over the corresponding period of 2018. The average on-grid tariff of coal-fired power was RMB344.53/MWh (tax exclusive), representing an increase of RMB8.59/MWh (tax exclusive) over the corresponding period of 2018; and the standard coal cost was RMB697.13/ton (tax exclusive), representing a decrease of RMB96.07/ton (tax exclusive) over the corresponding period of 2018.

5. Natural gas-fired power (distributed) business and other business

As at 30 June 2019, the Group had a consolidated installed capacity of natural gas-fired power (distributed) projects, which have been put into operation of 902.6 MW, increased by 230.0 MW over the corresponding period of 2018; the consolidated installed capacity of the projects under construction amounted to 1,267.4 MW. For the six months ended 30 June 2019, the gross power generation of natural gas-fired power (distributed) projects of the Group was 1,628,286.1 MWh, representing an increase of 48.0% over the corresponding period of 2018 .

As at 30 June 2019, the Group held 39.0% equity interest in Fujian Fuqing Nuclear Power Co., Ltd. and 10.0% equity interest in Sanmen Nuclear Power Co., Ltd. In particular, the No. 1 generator set of Sanmen Nuclear Power was successfully connected to the grid in the first half of 2018 and put into commercial operation in September 2018; the No. 2 generator set commenced trial operation in July 2018 and was put into commercial operation in November 2018.

As at 30 June 2019, we also had two biomass energy projects in operation, with a consolidated installed capacity of 25.3 MW.

II. FINANCIAL POSITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the unaudited financial statements of the Group together with the accompanying notes:

1. Overview

For the six months ended 30 June 2019, the Group's profit before taxation for the period increased by 31.7% to RMB2,390.2 million as compared with RMB1,815.1 million in the corresponding period of 2018; among which profit attributable to the equity holders of the Company amounted to RMB1,783.7 million, representing an increase of 15.9% as compared with RMB1,539.1 million in the corresponding period of 2018.

2. Revenue

The Group's revenue increased by 10.5% to RMB9,781.1 million for the six months ended 30 June 2019 as compared with RMB8,852.1 million in the corresponding period of 2018.

The Group's revenue from sales of electricity increased by 10.9% to RMB9,401.5 million for the six months ended 30 June 2019 as compared with RMB8,477.3 million in the corresponding period of 2018, which was mainly due to an increase of electricity sales by 14.4% over the corresponding period of 2018, mainly due to the increase in hydropower electricity sales and the substituted electricity sales of coal-fired power.

The respective segment revenue of the Group and their reconciliations to the consolidated revenue for the six months ended 30 June 2019 and 2018 are as follows:

Revenue

	January to June of 2019 ***RMB in millions***	January to June of 2018 *RMB in millions*	Change ratio
Wind power	**3,615.0**	3,754.7	-3.7%
Solar power	**679.0**	651.8	4.2%
Hydropower	**1,563.5**	670.4	133.2%
Coal-fired power	**2,688.4**	2,833.9	-5.1%
Natural gas-fired power (distributed)	**1,143.2**	800.9	42.7%
Others	**81.8**	103.9	-21.3%
Total revenue of the reported segments	**9,770.9**	8,815.6	10.8%
Service concession construction revenue	**10.2**	36.3	-71.9%
Unallocated head office and corporate revenue	**–**	0.2	-100.0%
Consolidated revenue	**9,781.1**	8,852.1	10.5%

II. FINANCIAL POSITION AND RESULTS OF OPERATIONS (CONTINUED)

3. Other net income

For the six months ended 30 June 2019, the Group's other net income decreased by 32.9% to RMB123.3 million as compared with RMB183.8 million in the corresponding period of 2018, primarily due to the default penalty income of construction contract of RMB6.3 million received by the Group for the six months ended 30 June 2019 as compared with RMB66.5 million in the corresponding period of 2018.

4. Operating expenses

The Group's operating expenses increased by 2.3% to RMB6,424.3 million for the six months ended 30 June 2019 as compared with RMB6,277.9 million in the corresponding period of 2018, which was mainly attributable to the increases in repair and maintenance costs and depreciation and amortization expenses.

The Group's fuel cost decreased by 10.4% to RMB2,455.1 million for six months ended 30 June 2019 as compared with RMB2,739.0 million in the corresponding period of 2018. This decrease was primarily due to the decrease in power generation of coal-fired power segment in the first half of 2019 as compared with that of the corresponding period of 2018 and the decrease of coal price.

The Group's depreciation and amortization expenses increased by 4.2% to RMB2,366.0 million for the six months ended 30 June 2019 as compared with RMB2,271.3 million in the corresponding period of 2018. This increase was primarily due to the commencement of operation of the Group's new generating units.

The Group's personnel costs increased by 6.1% to RMB693.3 million for the six months ended 30 June 2019 as compared with RMB653.5 million in the corresponding period of 2018, primarily due to additional staff for the expanded business following the commencement of production of the Group's new generation units and its business expansion, and the fact that a portion of the personnel costs were expensed instead of being capitalized as more projects commenced operation.

The Group's repair and maintenance costs increased by 67.3% to RMB246.5 million for the six months ended 30 June 2019 as compared with RMB147.3 million in the corresponding period of 2018, primarily due to the timing differences in the plan on equipment maintenance arrangement of the Group.

The Group's other operating expenses increased by 104.9% to RMB514.1 million for the six months ended 30 June 2019 as compared with RMB250.9 million in the corresponding period of 2018, primarily due to the increase in the purchase of substituted electricity resulting from the transfer of planned power generation quota of coal-fired power segment and the increase in the hydro-resources fee and reservoir maintenance fee resulting from the increase in the power generation of hydropower segment.

II. FINANCIAL POSITION AND RESULTS OF OPERATIONS (CONTINUED)

5. Operating profit

The Group's operating profit increased by 26.2% to RMB3,480.0 million for the six months ended 30 June 2019 as compared with RMB2,757.9 million in the corresponding period of 2018, primarily due to the increase of 609.6% in operating profit of hydropower segment as a result of the substantial increase in electricity sales of hydropower segment as compared with that of the corresponding period of last year. The respective segment operating profit of the Group and their reconciliations to the consolidated operating profit for the six months ended 30 June 2019 and 2018 are as follows:

Operating Profit

	January to June of 2019 ***RMB in millions***	January to June of 2018 *RMB in millions*	Change ratio
Wind power	**1,997.6**	2,248.3	-11.2%
Solar power	**396.8**	366.2	8.4%
Hydropower	**844.4**	119.0	609.6%
Coal-fired power	**216.1**	32.7	560.9%
Natural gas-fired power (distributed)	**106.9**	72.7	47.0%
Others	**-0.3**	-0.5	-40.0%
Reportable segment profit	**3,561.5**	2,838.4	25.5%
Unallocated head office and corporate revenue	**–**	0.2	-100.0%
Unallocated head office and corporate expenses	**-81.5**	-80.7	1.0%
Consolidated operating profit	**3,480.0**	2,757.9	26.2%

6. Finance income

The Group's finance income decreased by 22.5% to RMB49.2 million for the six months ended 30 June 2019 as compared with RMB63.5 million in the corresponding period of 2018. This decrease was primarily due to the decrease in foreign exchange gains.

7. Finance expenses

The Group's finance expenses decreased by 3.6% to RMB1,438.1 million for the six months ended 30 June 2019 as compared with RMB1,492.5 million in the corresponding period of 2018. This decrease was primarily due to the changes in the principal amount of the loans.

II. FINANCIAL POSITION AND RESULTS OF OPERATIONS (CONTINUED)

8. Share of profits less losses of associates and joint ventures

The Group's share of profits less losses of the associates and joint ventures was RMB299.2 million for the six months ended 30 June 2019 as compared with that of RMB486.1 million in the corresponding period of 2018. The decrease was primarily due to a decrease in the net profit of Fuqing Nuclear Power Plant, an associate of the Group, for the period as compared with the corresponding period of 2018.

9. Income tax

The Group's income tax increased by 98.8% to RMB357.0 million for the six months ended 30 June 2019 as compared with RMB179.6 million in the corresponding period of 2018. This was mainly due to the increase in income tax expenses along with the significant increase in the profit generated from hydropower segment for the six months ended 30 June 2019 as compared with the corresponding period of 2018.

10. Profit for the period

The Group's profit for the period increased by 24.3% to RMB2,033.2 million for the six months ended 30 June 2019 as compared with RMB1,635.5 million in the corresponding period of 2018, primarily due to the substantial increase of profit in the hydropower segment for six months ended 30 June 2019. The profit, as a percentage over the total revenue, increased to 20.8% for the six months ended 30 June 2019 from 18.5% in the corresponding period of 2018.

11. Profit attributable to the equity holders of the Company

For the six months ended 30 June 2019, the profit attributable to the equity holders of the Company was RMB1,783.7 million, increased by 15.9% as compared with RMB1,539.1 million for the corresponding period of 2018. The increase was mainly due to the substantial increase of profit from the hydropower segment as compared with the corresponding period of 2018.

12. Profit attributable to non-controlling interests

The Group's profit attributable to non-controlling interests increased by 158.8% to RMB249.5 million for the six months ended 30 June 2019 as compared with RMB96.4 million in the corresponding period of 2018. This increase was primarily due to the substantial increase in profit generated from hydropower segment in which the non-controlling shareholders have a relatively large proportion of equity as compared with the corresponding period of 2018 and the period-on-period increase in profit and loss.

II. FINANCIAL POSITION AND RESULTS OF OPERATIONS (CONTINUED)

13. Liquidity and sources of capital

The Group's cash and cash equivalents amounted to RMB2,798.0 million as at 30 June 2019, representing a decrease of 22.2% as compared with the balance of RMB3,597.8 million as at 31 December 2018.

As at 30 June 2019, the Group's borrowings decreased by 6.1% to RMB61,019.8 million as compared with RMB64,964.4 million as at 31 December 2018, of which RMB10,936.6 million was short-term borrowings (including current portion of long-term borrowings and bonds payable) and RMB50,083.2 million was long-term borrowings (including bonds payable).

14. Capital expenditure

The Group's capital expenditure decreased by 8.1% to RMB1,882.8 million for the six months ended 30 June 2019 as compared with RMB2,048.2 million in the corresponding period of 2018. Capital expenditure mainly comprises costs for purchase and construction of property, plant and equipment. The change was primarily due to the decrease in capital expenditure for large infrastructure projects in the first half of 2019.

15. Net gearing ratio

As at 30 June 2019, the Group's net gearing ratio (net debt (i.e., total borrowings minus cash and cash equivalents) divided by total equity) was 159.9%, representing a decrease of 25.5 percentage points as compared with 185.4% as at 31 December 2018, mainly due to the Group's recognition of net profit of RMB2,033.2 million in the first half of 2019, and the equity increase as a result of the issuance of perpetual medium-term notes by the Group in May 2019, while there was no significant change in the size of net debt.

16. Material acquisitions and disposals

The Group did not have any material acquisitions and disposals in the first half of 2019.

17. Pledge of assets

Some of the Group's loans are secured by property, plant and equipment, right-of-use assets, and trade receivables. As at 30 June 2019, total net carrying value of the pledged assets amounted to RMB18,794.0 million.

II. FINANCIAL POSITION AND RESULTS OF OPERATIONS (CONTINUED)

18. Contingencies

As at 30 June 2019, the Group's contingencies included the external guarantee provided by the Group over the balance of bank loans amounting to RMB40.0 million, contingent liability in respect of taxes on Clean Development Mechanism ("**CDM**") revenue and the contingent liability in respect of the resettlement compensation for Mianhuatan Hydropower. Details of contingencies of the Group is disclosed in note 26 to this report.

III. RISK FACTORS AND RISK MANAGEMENT

1. Industry risk

The development and profitability of our clean energy projects are significantly dependent on the policies and regulations that support such development in the PRC. As the power system reform goes deeper, and power marketization continues to scale up, the share of market-driven power generation, including renewable energy, will increase and the market-driven competition will further intensify, which may weaken our profitability. Additionally, projects on the subsidy catalog will continue to face problems, such as continuously rising arrearages and sluggish settlement of electricity tariffs. In the future, tariff of electricity generated from additional renewable energy projects is highly likely to be lowered stepwise as effected by the grid parity policy, which poses uncertainties to our revenue. The gross power generation and revenue of our hydropower projects rely upon hydrological conditions prevailing from time to time in the broad geographic regions in which our existing and future hydropower projects are located. In addition, the resettlement of relocated residents may cause significant cost increases and/or construction delays of our hydropower projects. The gross power generation and revenue generated from our wind power business and projects are highly dependent on wind conditions, which vary across seasons and regions. Our coal-fired power plants are fueled by coal, and an increase in coal prices and a disruption in coal supply or its transportation could materially and adversely affect our coal-fired power business. Our natural gas (distributed) energy projects and other natural gas-fired power projects are fueled by natural gas. As such, a sufficient and timely supply of natural gas and the change in the price are essential to our natural gas-fired power (distributed) business.

III. RISK FACTORS AND RISK MANAGEMENT (CONTINUED)

2. Competition risk

We may encounter competition from utility companies which are mainly engaged in other clean energy businesses. In particular, other clean energy technologies may become more competitive and appealing. Competition from such companies may become intense if the technology used to generate electricity from these other clean energy resources becomes more sophisticated, or if the PRC government decides to bolster its support of such other clean energy resources. Clean energy resources, such as hydropower and wind power, compete with conventional energy resources, including oil and coal.

3. Risk related to power grid

Although the construction of power grid is fast, wind power curtailment is inevitable in the short run. In particular, the structural power curtailment factors will still exist objectively for a period of time. In view of this, the Company flexibly adjusted construction strategies and rationally deployed new projects according to the power grid connection conditions. Meanwhile, the Company will continue improving technical innovation to reduce such impact.

4. Exchange rate risk

The Group's transactions are mainly denominated in RMB, Hong Kong dollar, Euro and United States dollar. Therefore, the Group is exposed to foreign currency exchange risk. Given the small proportion of foreign currency loans, the Group has not implemented any foreign currency hedging policy at the moment. However, the management has carried out continuous monitoring on the foreign exchange exposure and will consider hedging the foreign exchange exposure if it has material impact on the Group.

IV. PROSPECT AND OUTLOOK

In order to promote the ecological civilization construction in China and realize the vision of building a green and beautiful China, the development strategy of building an energy sector that is clean, low-carbon, safe and efficient is proposed in the Report of the 19th CPC National Congress. Development of clean energy is an important task for improving the energy structure, ensuring energy safety and promoting ecological civilization construction. As a major platform of China Huadian Corporation Ltd. for development of clean energy, the Group unswervingly implements the development philosophy of "innovation, coordination, green, openness and share", always adheres to development under the leadership of new development philosophy and places the focus of the Group's development strategy on the development of clean energy industry.

IV. PROSPECT AND OUTLOOK (CONTINUED)

Under the new normal of economic development, the Group will keep abreast with the new development in the industry, further optimise the industrial layout and insist on development of clean energy. We will proactively seek investment opportunities for high-quality clean energy projects, and actively participate in the investment and development of clean and efficient energy projects alongside the "Belt and Road". Besides, we will steadily carry forward internationalization, continuously expand development space and further promote the high quality advancement in the clean energy power segment, with the view to building the Company into a world-class clean energy listed company that is committed to green and sustainable development.

Wind power and solar power businesses

The Group will proactively respond to the state policies concerning grid parity of wind power and solar power and grid connection through bidding. It will contribute more generously to the development of wind and solar power and strive for the high quality development of the Company following the value guidance, giving due consideration to the immediate, mid-term and long-run scenarios, making both centralised and diversified investments and adopting dual drivers of construction and acquisition.

The Group will make positive efforts to fulfil the construction conditions for the approved wind and solar power projects to accelerate their construction progress; and tap the competitiveness of existing wind and solar power projects to prepare ground for the subsequent sustainable development. It will pursue locally mounted and scaled development by active study of new approaches for the development of wind and solar power, keeping abreast of technological progress and cost changes, and replenish prime resource reserves for outbound mounted projects and the "three-north" areas. It will also promote the construction of offshore wind power stations in an energetic and steady manner. Besides, it will exert greater effort to the study and follow-up of technological innovation drivers in a bid to improve the utilization efficiency of clean energy and reduce costs for project construction and operation and maintenance. Moreover, the Group will take initiative to seek for and enhance cooperation with international and domestic advanced R&D institutes and manufacturing businesses to strive for the integration of cutting-edge technologies into the development and construction of projects.

Natural gas-fired power (distributed) businesses

The Group will enhance the quality and efficiency of gas-fired power projects that have been put into operation to boost their economic benefits. With the support of resources and policies, where external conditions permit, it will develop natural gas-fired power (distributed) projects according to local conditions.

Coal-fired power business

Quality and efficiency enhancement will be conducted for the existing coal-fired power projects in Fujian. The economic efficiency of coal-fired power will be vigorously improved through combined heat-and-power generation, market development, cost reduction and efficiency enhancement and other means. The Group will fully advance the realization of commercial operation of phase III of Shaowu project as soon as possible, etc. to improve the economic efficiency of investment in the project.

The Company has been committed to ever improving its corporate governance and regarded it as an indispensable part of creating values for shareholders. The Company has established a modern corporate governance structure which comprises effectively balanced and independently operated bodies including general meetings, the Board, the Board of Supervisors and senior management with reference to the code provisions as set out in the Corporate Governance Code and the requirements as set out in the Articles of Association. The Company has also adopted the Corporate Governance Code as its code of corporate governance practices.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the reporting period, the Company was in compliance with all the code provisions in the Corporate Governance Code as set out in Appendix 14 to the Listing Rules.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS, SUPERVISORS AND RELEVANT EMPLOYEES

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as the code of conduct governing dealings by all of the Directors, Supervisors and relevant employees (as defined in the Corporate Governance Code) of the Company in the securities of the Company. Having made specific enquiry of the Directors and Supervisors, all Directors and Supervisors have confirmed that they have strictly complied with the required standards regarding securities transactions by Directors as set out in the Model Code and its code of conduct during the reporting period.

The Board will examine the corporate governance practices and operation of the Company from time to time so as to ensure the Company's compliance with the relevant requirements under the Listing Rules and to protect shareholders' interests.

RESPONSIBILITY STATEMENT BY THE DIRECTORS IN RELATION TO THE FINANCIAL STATEMENTS

The Directors confirmed that they shall assume the relevant responsibility in relation to the preparation of the financial statements of the Company, ensuring that the preparation of the financial statements of the Company complies with the relevant laws and regulations and the applicable accounting standards and also warranting that the financial statements of the Company will be published in a timely manner.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has appointed a sufficient number of independent non-executive Directors with appropriate professional qualifications, or appropriate accounting or related financial management expertise in accordance with the requirements of the Listing Rules. The Company appointed a total of three independent non-executive Directors, namely Mr. Zhang Bai, Mr. Tao Zhigang and Mr. Wu Yiqiang.

AUDIT AND RISK MANAGEMENT COMMITTEE

The Company has established the audit and risk management committee with written terms of reference in compliance with the Listing Rules. The primary responsibilities of the audit and risk management committee are to make recommendations to engage or replace its external auditor; to oversee the internal audit system of the Company and its implementation, to ensure that the internal audit function of the Company is adequately resourced for operation in the Company, and to monitor the effectiveness of the internal audit function; to review and monitor the Company's policies and practices in respect of compliance with legal and regulatory requirements; to review the Company's financial control, risk management and internal control systems, and to provide recommendations and advice for the integrity and soundness of the relevant systems of the Company; to monitor the Company's internal control and risk management systems, and study the findings of any major investigations in relation to risk management and internal control matters and the management's response; to coordinate the communication between the internal audit and the external audit functions; to review the Company's financial information and respective disclosure, to examine the Company's accounting practices and policies; to review the Company's internal control systems, and to provide advice and recommendations on the soundness and completeness of such systems; and to make comments and proposals on the appraisal and replacement of the head of the internal audit department of the Company. Its terms of reference are available on both of the websites of The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") and the Company.

During the reporting period, the audit and risk management committee consisted of three Directors: Mr. Zhang Bai (independent non-executive Director), Mr. Tao Zhigang (independent non-executive Director) and Mr. Shi Chongguang (non-executive Director). Mr. Zhang Bai (independent non-executive Director) serves as the chairman of the audit and risk management committee.

On 22 March 2019, the Company held the fourth meeting of the audit and risk management committee of the third session of the Board, at which the report from the external auditing firm in respect of the auditing of the Company's financial statements for the year ended 31 December 2018 was deliberated, and the following resolutions were considered and approved:

(1) the resolution in relation to the annual report and results announcement of the Company for 2018;

(2) the resolution in relation to the final accounts of the Company for 2018;

(3) the resolution in relation to the audited financial statements of the Company for 2018;

(4) the resolution in relation to the profit distribution plan of the Company for 2018; and

(5) the resolution in relation to the engagement of auditing firm for the financial report for 2019.

On 23 August 2019, the audit and risk management committee reviewed and confirmed the Group's interim results announcement for the six months ended 30 June 2019, the 2019 interim report and the unaudited interim financial statements for the six months ended 30 June 2019 prepared in accordance with International Accounting Standard ("**IAS**") 34, Interim Financial Reporting ("**IFR**").

NOMINATION COMMITTEE

The Company has established the nomination committee with written terms of reference in compliance with the requirements of the Listing Rules. The primary responsibilities of the nomination committee are to review the size, structure and composition of the Board at least annually and make recommendations on any proposed changes to the Board, having regard to the operating status, asset scale and shareholding structure of the Company; to assess the independence of independent non-executive Directors; to study the criteria and procedures for selecting Directors and senior management of the Company and to make recommendations thereon to the Board; to widely search for qualified candidates for Directors and senior management; to conduct review on candidates for Directors and senior management and to make recommendations to the Board on the appointment, reappointment or succession of Directors and senior management; and to conduct review on candidates for other senior management positions subject to the approval of the Board and make recommendations thereon. Its terms of reference are available on both of the websites of the Hong Kong Stock Exchange and the Company.

During the reporting period, the nomination committee consisted of three Directors: Mr. Huang Shaoxiong (executive Director), Mr. Wu Yiqiang (independent non-executive Director) and Mr. Tao Zhigang (independent non-executive Director). Mr. Huang Shaoxiong (executive Director) serves as the chairman of the nomination committee.

On 24 May 2019, the Company held the fourth meeting of the nomination committee of the third session of the Board, at which the following resolution was considered and approved:

(1) the resolution in relation to change of members of the third session of the Board of the Company.

REMUNERATION AND ASSESSMENT COMMITTEE

The Company has established the remuneration and assessment committee with written terms of reference in compliance with the requirements of the Listing Rules. The primary responsibilities of the remuneration and assessment committee are to determine remuneration plans or packages in accordance with the main scope, duties and importance of the management positions held by Directors and senior management as well as the remuneration level of comparable positions of comparable enterprises; to review the fulfillment of obligations by the Directors (non-independent Directors) and senior management of the Company and to conduct annual performance appraisal thereof; to monitor the implementation of the Company's remuneration system; and to ensure that no Directors or any of their associates determine their own remunerations. The remuneration plans or packages shall mainly include, but are not limited to, performance appraisal criteria and procedures, the main appraisal system, as well as the major proposals and system of incentives and punishment. Its terms of reference are available on both of the websites of the Hong Kong Stock Exchange and the Company.

During the reporting period, the remuneration and assessment committee consisted of three Directors: Mr. Wu Yiqiang (independent non-executive Director), Mr. Zhang Bai (independent non-executive Director), Mr. Du Jiangwu (executive Director, appointed as an executive Director and a member of the remuneration and assessment committee on 21 June 2019) and Mr. Li Lixin (former executive Director, resigned as an executive Director and a member of the remuneration and assessment committee on 21 June 2019). Mr. Wu Yiqiang (independent non-executive Director) serves as the chairman of the remuneration and assessment committee.

REMUNERATION AND ASSESSMENT COMMITTEE (CONTINUED)

On 22 March 2019, the Company held the second meeting of the remuneration and assessment committee of the third session of the Board, at which the following resolutions were considered and approved:

(1) the resolution in relation to the remunerations of the Directors and Supervisors of the Company for 2018; and

(2) the resolution in relation to the remunerations of the senior management of the Company for 2018.

STRATEGIC COMMITTEE

The primary responsibilities of the strategic committee are to review the long-term development strategic planning and approach of the Company and make suggestions thereon; to review the material strategic investments and financing proposals which are subject to the approval of the Board pursuant to the requirements of the Articles of Association and make suggestions thereon; to review the material capital operation and assets operation projects which are subject to the approval of the Board pursuant to the requirements of the Articles of Association and make suggestions thereon and follow up on the implementation of the aforesaid matters.

During the reporting period, the strategic committee consisted of three Directors: Mr. Huang Shaoxiong (executive Director), Mr. Wu Jianchun (executive Director) and Mr. Wu Yiqiang (independent non-executive Director). Mr. Huang Shaoxiong (executive Director) serves as the chairman of the strategic committee.

On 22 March 2019, the Company held the second meeting of the strategic committee of the third session of the Board, at which the following resolutions and reports were considered and approved:

(1) the resolution in relation to the grant of the general mandate to issue new domestic shares and H shares of the Company to the Board at the annual general meeting;

(2) the resolution in relation to the general mandate to issue the domestic and overseas debt financing instruments by the Company;

(3) the resolution in relation to the banking credit extension to the Company for 2019;

(4) the resolution in relation to investment in Yangjiang Offshore Wind Power Industrial Development Fund;

(5) the financial budget report of the Company for 2019; and

(6) the project development report of the Company for 2019.

SHARE CAPITAL

As at 30 June 2019, the total share capital of the Company was RMB8,407,961,520, divided into 8,407,961,520 shares of RMB1.0 each (among which, 5,837,738,400 shares were domestic shares and 2,570,223,120 shares were H shares).

INTERIM DIVIDEND

The Board has not made any recommendation on the distribution of an interim dividend for the six months ended 30 June 2019.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the reporting period.

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

As at 30 June 2019, none of the Directors, Supervisors and 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 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.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As at 30 June 2019, so far as known to the Directors, the following persons (other than the Directors, chief executives or Supervisors of the Company) held 5% or above shares or underlying shares of the Company, and according to the records in the register required to be kept by the Company pursuant to Section 336 of the SFO had interests or short positions which shall be disclosed to the Company:

Name of Shareholder	Class of Share	Capacity	Number of Shares/ Underlying Shares Held *(share)*	Percentage in the Relevant Class of Share Capital *(%)*	Percentage in the Total Share Capital *(%)*
Huadian Group	Domestic Shares	Beneficial owner/ Interest of corporation controlled by a substantial shareholder	5,276,907,638 (Long Position)	90.39	62.76
Central Huijin Investment Ltd.	H Shares	Interest of corporation controlled by a substantial shareholder	645,620,000 (Long Position)	25.12	7.68
China Reinsurance (Group) Corporation	H Shares	Beneficial owner	645,620,000 (Long Position)	25.12	7.68
Prime Capital Management Company Limited	H Shares	Investment manager	231,181,196 (Long Position)	8.99	2.75
Macquarie Group Limited	H Shares	Interest of corporation controlled by a substantial shareholder	130,976,000 (Long Position)	5.10	1.56
			24,000 (Short Position)	0.00	0.00

CHANGE OF DIRECTORS, SUPERVISORS AND MEMBERS OF THE SPECIAL COMMITTEES OF THE BOARD

On 29 April 2019, Mr. Mei Weiyi resigned as a non-executive Director of the Company with effect from 21 June 2019.

As approved at the 2018 annual general meeting of the Company held on 21 June 2019, Mr. Wang Bangyi was appointed as a non-executive Director of the Company, from 21 June 2019 until the expiration of the term of the third session of the Board of the Company.

On 20 May 2019, Mr. Li Lixin resigned as an executive Director of the Company with effect from 21 June 2019.

As approved at the 2018 annual general meeting of the Company held on 21 June 2019, Mr. Du Jiangwu was appointed as an executive Director of the Company, from 21 June 2019 until the expiration of the term of the third session of the Board of the Company.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2019, the Group had a total of 9,136 employees. The employee remuneration of the Group comprises basic salary and bonus payment, the latter of which is determined with reference to the operating results of the Group and results of performance assessment.

MATERIAL LITIGATION

As at 30 June 2019, the Company was not involved in any material litigation or arbitration. So far as the Directors are aware of, no material litigation or claims are pending or threatened against the Company.

Independent Review Report

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To the board of directors of Huadian Fuxin Energy Corporation Limited
(Incorporated in the People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 24 to 74, which comprises the condensed consolidated statement of financial position of Huadian Fuxin Energy Corporation Limited (the "Company") and its subsidiaries (collectively, the "Group") as at 30 June 2019 and the related condensed consolidated statement of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 Interim Financial Reporting ("IAS 34") issued by the International Accounting Standards Board ("IASB"). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34.

Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to 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.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young
Certified Public Accountants
Hong Kong

23 August 2019

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2019
(Amounts expressed in Renminbi ("RMB"))

		For the six months ended 30 June	
		2019	2018
	Notes	***RMB'000***	*RMB'000*
Revenue	5	**9,781,075**	8,852,097
Other income and gains	6	**123,265**	183,755
Operating expenses			
Cost of fuel		**(2,455,069)**	(2,739,006)
Depreciation and amortisation		**(2,365,967)**	(2,271,311)
Service concession construction costs		**(10,206)**	(36,286)
Personnel costs		**(693,273)**	(653,548)
Repairs and maintenance		**(246,514)**	(147,327)
Administration expenses		**(139,204)**	(179,556)
Other operating expenses		**(514,107)**	(250,884)
		(6,424,340)	(6,277,918)
Operating profit		**3,480,000**	2,757,934
Finance income	7	**49,211**	63,519
Finance expenses	7	**(1,438,138)**	(1,492,473)
Net finance expenses		**(1,388,927)**	(1,428,954)
Share of profits less losses of associates and joint ventures		**299,150**	486,096
Profit before taxation	8	**2,390,223**	1,815,076
Income tax expense	9	**(357,008)**	(179,589)
Profit for the period		**2,033,215**	1,635,487

The notes on pages 31 to 74 form part of this interim condensed consolidated financial information.

		For the six months ended 30 June	
		2019	2018
	Note	***RMB'000***	*RMB'000*
Attributable to:			
Equity holders of the Company		**1,783,737**	1,539,061
Non-controlling interests		**249,478**	96,426
		2,033,215	1,635,487
Basic and diluted earnings per ordinary share *(RMB cents)*	10	**18.41**	16.99
Profit for the period		**2,033,215**	1,635,487
Other comprehensive income			
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods, net of tax:			
Exchange difference on translation of foreign operations		**(2,405)**	(18,013)
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods, net of tax:			
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax		**673**	(129,697)
Other comprehensive loss for the period		**(1,732)**	(147,710)
Total comprehensive income for the period		**2,031,483**	1,487,777
Attributable to:			
Equity holders of the Company		**1,782,005**	1,391,351
Non-controlling interests		**249,478**	96,426
		2,031,483	1,487,777

The notes on pages 31 to 74 form part of this interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of Financial Position

As at 30 June 2019
(Amounts expressed in RMB)

	Notes	30 June 2019 RMB'000	31 December 2018 RMB'000
Non-current assets			
Property, plant and equipment		**79,354,041**	80,929,626
Right-of-use assets		**2,367,624**	–
Lease prepayments		**–**	1,427,551
Intangible assets		**1,342,144**	1,358,927
Interests in associates and joint ventures		**9,367,085**	8,984,570
Other non-current assets		**2,706,920**	3,076,747
Deferred tax assets		**359,332**	369,046
Total non-current assets		**95,497,146**	96,146,467
Current assets			
Inventories		**448,452**	413,564
Trade and bills receivable	11	**8,045,775**	5,969,777
Prepayments and other current assets		**1,442,442**	2,153,514
Tax recoverable		**6,446**	16,309
Restricted deposits		**11,921**	6,103
Cash and cash equivalents		**2,798,034**	3,597,841
		12,753,070	12,157,108
Assets of a disposal group classified as held for sale	12	**410,737**	–
Total current assets		**13,163,807**	12,157,108
Current liabilities			
Borrowings		**10,936,554**	10,868,084
Obligations under finance leases		**–**	25,810
Trade and bills payable	13	**1,110,313**	1,103,681
Other payables and accruals		**7,530,911**	7,220,220
Deferred income		**44,794**	49,555
Tax payable		**218,304**	77,413
		19,840,876	19,344,763
Liabilities directly associated with the assets classified as held for sale	12	**255,899**	–

The notes on pages 31 to 74 form part of this interim condensed consolidated financial information.

As at 30 June 2019
(Amounts expressed in RMB)

	30 June 2019 RMB'000	31 December 2018 RMB'000
Total current liabilities	**20,096,775**	19,344,763
Net current liabilities	**(6,932,968)**	(7,187,655)
Total assets less current liabilities	**88,564,178**	88,958,812
Non-current liabilities		
Borrowings	**50,083,204**	54,096,269
Obligations under finance leases	**–**	290,659
Lease liabilities	**597,317**	–
Deferred income	**447,842**	461,988
Deferred tax liabilities	**1,016,771**	1,007,989
Total non-current liabilities	**52,145,134**	55,856,905
NET ASSETS	**36,419,044**	33,101,907
EQUITY		
Share capital	**8,407,962**	8,407,962
Reserves	**13,750,584**	12,677,579
Perpetual medium-term notes and renewable corporate bonds	**10,961,453**	8,969,842
Total equity attributable to equity holders of the Company	**33,119,999**	30,055,383
Non-controlling interests	**3,299,045**	3,046,524
TOTAL EQUITY	**36,419,044**	33,101,907

Huang Shaoxiong
Chairman

Wu Jianchun
Director

The notes on pages 31 to 74 form part of this interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2019
(Amounts expressed in RMB)

	Attributable to the equity holders of the Company									
	Share Capital *RMB'000* *Note 21(b)*	Capital reserve *RMB'000*	Reserve fund *RMB'000*	Exchange reserve *RMB'000*	Fair value reserve *RMB'000*	Retained earnings *RMB'000*	Equity attributable to the holders of perpetual medium-term notes and renewable corporate bonds *RMB'000* *Note 22, 23*	Subtotal *RMB'000*	Non-controlling interests *RMB'000*	Total equity *RMB'000*
At 1 January 2018 (audited)	8,407,962	1,783,262	817,193	19,965	291,463	8,450,350	3,988,340	23,758,535	3,042,731	26,801,266
Changes in equity for the six months ended 30 June 2018:										
Profit for the period	–	–	–	–	–	1,428,267	110,794	1,539,061	96,426	1,635,487
Other comprehensive loss	–	–	–	(18,013)	(129,697)	–	–	(147,710)	–	(147,710)
Total comprehensive income	–	–	–	(18,013)	(129,697)	1,428,267	110,794	1,391,351	96,426	1,487,777
Dividends paid by subsidiaries to non-controlling equity holders	–	–	–	–	–	–	–	–	(37,546)	(37,546)
Final dividend of 2017 *(note 21(a))*	–	–	–	–	–	(467,483)	–	(467,483)	–	(467,483)
Distribution for perpetual medium-term notes and renewable corporate bonds *(notes 22, 23)*	–	–	–	–	–	–	(110,794)	(110,794)	–	(110,794)
Transfer to reserve fund	–	–	158,406	–	–	(158,406)	–	–	–	–
At 30 June 2018 (unaudited)	8,407,962	1,783,262	975,599	1,952	161,766	9,252,728	3,988,340	24,571,609	3,101,611	27,673,220

The notes on pages 31 to 74 form part of this interim condensed consolidated financial information.

For the six months ended 30 June 2019
(Amounts expressed in RMB)

	Attributable to the equity holders of the Company									
	Share Capital *RMB'000* *Note 21(b)*	Capital reserve *RMB'000*	Reserve fund *RMB'000*	Exchange reserve *RMB'000*	Fair value reserve *RMB'000*	Retained earnings *RMB'000*	Equity attributable to the holders of perpetual medium-term notes and renewable corporate bonds *RMB'000* *Note 22, 23*	Subtotal *RMB'000*	Non-controlling interests *RMB'000*	Total equity *RMB'000*
At 1 January 2019 (audited)	**8,407,962**	**1,770,524**	**998,316**	**38,065**	**82,328**	**9,788,346**	**8,969,842**	**30,055,383**	**3,046,524**	**33,101,907**
Changes in equity for the six months ended 30 June 2019:										
Profit for the period	–	–	–	–	–	1,547,993	235,744	1,783,737	249,478	2,033,215
Other comprehensive (loss)/income	–	–	–	(2,405)	673	–	–	(1,732)	–	(1,732)
Total comprehensive income	–	–	–	(2,405)	673	1,547,993	235,744	1,782,005	249,478	2,031,483
Dividends paid by subsidiaries to non-controlling equity holders	–	–	–	–	–	–	–	–	(37,465)	(37,465)
Final dividend of 2018 *(note 21(a))*	–	–	–	–	–	(477,572)	–	(477,572)	–	(477,572)
Distribution for perpetual medium-term notes and renewable corporate bonds *(notes 22, 23)*	–	–	–	–	–	–	(235,744)	(235,744)	–	(235,744)
Share of changes in equity of associates	–	4,858	–	–	–	–	–	4,858	–	4,858
Issuance of renewable corporate bonds, net of issuance expenses *(notes 22)*	–	–	–	–	–	–	1,991,611	1,991,611	–	1,991,611
Capital contributions	–	–	–	–	–	–	–	–	40,508	40,508
Others	–	–	–	–	–	(542)	–	(542)	–	(542)
At 30 June 2019 (unaudited)	**8,407,962**	**1,775,382**	**998,316**	**35,660**	**83,001**	**10,858,225**	**10,961,453**	**33,119,999**	**3,299,045**	**36,419,044**

The notes on pages 31 to 74 form part of this interim condensed consolidated financial information.

	Note	For the six months ended 30 June 2019 RMB'000	2018 RMB'000
Operating activities			
Cash generated from operations		**3,799,078**	2,578,363
Income tax paid		**(210,545)**	(136,786)
Net cash generated from operating activities		**3,588,533**	2,441,577
Investing activities			
Payment for the purchase of property, plant and equipment, lease prepayment/right-of-use assets, and intangible assets		**(1,460,285)**	(2,172,812)
Other cash flows arising from investing activities		**473,466**	551,179
Net cash used in investing activities		**(986,819)**	(1,621,633)
Financing activities			
Net proceeds from issuance of perpetual medium-term notes		**1,991,611**	–
Proceeds from borrowings		**9,845,066**	16,275,398
Repayment of borrowings		**(13,588,928)**	(14,624,134)
Payments of principal of lease liabilities		**(41,247)**	–
Interest paid		**(1,438,117)**	(1,441,129)
Other cash used in financing activities		**(169,391)**	(155,557)
Net cash (used in)/generated from financing activities		**(3,401,006)**	54,578
Net (decrease)/increase in cash and cash equivalents		**(799,292)**	874,522
Cash and cash equivalents at 1 January		**3,597,841**	2,121,903
Effect of foreign exchange rate changes, net		**(264)**	(2,212)
Cash and cash equivalents at 30 June		**2,798,285**	2,994,213
Analysis of the balances of cash and cash equivalents			
Cash and cash equivalents as stated in the interim condensed consolidated statement of financial position		**2,798,034**	2,994,213
Cash and bank balance classified as held for sale	12	**251**	–
Cash and cash equivalents as stated in the interim condensed consolidated statement of cash flows		**2,798,285**	2,994,213

The notes on pages 31 to 74 form part of this interim condensed consolidated financial information.

1. PRINCIPAL ACTIVITIES AND ORGANISATION

Huadian Fuxin Energy Corporation Limited (the "**Company**") was established in the People's Republic of China (the "**PRC**") on 19 August 2011 as a joint stock company with limited liability. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited ("**HKSE**") on 28 June 2012. The Company and its subsidiaries (collectively, the "**Group**") are mainly engaged in the generation and sale of wind power, solar power, hydropower, coal-fired power, natural gas-fired power (distributed) and other clean energy power in the PRC.

At 30 June 2019, the directors consider the immediate parent and ultimate controlling party of the Group to be China Huadian Corporation Ltd. ("**Huadian**"), which is a state-owned enterprise established in the PRC.

2. BASIS OF PREPARATION

This interim condensed consolidated financial information has been prepared in accordance with International Accounting Standards ("**IAS**") 34 *Interim Financial Reporting*.

The interim condensed consolidated financial information has been prepared assuming the Group will continue as a going concern notwithstanding the fact that the Group has net current liabilities as at 30 June 2019 amounting to RMB6,932,968,000. The directors of the Company are of the opinion that, based on a review of the forecasted cash flows of the Group and the availability of unutilised bank facilities of RMB23,120,377,000 as at 30 June 2019, the Group will have necessary liquid funds to finance its working capital and capital expenditure requirements within the next twelve months.

The preparation of interim condensed consolidated financial information in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim condensed consolidated financial information contains condensed consolidated financial statements and selected explanatory notes and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2018. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2018 annual financial statements. The interim condensed consolidated financial information and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with International Financial Reporting Standards ("**IFRSs**").

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2018, except for the adoption of the new and revised IFRSs, effective as of 1 January 2019.

Amendments to IFRS 9	*Prepayment Features with Negative Compensation*
IFRS 16	*Leases*
Amendments to IAS 19	*Plan Amendment, Curtailment or Settlement*
Amendments to IAS 28	*Long-term Interests in Associates and Joint Ventures*
IFRIC 23	*Uncertainty over Income Tax Treatments*
Annual Improvements 2015–2017 Cycle	Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23

Other than as explained below regarding the impact of IFRS 16 *Leases*, IFRIC 23 *Uncertainty over Income Tax Treatments* and *Annual improvements 2015–2017 Cycle* - Amendments to IAS 23, the new and revised standards are not relevant to the preparation of the Group's interim condensed consolidated financial information. The nature and impact of the new and revised IFRSs are described below:

(a) IFRS 16 supersedes IAS 17 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC-15 *Operating Leases - Incentives* and SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. Lessor accounting under IFRS 16 is substantially unchanged under IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 did not have an impact on leases where the Group is the lessor.

The Group adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initial adoption as an adjustment to the opening balance of retained earnings at 1 January 2019, and the comparative information for 2018 was not restated and continues to be reported under IAS 17.

New definition of a lease

Under IFRS 16, a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed. Therefore, the definition of a lease under IFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their standalone prices. A practical expedient is available to a lessee, which the Group has adopted, not to separate non-lease components and to account for the lease and the associated non-lease components (e.g., property management services for leases of properties) as a single lease component.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(a) (Continued)

As a lessee – Leases previously classified as operating leases

Nature of the effect of adoption of IFRS 16

The Group has lease contracts for various items of property, machinery, vehicles and other equipment. As a lessee, the Group previously classified leases as either finance leases or operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. Under IFRS 16, the Group applies a single approach to recognise and measure right-of-use assets and lease liabilities for all leases, except for two elective exemptions for leases of low value assets (elected on a lease by lease basis) and short-term leases (elected by class of underlying asset). The Group has elected not to recognise right-of-use assets and lease liabilities for (i) leases of low-value assets (e.g., laptop computers and telephones); and (ii) leases, that at the commencement date, have a lease term of 12 months or less. Instead, the Group recognises the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

Impacts on transition

Lease liabilities at 1 January 2019 were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 January 2019 and included in lease liabilities and other payables and accruals (current part).

The right-of-use assets for most leases were measured at the amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the statement of financial position immediately before 1 January 2019. The Group elected to present the right-of-use assets separately in the statement of financial position. This includes the lease assets recognised previously under finance leases of RMB452,659,000 that were reclassified from property, plant and equipment.

The Group has used the following elective practical expedients when applying IFRS 16 at 1 January 2019:

- Applied the short-term lease exemptions to leases with a lease term that ends within 12 months from the date of initial application;
- Used hindsight in determining the lease term where the contract contains options to extend/terminate the lease;
- Relied on the entity's assessment of whether leases were onerous by applying IAS 37 immediately before 1 January 2019 as an alternative to performing an impairment review; and
- Excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(a) (Continued)

As a lessee – Leases previously classified as operating leases (Continued)

Impacts on transition (Continued)

The impacts arising from the adoption of IFRS 16 as at 1 January 2019 are as follows:

	Increase/ (decrease) ***RMB'000*** **(Unaudited)**
Assets	
Increase in right-of-use assets	2,416,324
Decrease in property, plant and equipment	(452,659)
Decrease in lease prepayments	(1,427,551)
Decrease in prepayments and other current assets	(19,209)
Decrease in other non-current assets	(130,219)
Increase in total assets	386,686
Liabilities	
Increase in the non-current portion of lease liabilities	627,788
Increase in the current portion of lease liabilities (recorded in other payables and accruals)	75,367
Decrease in obligations under finance leases	(316,469)
Increase in total liabilities	386,686

The lease liabilities as at 1 January 2019 reconciled to the operating lease commitments as at 31 December 2018 are as follows:

	RMB'000 **(Unaudited)**
Operating lease commitments as at 31 December 2018	443,478
Less:	
Commitments relating to short-term leases and those leases with a remaining lease term ending on or before 31 December 2019	1,392
Add:	
Commitments relating to leases previously classified as finance leases as at 31 December 2018	375,829
Lease commitments as at 1 January 2019 under IFRS16	817,915
Weighted average incremental borrowing rate as at 1 January 2019	4.86%
Lease liabilities as at 1 January 2019	703,155

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(a) (Continued)

Summary of new accounting policies

The accounting policy for leases as disclosed in the annual financial statements for the year ended 31 December 2018 is replaced with the following new accounting policies upon adoption of IFRS 16 from 1 January 2019:

Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of the estimated useful life and the lease term.

Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in-substance fixed lease payments or a change in assessment to purchase the underlying asset.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(a) (Continued)

Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases, to lease equipment for additional terms of three years. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. It considers all relevant factors that create an economic incentive for it to exercise the renewal. After the lease commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within the control of the Group and affects its ability to exercise the option to renew.

The Group included the renewal period as part of the lease term for leases of machinery due to the significance of these assets to its operations. These leases have a short non-cancellable period and there will be a significant negative effect on production if a replacement is not readily available.

Amounts recognised in the interim condensed consolidated statement of financial position and profit or loss

The carrying amounts of the Group's right-of-use assets and lease liabilities, and the movement during the six months ended 30 June 2019 are as follow:

	Right-of-use assets				
	Land use rights	Buildings and structures	Generators and related equipment	Total	Lease liabilities
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2019	1,554,084	338,099	524,141	2,416,324	703,155
Additions	13,844	3,643	–	17,487	3,643
Reclassification to assets of a disposal group classified as held for sale	(2,292)	–	–	(2,292)	–
Depreciation expense	(21,603)	(28,795)	(13,497)	(63,895)	–
Interest expense	–	–	–	–	15,978
Payments	–	–	–	–	(57,226)
As at 30 June 2019	**1,544,033**	**312,947**	**510,644**	**2,367,624**	**665,550***

* Part of the lease liabilities, amounted to RMB84,599,000 were derived from leases from a fellow subsidiary.

The Group recognised rental expenses from short-term leases of RMB2,010,000 for the six months ended 30 June 2019.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(b) IFRIC 23 addresses the accounting for income taxes (current and deferred) when tax treatments involve uncertainty that affects the application of IAS 12 (often referred to as "**uncertain tax positions**"). The interpretation does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses (i) whether an entity considers uncertain tax treatments separately; (ii) the assumptions an entity makes about the examination of tax treatments by taxation authorities; (iii) how an entity determines taxable profits or tax losses, tax bases, unused tax losses, unused tax credits and tax rates; and (iv) how an entity considers changes in facts and circumstances. Upon adoption of the interpretation, the Group considered whether it has any uncertain tax positions arising from the transfer pricing on its intergroup sales. Based on the Group's tax compliance and transfer pricing study, the Group determined that it is probable that its transfer pricing policy will be accepted by the tax authorities. Accordingly, the interpretation did not have any significant impact on the Group's interim condensed consolidated financial information.

(c) Amendments under Annual Improvements to *IFRSs 2015–2017 Cycle*

IAS 23 *Borrowing Costs*: Clarifies that an entity treats as part of general borrowings any specific borrowing originally made to develop a qualifying asset, and that is still outstanding, when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete. The amendments did not have any impact on the Group's interim condensed consolidated financial information.

4. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
Revenue from contracts with customers		
Sales of electricity	**9,401,497**	8,477,269
Service concession construction revenue *(note (i))*	**10,206**	36,286
Sales of steam	**314,351**	261,805
Others	**48,347**	71,786
	9,774,401	8,847,146
Revenue from other sources		
Rental income	**6,674**	4,951
Total	**9,781,075**	8,852,097

4. REVENUE *(CONTINUED)*

Note:

(i) The Group has entered into several service concession agreements with the local government (the "**Grantor**") to construct and operate wind power plants during the concession period. The Group is responsible for the construction and maintenance of the wind power plants during the concession period. At the end of the concession period, the Group needs to either dismantle the wind power plants or transfer the ownership of the plants at the request of the Grantor. Service concession construction revenue recorded during the year represents the revenue recognised during the construction stage of the service concession period. The same amount of cost is recorded since substantially all construction activities are sub-constructed.

The Group has recognised intangible assets related to the service concession arrangement representing the right the Group receives to charge a fee for sales of electricity during the concession period. The Group has not recognised service concession receivables as the Grantor will not provide the Group any guaranteed minimum payment for the operating period of the wind power plants.

(i) Disaggregated revenue information

Revenue from contracts with customers for the six months ended 30 June 2019

	Wind power *RMB'000*	Solar power *RMB'000*	Hydropower *RMB'000*	Coal-fired power *RMB'000*	Natural gas-fired power (distributed) *RMB'000*	Other business *RMB'000*	Total *RMB'000*
Types of goods and service							
Sales of electricity	3,611,613	674,410	1,557,652	2,516,637	993,527	47,658	9,401,497
Service concession construction revenue	10,206	–	–	–	–	–	10,206
Sales of steam	–	–	–	134,781	145,437	34,133	314,351
Others	1,157	4,569	2,411	35,978	4,229	3	48,347
Total	3,622,976	678,979	1,560,063	2,687,396	1,143,193	81,794	9,774,401
Geographic market							
Mainland China	3,596,785	678,979	1,560,063	2,687,396	1,143,193	81,794	9,748,210
Spain	26,191	–	–	–	–	–	26,191
Total	3,622,976	678,979	1,560,063	2,687,396	1,143,193	81,794	9,774,401
Timing of revenue recognition							
Goods transferred at a point in time	3,612,328	674,554	1,559,384	2,684,945	1,139,509	81,791	9,752,511
Service transferred over time	10,648	4,425	679	2,451	3,684	3	21,890
Total	3,622,976	678,979	1,560,063	2,687,396	1,143,193	81,794	9,774,401

4. REVENUE (CONTINUED)

(i) Disaggregated revenue information (Continued)

Revenue from contracts with customers for the six months ended 30 June 2018

	Wind power *RMB'000*	Solar power *RMB'000*	Hydropower *RMB'000*	Coal-fired power *RMB'000*	Natural gas-fired power (distributed) *RMB'000*	Other business *RMB'000*	Unallocated head office and corporate revenue *RMB'000*	Total *RMB'000*
Types of goods and service								
Sales of electricity	3,737,856	647,521	666,040	2,673,254	698,175	54,423	–	8,477,269
Service concession construction revenue	36,286	–	–	–	–	–	–	36,286
Sales of steam	–	–	–	133,797	98,380	29,628	–	261,805
Others	14,054	4,268	2,424	26,584	4,331	19,909	216	71,786
Total	3,788,196	651,789	668,464	2,833,635	800,886	103,960	216	8,847,146
Geographic market								
Mainland China	3,766,960	651,789	668,464	2,833,635	800,886	103,960	216	8,825,910
Spain	21,236	–	–	–	–	–	–	21,236
Total	3,788,196	651,789	668,464	2,833,635	800,886	103,960	216	8,847,146
Timing of revenue recognition								
Goods transferred at a point in time	3,737,856	647,521	666,040	2,833,635	799,573	84,051	–	8,768,676
Service transferred over time	50,340	4,268	2,424	–	1,313	19,909	216	78,470
Total	3,788,196	651,789	668,464	2,833,635	800,886	103,960	216	8,847,146

4. REVENUE (CONTINUED)

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sales of electricity and goods

The Group's contracts with customers for the power generation and sale generally include one performance obligation. The Group has concluded that the performance obligation is satisfied at a point in time and revenue continues to be recognised upon transmission to the customers or delivery of the goods to the customers.

Service concession construction revenue

Revenue from the provision of construction services under a service concession construction contract is recognised over time, using an input method to measure progress towards complete satisfaction of the service, because the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced. The input method recognises revenue based on the proportion of the actual costs incurred relative to the estimated total costs for satisfaction of the construction services.

Rendering of services

Revenue from rendering of services is recognised over time by reference to the stage of completion of the transaction based on the progress of work performed.

5. OTHER INCOME AND GAINS

	For the six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
Government grants *(note (i))*	**104,122**	89,415
Gain on disposal of property, plant and equipment	**1,347**	27,004
Others	**17,796**	67,336
	123,265	183,755

Note:

(i) For the six months ended 30 June 2019, government grants amounting to RMB104,122,000 (six months ended 30 June 2018: RMB89,415,000) were recognised as income for the period necessary to compensate the costs and facilitate the Group's development. There are no unfulfilled conditions or contingencies attached to the grants.

6. FINANCE INCOME AND EXPENSES

	For the six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
Interest income	**12,812**	12,837
Dividend income from equity investments at fair value through other comprehensive income	**35,534**	36,774
Net foreign exchange gains	**865**	13,908
Finance income	**49,211**	63,519
Interest on bank loans and other borrowings	**1,515,849**	1,577,006
Interest expense on lease liabilities	**15,757**	–
Finance charges on obligations under finance leases	**–**	6,612
Less: interest expenses capitalised into property, plant and equipment	**(100,673)**	(101,370)
	1,430,933	1,482,248
Bank charges and others	**7,205**	10,225
Finance expenses	**1,438,138**	1,492,473
Net finance expenses	**(1,388,927)**	(1,428,954)

The borrowing costs have been capitalised at rates of 3.92% to 4.90% per annum for the six months ended 30 June 2019 (six months ended 30 June 2018: 3.92% to 4.90%).

7. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

(a) Personnel costs

	For the six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
Salaries, wages and other benefits	**609,074**	575,263
Contributions to defined contribution retirement plans	**84,199**	78,285
	693,273	653,548

(b) Other items

	For the six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
Amortisation		
– lease prepayments *(note (i))*	**–**	22,121
– intangible assets	**27,161**	19,305
Depreciation		
– property, plant and equipment *(note (i))*	**2,276,403**	2,229,885
– right-of-use assets	**62,403**	–
Impairment losses provision/(reversal)		
– property, plant and equipment	**30,700**	–
– prepayments and other current assets	**(4)**	–
Operating lease charges		
– machinery	**249**	101
– properties	**1,761**	29,605
Cost of inventories	**2,538,335**	2,812,563

Note:

(i) Upon the adoption of IFRS 16, depreciation of finance lease assets was reclassified from "depreciation - property, plant and equipment" to "depreciation-right-of-use assets", and amortisation of lease prepayments was reclassified from "amortisation - lease prepayments" to "depreciation - right-of-use assets".

8. INCOME TAX

(a) Taxation in profit or loss represents:

	For the six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
Current tax		
Provision for the period	**336,073**	161,526
Underprovision in respect of prior years	**5,500**	7,788
	341,573	169,314
Deferred tax		
Origination and reversal of temporary differences	**15,435**	10,275
Total income tax	**357,008**	179,589

The current tax provision mainly included the PRC Corporate Income Tax which was made by the Company and its subsidiaries located in the PRC. It is calculated based on a statutory rate of 25% of the assessable profit, except for certain subsidiaries of the Company which were tax exempted or taxed at preferential rates, as determined in accordance with the relevant PRC income tax rules and regulations for the periods ended 30 June 2019 and 2018.

The Company's subsidiary in Hong Kong is subject to income tax at a rate of 16.5% (six months ended 30 June 2018: 16.5%). The Company's subsidiary in Spain is subject to income tax at a rate of 25% (six months ended 30 June 2018: 25%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

8. INCOME TAX (CONTINUED)

(b) Reconciliation between tax expense applicable to accounting profit before taxation at the applicable tax rate for the jurisdiction in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate is as follows:

	For the six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
Profit before taxation	**2,390,223**	1,815,076
Applicable tax rate	**25%**	25%
Notional tax on profit before taxation	**597,556**	453,769
Tax effect of non-deductible expenses	**1,962**	2,526
Tax effect of non-taxable income	**(83,671)**	(130,718)
Tax effect of PRC tax concessions *(note (i))*	**(170,445)**	(225,812)
Tax effect of unused tax losses not recognised	**34,715**	92,668
Tax effect of utilisation of unrecognised tax losses in prior years	**(28,609)**	(20,632)
Under provision in respect of prior years	**5,500**	7,788
Actual tax expense	**357,008**	179,589

Note:

(i) Pursuant to Caishui [2011] No.58, the Company's subsidiaries established in the Western Region of the PRC are entitled to the preferential income tax rate of 15% from 2011 to 2020.

Under the relevant tax regulations, certain subsidiaries of the Company, being enterprises engaged in public infrastructure projects, are entitled to a tax holiday of 3-year full exemption followed by a 3-year 50% exemption commencing from the respective years in which their first operating income was derived.

9. BASIC AND DILUTED EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to ordinary equity holders of the Company for the six months ended 30 June 2019 of RMB1,547,993,000 (six months ended 30 June 2018: RMB1,428,267,000) and the weighted average of 8,407,962,000 ordinary shares (six months ended 30 June 2018: 8,407,962,000 ordinary shares) in issue during the six months ended 30 June 2019. The calculation is as follows:

	For the six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
Profit attributable to equity holders of the Company	**1,783,737**	1,539,061
Less: Distribution to the holders of perpetual medium-term notes	**(134,700)**	(57,500)
Distribution to the holders of renewable corporate bonds	**(101,044)**	(53,294)
Profit attributable to ordinary equity holders of the Company	**1,547,993**	1,428,267

There was no difference between the basic and diluted earnings per share amounts as there were no dilutive potential shares outstanding for the periods presented.

10. SEGMENT REPORTING

The Group manages its businesses by divisions, which are based on their products and services. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resources allocation and performance assessment, the Group has presented the following reportable segments:

– Wind power: this segment constructs, manages and operates wind power plants and generates electric power for sale to power grid companies

– Solar power: this segment constructs, manages and operates solar power plants and generates electric power for sale to power grid companies.

– Hydropower: this segment constructs, manages and operates hydropower plants and generates electric power for sale to power grid companies.

– Coal-fired power: this segment constructs, manages and operates coal-fired power plants and generates electric power for sale to power grid companies.

10. SEGMENT REPORTING (CONTINUED)

– Natural gas-fired power (distributed): this segment constructs, manages and operates natural gas-fired power (distributed) plants and generates electric power for sale to power grid companies.

– Other business: this segment mainly manages and operates other clean energy power and heat plants and generates electric power for sale to power grid companies or heat for sale to the customers.

(a) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

- Segment assets do not include interests in associates and joint ventures, equity investments at fair value through other comprehensive income, tax recoverable, deferred tax assets or unallocated head office and corporate assets. Segment liabilities do not include tax payable, deferred tax liabilities or unallocated head office and corporate liabilities.

- Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. Segment revenue and expenses do not include service concession construction revenue and cost, unallocated head office and corporate revenue and expenses, share of profits less loss of associates or joint ventures and net finance expenses.

10. SEGMENT REPORTING (CONTINUED)

(a) Segment results, assets and liabilities (Continued)

The measure used for reporting segment profit is the operating profit. Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2019 and 2018 is set out below:

For the six months ended 30 June 2019

	Wind power *RMB'000*	Solar power *RMB'000*	Hydropower *RMB'000*	Coal-fired power *RMB'000*	Natural gas-fired power (distributed) *RMB'000*	Other business *RMB'000*	Total *RMB'000*
Revenue from external customers							
–Sales of electricity	3,611,613	674,410	1,557,652	2,516,637	993,527	47,658	9,401,497
–Sales of steam	–	–	–	134,781	145,437	34,133	314,351
–Sales of others	3,341	4,569	5,876	37,003	4,229	3	55,021
Reportable segment revenue	**3,614,954**	**678,979**	**1,563,528**	**2,688,421**	**1,143,193**	**81,794**	**9,770,869**
Reportable segment profit (operating profit)	**1,997,637**	**396,800**	**844,360**	**216,112**	**106,872**	**(310)**	**3,561,471**
Depreciation and amortisation	(1,365,480)	(227,524)	(249,683)	(359,790)	(128,147)	(12,170)	(2,342,794)
Interest income	6,667	752	1,946	1,680	745	413	12,203
Interest expenses	(821,744)	(139,222)	(53,462)	(136,289)	(67,094)	(5,164)	(1,222,975)
Impairment losses on property, plant and equipment	(19,582)	(3,895)	–	(66)	(5,675)	(1,482)	(30,700)
Reversal of impairment losses on trade receivables, other receivables and prepayments	–	–	4	–	–	–	4
Addition to non-current segment assets during the period	502,010	66,745	71,633	374,312	513,919	5,479	1,534,098
As at 30 June 2019							
Reportable segment assets	**55,716,992**	**9,356,091**	**11,563,494**	**14,819,346**	**7,539,870**	**752,298**	**99,748,091**
Reportable segment liabilities	**41,137,964**	**6,348,635**	**3,742,316**	**11,178,594**	**5,851,025**	**476,059**	**68,734,593**

10. SEGMENT REPORTING (CONTINUED)

(a) Segment results, assets and liabilities (Continued)

For the six months ended 30 June 2018

	Wind power *RMB'000*	Solar power *RMB'000*	Hydropower *RMB'000*	Coal-fired power *RMB'000*	Natural gas-fired power (distributed) *RMB'000*	Other business *RMB'000*	Total *RMB'000*
Revenue from external customers							
–Sales of electricity	3,737,856	647,521	666,040	2,673,254	698,175	54,423	8,477,269
–Sales of steam	–	–	–	133,797	98,380	29,628	261,805
–Sales of others	16,801	4,268	4,344	26,868	4,331	19,909	76,521
Reportable segment revenue	3,754,657	651,789	670,384	2,833,919	800,886	103,960	8,815,595
Reportable segment profit (operating profit)	2,248,281	366,223	118,996	32,692	72,744	(522)	2,838,414
Depreciation and amortisation	(1,318,529)	(224,954)	(238,657)	(366,973)	(104,920)	(15,048)	(2,269,081)
Interest income	4,104	652	1,319	2,306	656	313	9,350
Interest expenses	(823,074)	(138,656)	(43,287)	(163,861)	(55,466)	(5,934)	(1,230,278)
Impairment losses on property, plant and equipment	–	–	–	–	–	–	–
Impairment losses on trade receivables, other receivables and prepayments	–	–	–	–	–	–	–
Addition to non-current segment assets during the period	852,465	20,861	273,124	437,351	283,176	3,576	1,870,553
As at 31 December 2018							
Reportable segment assets	57,178,408	9,088,665	11,051,848	15,267,616	6,980,148	770,205	100,336,890
Reportable segment liabilities	43,872,295	6,567,507	3,934,684	11,742,077	5,525,162	468,800	72,110,525

10. SEGMENT REPORTING (CONTINUED)

(b) Reconciliations of reportable segment revenue, profit, assets and liabilities

	For the six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
Revenue		
Reportable segment revenue	**9,770,869**	8,815,595
Service concession construction revenue	**10,206**	36,286
Unallocated head office and corporate revenue	**–**	216
Consolidated revenue	**9,781,075**	8,852,097
Profit		
Reportable segment profit	**3,561,471**	2,838,414
Unallocated head office and corporate revenue	**–**	216
Unallocated head office and corporate expenses	**(81,471)**	(80,696)
Share of profits less losses of associates and joint ventures	**299,150**	486,096
Net finance expenses	**(1,388,927)**	(1,428,954)
Consolidated profit before taxation	**2,390,223**	1,815,076

10. SEGMENT REPORTING (CONTINUED)

(b) Reconciliations of reportable segment revenue, profit, assets and liabilities (Continued)

	30 June 2019 **RMB'000**	31 December 2018 RMB'000
Assets		
Reportable segment assets	**99,748,091**	100,336,890
Inter-segment receivables	**(9,781,452)**	(10,416,255)
	89,966,639	89,920,635
Interests in associates and joint ventures	**9,367,085**	8,984,570
Other non-current assets – equity investments at fair value through other comprehensive income	**1,091,252**	1,087,775
Deferred tax assets	**359,332**	369,046
Tax recoverable	**6,446**	16,309
Unallocated head office and corporate assets	**7,870,199**	7,925,240
Consolidated total assets	**108,660,953**	108,303,575
Liabilities		
Reportable segment liabilities	**68,734,593**	72,110,525
Inter-segment payables	**(9,781,452)**	(10,416,255)
	58,953,141	61,694,270
Tax payable	**218,304**	77,413
Deferred tax liabilities	**1,016,771**	1,007,989
Unallocated head office and corporate liabilities	**12,053,693**	12,421,996
Consolidated total liabilities	**72,241,909**	75,201,668

(c) Geographical information

As the Group does not have material operations outside the PRC, no geographic segment information is presented.

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2019, the Group acquired items of property, plant and equipment at a cost of RMB1,476,454,000 (six months ended 30 June 2018: RMB1,854,878,000). Items of property, plant and equipment with a net book value of approximately RMB720,000 were disposed of during the six months ended 30 June 2019 (six months ended 30 June 2018: RMB1,056,000), resulting in a gain on disposal of RMB1,347,000 (six months ended 30 June 2018: a gain of RMB27,004,000).

Full impairment provision of RMB30,700,000 was made on certain construction in process projects where the construction was suspended and management considered that the probability of further development of these projects is remote.

12. INTANGIBLE ASSETS

The net book value of intangible assets mainly represents service concession assets of RMB754,547,000 (31 December 2018: RMB762,243,000), goodwill of RMB496,647,000 (31 December 2018: RMB496,647,000), and software and other assets of RMB90,950,000 (31 December 2018: RMB100,037,000).

13. OTHER NON-CURRENT ASSETS

	30 June 2019 *RMB'000*	31 December 2018 *RMB'000*
Deductible Value Added Tax ("VAT") *(note (i))*	**1,485,597**	1,723,049
Unquoted equity investment in non-listed companies, at fair value *(note (ii))*	**887,579**	876,361
Equity investment in Hong Kong listed companies, at fair value *(note (iii))*	**203,673**	211,414
Deferred differences arising from sale and leaseback resulting in a finance lease	**–**	113,283
Others	**130,071**	152,640
	2,706,920	3,076,747

Notes:

(i) Deductible VAT mainly represents the input VAT relating to the acquisition of property, plant and equipment and inventories, which is deductible from output VAT. The input VAT expected to be deducted within one year is recorded in prepayments and other current assets (note 15).

(ii) The unquoted equity investments in non-listed companies are limited liability companies established in the PRC. On 1 January 2018 (the initial application date of IFRS 9), the Group's management has assessed and classified these equity investments into equity investment through other comprehensive income and measured at fair value (without recycling).

(iii) Pursuant to the agreement with China Energy Engineering Corporation Limited ("China Energy Engineering"), the Group has subscribed for 243,722,000 shares of China Energy Engineering at an offer price of HK$1.59 per share on 8 December 2015. The Group recognised this as an equity investment designated at fair value through other comprehensive income (without recycling).

Net changes in the fair values of the equity investments described in notes (ii) and (iii) from 1 January 2019 to 30 June 2019 amounted to RMB673,000.

14. TRADE AND BILLS RECEIVABLE

	30 June 2019 RMB'000	31 December 2018 RMB'000
Amounts due from third parties	**8,013,890**	5,960,434
Amounts due from associates	**29,960**	18,212
Amounts due from fellow subsidiaries	**15,154**	4,360
Less: allowance for doubtful accounts	**(13,229)**	(13,229)
	8,045,775	5,969,777
Analysed into:		
Trade receivables		
– at amortised cost	**1,746,215**	1,719,251
– at fair value through other comprehensive income	**5,909,682**	3,948,183
	7,655,897	5,667,434
Bills receivable, at fair value through other comprehensive income	**389,878**	302,343
	8,045,775	5,969,777

(a) Ageing analysis

The ageing analysis of trade and bills receivable of the Group based on the invoice date, and net of loss allowance, is as follows:

	30 June 2019 RMB'000	31 December 2018 RMB'000
Within 1 year	**7,995,259**	5,917,678
Between 1 and 2 years	**15,788**	18,278
Between 2 and 3 years	**3,847**	31,073
Over 3 years	**30,881**	2,748
	8,045,775	5,969,777

The Group's trade receivables are mainly electricity sales receivable from local grid companies for whom there was no recent history of default. Generally, the debtors are due within 15–30 days from the date of invoice, except for the tariff premium of renewable energy relating to certain renewable energy projects, such as wind power projects and solar power projects. The collection of such tariff premium is subject to the allocation of funds by the relevant government authorities to local grid companies, which consequently takes a relatively long time for settlement.

14. TRADE AND BILLS RECEIVABLE (CONTINUED)

(b) Loss allowance for impairment of trade and bills receivable

The movements in the loss allowance for impairment of doubtful debts during the year are as follows:

	30 June 2019 *RMB'000*	31 December 2018 *RMB'000*
At the beginning of the period/year	**13,229**	9,923
Impairment losses, net	**–**	3,474
Uncollectible amounts written off	**–**	(168)
At the end of the period/year	**13,229**	13,229

An impairment analysis is performed by the Group at each reporting date using a provision matrix to measure expected credit losses. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if the Group is satisfied that recovery of the amount is remote.

Pursuant to Caijian [2012] No. 102 Notice on the Interim Measures for Administration of Subsidy Funds for Tariff Premium of Renewable Energy (可再生能源電價附加補助資金管理暫行辦法) jointly issued by the Ministry of Finance, the National Development and Reform Commission and the National Energy Administration in March 2012, a set of new standardised procedures for the settlement of the aforementioned renewable energy tariff premium have come into force since 2012 and approvals on a project by project basis are required before the allocation of funds to local grid companies. As at 31 December 2018, most of the Group's related projects have been approved for the tariff premium of renewable energy and certain projects are in the process of applying for the approval. The tariff premium receivables are settled in accordance with prevailing government policies and prevalent payment trends of the Ministry of Finance. There is no due date for settlement. The directors are of the opinion that the approvals will be obtained in due course and these trade receivables from tariff premium are fully recoverable considering there were no bad debt experiences with the grid companies in the past and such tariff premium is funded by the PRC government.

The Group applies the simplified approach to the provision for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all trade receivables. To measure the expected credit loss of trade receivables excluding tariff premium receivables, trade receivables have been grouped based on shared credit risk characteristics and the ageing.

Bills receivable as at 30 June 2019 were all bank's acceptance bills with a maturity of one to six months, management considers the probability of default as minimal.

15. PREPAYMENTS AND OTHER CURRENT ASSETS

	30 June 2019 *RMB'000*	31 December 2018 *RMB'000*
Certificated Emission Reduction ("CERs") receivables	**92,333**	92,333
Staff advance and other deposits	**30,221**	29,260
Amounts due from related parties		
– due from fellow subsidiaries	**41,622**	17,440
– due from associates	**41,100**	558,638
Deductible VAT *(note 13 (i))*	**1,034,602**	1,188,543
Prepayments for the coal and spare parts supply	**129,931**	63,349
Other prepayments and debtors	**229,360**	360,682
	1,599,169	2,310,245
Less: allowance for doubtful debts	**(156,727)**	(156,731)
	1,442,442	2,153,514

For the financial assets above, an impairment analysis is performed at each reporting date by considering the probability of default by applying a loss rate approach with reference to the historical loss record of the Group. The loss rate is adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate.

16. CASH AND CASH EQUIVALENTS

	30 June 2019 *RMB'000*	31 December 2018 *RMB'000*
Cash on hand	**63**	88
Cash at banks	**500,971**	1,505,605
Deposits with a fellow subsidiary *(note (i))*	**2,297,000**	2,092,148
	2,798,034	3,597,841

Note:

(i) Deposits with a fellow subsidiary represent the deposits in China Huadian Finance Corporation Limited ("Huadian Finance"), a registered financial institution in the PRC.

17. A DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

During the six months ended 30 June 2019, the Group decided to dispose of the entire equity interests in Huaran, a subsidiary. The information of Huaran is included in the Wind Power segment for the period ended 30 June 2019. Directors of the Company are of the opinion that the disposal will be completed in 2019. The disposal met the criteria to be classified as held for sale as at the end of the Reporting Period, the assets and liabilities directly associated with the assets classified as held for sale of which are measured as follows:

	RMB'000
Assets	
Property, plant and equipment	273,715
Right-of-use assets	2,292
Other non-current assets	24,408
Cash and cash equivalents	251
Inventories	632
Trade and bills receivable	20,867
Prepayments and other current assets	105,372
	427,537
Less: receivable from the immediate parent company	16,800
Assets classified as held for sale	410,737
Liabilities	
Borrowings – current	26,000
Trade and bills payable	5,528
Other payables and accruals	80,074
Tax payable	8,342
Borrowings – non-current	195,000
	314,944
Less: payable to the immediate parent company	59,045
Liabilities directly associated with the assets classified as held for sale	255,899
Net assets directly associated with the disposal group	154,838

18. BORROWINGS

(a) The long-term interest-bearing borrowings comprise:

	30 June 2019 *RMB'000*	31 December 2018 *RMB'000*
Bank loans and loans from financial institutions		
– Secured *(note (ii))*	**21,834,503**	23,659,861
– Unsecured *(note (i))*	**24,708,134**	25,816,930
Loans from Huadian		
– Unsecured	**1,246,447**	2,246,447
Loans from fellow subsidiaries		
– Secured *(note (ii))*	**573,365**	601,599
– Unsecured	**246,000**	273,000
Other borrowings *(note (e)(i)(ii))*		
– Secured *(note (e)(i))*	**836,151**	834,943
– Unsecured *(note (e)(ii))*	**5,994,041**	5,991,748
	55,438,641	59,424,528
Less: current portion of long-term borrowings		
– Bank loans and loans from financial institutions	**(5,086,700)**	(5,195,811)
– Loans from fellow subsidiaries	**(165,968)**	(132,448)
– Other borrowings *(note (e)(i))*	**(102,769)**	–
Borrowings in non-current liabilities	**50,083,204**	54,096,269

Notes:

All of the long-term interest-bearing borrowings are carried at amortised cost.

18. BORROWINGS (CONTINUED)

(a) The long-term interest-bearing borrowings comprise: (Continued)

Notes: (Continued)

(i) Certain unsecured borrowings were guaranteed by the following entities:

	30 June 2019 *RMB'000*	31 December 2018 *RMB'000*
Guarantor		
– Huadian	**314,200**	365,928
– Non-controlling shareholders of subsidiaries	**75,000**	89,000
	389,200	454,928

(ii) Certain of the Group's interest-bearing bank borrowings were secured by certain of the Group's buildings and equipment as well as construction in progress, which had an aggregate net book value of RMB14,608,008,000 (31 December 2018: RMB14,531,653,000). Certain of the Group's interest-bearing borrowings with a carrying amount of RMB15,555,155,000 (31 December 2018: RMB17,105,786,000) were secured by certain rights of receipt of tariff of the Group.

(b) The short-term interest-bearing borrowings comprise:

	30 June 2019 *RMB'000*	31 December 2018 *RMB'000*
Bank loans and loans from financial institutions		
– Secured *(note (a)(ii))*	**105,800**	167,800
– Unsecured	**4,561,635**	4,473,343
Loans from a fellow subsidiary		
– Unsecured	**115,000**	100,000
Other borrowings		
– Unsecured *(note (e)(iii))*	**798,682**	798,682
	5,581,117	5,539,825
Add: current portion of long-term borrowings		
– Bank loans and loans from financial institutions	**5,086,700**	5,195,811
– Loans from fellow subsidiaries	**165,968**	132,448
– Other borrowings	**102,769**	–
Borrowings in current liabilities	**10,936,554**	10,868,084

18. BORROWINGS (CONTINUED)

(c) The interest rates on borrowings are as follows:

	30 June 2019	31 December 2018
Long-term		
Bank loans and loans from financial institutions	**1.08%–6.20%**	1.08%–6.20%
Loans from Huadian	**4.15%–5.60%**	4.15%–5.60%
Loans from fellow subsidiaries	**4.75%–4.90%**	4.75%–4.90%
Other borrowings	**3.04%–5.38%**	3.04%–5.38%
Short-term		
Bank loans and loans from financial institutions	**0.47%–5.66%**	0.47%–5.66%
Loans from a fellow subsidiary	**4.35%**	4.35%
Other borrowings	**3.30%**	3.30%

As at 30 June 2019, the long-term interest-bearing borrowings and short-term interest-bearing borrowings with fixed interest rates of the Group amounted to RMB17,906,448,000 (31 December 2018: RMB19,717,396,000) and RMB1,610,251,000 (31 December 2018: RMB949,959,000), respectively.

(d) The borrowings are repayable as follows:

	30 June 2019 *RMB'000*	31 December 2018 *RMB'000*
Within 1 year or on demand	**10,936,554**	10,868,084
After 1 year but within 2 years	**7,298,256**	9,066,799
After 2 years but within 5 years	**22,263,724**	22,538,054
After 5 years	**20,521,224**	22,491,416
	61,019,758	64,964,353

18. BORROWINGS (CONTINUED)

(e) Significant terms of other borrowings

	30 June 2019 *RMB'000*	31 December 2018 *RMB'000*
Long-term		
Asset-backed securities *(note (i))*	**836,151**	834,943
Corporate bonds *(note (ii))*	**5,891,272**	5,991,748
Short-term		
Financial instruments *(note (iii))*	**798,682**	798,682

Notes:

(i) On 15 March 2018, the Company issued a green asset-backed security of Ping An Securities-Huadian Fuxin on-grid Electricity Sales Receivable Green Asset Plan (the "ABS") of RMB840,000,000 at par with an effective interest rate of 5.10% per annum, with due dates from 2 to 12 years. The ABS was set up based on the on-grid electricity sales receivables of seven subsidiaries with maturity periods from 6 years to 12 years (note 28(a)).

(ii) On 25 March 2013, the Company issued a five-year unsecured corporate bond of RMB1,000,000,000 at par with a coupon rate of 5.00% per annum, which was repaid on 25 March 2018, and a ten-year unsecured corporate bond of RMB1,000,000,000 at par with a coupon rate of 5.30% per annum. The effective interest rates of the above bonds are 5.13% and 5.38% per annum, respectively.

On 22 September 2016, the Company issued a five-year unsecured corporate bond of RMB3,000,000,000 at par with a coupon rate of 2.97% per annum, the effective interest rate of this bond is 3.04% per annum.

On 4 November 2016, the Company issued a five-year unsecured corporate bond of RMB900,000,000 at par with a coupon rate of 3.02% per annum and a seven-year unsecured corporate bond of RMB1,100,000,000 at par with a coupon rate of 3.18% per annum. The effective interest rates of the above bonds are 3.09% and 3.23% per annum, respectively.

(iii) At 30 June 2019, the balances represented unsecured ultra short-term corporate bonds with a coupon rate of 3.30% per annum with a due date of 22 July 2019.

19. TRADE AND BILLS PAYABLE

	30 June 2019 *RMB'000*	31 December 2018 *RMB'000*
Trade payables to third parties	**905,199**	912,813
Bills payable to third parties	**45,444**	48,000
Trade payables to related parties	**134,670**	117,868
Bills payable to related parties	**25,000**	25,000
	1,110,313	1,103,681

The ageing analysis for the trade and bills payable, based on the invoice date, is as follows:

	30 June 2019 *RMB'000*	31 December 2018 *RMB'000*
Within 1 year	**625,810**	819,214
Between 1 and 2 years	**336,377**	235,471
Between 2 and 3 years	**126,641**	23,534
Over 3 years	**21,485**	25,462
	1,110,313	1,103,681

All of the trade and bills payable are expected to be settled within one year or are repayable on demand.

20. OTHER PAYABLES AND ACCRUALS

	30 June 2019 RMB'000	31 December 2018 RMB'000
Payables for acquisition of property, plant and equipment and intangible assets	**3,447,358**	3,710,333
Provision for Mianhuatan resettlement compensation *(note (i))*	**40,000**	40,000
Retention payable *(note (ii))*	**825,402**	805,223
Dividends payable	**549,001**	297,097
Payable for acquisition of subsidiaries	**–**	4,584
Payables for staff related costs	**85,247**	78,555
Payables for other taxes	**255,226**	212,281
Interest payable	**280,106**	189,428
Amounts due to fellow subsidiaries*(note (iii))*	**789,700**	919,443
Amounts due to associates *(note (iii))*	**325,506**	309,965
Amounts due to Huadian *(note (iii))*	**286,562**	2,000
Contract liability	**3,726**	31,668
Lease liabilities *(note 3)*	**68,233**	–
Other accruals and payables	**574,844**	619,643
	7,530,911	7,220,220

Notes:

(i) Mianhuatan Hydropower, one of the Company's subsidiaries, owns and operates a hydropower plant (the "Mianhuatan Project") in Longyan, Fujian, the PRC. The relevant local government authority disputed the amount of resettlement compensation and requested Mianhuatan Hydropower to increase the compensation to cover the rising costs associated with the relocation and resettlement of additional residents, the construction of roads and bridges, environmental protection and the preservation of historical relics. In response to this request, Mianhuatan Hydropower engaged the original independent design institute for this hydropower project, Shanghai Investigation, Design & Research Institute (the "Shanghai Institute"), to assess the need to pay any additional resettlement compensation. To support the local government's relocation and resettlement efforts, Mianhuatan Hydropower agreed in principle and paid to the local government additional compensations of RMB15,000,000, RMB15,000,000 and RMB360,000,000 in 2009, 2010 and 2011, respectively, totalling RMB390,000,000. In addition, the management of Mianhuatan Hydropower has recognised an additional provision of RMB40,000,000 for this dispute during the year ended 31 December 2011. The total amount of RMB430,000,000 has been capitalised in the property, plant and equipment. After reviewing the assessment report from the Shanghai Institute, Fujian Development and Reform Commission (the "Fujian DRC") and National Development and Reform Commission of the PRC (the "NDRC") will determine the adjusted resettlement compensation to be borne by Mianhuatan Hydropower.

(ii) Retention payable represents amounts due to equipment suppliers and construction contractors which will be settled upon the expiry of the warranty period.

(iii) These amounts are all unsecured, interest-free and have no fixed terms of payment.

All other payables are expected to be settled within one year or are repayable on demand.

21. CAPITAL AND DIVIDENDS

(a) Dividends

(i) Dividends payable to equity shareholders attributable to the interim period

The board of directors did not recommend the payment of an interim dividend for the six months ended 30 June 2019 (six months ended 30 June 2018: Nil).

(ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, declared during the interim period

	For the six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
Final dividend approved during the period in respect of the previous financial year of RMB0.0568 per share (six months ended 30 June 2018: RMB0.0556 per share)	**477,572**	467,483

(b) Share capital

	30 June 2019	31 December 2018
	RMB'000	*RMB'000*
Ordinary shares, issued and fully paid		
5,837,738,400 domestic state-owned ordinary shares of RMB1.00 each	**5,837,738**	5,837,738
2,570,223,120 H shares of RMB1.00 each	**2,570,224**	2,570,224
	8,407,962	8,407,962

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

22. PERPETUAL MEDIUM-TERM NOTES

	Issuance date	Initial distribution rate	Distribution Payment Date	First Call Date	Principal amounts	Issuance costs	Carrying amount 30 June 2019	Carrying amount 31 December 2018
					RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
First tranche of 2015 perpetual medium-term notes ("PMTN")	21 April 2015	5.75%	23 April	23 April 2020	2,000,000	6,000	**1,994,000**	1,994,000
First tranche of 2018 PMTN	1-2 November 2018	4.65%	5 November	5 November 2021	1,000,000	4,245	**995,755**	995,755
Second tranche of 2018 PMTN	22 November 2018	4.65%	26 November	26 November 2021	1,000,000	4,245	**995,755**	995,755
Third tranche of 2018 PMTN	5-6 December 2018	4.64%	7 December	7 December 2021	1,000,000	4,245	**995,755**	995,755
First tranche of 2019 PMTN	28-29 May 2019	4.50%	30 May	30 May 2022	2,000,000	8,389	**1,991,611**	–
Proceeds from issuance							**6,972,876**	4,981,265
Add: Profit attributable to the holders of PMTN							**134,700**	130,236
Less: Distribution							**(134,700)**	(130,236)
Equity attributable to the holders of PMTN							**6,972,876**	4,981,265

Information of the perpetual medium-term notes issued by the Company is listed as above.

The PMTN were all issued at par value and recorded as equity in the Group's financial statements, after netting off related issuance costs. Interest of the PMTN is recorded as distribution, which is paid annually in arrears on the Distribution Payment Date of each year and may be deferred at the discretion of the Company unless compulsory distribution payment events (including distributions to ordinary shareholders of the Company or reduction of the registered capital of the Company) have occurred.

The PMTN have no fixed maturity dates and are callable at the Company's option in whole on the First Call Date or any Distribution Payment Date falling after the First Call Date at their principal amounts together with any accrued, unpaid or deferred distributions.

The applicable distribution rate will be reset, on the First Call Date of First tranche of 2015 PMTN and every five years after the First Call Date of First tranche of 2015 PMTN, to the sum of the applicable benchmark interest rate, the initial spread and 300 basis points per annum.

22. PERPETUAL MEDIUM-TERM NOTES (CONTINUED)

The applicable distribution rate will be reset, on the First Call Date of the three tranches of 2018 PMTN and the First tranche of 2019 PMTN and every three years after the First Call Date of the three tranches of 2018 PMTN and the First tranche of 2019 PMTN, to the sum of the applicable benchmark interest rate, the initial spread and 300 basis points per annum.

For the six months ended 30 June 2019, net profit attributable and distribution to holders of the PMTN based on the applicable rate in aggregate, were RMB134,700,000 (six months ended 30 June 2018: RMB57,500,000) and RMB134,700,000 (six months ended 30 June 2018: RMB57,500,000), respectively.

23. RENEWABLE CORPORATE BONDS

	Issuance date	Initial distribution rate	Distribution Payment Date	First Call Date	Principal amounts	Issuance costs	Carrying amount 30 June 2019	Carrying amount 31 December 2018
					RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
First tranche of renewable corporate bonds 2017	6 November 2017	5.30%	6 November	6 November 2020	2,000,000	5,660	**1,994,340**	1,994,340
First tranche of renewable corporate bonds 2018-Category one	7-9 August 2018	4.70%	7 August	7 August 2021	1,500,000	4,322	**1,495,678**	1,495,678
First tranche of renewable corporate bonds 2018-Category two	7-9 August 2018	5.00%	7 August	7 August 2021	500,000	1,441	**498,559**	498,559
Proceeds from issuance							**3,988,577**	3,988,577
Add: Profit attributable to the holders of renewable corporate bonds							**101,044**	144,995
Less: Distribution							**(101,044)**	(144,995)
Equity attributable to the holders of renewable corporate bonds							**3,988,577**	3,988,577

Information of the renewable corporate bonds issued by the Company is listed as above.

These renewable corporate bonds were issued at par value and were recorded as equity in the Group's financial statements, after netting off related issuance costs.

23. RENEWABLE CORPORATE BONDS (CONTINUED)

Interest of these renewable corporate bonds is recorded as distribution, which is paid annually in arrears on the Distribution Payment Date and may be deferred at the discretion of the Company unless compulsory distribution payment events (including distributions to ordinary shareholders of the Company, reduction of the registered capital of the Company or external equity investment in equity) have occurred.

These renewable corporate bonds have no fixed maturity dates and are callable at the Company's option in whole on the First Call Date or any Distribution Payment Date falling after the First Call Date at their principal amounts together with any accrued, unpaid or deferred distributions.

The applicable distribution rate will be reset, on the First Call Date of First tranche of renewable corporate bonds 2017 and First tranche of renewable corporate bonds 2018 – Category one and every three years after the First Call Date of First tranche of renewable corporate bonds 2017 and First tranche of renewable corporate bonds 2018 – Category one, to the sum of the applicable benchmark interest rate, the initial spread and 300 basis points per annum.

The applicable distribution rate will be reset, on the First Call Date of First tranche of renewable corporate bonds 2018 – Category two and every five years after the First Call Date of First tranche of renewable corporate bonds 2018 – Category two, to the sum of the applicable benchmark interest rate, the initial spread and 300 basis points per annum.

For the six months ended 30 June 2019, net profit attributable and distribution to holders of renewable corporate bonds based on the applicable rate in aggregate, were RMB101,044,000 (six months ended 30 June 2018: RMB53,294,000) and RMB101,044,000 (six months ended 30 June 2018: RMB53,294,000), respectively.

24. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Financial assets and liabilities measured at fair value

Fair value hierarchy

The following table presents the fair value of financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13 *Fair Value Measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs, i.e., unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs, i.e., observable inputs which fail to meet Level 1 criteria, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

At 30 June 2019 and 31 December 2018, the financial instruments of the Group carried at fair value were certain trade and bills receivable, and equity investments included in other non-current assets. The fair value hierarchy of financial instruments described above is as follows:

		Fair value measurements as at 30 June 2019 categorised into		
	Fair value 30 June 2019 *RMB'000*	**Quoted prices in active markets for identical assets (Level 1)** *RMB'000*	**Significant other observable inputs (Level 2)** *RMB'000*	**Significant unobservable inputs (Level 3)** *RMB'000*
Recurring fair value measurement				
Financial assets:				
Trade and bills receivable	**6,299,560**	–	6,299,560	–
Equity investment in Hong Kong listed companies, at fair value	**203,673**	203,673	–	–
Unquoted equity investment in non-listed companies, at fair value	**968,212**	–	–	968,212

24. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

		Fair value measurements as at 31 December 2018 categorised into		
	Fair value 31 December 2018 *RMB'000*	Quoted prices in active markets for identical assets (Level 1) *RMB'000*	Significant other observable inputs (Level 2) *RMB'000*	Significant unobservable inputs (Level 3) *RMB'000*
Recurring fair value measurement				
Financial assets:				
Trade and bills receivable	4,250,526	–	4,250,526	–
Equity investment in Hong Kong listed companies, at fair value	211,414	211,414	–	–
Unquoted equity investment in non-listed companies, at fair value	876,361	–	–	876,361

The fair values of listed equity investments are based on quoted market prices. The fair values of unlisted equity investments designated at fair value through other comprehensive income, which were previously classified as available-for-sale equity investments, have been estimated using a market-based valuation technique based on assumptions that are not supported by observable market prices or rates. The valuation requires the directors to determine comparable public companies (peers) based on industry, size, leverage and strategy, and calculates an appropriate price multiple, such as enterprise value to earnings before interest, taxes, depreciation and amortisation ("EV/EBITDA") multiple, enterprise value to earnings before interest and taxes ("EV/EBIT"), price to earnings ("P/E") multiple and price to book ("P/B") multiple, for each comparable company identified. The multiple is calculated by dividing the enterprise value of the comparable company by an earnings measure. The trading multiple is then discounted for considerations such as illiquidity and size differences between the comparable companies based on company-specific facts and circumstances. The discounted multiple is applied to the corresponding earnings measure of the unlisted equity investments to measure the fair value. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the interim condensed consolidated statement of financial position, and the related changes in fair values, which are recorded in other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period.

24. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

The Group entered into securitisation transactions whereby it transferred trade receivables on tariff premium of renewable energy (the "Transferred Financial Assets") to unrelated third parties and derecognised the Transferred Financial Assets (note 28(b)). The Group endorsed and factored a significant part of its bills receivable in its normal course of business. The Group managed its trade and bills receivable which generated cash flows resulting from both collecting contractual cash flows and selling the financial assets during the current year. Therefore, the Group measures trade and bills receivable at fair value through other comprehensive income. The fair values of trade and bills receivable were measured using the discounted cash flow model. The model incorporates various market observable inputs including the annualised yields of similar securitisation products and interest rate curves. The carrying amounts of trade and bills receivables are the same as their fair values.

(b) Fair values of financial assets and liabilities not carried at fair value

The carrying amounts of the Group's financial instruments carried at amortised cost are not materially different from their fair values as at 30 June 2019 and 31 December 2018, except for the following:

	30 June 2019		31 December 2018	
	Carrying Amount *RMB'000*	**Fair Value *RMB'000***	Carrying Amount *RMB'000*	Fair Value *RMB'000*
Other borrowings	**6,727,423**	**6,532,327**	6,826,691	6,581,226
Fixed rate long-term loans	**11,179,025**	**11,016,304**	12,890,705	12,845,852
Total	**17,906,448**	**17,548,631**	19,717,396	19,427,078

25. CAPITAL COMMITMENTS

Capital commitments outstanding at the period/year end not provided for in the interim condensed consolidated financial information were as follows:

	30 June 2019 *RMB'000*	31 December 2018 *RMB'000*
Contracted for		
– Acquisition of items of property, plant and equipment	**10,128,992**	10,817,674
– Capital injection to a subsidiary	**61,200**	–
Total	**10,190,192**	10,817,674

26. CONTINGENCIES

(a) Financial guarantees issued

	30 June 2019	31 December 2018
	RMB'000	*RMB'000*
Financial guarantees to banks for:		
– An associate	**40,000**	40,000

As at 30 June 2019, the directors did not consider it probable that a claim will be made against the Group under any of the guarantees.

(b) Contingent liability in respect of taxes on Clean Development Mechanism ("CDM") revenue

Up to date, there have been no rules issued on whether the revenue from sales of Certificated Emission Reduction ("**CERs**") is subject to any VAT or business tax. Based on the discussions with local tax authorities, the directors of the Company are of the opinion that no such taxes will be applicable to the revenue from sale of CERs. Therefore, the Group has not made any provision on such contingencies.

(c) Contingent liability in respect of the resettlement compensation for Mianhuatan Hydropower

Mianhuatan Hydropower has been requested by the relevant local government authority to further increase the compensation to cover the rising costs associated with the relocation and resettlement of additional residents, the construction of roads and bridges, environmental protection and the preservation of historical relics. The final resettlement compensation has yet to be determined by the Fujian Development and Reform Commission (the "**Fujian DRC**") and the National Development and Reform Commission of the PRC (the "**NDRC**"). Mianhuatan Hydropower has prepaid an aggregated amount of RMB390,000,000 during the years ended 31 December 2009, 2010 and 2011 in relation to this dispute and has recognised a provision of RMB40,000,000 during the year ended 31 December 2011 based on the assessment of the circumstances.

Huadian has undertaken to indemnify the Group against its losses, claims, charges and expenses arising from the relocation and resettlement of local residents in relation to Mianhuatan Project if the additional compensation the NDRC requires the Group to pay is to exceed RMB40,000,000.

27. MATERIAL RELATED PARTY TRANSACTIONS

(a) Transactions with related parties

The Group is part of a large group of companies under Huadian and has significant transactions and relationships with the subsidiaries of Huadian.

The principal related party transactions which were carried out in the ordinary course of business are as follows:

	For the six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
Purchase of power generation rights from:		
Fellow subsidiaries	**1,956**	1,516
An associate	**70,000**	–
Purchase of coal shipping service from:		
Fellow subsidiaries	**43,106**	29,183
Purchase of construction service, operation maintenance and construction materials from:		
Fellow subsidiaries	**324,708**	255,714
Office rental and property management service provided by: Fellow subsidiaries	**13,016**	12,254
Purchases of coal from: Fellow subsidiaries	**740,853**	1,629,559
Loans repaid to:		
Huadian	**(1,000,000)**	–
Fellow subsidiaries	**(40,234)**	(316,949)
Net deposit change in: Huadian Finance	**204,852**	308,981
Interest expenses paid to:		
Huadian	**55,518**	60,329
Fellow subsidiaries	**47,732**	52,721
Interest income received from:		
Huadian Finance	**3,593**	8,571

27. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Outstanding balances with related parties

Details of the outstanding balances with related parties are set out in notes 3(a), 14, 15, 16, 18, 19 and 20.

In addition to the outstanding balances with related parties as mentioned above, there was payable to fellow subsidiaries of RMB4,407,000 from Huaran recorded in trade and bills payable (note 17).

(c) Transactions with other government-related entities in the PRC

The Company is a state-controlled entity and operates in an economic regime currently dominated by entities directly or indirectly owned or controlled by the PRC government and numerous government authorities and agencies (collectively referred to as "government-related entities").

Apart from transactions mentioned above, the Group conducts the majority of its business activities with government-related entities in the ordinary course of business. These transactions are carried out on terms similar to those that would be entered into with non-government-related entities. Transactions with other government-related entities included but are not limited to the following:

- Sale of electricity;
- Depositing and borrowing money;
- Purchase of materials and receiving of construction work services; and
- Service concession arrangements.

The tariff of electricity is regulated by relevant government authorities. The Group prices its other services and products based on commercial negotiations. The Group has also established its approval processes for the sale of electricity, purchase of products and services and its financing policy for borrowings. Such approval processes and financing policy do not depend on whether the counterparties are government-related entities or not.

For the six months ended 30 June 2019, revenue from the sale of electricity made to the provincial power grid companies which are government-related entities accounted for 99.5% of the total revenue from the sales of electricity (six months ended 30 June 2018: 99.53%). As at 30 June 2019, the trade and bills receivable due from these power grid companies accounted for 95% of the total trade and bills receivable (31 December 2018: 96%).

The Company and its subsidiaries maintained substantially all of the bank deposits in government-related financial institutions while lenders of substantially all of the Company and its subsidiaries' loans are also government-related financial institutions, associated with the respective interest income or interest expense incurred.

Other collectively significant transactions with government-related entities also included a large portion of equipment and material purchases, receiving property, plant and equipment construction services, and the service concession arrangements.

27. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(d) Key management personnel remuneration

Key management personnel are those persons holding positions with authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including the Group's directors.

Remuneration for key management personnel is as follows:

	For the six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
Salaries and other emoluments	**1,511**	1,527
Discretionary bonus	**2,486**	2,004
Retirement scheme contributions	**775**	762
	4,772	4,293

(e) Contributions to defined contribution retirement plans

The Group participates in various defined contribution retirement plans organised by municipal and provincial governments and Huadian for its staff. As at 30 June 2019 and 31 December 2018, there was no material outstanding contribution to post-employment benefit plans.

(f) Commitments with related parties

	30 June	31 December
	2019	2018
	RMB'000	*RMB'000*
Capital commitment	**1,157,057**	1,160,314
Commitment for office rental and property management fee	**97,293**	194,966

28. TRANSFER OF FINANCIAL ASSETS

(a) Transferred financial assets that are not derecognised in their entirety

The Group enters into securitisation transactions whereby it transfers rights of receipt of electricity tariff (the "**Transferred Financial Assets**") to special-purpose entities. These special-purpose entities are structured entities established with the narrow and well-defined objectives to provide investors opportunities to invest in those Transferred Financial Assets and they generally finance the purchase of the Transferred Financial Assets by issuing asset-backed securities to investors.

The Group acquired certain subordinated tranches of those asset-backed securities and accordingly may retain portions or all the risks and rewards of the Transferred Financial Assets. The Group would determine whether to derecognise the Transferred Financial Assets mainly by evaluating the extent to which it retains the risks and rewards of the Transferred Financial Assets.

During the six months ended 30 June 2018, the Group transferred rights of receipt of electricity tariff of the Company's several wholly-owned subsidiaries in the coming 6 to 12 years to the structured entities, where the Group retained all of the risks and rewards of the Transferred Financial Assets and therefore considers it as a bond secured by the pledge of rights of receipt of electricity tariff (note 18). During the six months ended 30 June 2019, the Group did not enter similar transactions as described above.

(b) Transferred financial assets that are derecognised in their entirety

The Group enters into securitisation transactions whereby it transfers trade receivables on tariff premium of renewable energy (the "**Transferred Financial Assets**") to special-purpose entities. These special-purpose entities are structured entities established with the narrow and well-defined objectives to provide investors with opportunities to invest in those Transferred Financial Assets and they generally finance the purchase of the Transferred Financial Assets by issuing asset-backed securities to investors.

The Group provided liquidity support to the asset-backed securities and accordingly may retain portions or all the risks and rewards of the Transferred Financial Assets. The Group determined whether to derecognise the Transferred Financial Assets mainly by evaluating the extent to which it retains the risks and rewards of the Transferred Financial Assets.

During the six months ended 30 June 2019, the Group transferred an aggregate carrying amount of RMB611,143,000 of trade receivables on tariff premium of renewable energy to some unconsolidated structured entities, which qualified for full derecognition. Hence, the Group derecognised those assets (six months ended 30 June 2018: Nil).

As a result of the above securitisation transactions, the Group recognised expenses of RMB44,257,000 from transfers of trade receivables on tariff premium of renewable energy (six months ended 30 June 2018: Nil).

29. SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

On 5 July 2019, Huadian New Energy Development Co., Ltd ("**Huadian New Energy**"), a directly wholly-owned subsidiary of the Company, entered into a sales and purchase agreement with Mingyang Intelligent Energy Group to sell Huadian New Energy's 67% equity interest in Huaran with a selling price of RMB83,168,000, which has been settled by cash on 16 July 2019. As at 30 June 2019, the assets and liabilities directly associated with the assets of Huaran have been classified as held for sale.

30. APPROVAL OF THE FINANCIAL STATEMENTS

The interim condensed consolidated financial information was approved and authorised for issue by the board of directors on 23 August 2019.

Definition and Glossary of Technical Terms

"Articles of Association"	the articles of association of the Company
"attributable consolidated installed capacity"	calculated by multiplying our equity interest (whether or not such interest is a controlling interest) in the power generating projects by their installed capacity, usually denominated in MW
"average utilization hours"	the gross power generation in a specified period divided by the average installed capacity in such period
"biomass"	plant material, vegetation or agricultural waste used as a fuel or energy source
"Board"	the board of Directors of the Company
"Board of Supervisors"	the board of Supervisors of the Company
"Company", "we" or "us"	Huadian Fuxin Energy Corporation Limited
"consolidated installed capacity"	the aggregate amount of installed capacity of our operating power generating projects that we fully consolidate in our consolidated financial statements. For wind power projects, consolidated installed capacity refers to the aggregate amount of installed capacity of our grid-connected wind power projects
"Corporate Governance Code"	the Corporate Governance Code in Appendix 14 to the Main Board Listing Rules on the Stock Exchange of Hong Kong Limited
"corresponding period of 2018"	Six months ended 30 June 2018
"Directors"	the director(s) of the Company
"electricity sales"	the actual amount of electricity sold by a power plant in a particular period which equals gross power generation less consolidated auxiliary electricity
"Fuqing Nuclear"	Fujian Fuqing Nuclear Power Company Limited
"gross generation"	for a specified period, the total amount of electricity produced by a power generating project during that period
"Group"	Huadian Fuxin Energy Corporation Limited and its subsidiaries
"GW"	gigawatt, a unit of power, 1 GW = 1,000 MW
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Huadian"	China Huadian Corporation Ltd.

"Huadian Finance"	China Huadian Finance Co., Ltd. (中國華電集團財務有限公司), a subsidiary of Huadian
"KWh"	kilowatt-hour, a unit of energy. 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
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"MW"	megawatt, a unit of power. 1 MW = 1,000 kW. The capacity of a power project is generally expressed in MW
"MWh"	megawatt-hour, a unit of energy. 1 MWh = 1,000 kWh
"NDRC"	National Development and Reform Commission of the People's Republic of China
"on-grid tariff"	the selling price of electricity for which a power generating project could sell the electricity it generates to the power grid companies, usually denominated in RMB per kWh (such on-grid tariff includes value-added tax)
"PRC" or "China"	the People's Republic of China
"reporting period"	the period from 1 January 2019 to 30 June 2019
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
"Supervisors"	the supervisor(s) of the Company
"13th Five-Year Plan"	"13th Five-Year Plan" with the full name being the Outline of the 13th Five-Year Plan for National Economic and Social Development of the People's Republic of China, and the term of the "13th Five-Year Plan" starts in 2016 and ends in 2020

Corporate Information

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華電福新能源股份有限公司

ENGLISH NAME OF THE COMPANY

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MEMBERS OF THE BOARD

Executive Directors

Mr. Huang Shaoxiong *(Chairman of the Board)*
Mr. Wu Jianchun
Mr. Du Jiangwu

Non-executive Directors

Mr. Tao Yunpeng
Mr. Shi Chongguang
Mr. Wang Bangyi

Independent Non-executive Directors

Mr. Zhang Bai
Mr. Tao Zhigang
Mr. Wu Yiqiang

COMMITTEES OF THE BOARD

Audit and Risk Management Committee

Mr. Zhang Bai *(Independent Non-executive Director) (Chairman)*
Mr. Tao Zhigang *(Independent Non-executive Director)*
Mr. Shi Chongguang *(Non-executive Director)*

Nomination Committee

Mr. Huang Shaoxiong *(Executive Director and Chairman of the Board) (Chairman)*
Mr. Tao Zhigang *(Independent Non-executive Director)*
Mr. Wu Yiqiang *(Independent Non-executive Director)*

Remuneration and Assessment Committee

Mr. Wu Yiqiang *(Independent Non-executive Director) (Chairman)*
Mr. Zhang Bai *(Independent Non-executive Director)*
Mr. Du Jiangwu *(Executive Director)*

Strategic Committee

Mr. Huang Shaoxiong *(Executive Director and Chairman of the Board) (Chairman)*
Mr. Wu Jianchun *(Executive Director)*
Mr. Wu Yiqiang *(Independent Non-executive Director)*

SUPERVISORS

Mr. Li Changxu *(Chairman of the Board of Supervisors)*
Mr. Wang Kun
Ms. Hu Xiaohong
Mr. Xu Lei
Mr. Chen Wenxin
Mr. Zhu Deyuan
Mr. Lai Jiaxing
Ms. Ding Ruiling
Mr. Guo Xiaoping

COMPANY SECRETARY

Mr. Lee Kwok Fai Kenneth

LEGAL REPRESENTATIVE OF THE COMPANY

Mr. Huang Shaoxiong

AUTHORIZED REPRESENTATIVES

Mr. Huang Shaoxiong
Mr. Lee Kwok Fai Kenneth

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STOCK CODE

00816