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

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

Stock Code: 1798

2019 INTERIM REPORT

* For identification purpose only

Contents

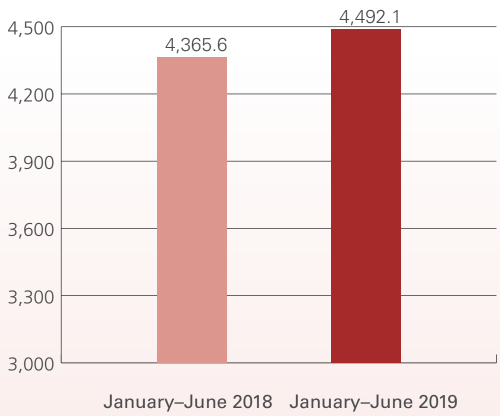
Unaudited Interim Results

The board of directors of China Datang Corporation Renewable Power Co., Limited* hereby announces the unaudited operating results of the Company and its subsidiaries for the six months ended 30 June 2019, together with the operating results for the six months ended 30 June 2018 (the "Corresponding Period of 2018") for comparison. For the six months ended 30 June 2019, the revenue amounted to RMB4,492 million, representing an increase of 2.90% over the Corresponding Period of 2018; profit before tax amounted to RMB1,230 million, representing a decrease of 6.16% over the Corresponding Period of 2018; profit attributable to owners of the parent amounted to RMB883 million, representing a decrease of 6.72% as compared with the Corresponding Period of 2018; basic and diluted earnings per share attributable to ordinary equity holders of the parent amounted to RMB0.1135, representing a decrease of RMB0.0088 as compared with earnings per share in the Corresponding Period of 2018.

* *For identification purpose only*

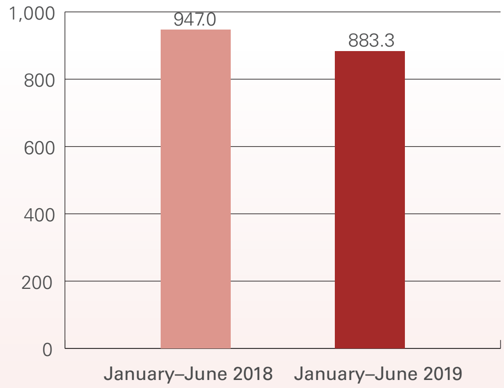
Key Operating and Financial Data

1. Revenue



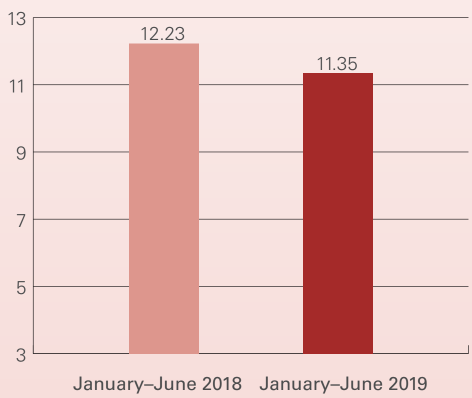
(Unit: RMB in millions)

2. Profit attributable to owners of the parent



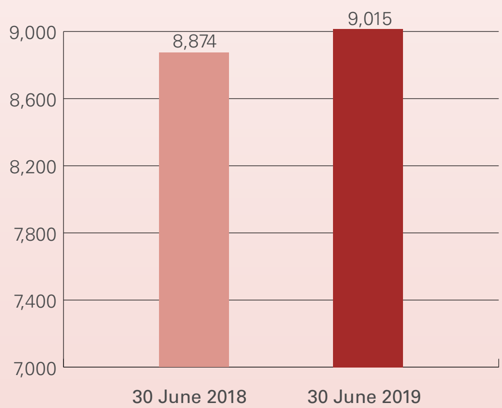
(Unit: RMB in millions)

3. Basic and diluted earnings per share



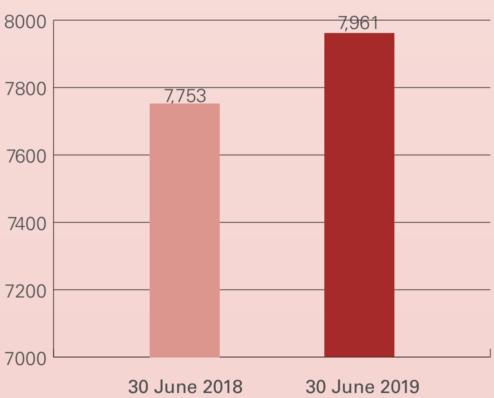
(Unit: RMB in cents)

4. Consolidated installed capacity



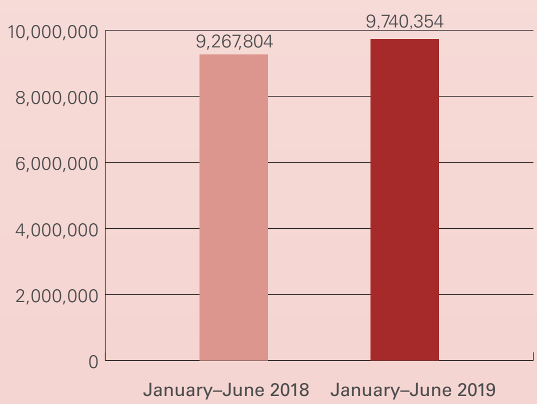
(Unit: MW)

5. Attributable installed capacity



(Unit: MW)

6. Sales of electricity



(Unit: MWh)

FINANCIAL HIGHLIGHTS

	For the six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
	Unaudited	Unaudited
Revenue	4,492,095	4,365,564
Other income and other gains, net	208,137	153,041
Operating expenses	(2,420,375)	(2,217,033)
Operating profit	2,279,857	2,301,572
Profit before tax	1,229,947	1,310,706
Income tax expense	(184,316)	(197,548)
Profit for the period	1,045,631	1,113,158
Total comprehensive income for the period	1,040,258	1,105,106
Profit for the period attributable to:		
Owners of the parent	883,289	946,950
Non-controlling interests	162,342	166,208
	1,045,631	1,113,158
Total comprehensive income for the period attributable to:		
Owners of the parent	878,854	939,060
Non-controlling interests	161,404	166,046
	1,040,258	1,105,106
Basic and diluted earnings per share attributable to ordinary equity holders of the parent *(expressed in RMB per share)*	0.1135	0.1223

FINANCIAL HIGHLIGHTS (CONTINUED)

	30 June 2019 *RMB'000*	31 December 2018 *RMB'000*
	Unaudited	Audited
Total non-current assets	61,943,759	61,615,835
Total current assets	14,742,454	12,800,807
Total assets	76,686,213	74,416,642
Total current liabilities	22,287,737	20,969,229
Total non-current liabilities	38,359,131	38,166,047
Equity attributable to owners of the parent	12,909,142	12,291,764
Non-controlling interests	3,130,203	2,989,602
Total equity	16,039,345	15,281,366
Total equity and liabilities	76,686,213	74,416,642

Management Discussion and Analysis

I. INDUSTRY OVERVIEW

Since 2019, the growth rate of power consumption across the country has represented a year-on-year decline. The power consumption in the tertiary industry and by the urban and rural residents has maintained a relatively rapid growth; the growth rate of power consumption in the industry and manufacturing sector has represented a year-on-year decline. The total power consumption in the four sectors with high energy consumption, including chemical materials, has represented a year-on-year increase at a rate higher than that of industrial power consumption. The growth rate of installed power generation has represented a year-on-year decline, while the power generation from non-fossil energy has remained a relatively rapid growth. Other than hydropower and solar power generation, the accumulated utilisation hours of other types of power generation equipment have represented a year-on-year decline. The trans-regional and trans-provincial power transmission across the country grew rapidly. The nation's additional installed capacity has represented a year-on-year decline, among which the additional installed solar power generation has decreased by a wide margin. The investments completed from the power and power grid generation projects have represented a year-on-year increase and decline respectively.

According to the information published by China Electricity Council, from January to June 2019, the national power consumption was 3,398.0 billion kWh, representing a year-on-year increase of 5.0%, 4.4 percentage points lower than that of the same period last year. The power generation by power plants above designated size across the country reached 3,367.3 billion kWh, representing a year-on-year increase of 3.3%, 5.0 percentage points lower than that of the same period last year. The accumulated average utilisation hours of power generation equipment across the country reached 1,834 hours, representing a decrease of 24 hours compared to the same period last year. The nationwide wind power generation amounted to 214.5 billion kWh, representing a year-on-year increase of 11.5%, 17.1 percentage points lower than that of the same period last year. The national average utilization hours of wind power reached 1,133 hours, representing a year-on-year decrease of 10 hours. The nationwide wind power curtailment amounted to 10.5 billion kWh, representing a year-on-year decrease of 7.7 billion kWh. The national average utilization rate of wind power was 95.3% and the average wind power curtailment ratio was 4.7%, representing a year-on-year decrease of 4.0 percentage points. Both of the nationwide wind power curtailment and wind power curtailment ratio continued their downward trend.

I. INDUSTRY OVERVIEW (CONTINUED)

In January 2019, the National Development and Reform Commission (the "NDRC") and the National Energy Administration (the "NEA") jointly issued the Notice on Active Promotion of the Work on Grid Parity of Wind Power and Photovoltaic Power without Subsidies (《關於積極推進風電、光伏發電無補貼平價上網有關工作的通知》), which requires all relevant departments to actively promote the construction of grid parity projects and low price projects of wind power and photovoltaic power. In May 2019, the NDRC issued the Notice on Improving Wind Power On-grid Tariff Policies (《關於完善風電上網電價政策的通知》). In respect of onshore wind power, the notice states that the benchmarked on-grid tariff for onshore wind power shall be changed to the guidance price. The on-grid tariff of newly approved centralized onshore wind power projects shall be determined by way of competition and shall not be higher than the guidance price of the resource zones where the project is located. For onshore wind power projects approved before the end of 2018, if the grid connection has not been completed by the end of 2020, the state will no longer grant subsidies. For the onshore wind power projects approved from 1 January 2019 to the end of 2020, if the grid connection has not been completed by the end of 2021, no subsidy will be granted by the state. Starting from 1 January 2021, the newly approved onshore wind power projects will fully achieve grid parity, and the state will no longer provide subsidies. In respect of offshore wind power, the notice points out that the benchmarked on-grid tariff of offshore wind power shall be changed to the guidance price, and all newly approved offshore wind power projects shall determine the on-grid tariff by way of competition. For offshore wind power projects approved before the end of 2018, if all units are connected to the grid by the end of 2021, the on-grid tariff at the time of approval will be executed. If all units are connected to the grid in 2022 and thereafter, the guidance price at the time when grid connection is completed will be executed.

I. INDUSTRY OVERVIEW (CONTINUED)

In March 2019, the National Forestry and Grassland Administration enacted the Notice on Regulating the Use of Forest Lands for Construction of Wind Farm Projects (《關於規範風電場項目建設使用林地的通知》), which proposes to implement the most stringent ecological protection system, regulate the use of forest lands for construction of wind farm in accordance with the law and strictly protect forest lands with important ecological functions that are located in ecological fragile and sensitive areas. Natural heritage sites, national parks, nature reserves, forest parks, wetland parks, geological parks, scenic spots, such areas as main migration accesses and migrating areas for birds, as well as coastal trunk shelterbelt and wave shelterbelt, are construction forbidden areas for wind farm projects. The wind turbines basis, construction and overhaul roads, transformer stations and integrated circuits, etc. are not allowed to occupy natural arbor forest lands (bamboo forest lands), forest lands located in areas with annual rainfall below 400mm and forest lands covered by first-grade national commonweal forest lands and second-grade national commonweal forest lands. For wind farm projects that have been approved but have not completed the procedures for using forest lands, reasonable optimization of site selection and construction plan shall be made again. The road construction and temporary land use management of wind farms shall be enhanced. The notice deletes the provision for which it is prohibited to occupy the forest lands located in areas with gradient above 25 degrees.

The NEA issued the Notice on Monitoring and Early Warning Results of Investment in Wind Power in 2019 (《關於2019年度風電投資監測預警結果的通知》), which states that Xinjiang (including the corps) and Gansu are the red alert areas in 2019. Inner Mongolia is the orange alert area. Xinzhou, Shuozhou and Datong located in the north of Shanxi Province, Yulin located in the north of Shaanxi Province and Zhangjiakou and Chengde from Hebei Province are subject to orange alert management. Other provinces (including the autonomous regions and municipalities directly under the central government) and regions are green areas.

I. INDUSTRY OVERVIEW (CONTINUED)

In May 2019, the NDRC and NEA issued the Notice on Establishing and Improving the Guarantee Mechanism of Renewable Energy Power Consumption (《關於建立健全可再生能源電力消納保障機制的通知》), which explicitly sets out requirements on the government authorities, power grid companies, power consumers and other entities responsible for consumption to prioritise the consumption of renewable resources, highlights the guidance on the market behaviors focusing on power consumption and promotes the shift from energy consumption to green energy consumption. The notice establishes the responsibility weight of renewable energy power consumption in respect of power consumption set by provincial administrative regions, emphasizes the consumption responsibility synergistically assumed by electricity sales enterprises and power consumers and introduces corresponding assessment and disciplinary measures to promote the effective implementation of the guarantee mechanism in full force. For the market entities who fail to fulfill their consumption responsibilities, they may complete the consumption by purchasing excess consumption volume or green certificate. It is specified in the notice that each electricity trading institution is responsible for organizing and conducting renewable energy power related transactions, guiding market entities who take part in electricity transactions and assume consumption responsibilities to give priority to the completion of the electricity transactions corresponding to the consumption of renewable energy power, and reminding market entities who assume their consumption responsibilities in the processes such as the review of mid-term and long-term electricity transaction contracts and the announcement of information on electricity transactions. When the market entities with consumption responsibilities participate in the power market transactions, they shall make commitments to the electricity trading institutions on fulfilling their consumption responsibilities of renewable energy power so as to actively perform the consumption obligation.

The NEA issued the Notice on the Issues Related to the Construction of Wind Power and Photovoltaic Power Generation Projects in 2019 (《關於2019年風電、光伏發電項目建設有關事項的通知》), which requires to actively promote the construction of grid parity projects, strictly regulate the competition allocation of subsidized projects, comprehensively implement the power supply and consumption conditions and optimize the construction of investment and business environment, so as to facilitate the technological progress and cost reduction of wind power and photovoltaic power generation and achieve high-quality development.

I. INDUSTRY OVERVIEW (CONTINUED)

In June 2019, the NEA issued the Notice on Monitoring and Evaluation of National Renewable Energy Power Development in 2018 (《關於2018年度全國可再生能源電力發展監測評價的通報》), which is required to be used as the basic data for the development and construction of renewable energy and the grid connection operation in 2019 in various regions. All regions and relevant departments shall attach great importance to the development of renewable energy power and the full protective acquisition. Effective measures shall be taken to promote the improvement of renewable energy utilization and ensure the attainment of the national strategic goal for which the proportion of non-fossil energy in primary energy consumption amounts to 15% and 20% in 2020 and 2030, respectively.

II. BUSINESS REVIEW

In the first half of 2019, the Group actively responded to the new development trend of the new energy sector, adapted to the new changes brought about by the electricity reform on its own initiative and continued to maintain a steady production and operation.

For the six months ended 30 June 2019, the Group's consolidated installed capacity amounted to 9,014.92 MW, representing an increase of 1.59% over the same period last year. Electricity generation amounted to 9,987,938 MWh, representing a year-on-year increase of 4.57%. The average utilisation hours were 1,128 hours, representing a year-on-year increase of 12 hours. The curtailment ratio totaled 5.64%, representing a year-on-year decrease of 4.11 percentage points. The total profit was RMB1.230 billion, representing a year-on-year decrease of RMB81 million or 6.16%. The gearing ratio was 79.08%, representing a decrease of 0.39 percentage points as compared with the end of 2018.

II. BUSINESS REVIEW (CONTINUED)

(I) Maintaining a stable momentum of safe operation

1. Deepening the awareness of safety production

In the first half of 2019, the Group firmly established the concept of safety development, thoroughly implemented the key work requirements of the standardized management of wind power enterprises, conducted regulatory inspections on wind farms in Guizhou, Yunnan, Shanxi, Inner Mongolia and other areas, and implemented the improvement of the safety production system, defect management, engine room fire prevention management and other key work. For the six months ended 30 June 2019, no general or above safety production incidents were reported across the Group. The Group maintained a stable performance in safety production.

2. Steady improvement in the power generation abilities of equipment

In the first half of 2019, in combination with the favourable situation of fundamental improvement achieved through power curtailment, the Group conducted in-depth search for issues of equipment and management by making a benchmarked analysis of utilisation rates of wind farms and wind turbines, continued to improve the benchmarked system and constantly expanded the benchmarked depth and scope of wind turbines.

Meanwhile, the Group continued to focus on equipment management and efficiency enhancement and renovation, carried out technical transformation for earlier unit models with obvious failure points, and commenced the replacement of imported spare parts with low reliability that have been out of production. The Group further optimized the control strategy and power curve of wind turbines through upgrading the master controller in the wind farms located in Chifeng and Tongliao areas with average power generation increased by 5% to 10%. A series of measures mentioned above effectively ensured the continuous improvement in the safety, reliability and power generation abilities of equipment, and provided strong support for generation of more power.

II. BUSINESS REVIEW (CONTINUED)

(I) Maintaining a stable momentum of safe operation (Continued)

2. *Steady improvement in the power generation abilities of equipments (Continued)*

In the first half of 2019, the utilisation rate of the Group's wind turbines was 98.69%, with the reliability of its units continuing to maintain the industry-leading level.

(II) Maintaining a steady increase in the power generation

1. *Further relief of wind power curtailment*

In the first half of 2019, the consumption of wind power of the Group was further improved based on the figure recorded in the last year, with the wind power curtailment amount reduced by 433 million kWh on a year-on-year basis. The wind power curtailment ratio reduced to 5.62%, representing a year-on-year decrease of 4.18 percentage points. In particular, the wind power curtailment ratio in provinces such as Inner Mongolia, Heilongjiang, Jilin and Liaoning where the Group has a high proportion of wind power installed capacity, represented a year-on-year decrease of 7.21 percentage points, 9.80 percentage points, 3.03 percentage points and 0.73 percentage points, respectively, higher than the average decrease of the wind power curtailment ratio in the same regions.

Benefited from the continuous mitigation of wind power curtailment, the Group's power generation further increased. As at 30 June 2019, the consolidated wind power generation of the Group was 9,846,370 MWh, representing a year-on-year increase of 444,793 MWh or 4.73%.

II. BUSINESS REVIEW (CONTINUED)

(II) Maintaining a steady increase in the power generation (Continued)

1. *Further relief of wind power curtailment (Continued)*

As at 30 June 2019, the consolidated power generation of the Group by geographical area was as follows:

Business segment and geographical distribution	As at 30 June 2019 *(MWh)*	As at 30 June 2018 *(MWh)*	Rate of year-on-year change
Total	**9,987,938**	9,551,712	4.57%
Wind power	**9,846,370**	9,401,577	4.73%
Inner Mongolia	**3,975,235**	3,560,012	11.66%
Heilongjiang	**668,527**	536,716	24.56%
Jilin	**838,771**	765,020	9.64%
Liaoning	**408,158**	433,134	-5.77%
Gansu	**759,699**	728,395	4.30%
Ningxia	**460,209**	489,760	-6.03%
Shaanxi	**117,927**	124,650	-5.39%
Shanxi	**524,731**	602,043	-12.84%
Hebei	**106,553**	125,200	-14.89%
Henan	**159,112**	118,094	34.73%
Anhui	**62,603**	42,104	48.68%
Guangxi	**117,146**	96,317	21.63%
Guizhou	**36,711**	46,469	-21.00%
Yunnan	**464,345**	375,312	23.72%
Chongqing	**41,060**	39,099	5.02%
Guangdong	**40,443**	36,189	11.76%
Shandong	**778,125**	948,560	-17.97%
Shanghai	**199,855**	273,069	-26.81%
Fujian	**87,158**	61,432	41.88%

II. BUSINESS REVIEW (CONTINUED)

(II) Maintaining a steady increase in the power generation (Continued)

1. *Further relief of wind power curtailment (Continued)*

Business segment and geographical distribution	As at 30 June 2019 *(MWh)*	As at 30 June 2018 *(MWh)*	Rate of year-on-year change
Photovoltaic Power Generation	**131,520**	136,550	-3.68%
Jiangsu	**8,502**	8,871	-4.16%
Ningxia	**34,306**	37,610	-8.79%
Qinghai	**64,530**	67,127	-3.87%
Shanxi	**18,055**	17,164	5.19%
Liaoning	**6,126**	5,778	6.03%
Gas	**10,048**	13,585	-26.03%
Shanxi	**10,048**	13,585	-26.03%

2. *The utilisation hours of wind power hit another new high*

In the first half of 2019, the Group adhered to focusing on economic benefits and took various measures to pay close attention to the implementation of power generation projects. While the quality of wind resources in some regions was lower than that of last year, the average utilisation hours of wind power of the Group stood at 1,135 hours in the first half year of 2019, which were above the average utilisation hours of wind power across the country. The average utilization hours of wind power of the Group represented a year-on-year increase of 13 hours, 23 hours higher than the average increase in the industry. The average utilization hours of wind power of the Group in Inner Mongolia, Heilongjiang, Gansu, Henan were 61 hours, 12 hours, 26 hours and 144 hours higher than the industrial average increase of that in the same regions, respectively.

II. BUSINESS REVIEW (CONTINUED)

(II) Maintaining a steady increase in the power generation (Continued)

2. *The utilisation hours of wind power hit another new high (Continued)*

As at 30 June 2019, the average utilisation hours of the Group by region were as follows:

Business segment and geographical distribution	As at 30 June 2019 *(hours)*	As at 30 June 2018 *(hours)*	Year-on-year change *(hours)*
Total	**1,128**	1,116	12
Wind power	**1,135**	1,122	13
Inner Mongolia	**1,323**	1,205	118
Heilongjiang	**1,334**	1,178	156
Jilin	**1,294**	1,180	114
Liaoning	**1,092**	1,159	-67
Gansu	**898**	861	37
Ningxia	**841**	984	-143
Shaanxi	**791**	837	-46
Shanxi	**999**	1,231	-232
Hebei	**1,076**	1,265	-189
Henan	**1,115**	1,172	-57
Anhui	**640**	877	-237
Guangxi	**816**	973	-157
Guizhou	**765**	968	-203
Yunnan	**1,567**	1,267	300
Chongqing	**821**	782	39
Guangdong	**817**	731	86
Shandong	**904**	1,102	-198
Shanghai	**979**	1,337	-358
Fujian	**913**	925	-12

II. BUSINESS REVIEW (CONTINUED)

(II) Maintaining a steady increase in the power generation (Continued)

2. The utilisation hours of wind power hit another new high (Continued)

Business segment and geographical distribution	As at 30 June 2019 *(hours)*	As at 30 June 2018 *(hours)*	Year-on-year change *(hours)*
Photovoltaic Power Generation	**754**	783	-29
Jiangsu	**460**	480	-20
Ningxia	**700**	768	-68
Qinghai	**807**	839	-32
Shanxi	**903**	858	45
Liaoning	**875**	825	50
Gas	**2,010**	2,717	-707
Shanxi	**2,010**	2,717	-707

3. Market trading boosted power generation growth

In the first half of 2019, the Company participated in the electricity trading in eight regional markets, including Inner Mongolia, three northeastern provinces and other regions. As at 30 June 2019, by the method of settlement, the total electricity trading of the Company in various markets increased by 32 million kWh over the same period last year.

II. BUSINESS REVIEW (CONTINUED)

(III) Accelerating the construction of high-quality development pattern

1. *Making progress in the preparatory work for the approval*

In the first half of 2019, under the urgency of the introduction of the grid-parity policy by the state, the Group adhered to the strategic guidance, actively adjusted the investment decision-making mechanism based on the general requirements of the overall target, and strived to strengthen the management and control of project strategy, value and timing, so as to promote the approval of wind power resource reserve in full force. As at 30 June 2019, the total additional wind power resource reserve of the Group amounted to approximately 800 MW, which was distributed in Heilongjiang, Jilin, Inner Mongolia and other provinces.

2. *Effectively enhancing the engineering construction*

In the first half of 2019, the Group actively responded to the adjustment of the new energy industry policy, spared no efforts to enhance the commencement and construction of the approved projects, and fully commenced the construction of such projects in many provinces such as Guangxi, Heilongjiang and Anhui. The large-scale wind power projects in many areas such as Binhai of Jiangsu Province have been successively put into operation. In the second half of the year, the Group will achieve timely operation based on the construction progress of power grid.

As at 30 June 2019, the capacity of the projects under construction of the Group was 1,947 MW with the total consolidated installed capacity of 9,014.92 MW. In particular, the wind power consolidated installed capacity was 8,835.45 MW, representing an increase of 141 MW or 1.62% as compared with the Corresponding Period of 2018.

II. BUSINESS REVIEW (CONTINUED)

(III) Accelerating the construction of high-quality development pattern (Continued)

2. *Effectively enhancing the engineering construction (Continued)*

As at 30 June 2019, the consolidated installed capacity of the Group by region was as follows:

Business segment and geographical distribution	As at 30 June 2019 *(MW)*	As at 30 June 2018 *(MW)*	Rate of year-on-year change
Total	**9,014.92**	8,873.92	1.59%
Wind power	**8,835.45**	8,694.45	1.62%
Inner Mongolia	**3,005.55**	2,956.05	1.67%
Eastern Inner Mongolia	**2,151.75**	2,151.75	0.00%
Western Inner Mongolia	**853.80**	804.30	6.15%
Northeast China	**1,522.90**	1,522.90	0.00%
Heilongjiang	**501.00**	501.00	0.00%
Jilin	**648.10**	648.10	0.00%
Liaoning	**373.80**	373.80	0.00%
Central and Western China	**3,097.30**	3,005.80	3.04%
Gansu	**845.80**	845.80	0.00%
Ningxia	**547.50**	547.50	0.00%
Shaanxi	**149.00**	149.00	0.00%
Shanxi	**625.50**	625.50	0.00%
Hebei	**99.00**	99.00	0.00%
Henan	**142.75**	100.75	41.69%
Hubei	**48.00**	48.00	0.00%
Anhui	**97.50**	48.00	103.13%
Guangxi	**148.00**	148.00	0.00%
Guizhou	**48.00**	48.00	0.00%
Yunnan	**296.25**	296.25	0.00%
Chongqing	**50.00**	50.00	0.00%

II. BUSINESS REVIEW (CONTINUED)

(III) Accelerating the construction of high-quality development pattern (Continued)

2. *Effectively enhancing the engineering construction (Continued)*

Business segment and geographical distribution	As at 30 June 2019 *(MW)*	As at 30 June 2018 *(MW)*	Rate of year-on-year change
South-East Coastal Areas	**1,209.70**	1,209.70	0.00%
Guangdong	**49.50**	49.50	0.00%
Fujian	**95.50**	95.50	0.00%
Shandong	**860.50**	860.50	0.00%
Shanghai	**204.20**	204.20	0.00%
Photovoltaic Power Generation	**174.47**	174.47	0.00%
Jiangsu	**18.47**	18.47	0.00%
Ningxia	**49.00**	49.00	0.00%
Qinghai	**80.00**	80.00	0.00%
Shanxi	**20.00**	20.00	0.00%
Liaoning	**7.00**	7.00	0.00%
Gas Power Generation	**5.00**	5.00	0.00%
Shanxi	**5.00**	5.00	0.00%

II. BUSINESS REVIEW (CONTINUED)

(IV) Making solid progress in improving quality and efficiency

1. *Actively planning for bond financing*

In the first half of 2019, in the face of the new situation and new changes in the capital market and financing policies, the Group reasonably adjusted its financing strategies, vigorously promoted the issuance of corporate bonds, and actively planned for the issuance plan of asset-backed securities ("ABS") of accounts receivables, so as to strive for the significant optimization of debt structure. At the same time, the Group strengthened efforts in the direct financing and made full use of the interest rate advantage of ultra short-term financing bonds to maintain a good level of financing cost in the same period.

2. *Proactively promoting technical advancement*

In the first half of 2019, the Group gave full play to the technical support and technical services, continued to deepen strategic cooperation, carried out strategic cooperation with key upstream and downstream enterprises and focused on improving the level of testing and examination, technical services and training. The testing and examination were conducted steadily with enhanced technical service capability, steady advancement of engineering construction and solid and effective training, thus providing strong technical support for the development of the new energy sector.

III. FINANCIAL POSITION AND OPERATING RESULTS

The following discussion should be read in conjunction with the unaudited interim financial information of the Group and relevant accompanying notes.

1. Overview

The Group's net profit for the six months ended 30 June 2019 amounted to RMB1,045.63 million, representing a decrease of RMB67.53 million as compared with that for the Corresponding Period of 2018. In particular, profit attributable to the owners of the parent amounted to RMB883.29 million, representing a decrease of RMB63.66 million as compared with that for the Corresponding Period of 2018.

2. Revenue

The Group's revenue for the six months ended 30 June 2019 increased by 2.90% to RMB4,492.10 million as compared with RMB4,365.56 million for the Corresponding Period of 2018, primarily due to an increase in installed capacity and improvement of the power curtailment which led to the increase in on-grid electricity.

The Group's electricity sales revenue for the six months ended 30 June 2019 increased by 3.33% to RMB4,481.93 million compared to RMB4,337.35 million for the Corresponding Period of 2018, primarily due to the combined effect of an increase in installed capacity, improvement of the power curtailment, and a year-on-year decrease in average on-grid tariff.

The Group's revenue from the provision of other services for the six months ended 30 June 2019 amounted to RMB7.81 million, mainly attributable to the revenue generated from the provision of energy management services, repair and maintenance services and other services.

For the six months ended 30 June 2019, the Group's revenue from other sources amounted to RMB2.36 million, and was mainly rental income.

III. FINANCIAL POSITION AND OPERATING RESULTS (CONTINUED)

3. Other income and other gains, net

The Group's net other income and other gains for the six months ended 30 June 2019 increased by 36.00% to RMB208.14 million as compared with RMB153.04 million for the Corresponding Period of 2018, primarily due to (1) gains on acquisition of a subsidiary during the Reporting Period; and (2) the increase in net gains on disposal of property, plant and equipment.

The Group's government grants for the six months ended 30 June 2019 decreased by 0.05% to RMB189.31 million as compared with RMB189.41 million for the Corresponding Period of 2018.

4. Operating expenses

The Group's operating expenses for the six months ended 30 June 2019 increased by 9.17% to RMB2,420.38 million as compared with RMB2,217.03 million for the Corresponding Period of 2018, mainly attributable to (1) the increase in depreciation and amortization charges of wind turbines; (2) the increase in employee benefit expenses; (3) the increase in material costs and repairs and maintenance expenses; and (4) the increase in other operating expenses.

The Group's depreciation and amortization charges for the six months ended 30 June 2019 increased by 6.23% to RMB1,777.85 million as compared with RMB1,673.51 million for the Corresponding Period of 2018, primarily due to the increased capacity of wind power projects which were put into operation.

The Group's employee benefit expenses for the six months end 30 June 2019 increased by 12.57% to RMB273.41 million compared to RMB242.88 million for the Corresponding Period of 2018, primarily due to the capacity increase of wind power projects put into operation.

The Group's material costs and repairs and maintenance expenses for the six months ended 30 June 2019 increased by 5.95% to RMB110.74 million as compared with RMB104.52 million for the Corresponding Period of 2018, primarily due to more projects commissioned for production and operation and the increase in the number of wind turbines whose warranty period has expired.

III. FINANCIAL POSITION AND OPERATING RESULTS (CONTINUED)

4. Operating expenses (Continued)

The Group's other operating expenses for the six months ended 30 June 2019 increased by 31.74% to RMB258.39 million as compared with RMB196.13 million for the Corresponding Period of 2018, primarily due to the increase in the provision for the impairment loss on assets during the Reporting Period.

5. Operating profit

The Group's operating profit for the six months ended 30 June 2019 decreased by 0.94% to RMB2,279.86 million as compared with RMB2,301.57 million for the Corresponding Period of 2018, primarily due to (1) the less increase in revenue than in operating expenses and finance costs as a result of the change of wind resource conditions in some regions; and (2) the provision for asset impairment losses on some projects.

6. Finance income

The Group's finance income for the six months ended 30 June 2019 increased by 91.97% to RMB17.33 million as compared with RMB9.03 million for the Corresponding Period of 2018, primarily due to the changes in the average balance of the Group's bank deposits.

7. Finance expenses

The Group's finance expenses for the six months ended 30 June 2019 increased by 7.22% to RMB1,096.21 million as compared with RMB1,022.42 million for the Corresponding Period of 2018, primarily due to the increase in the installed capacity and average balance of interest-bearing liabilities.

8. Share of profits of associates and joint ventures

The Group recorded a profit of RMB28.98 million in share of profits of associates and joint ventures for the six months ended 30 June 2019 as compared with RMB22.53 million for the Corresponding Period of 2018.

III. FINANCIAL POSITION AND OPERATING RESULTS (CONTINUED)

9. Income tax expense

The Group's income tax expense for the six months ended 30 June 2019 was RMB184.32 million, representing a decrease of 6.70% from RMB197.55 million for the Corresponding Period of 2018. This was mainly due to (1) the decrease in the Group's profit before tax for the six months ended 30 June 2019 over the Corresponding Period of 2018, which led to a corresponding decrease in income tax expense; and (2) the fluctuation in profitability as well as the difference in initiation and expiration of income tax benefit of certain subsidiaries of the Group located in regions with preferential income tax rate.

10. Profit for the period

The Group's profit for the six months ended 30 June 2019 amounted to RMB1,045.63 million, representing a decrease of RMB67.53 million as compared with that of RMB1,113.16 million for the Corresponding Period of 2018. The Group's net profit margin for the six months ended 30 June 2019 decreased to 23.28% as compared with 25.50% for the Corresponding Period of 2018, primarily due to : (1) the less increase in revenue than in operating expenses and finance costs as a result of the change of wind resource conditions in some regions ; and (2) the provision for asset impairment losses on some projects.

11. Profit attributable to the owners of the parent

Profit attributable to the owners of the parent for the six months ended 30 June 2019 amounted to RMB883.29 million, representing a decrease of RMB63.66 million as compared with that of RMB946.95 million for the Corresponding Period of 2018.

12. Profit attributable to non-controlling interests

The profit attributable to non-controlling interests for the six months ended 30 June 2019 decreased by 2.33% to RMB162.34 million as compared with RMB166.21 million for the Corresponding Period of 2018.

III. FINANCIAL POSITION AND OPERATING RESULTS (CONTINUED)

13. Liquidity and capital resources

The Group's cash and cash equivalents as at 30 June 2019 decreased by 19.09% to RMB2,939.33 million as compared with RMB3,632.83 million as at 31 December 2018. The above cash and cash equivalents denominated in RMB, Euros, Hong Kong dollars, US dollars and Australian dollars were RMB2,932.57 million, RMB4.31 million, RMB0.51 million, RMB0.89 million and RMB1.05 million, respectively. The main source of operating capital of the Group was approximately RMB19,820.0 million of unutilized financing facilities as at 30 June 2019 and cash inflows from operating activities.

As at 30 June 2019, the Group's borrowings increased by 1.38% to RMB51,104.29 million as compared with RMB50,407.54 million as at 31 December 2018. In particular, an amount of RMB15,112.89 million (including an amount of RMB5,284.77 million of long-term borrowings due within 1 year) was short-term borrowings, and an amount of RMB35,991.40 million was long-term borrowings. The above borrowings were denominated in RMB.

14. Capital expenditure

The Group's capital expenditure for the six months ended 30 June 2019 increased by 227.19% to RMB1,891.77 million as compared with RMB578.18 million for the Corresponding Period of 2018. Capital expenditure was mainly costs for purchase and construction of property, plant and equipment, as well as intangible assets and land use rights.

15. Net gearing ratio

As at 30 June 2019, the Group's net gearing ratio (net debt (the total of borrowings and loans from related parties minus cash and cash equivalents) divided by the sum of net debt and total equity) was 75.78%, representing a decrease of 0.38 percentage points as compared with 76.16% as at 31 December 2018, which was mainly due to the combined effect of the increase in interest-bearing liabilities and enhanced equity.

III. FINANCIAL POSITION AND OPERATING RESULTS (CONTINUED)

16. Significant investment

For the six months ended 30 June 2019, the Group had no significant investment.

17. Material acquisition and disposal

For the six months ended 30 June 2019, the Group was not involved in any material acquisition or disposal.

18. Pledge of assets

Some of the Group's loans are secured by property, plant, equipment, intangible assets, tariff collection rights and bills receivables. As at 30 June 2019, net carrying value of the pledged assets amounted to RMB9,765.99 million in aggregate.

19. Contingent liabilities

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

IV. RISK FACTORS AND RISK MANAGEMENT

(I) Policy risk

As the state has been continuously deepening the reform of electric power system and gradually normalized the transactions of the electricity market, the transaction scope and scale of market electricity will continue to expand, the competition on quantity and price will be increasingly fierce and the settlement of electricity price will be affected to certain extent. Meanwhile, the state has attached more and more emphasis on ecological environmental protection and put forward increasingly strict requirements on ecological environmental protection, which correspondingly posed additional difficulties in site selection and construction of projects. The accelerated implementation of "de-subsidization" and grid parity policies will have an influence on the profit model of the Group.

(II) Power curtailment risk

As the wind farm construction progress in certain areas does not match with the progress of grid construction, it is difficult to transmit all the potential electricity that could be generated when wind farms run at full load, thus hindering the power transmission upon completion of projects of the Group. In addition, the increasingly intensified contradiction between the slow increase in social power consumption and the rapid increase in generation capacity might result in the failure of full consumption of energy output from the Group's power generating projects operating at full load.

(III) Competition risk

Currently, there are more investment entities participating in the domestic wind power development projects, all of which are actively capturing the resources, leading to more fierce competition. As a result, the Group will continue to adjust its portfolio scientifically, consolidate existing resource reserves, explore a new area of resources and further expand resource reserves. Meanwhile, the Company will enhance efforts in technology and management innovation and will continuously improve its core competitiveness by making use of its existing strengths.

IV. RISK FACTORS AND RISK MANAGEMENT (CONTINUED)

(IV) Climate risk

The commercial viability and profitability of the Group's wind farms are highly dependent on suitable wind resources and weather conditions. The Group's investment decisions for each wind power project are based on the findings of feasibility studies conducted on site before starting construction. However, the actual climatic conditions, particularly the wind resource conditions at the project site, may deviate from the findings of these feasibility studies. Thus, the wind power projects of the Group might fail to reach the expected production level, which may adversely affect forecasted profitability of projects.

(V) Risks related to interest rate

Interest risk may result from fluctuations in bank loan rate. Such interest rate changes will have impact on the Group's capital expenditure and will eventually affect our operating results. As the Group highly relies on external financing in order to obtain investment capital to expand wind power business, the Group is particularly sensitive to the capital cost in securing such loans.

(VI) Exchange rate risk

Fluctuations of RMB exchange rates could adversely affect the Group's financial position and operating results. Although the Group conducts substantially all of its business operations in the PRC and its major revenue is denominated in RMB, the Group also converts RMB into foreign currencies to purchase equipment and services from abroad, make overseas investments and foreign acquisitions, or pay dividends to our shareholders. The Group is therefore subject to risks associated with foreign currency exchange rate fluctuations. Fluctuations in the value of RMB against foreign currencies may reduce the Group's RMB revenue from the sales of Certified Emission Reduction, increase its RMB costs for foreign acquisitions and foreign currency borrowings, or affect the prices of its imported equipment and materials. Accordingly, the Group will pay active attention to the research of market exchange rates variation, and adopt various means to enhance our control over exchange rate risk.

V. OUTLOOK FOR BUSINESS IN SECOND HALF OF 2019

1. To firmly establish the general safety concept and ensure stable safety production

The Group will accelerate the construction of the production management system and enhance the safety production control capability. Meanwhile, by adhering to the principle of prevention of major accidents and implementation of details of safety production and taking precautions, the Group will strengthen the identification of hidden dangers and risks in key areas, key places and key facilities, implement the governance, leadership and supervision accountability and ensure hidden dangers thoroughly eradicated and risks effectively controlled. In addition, the Group will strictly implement various measures to safeguard the celebration of the 70th anniversary of the founding of the PRC and ensure accomplishing the power supply task at no risk at all.

2. To consolidate the favourable operation situation and complete the target task for the year with high quality

The Group will further innovate management model, strengthen the supervision on various indicators and enhance the level of refined management. According to the production and operation characteristics of new energy companies, the Group will increase benefit from generation of electricity, strive to improve the efficiency of existing units, and put incremental units into operation on time to seize the favorable opportunity of windy seasons to increase power generation. In addition, the Group will also take various measures to reduce costs and increase efficiency, strengthen the management of key indicators such as cost, profit and expense, and actively seek for policies on tax and fee reduction, strive to improve the net profit and the net profit attributable to the parent company and facilitate the completion of the operation target for the year.

3. To continuously strengthen engineering management and strictly monitor the engineering construction progress

The Group will make every effort to promote project development and construction, and ensure the construction progress of key projects. The Group will also intensify coordination, dynamically control investment plans, rapidly promote the construction of projects under construction, ensure projects put into operation on schedule, and constantly enhance the sustainable development capability of the Company.

V. OUTLOOK FOR BUSINESS IN SECOND HALF OF 2019 (CONTINUED)

4. To stress on planning and development and contribute to high-quality development of the Company

The Group will further accelerate the development and reserve of resources and strive to reserve, build and put into production a number of high-quality projects by 2021. At the same time, the Group will strengthen external cooperation, continue to expand the circle of partners, properly carry out the acquisition and merger of high-quality projects, and contribute to high-quality development of the Company.

5. To enhance trading coordination and actively respond to market changes

The Group will place emphasis on direct and inter-province transactions of clean energy power, strengthen marketing planning, and participate in the clean energy transmission transactions in a strategic manner. The Group will improve the coordination and communication mechanism with all parties, strengthen cooperation and exchanges with other market players in the industry, and create a sound external marketing environment.

6. To vigorously expand financing channels and ensure capital supply

The Group will actively grasp the current favorable opportunity for financing, make full use of multiple channels and measures to reduce financing costs, including direct financing and indirect financing and promote the issuance of corporate bonds in full force. At the same time, the Group will constantly increase efforts in the tariff premium recovery and strive to lower finance costs.

Human Resources

I. PROFILE OF HUMAN RESOURCES

As at 30 June 2019, the Group had 3,090 employees in total, including 119 employees aged 55 and above, representing 3.85% of the total; 565 employees aged from 45 to 54, representing 18.28%; 531 employees aged from 35 to 44, representing 17.18%; 1,875 employees aged 35 or below, representing 60.68%.

II. STAFF INCENTIVES

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

III. STAFF REMUNERATION POLICY

The Group strictly implements national policies on payroll distribution, carries out the remuneration mechanism where the total amount of staff's salary is linked with the result of performance assessment, and gives partly to the guiding role of remuneration incentives. The Group has made reasonable internal payroll distribution to fully arouse the enthusiasm of all the staff and exert the security, incentive and restriction functions of remuneration.

IV. STAFF TRAINING

By closely following the principle of "training according to particular conditions and aptitudes", the Group truly put education and train into practice in Chifeng training base and training bases in other areas to enhance the level of management, technique and skill of staff. The Group placed great emphasis on the improvement of staff's capability of wind power technology, and organized training classes for management enhancement, operation, inspection and maintenance, technical supervision, and risk control on wind power equipment as well as training for group leaders. The training classes attached importance to the combination of theory with practice, the introduction of advanced management experience in the wind power industry, and building a platform for class members to exchange experience, which were well received by the staff. Meanwhile, in response to the remote location and dispersion of wind power enterprises, the Group extensively organized cross-over and diversified training for all the staff based on the occupational skills appraisal for the power industry in various ways, such as centralized and separate training, base training and door-to-door training as well as remote video training, achieving satisfactory effects.

As at 30 June 2019, the Group provided 377 training programs on operational management, professional techniques and production skills. The accumulated person time participating in the training programs was 5,562, amounting to a staff attendance rate of 100%.

V. GUARANTEE OF STAFF RIGHTS

The Group strictly complies with the Labour Law of the PRC and the Labour Contract Law of the PRC and makes contributions to social insurance and housing provident fund for employees according to these laws, among which the social insurance includes basic pension insurance, medical insurance, occupational injury insurance, unemployment insurance and maternity insurance. Based on the actual conditions, the Group has established enterprise annuity and supplemental medical insurance, prepared labour protection appliances and regularly organized medical examination for staff to further safeguard the vital interests of staff.

Other Information

1. SHARE CAPITAL

As at 30 June 2019, the total share capital of the Company was RMB7,273,701,000, which was divided into 7,273,701,000 shares with a nominal value of RMB1.00 each.

2. INTERIM DIVIDEND

The Board does not recommend the distribution of any interim dividend to shareholders of the Company for the six months ended 30 June 2019.

3. INTERESTS AND SHORT POSITIONS OF THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT 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 were taken or deemed to have been taken under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be recorded in the register of the Company, or which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules.

4. SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As at 30 June 2019, to the best of the directors' knowledge after having made all reasonable enquiries, the following persons (other than the directors, senior management or supervisors of the Company) had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were registered in the register required to be kept pursuant to Section 336 of the SFO:

Name of shareholders	Class of shares	Capacity	No. of shares/ underlying shares held	Percentage of the relevant class of share capital	Percentage of the total share capital
Datang Corporation *(Note 1)*	Domestic shares	Beneficial owner and interest of a controlled corporation	4,772,629,900 (Long position)	100%	65.61%
Datang Jilin *(Note 1)*	Domestic shares	Beneficial owner	599,374,505 (Long position)	12.56%	8.24%
The National Council for Social Security Fund	H shares	Beneficial owner	227,370,100 (Long position)	9.09%	3.13%
Baoshan Iron & Steel Co., Ltd.* (寶山鋼鐵股份有限公司) *(Note 2)*	H shares	Interest of a controlled corporation	164,648,000 (Long position)	6.58%	2.26%
Bao-Trans Enterprises Limited *(Note 2)*	H shares	Beneficial owner	164,648,000 (Long position)	6.58%	2.26%

Notes:

1. Datang Corporation directly holds 4,173,255,395 domestic shares. As Datang Jilin is a wholly-owned subsidiary of Datang Corporation, Datang Corporation is deemed to hold the 599,374,505 domestic shares held by Datang Jilin, thus, Datang Corporation, directly and indirectly, holds 4,772,629,900 domestic shares in total.

2. Baoshan Iron & Steel Co., Ltd.* (寶山鋼鐵股份有限公司) indirectly holds 164,648,000 H shares through Bao-Trans Enterprises Limited, its wholly-owned subsidiary.

* *For identification purpose only*

5. CHANGES IN DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

From 1 January 2019 to the Latest Practicable Date, changes in information of directors, supervisors and senior management of the Company are set out as below:

(1) Mr. Hu Shengmu was re-designated from an executive director of the Company to a non-executive director of the Company with effect from 1 March 2019 and he resigned as the general manager of the Company at the same date.

(2) Mr. Liu Guangming was re-designated from a non-executive director of the Company to an executive director of the Company with effect from 1 March 2019 and was appointed as the general manager of the Company at the same date.

(3) Mr. Li Yi resigned as a non-executive director of the Company and a member of the nomination committee of the Board with effect from 9 May 2019.

(4) At the first extraordinary general meeting of 2019 held on 9 May 2019, the appointment of Mr. Wu Zhiquan as a non-executive director of the Company was approved by shareholders. The term of office of the director shall commence from the date of his appointment until the expiration of the term of office of the third session of the Board. On the same day, Mr. Wu Zhiquan was also appointed as a member of the nomination committee of the Board. According to work arrangement, Mr. Wu Zhiquan was re-designated from the president and deputy secretary of the Party committee of China Datang Corporation Renewable Power Science and Technology Research Institute Co., Ltd. to the general manager of Tibet branch of Datang Corporation in June 2019.

(5) Ms. Huo Yuxia resigned as the supervisor and the chairlady of the Supervisory Committee of the Company with effect from 9 May 2019.

(6) At the first extraordinary general meeting of 2019 held on 9 May 2019, the appointment of Mr. Liu Quancheng as a supervisor of the Company was approved by shareholders. The term of office of the supervisor shall commence from the date of his appointment until the expiration of the term of office of the third session of the Supervisory Committee. On the same day, Mr. Liu Quancheng was also appointed as the chairman of the Supervisory Committee of the Company.

5. CHANGES IN DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT (CONTINUED)

(7) Mr. Liu Guangming ceased to be the director of the Capital Operation and Property Management Department of Datang Corporation in June 2019.

(8) Ms. Mi Keyan was appointed as the deputy general manager of the Company with effect from 25 July 2019.

(9) Mr. Chen Song resigned as the chief accountant of the Company with effect from 25 July 2019.

(10) Mr. Sun Yanwen was appointed as the chief accountant of the Company with effect from 25 July 2019.

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

During the six months ended 30 June 2019, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

7. MATERIAL LITIGATION AND ARBITRATION

As at 30 June 2019, the Company was not involved in any material litigation or arbitration, and there was no litigation or claim of material importance pending or threatened by or against the Company.

8. SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

As at the Latest Practicable Date, there were not any significant subsequent events that occurred after the Reporting Period in relation to businesses within the Company or the Group.

9. COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE SET OUT IN APPENDIX 14 OF THE LISTING RULES

The Company has always been committed to strict compliance with various principles and requirements under the Listing Rules. As at 30 June 2019, the Company was not involved in any material litigation for which the responsibility should be taken by any of its director. Each director of the Company has the necessary qualification and experience required for performing his duty as a director. The Company estimates that in the reasonably foreseeable future, there is little risk that there would be any event for which any director shall take responsibility. Therefore, the Company confirms that no liability insurance has been arranged for the directors.

Save as disclosed above, during the six months ended 30 June 2019, the Company was in strict compliance with the principles and provisions contained in the Corporate Governance Code (the "Corporate Governance Code") set out in Appendix 14 to the Listing Rules, as well as certain recommended best practices.

10. COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as the code of conduct for dealing in the securities of the Company by the directors, supervisors and related employees (as defined in the Corporate Governance Code). Having made specific inquiries of all directors and supervisors of the Company, each director and supervisor confirmed that he/she had strictly complied with the standards set out in the Model Code during the Reporting Period.

11. INDEPENDENT NON-EXECUTIVE DIRECTORS

As at 30 June 2019, pursuant to the relevant requirements of the Listing Rules, the Company had appointed a sufficient number of independent non-executive directors with appropriate professional qualifications, or appropriate accounting or related financial management expertise. As at 30 June 2019, the Company had a total of three independent non-executive directors, namely Mr. Liu Chaoan, Mr. Lo Mun Lam, Raymond and Mr. Yu Shunkun.

12. REVIEW BY THE AUDIT COMMITTEE

The Company has established the Audit Committee. The Audit Committee formulated its specific written terms of reference pursuant to the code provisions as set out in the Corporate Governance Code. As at 30 June 2019, the Audit Committee consisted of three members (including two independent non-executive directors), namely Mr. Lo Mun Lam, Raymond, Mr. Liu Baojun and Mr. Yu Shunkun.

The Audit Committee has reviewed the interim financial position for the six months ended 30 June 2019 and the accounting standards and practices adopted by the Company and discussed the matters relating to auditing, internal control and financial reporting. The Audit Committee has reviewed the unaudited interim condensed consolidated financial statements for the six months ended 30 June 2019 and the 2019 interim report of the Company.

Interim Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2019
(Amounts expressed in thousands of Renminbi ("RMB") unless otherwise stated)

		For the six months ended 30 June	
	Notes	2019 Unaudited	2018 Unaudited
Revenue	6	**4,492,095**	4,365,564
Other income and other gains, net	7	**208,137**	153,041
Depreciation and amortisation charges		**(1,777,846)**	(1,673,505)
Employee benefit expenses		**(273,405)**	(242,881)
Material costs		**(26,532)**	(25,431)
Repairs and maintenance expenses		**(84,203)**	(79,084)
Other operating expenses		**(258,389)**	(196,132)
		(2,420,375)	(2,217,033)
Operating profit		**2,279,857**	2,301,572
Finance income	8	**17,327**	9,026
Finance expenses	8	**(1,096,213)**	(1,022,424)
Finance expenses, net	8	**(1,078,886)**	(1,013,398)
Share of profits of associates and joint ventures		**28,976**	22,532

(Amounts expressed in thousands of RMB unless otherwise stated)

		For the six months ended 30 June	
	Notes	**2019** **Unaudited**	2018 Unaudited
Profit before tax		**1,229,947**	1,310,706
Income tax expense	9	**(184,316)**	(197,548)
Profit for the period		**1,045,631**	1,113,158
Attributable to:			
Owners of the parent		**883,289**	946,950
Non-controlling interests		**162,342**	166,208
		1,045,631	1,113,158
Basic and diluted earnings per share attributable to ordinary equity holders of the parent *(expressed in RMB per share)*	10	**0.1135**	0.1223

Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2019
(Amounts expressed in thousands of RMB unless otherwise stated)

	For the six months ended 30 June	
	2019 Unaudited	2018 Unaudited
Profit for the period	1,045,631	1,113,158
Other comprehensive income：		
Other comprehensive income that may be reclassified to profit or loss in the subsequent periods:		
Exchange differences on translation of foreign operations	(408)	(1,297)
Net other comprehensive income that may be reclassified to profit or loss in the subsequent periods	(408)	(1,297)
Other comprehensive income that will not be reclassified to profit or loss in the subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value	(4,965)	(6,755)
Income tax effect	–	–
Net other comprehensive income that will not be reclassified to profit or loss in the subsequent periods	(4,965)	(6,755)
Other comprehensive income for the period, net of tax	(5,373)	(8,052)
Total comprehensive income for the period	1,040,258	1,105,106
Attributable to:		
Owners of the parent	878,854	939,060
Non-controlling interests	161,404	166,046
	1,040,258	1,105,106

Interim Condensed Consolidated Statement of Financial Position

30 June 2019
(Amounts expressed in thousands of RMB unless otherwise stated)

	Notes	30 June 2019 Unaudited	31 December 2018 Audited
ASSETS			
Non-current assets			
Property, plant and equipment	12	56,777,226	56,429,521
Investment properties		31,388	16,748
Right-of-use assets		885,911	–
Land use rights		–	634,372
Intangible assets	12	550,843	564,302
Investments in associates and joint ventures		820,895	801,813
Equity investments designated at fair value through other comprehensive income		307,084	312,049
Financial assets at fair value through profit or loss		11,919	15,311
Deferred tax assets		13,447	15,859
Prepayments, other receivables and other assets	13	2,545,046	2,825,860
Total non-current assets		61,943,759	61,615,835
Current assets			
Inventories		163,027	167,573
Trade and bills receivables	14	9,690,251	7,472,540
Prepayments, other receivables and other assets	13	1,916,258	1,486,487
Restricted cash	15	33,591	41,377
Cash and cash equivalents	15	2,939,327	3,632,830
Total current assets		14,742,454	12,800,807
Total assets		76,686,213	74,416,642

30 June 2019

(Amounts expressed in thousands of RMB unless otherwise stated)

	Notes	30 June 2019 Unaudited	31 December 2018 Audited
LIABILITIES			
Current liabilities			
Interest-bearing bank and other borrowings	16	**15,112,897**	14,626,860
Trade and bills payables	17	**766,519**	364,417
Other payables and accruals	18	**6,323,994**	5,877,847
Current income tax liabilities		**84,327**	100,105
Total current liabilities		**22,287,737**	20,969,229
Net current liabilities		**(7,545,283)**	(8,168,422)
Total assets less current liabilities		**54,398,476**	53,447,413
Non-current liabilities			
Interest-bearing bank and other borrowings	16	**35,991,397**	35,780,675
Deferred tax liabilities		**19,667**	19,907
Other payables and accruals	18	**2,348,067**	2,365,465
Total non-current liabilities		**38,359,131**	38,166,047
Total liabilities		**60,646,868**	59,135,276
Net assets		**16,039,345**	15,281,366

(Amounts expressed in thousands of RMB unless otherwise stated)

	Notes	30 June 2019 Unaudited	31 December 2018 Audited
EQUITY			
Share capital		7,273,701	7,273,701
Share premium		2,080,969	2,080,969
Perpetual notes	21	1,979,325	1,979,325
Retained profits		2,961,723	2,339,910
Other reserves		(1,386,576)	(1,382,141)
Equity attributable to owners of the parent		12,909,142	12,291,764
Non-controlling interests		3,130,203	2,989,602
Total equity		16,039,345	15,281,366

Interim Condensed Consolidated Statement of Changes In Equity

For the six months ended 30 June 2019
(Amounts expressed in thousands of RMB unless otherwise stated)

	Equity attributable to owners of the parent							
	Share capital	Share premium	Perpetual notes *(Note 21)*	Other reserves	Retained profits	Total	Non-controlling interests	Total equity
At 31 December 2018	7,273,701	2,080,969	1,979,325	(1,382,141)	2,339,910	12,291,764	2,989,602	15,281,366
Effect of adoption of IFRS 16	–	–	–	–	–	–	–	–
At 1 January 2019 (unaudited)	7,273,701	2,080,969	1,979,325	(1,382,141)	2,339,910	12,291,764	2,989,602	15,281,366
Profit for the period	–	–	–	–	883,289	883,289	162,342	1,045,631
Other comprehensive income for the period:								
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax	–	–	–	(4,032)	–	(4,032)	(933)	(4,965)
Exchange differences on translation of foreign operations	–	–	–	(403)	–	(403)	(5)	(408)
Total comprehensive income for the period	–	–	–	(4,435)	883,289	878,854	161,404	1,040,258
Contributions from non-controlling interests	–	–	–	–	–	–	7,450	7,450
Dividends paid to non-controlling interests	–	–	–	–	–	–	(28,253)	(28,253)
Appropriation to perpetual notes holders	–	–	–	–	(116,000)	(116,000)	–	(116,000)
Final 2018 dividend declared *(Note 11)*	–	–	–	–	(145,476)	(145,476)	–	(145,476)
	–	–	–	–	(261,476)	(261,476)	(20,803)	(282,279)
At 30 June 2019 (Unaudited)	7,273,701	2,080,969	1,979,325	(1,386,576)	2,961,723	12,909,142	3,130,203	16,039,345

For the six months ended 30 June 2019
(Amounts expressed in thousands of RMB unless otherwise stated)

	Equity attributable to owners of the parent							
	Share capital	Share premium	Perpetual notes *(Note 21)*	Other reserves	Retained profits	Total	Non-controlling interests	Total equity
At 1 January 2018	7,273,701	2,080,969	1,979,325	(1,366,186)	1,426,340	11,394,149	2,974,745	14,368,894
Profit for the period	–	–	–	–	946,950	946,950	166,208	1,113,158
Other comprehensive income for the period:								
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax	–	–	–	(6,755)	–	(6,755)	–	(6,755)
Exchange differences on translation of foreign operations	–	–	–	(1,135)	–	(1,135)	(162)	(1,297)
Total comprehensive income for the period	–	–	–	(7,890)	946,950	939,060	166,046	1,105,106
Contributions from non-controlling interests	–	–	–	–	–	–	13,700	13,700
Dividends paid to non-controlling interests	–	–	–	–	–	–	(67,152)	(67,152)
Reduction of non-controlling interests resulting from cancellation of subsidiaries	–	–	–	–	–	–	(176)	(176)
Appropriation to perpetual notes holders	–	–	–	–	(116,000)	(116,000)	–	(116,000)
Final 2017 dividend declared	–	–	–	–	(130,927)	(130,927)	–	(130,927)
Others	–	–	–	–	(431)	(431)	(287)	(718)
	–	–	–	–	(247,358)	(247,358)	(53,915)	(301,273)
At 30 June 2018 (unaudited)	7,273,701	2,080,969	1,979,325	(1,374,076)	2,125,932	12,085,851	3,086,876	15,172,727

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2019
(Amounts expressed in thousands of RMB unless otherwise stated)

	For the six months ended 30 June	
	2019 Unaudited	2018 Unaudited
Net cash flows from operating activities	1,179,904	1,947,407
Cash flows from investing activities		
Purchases of property, plant and equipment and intangible assets	(981,934)	(2,703,938)
Investment to associates	–	(5,000)
Investment to joint ventures	–	(1,266)
Proceeds from disposal of property, plant and equipment	1,179	243
Dividend received from associates	6,689	–
Decrease in time deposits	–	35,784
Acquisition of a subsidiary	(79,542)	–
Net cash flows used in investing activities	(1,053,608)	(2,674,177)
Cash flows from financing activities		
Capital contributions from non-controlling interests	7,450	13,700
Reduction of non-controlling interests resulting from cancellation of a subsidiary	–	(176)
Proceeds from issuance of short-term bonds, net of issuance costs	2,000,000	4,500,000
Proceeds from borrowings	7,998,999	9,171,832
Repayments of borrowings	(5,425,775)	(6,774,244)
Dividends paid to non-controlling interests	(5,671)	–
Repayments of short-term bonds	(4,000,000)	(4,500,000)
Principal portion of lease payments/finance lease rental payments	(321,421)	(74,847)
Interest paid	(1,073,152)	(985,803)
Net cash flows (used in)/from financing activities	(819,570)	1,350,462
Net (decrease)/increase in cash and cash equivalents	(693,274)	623,692
Cash and cash equivalents at the beginning of the period	3,632,830	1,223,920
Net foreign exchange difference	(229)	(410)
Cash and cash equivalents at the end of the period	2,939,327	1,847,202

Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2019
(Amounts expressed in thousands of RMB unless otherwise stated)

1. GENERAL INFORMATION

China Datang Corporation Renewable Power Co., Limited (中國大唐集團新能源股份有限公司) (the "Company") was established as a joint stock company with limited liability in the People's Republic of China (the "PRC") on 9 July 2010, as part of the reorganisation of the wind power generation business of China Datang Group Corporation Limited (中國大唐集團有限公司) ("Datang Corporation"), a limited liability company established in the PRC and controlled by the PRC government. At 30 June 2019, in the opinion of the directors, the ultimate holding company of the Company was Datang Corporation.

The Company and its subsidiaries (together, the "Group") are principally engaged in the generation and sale of wind power and other renewable power.

The address of the Company's registered office is Room 6197, Floor 6, Building 4, Yard 49, Badachu Road of Shijingshan District, Beijing, the PRC.

The Company's H shares were listed on The Stock Exchange of Hong Kong Limited in December 2010.

The interim condensed consolidated financial statements are presented in thousands of Renminbi ("RMB"), unless otherwise stated.

The interim condensed consolidated financial statements have not been audited.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

2.1 Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2019 have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34").

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2018.

2.1.1 Going concern

As at 30 June 2019, the Group's current liabilities exceeded its current assets by approximately RMB7,545.3 million (31 December 2018: RMB8,168.4 million). The Group meets its day to day working capital requirements from cash generated from its operating activities and available financing facilities from banks. The followings are the Group's available sources of funds considered by the directors of the Company:

- The Group's expected net cash inflows from operating activities in the next 12 months from the end of the reporting period;

- Unutilised banking facilities of approximately RMB19,820.0 million as at 30 June 2019, of which amounts in aggregate of RMB7,850.0 million are not subject to renewal during the next 12 months from the end of the reporting period. At the date of these financial statements, the Directors of the Company were of the opinion that such covenants of unutilised banking facilities have been complied with and are confident that these banking facilities could be renewed upon expiration based on the Group's good credit standing; and

(Amounts expressed in thousands of RMB unless otherwise stated)

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

2.1 Basis of preparation (Continued)

2.1.1 Going concern (Continued)

- Other available sources of financing from banks and other financial institutions given the Group's credit history.

The Directors of the Company believe that the Group has adequate resources to continue operation and to repay its debts when they fall due for the foreseeable future of not less than 12 months from the end of the reporting period. The Directors of the Company therefore are of the opinion that it is appropriate to adopt the going concern basis in preparing the interim consolidated financial statements.

2.2 Changes in accounting policies and disclosures

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed 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 International Financial Reporting Standards ("IFRSs") effective as of 1 January 2019. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

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*
International Financial Reporting Interpretations Committee ("IFRIC") – Int 23	*Uncertainty over Income Tax Treatments*
Annual Improvements 2015-2017 Cycle	*Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23*

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

Other than as explained below regarding the impact of IFRS 16 *Leases*, Amendments to IAS 28 *Long-term Interests in Associates and Joint Ventures*, IFRIC- Int 23 *Uncertainty over Income Tax Treatments* and Annual Improvements 2015-2017 Cycle *Amendments to IFRS 3, IFRS 11, IAS 12 and 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 *Leases*

IFRS 16 supersedes IAS 17 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a Lease*, Standing Interpretation Committee ("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 for 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 operating 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.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

(a) IFRS 16 Leases (Continued)

New definition of a lease

Under IFRS 16, a contract is, or contains a lease of 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 IAS17 and IFRIC 4. 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 allocate the consideration in the contract to each lease and non-lease component on the basis of their standard-alone 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.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

(a) *IFRS 16 Leases (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, electric transmission line and ocean and land use rights. 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 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; and (ii) leases, that at the commencement date, have a lease term of 12 months or less. Instead, the Group recognise 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 interest-bearing bank and other borrowings.

The right-of-use assets 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. All these assets were assessed for any impairment based on IAS 36 on that date. The Group elected to present the right-of-use assets separately in the statement of financial position.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

(a) IFRS 16 Leases (Continued)

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

Impacts on transition (Continued)

For the leasehold land and buildings (that were held to earn rental income and/or for capital appreciation) previously included in investment properties and measured at fair value, the Group has continued to include them as investment properties at 1 January 2019. They continue to be measured at cost applying IAS 40.

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

- Applied a single discount rate to a portfolio of leases with reasonably similar characteristics
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease

(Amounts expressed in thousands of RMB unless otherwise stated)

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

(a) IFRS 16 Leases (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) Unaudited
Assets	
Increase in right-of-use assets	866,269
Decrease in land use right	(634,372)
Decrease in prepayments, other receivables and other assets	(26,974)
Increase in total assets	204,923
Liabilities	
Increase in interest-bearing bank and other borrowings	221,203
Decrease in other payables and accruals	(15,988)
Decrease in trade and bills payables	(292)
Increase in total liabilities	204,923
Decrease in retained earnings	–

(Amounts expressed in thousands of RMB unless otherwise stated)

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

(a) IFRS 16 Leases (Continued)

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

Impacts on transition (Continued)

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

	Unaudited
Operating lease commitments as at 31 December 2018	46,572
Weighted average incremental borrowing rate as at 1 January 2019	4.58%
Discounted operating lease commitments as at 1 January 2019	41,700
Less: Commitments relating to short-term leases and those leases with a remaining lease term ending on or before 31 December 2019	1,404
Add: Payments for optional extension periods not recognised as at 31 December 2018	180,907
Lease liabilities as at 1 January 2019	221,203

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

(a) IFRS 16 Leases (Continued)

Summary of new accounting policy

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

  The Group recognise right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized 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 its estimated useful life and the lease term. When a right-of-use asset meets the definition of investment property, it is included in investment properties. The corresponding right-of-use asset is initially measured at cost, and subsequently measured at fair value, in accordance with the Group's policy for "investment properties".

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

(a) IFRS 16 Leases (Continued)

Summary of new accounting policy (Continued)

- Lease liabilities

  At the commencement date of the lease, the Group recognize lease liabilities measured 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 terminating 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 expense in the period on 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 the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

(a) *IFRS 16 Leases (Continued)*

Summary of new accounting policy (Continued)

- Short-term leases and leases of low-value assets

  The Group applies the short-term lease recognition exemption to its short-term leases of certain offices and apartments for employees (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Group also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below RMB40,000). Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

- 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.

(Amounts expressed in thousands of RMB unless otherwise stated)

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

(a) IFRS 16 Leases (Continued)

Amounts recognized in the statement of financial position and profit or loss

The carrying amounts of the Group's right-of-use assets and lease liabilities (included within 'interest-bearing bank and other borrowings'), and the movement during the period are as follow:

	Right-of-use assets				
	Plant and machinery Unaudited	Ocean and land use right Unaudited	Electric transmission line Unaudited	Total Unaudited	Lease liabilities Unaudited
As at 1 January 2019	146,167	680,874	39,228	866,269	221,203
Additions	–	39,807	–	39,807	35,826
Depreciation charge	(6,621)	(12,068)	(1,476)	(20,165)	–
Interest expense	–	–	–	–	4,554
Payments	–	–	–	–	(9,187)
As at 30 June 2019	139,546	708,613	37,752	885,911	252,396

The Group recognised rental expenses from short-term leases of RMB0.77 million for the six months ended 30 June 2019.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

(b) Amendments to IAS 28 clarify that the scope exclusion of IFRS 9 only includes interests in an associate or joint venture to which the equity method is applied and does not include long-term interests that is substance from part of the net investment in the associate or joint venture, to which the equity method has not been applied. Therefore, an entity applies IFRS 9, rather than IAS 28, including the impairment requirements under IFRS 9, in accounting for such long-term interests. IAS 28 is then applied to the net investment, which includes the long-term interests, only in the context of recognising losses of an associate or joint venture and impairment of the net investment in the associate or joint venture. The Group assessed its business model for their long-term interests in associates and joint ventures upon adoption of the amendments on 1 January 2019 and concluded that the long-term interests in associates and joint ventures continue to be measured at amortised cost in accordance with IFRS 9. Accordingly, the amendments did not have any impact on the Group's interim condensed consolidated financial information.

(c) IFRIC 23 addressed 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.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

(d) Amendments under Annual Improvements to IFRSs 2015-2017 Cycle

- IFRS 3 *Business Combinations*: Clarifies that, when an entity obtains control of a business that is a joint operation, it must apply the requirements for a business combination achieved in stages and remeasure its entire previously held interest in the joint operation at fair value. The amendments did not have any impact on the Group's interim condensed consolidated financial information.

- IAS 12 *Income Taxes*: Clarifies that an entity recognises all income tax consequences of dividends in profit or loss, other comprehensive income or equity, depending on where the entity recognised the originating transaction or event that generated the distributable profits giving rise to the dividends. The amendments did not have any impact on the Group's interim condensed consolidated financial information.

- 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.

3. SEASONALITY OF OPERATIONS

The Group is primarily engaged in wind power business, which typically generates more electricity in certain periods each year, primarily depending on wind speed and other uncontrollable conditions. As a result, the revenue and profit may fluctuate significantly over the year.

4. ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Except for the disclosure made in Note 2.2, in preparing the interim condensed consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that are applied to the annual consolidated financial statements for the year ended 31 December 2018.

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk, cash flows and fair value interest rate risk), credit risk and liquidity risk.

The interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements. They should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2018. There have been no changes in the risk management system or in any risk management policies since 31 December 2018.

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

(b) Liquidity risk

Compared to 31 December 2018, there was no material change in the contractual undiscounted cash outflows for financial liabilities, except for the net increase of long-term interest-bearing bank and other borrowings amounted to RMB210.7 million and the net increase of short-term interest-bearing bank and other borrowings amounted to RMB486.0 million.

(c) Fair values and fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Based on quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – Based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair values and fair value hierarchy (Continued)

Fair values

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values and those carried at fair values, are as follows:

	30 June 2019 (Unaudited)		31 December 2018 (Audited)	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities:				
Long-term interest-bearing bank and other borrowings	35,991,397	35,620,208	35,780,675	35,291,800

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair values and fair value hierarchy (Continued)

Fair values (Continued)

Management has assessed that the fair values of cash and cash equivalents, the restricted cash and time deposits, trade and bills receivables, trade and bills payables, financial assets included in prepayments, other receivables and other assets, financial liabilities included in other payables and accruals, and short-term interest-bearing bank and other borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the chief financial officer and the audit committee. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of the non-current portion of interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for interest-bearing bank and other borrowings as at 30 June 2019 was assessed to be insignificant.

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair values and fair value hierarchy (Continued)

Fair values (Continued)

- 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 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, 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 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.

  For the fair value of the unlisted equity investments at fair value through other comprehensive income, management has estimated the potential effect of using reasonably possible alternatives as inputs to the valuation model and has quantified this as a reduction in fair value of approximately RMB7,412,797, using less favourable assumptions, and an increase in fair value of approximately RMB7,871,321, using more favourable assumptions.

(Amounts expressed in thousands of RMB unless otherwise stated)

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair values and fair value hierarchy (Continued)

Fair values (Continued)

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 30 June 2019 and 31 December 2018:

	Valuation technique	Significant unobservable input	Range	Sensitivity of fair value to the input
Unlisted equity investments	Valuation multiples	Average P/B Multiple of peers	30 June 2019: 1.7x-1.9x (31 December 2018:1.7x)	10% (31 December 2018:10%) increase/decrease in multiple would result in increase/decrease in fair value by RMB5,349,441 (31 December 2018: RMB482,638)
		Discount for lack of marketability	30 June 2019: 30% (31 December 2018: 30%)	10% (31 December 2018:10%) increase/decrease in multiple would result in decrease/increase in fair value by RMB2,292,618 (31 December 2018: RMB206,845)

The discount for lack of marketability represents the amounts of premiums and discounts determined by the Group that market participants would take into account when pricing the investments.

(Amounts expressed in thousands of RMB unless otherwise stated)

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair values and fair value hierarchy (Continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

	30 June 2019 (Unaudited)				31 December 2018 (Audited)			
	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3	Total	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3	Total
Equity investments designated at fair value through other comprehensive income	255,677	–	51,407	307,084	255,144	–	56,905	312,049
Financial assets at fair value through profit or loss	–	–	11,919	11,919	–	–	15,311	15,311
	255,677	–	63,326	319,003	255,144	–	72,216	327,360

(Amounts expressed in thousands of RMB unless otherwise stated)

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair values and fair value hierarchy (Continued)

Fair value hierarchy (Continued)

There were no significant changes in the business or economic circumstances that affect the fair value of the Group's financial assets and financial liabilities during the six months ended 30 June 2019.

There were no transfers between Level 1 and Level 2 fair value measurements during the period, and no transfers into or out of Level 3 fair value measurements during the six months ended 30 June 2019 and 2018.

The movements in fair value measurement within Level 3 during the period are as follows:

	2019 Unaudited	2018 Unaudited
Equity investments at fair value – unlisted:		
At 1 January	72,216	62,067
Total (losses)/gains recognised in the statement of profit or loss included in other income	(3,392)	6,655
Total (losses)/gains recognised in other comprehensive income	(5,498)	2,941
At 30 June	63,326	71,663

6. REVENUE AND SEGMENT INFORMATION

(a) Segment information

Management has determined the operating segments based on the information reviewed by executive directors and specific senior management (including the chief accountant) (collecting referred as "Executive Management") for the purposes of allocating resources and assessing performance.

The Executive Management considers the performance of all businesses on a consolidated basis as all other renewable power businesses except the wind power business were relatively insignificant for the six months ended 30 June 2019 and 2018. Therefore, the Group has one single reportable segment, which is the wind power segment.

The Company is domiciled in the PRC. For the six months ended 30 June 2019, substantially all (for the six months ended 30 June 2018: substantially all) the Group's revenue was derived from external customers in the PRC.

As at 30 June 2019, substantially all (31 December 2018: substantially all) the non-current assets are located in the PRC (including Hong Kong).

For the six months ended 30 June 2019 and 2018, all revenue from the sales of electricity is charged to the provincial power grid companies in which the group companies operate. These power grid companies are directly or indirectly owned or controlled by the PRC government.

There are no material changes in the basis of segment from the last annual financial statements.

(Amounts expressed in thousands of RMB unless otherwise stated)

6. REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Revenue

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2019 Unaudited	2018 Unaudited
Revenue from contracts with customers	**4,489,731**	4,364,921
Sale of electricity	**4,481,926**	4,337,352
Other services *(Note)*	**7,805**	27,569
Revenue from other sources		
Gross rental income	**2,364**	643
	4,492,095	4,365,564

Note: Other services comprise energy performance services, repairs and maintenance services, and other services provided to external customers.

(Amounts expressed in thousands of RMB unless otherwise stated)

6. REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Revenue (Continued)

Revenue from contracts with customers

(i) Disaggregated revenue information

For the six months ended 30 June 2019

Segment	Wind power Unaudited	Total Unaudited
Type of goods or service		
Sales of electricity	4,481,926	4,481,926
Other services	7,805	7,805
Total revenue from contracts with customers	4,489,731	4,489,731
Timing of revenue recognition		
Goods transferred at a point in time	4,481,926	4,481,926
Services transferred over time	7,805	7,805
Total revenue from contracts with customers	4,489,731	4,489,731

6. REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Revenue (Continued)

Revenue from contracts with customers (Continued)

(i) Disaggregated revenue information (Continued)

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

For the six months ended 30 June 2019

Segment	Wind power Unaudited	Total Unaudited
Revenue from contracts with customers		
External customers	4,489,731	4,489,731
Intersegment sales	–	–
	4,489,731	4,489,731
Intersegment adjustments and eliminations	–	–
Total revenue from contracts with customers	4,489,731	4,489,731

(Amounts expressed in thousands of RMB unless otherwise stated)

6. REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Revenue (Continued)

Revenue from contracts with customers (Continued)

(i) Disaggregated revenue information (Continued)

For the six months ended 30 June 2018

Segment	Wind power	Total
	Unaudited	Unaudited
Type of goods or service		
Sales of electricity	4,337,352	4,337,352
Other services	27,569	27,569
Total revenue from contracts with customers	4,364,921	4,364,921
Timing of revenue recognition		
Goods transferred at a point in time	4,337,352	4,337,352
Services transferred over time	27,569	27,569
Total revenue from contracts with customers	4,364,921	4,364,921

6. REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Revenue (Continued)

Revenue from contracts with customers (Continued)

(i) Disaggregated revenue information (Continued)

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

For the six months ended 30 June 2018

Segment	Wind power	Total
	Unaudited	Unaudited
Revenue from contracts with customers		
External customers	4,364,921	4,364,921
Intersegment sales	–	–
	4,364,921	4,364,921
Intersegment adjustments and eliminations	–	–
Total revenue from contracts with customers	4,364,921	4,364,921

(Amounts expressed in thousands of RMB unless otherwise stated)

7. OTHER INCOME AND OTHER GAINS, NET

	For the six months ended 30 June	
	2019 Unaudited	2018 Unaudited
Income from Clean Development Mechanism ("CDM") projects:		
– Foreign exchange gains	**–**	517
– Provision for impairment of receivables	**–**	(517)
	–	–
Government grants	**189,312**	189,408
Dividend from equity investments at fair value through other comprehensive income	**5,456**	4,799
Fair value (losses)/gains on financial assets at fair value through profit or loss	**(3,392)**	6,655
Gains/(losses) on disposal of property, plant and equipment	**1,146**	(44,898)
Gains on acquisition of a subsidiary *(Note 19)*	**19,001**	–
Gain on previously held equity interest remeasured at acquisition date's fair value *(Note 19)*	**58**	–
Others	**(3,444)**	(2,923)
	208,137	153,041

(Amounts expressed in thousands of RMB unless otherwise stated)

8. FINANCE INCOME AND FINANCE EXPENSES

	For the six months ended 30 June	
	2019 Unaudited	2018 Unaudited
Finance income		
Interest income on deposits with banks and other financial institutions	6,617	5,216
Interest income on deposits and other receivables with related parties	9,584	2,546
Others	1,126	1,264
	17,327	9,026
Finance expenses		
Interest expenses	(1,189,684)	(1,140,620)
Less: interest expenses capitalised in property, plant and equipment and intangible assets	93,700	118,232
	(1,095,984)	(1,022,388)
Foreign exchange losses, net	(229)	(36)
	(1,096,213)	(1,022,424)
Finance expenses, net	(1,078,886)	(1,013,398)
Interest capitalisation rate	4.41% to 6.41%	3.37% to 6.41%

(Amounts expressed in thousands of RMB unless otherwise stated)

9. INCOME TAX EXPENSE

	For the six months ended 30 June	
	2019	2018
	Unaudited	Unaudited
Current tax		
PRC enterprise income tax	**173,100**	188,950
Under provision in prior years	**9,956**	3,622
	183,056	192,572
Deferred tax		
Recognition of temporary differences	**1,260**	4,976
Income tax expense	**184,316**	197,548

Income tax expense is provided based on management's estimate of the weighted average annual income tax rate expected for the full financial year. For the six months ended 30 June 2019, except for certain subsidiaries established in the PRC which were exempted from tax or entitled to preferential rates ranging from 7.5% to 15% (for the six months ended 30 June 2018: 7.5% to 15%), all other subsidiaries established in the PRC were subject to income tax at a rate of 25% (for the six months ended 30 June 2018: 25%). Tax on overseas profit has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

(Amounts expressed in thousands of RMB unless otherwise stated)

10. BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

(a) Basic earnings per share

The calculation of the basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent, adjusted to reflect the interest on perpetual notes, and the weighted average number of ordinary shares in issue during the period.

	For the six months ended 30 June	
	2019 Unaudited	2018 Unaudited
Earnings		
Profit attributable to ordinary equity holders of the parent *(RMB'000)*	883,289	946,950
Interest on perpetual notes *(RMB'000)*	(57,523)	(57,523)
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation *(RMB'000)*	825,766	889,427
Shares		
Weighted average number of ordinary shares in issue during the period, used in the basic earnings per share calculation *(thousands of shares)*	7,273,701	7,273,701
Basic earnings per share *(RMB)*	0.1135	0.1223

(b) Diluted earnings per share

Diluted earnings per share for the six months ended 30 June 2019 and 2018 are the same as the basic earnings per share as there are no potential dilutive shares.

11. DIVIDENDS

(a) Interim dividends

The board of directors did not recommend the distribution of any interim dividends to shareholders for the six months ended 30 June 2019 (for the six months ended 30 June 2018: Nil).

(b) Dividends payable to shareholders attributable to the previous financial year, approved during the interim period

Final dividend in respect of the financial year ended 31 December 2018, has been approved at the 2018 annual general meeting, of RMB0.02 per share (before tax) amounted to RMB145.5 million. The above final dividend has not paid to shareholders as at 30 June 2019.

(Amounts expressed in thousands of RMB unless otherwise stated)

12. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

	Property, plant and equipment	Intangible assets
Net book value at 1 January 2019	**56,429,521**	**564,302**
Additions	**1,850,382**	**1,585**
Transfer and reclassification	**(20,386)**	**–**
Acquisition of a subsidiary *(Note19)*	**332,493**	**–**
Other disposals	**(33)**	**–**
Depreciation and amortisation charges	**(1,733,634)**	**(15,044)**
Impairment during the period	**(81,117)**	**–**
Net book value at 30 June 2019 (Unaudited)	**56,777,226**	**550,843**
Net book value at 1 January 2018	58,087,880	634,941
Additions	2,299,097	17,682
Transfer and reclassification	(423,994)	4,591
Disposal of a subsidiary	(26,203)	(65)
Other disposals	(122,755)	(125)
Depreciation and amortisation charges	(3,348,836)	(21,038)
Impairment during the year	(35,668)	(71,684)
Net book value at 31 December 2018 (Audited)	56,429,521	564,302

12. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS (CONTINUED)

As at 30 June 2019, included in intangible assets are concession assets amounting to RMB439.9 million (31 December 2018: RMB451.9 million).

As at 30 June 2019, certain property, plant and equipment with cost and accumulated depreciation amounted to RMB2,724.7 million and RMB381.3 million, respectively, were secured for the borrowing from Datang Financial Leasing Company Limited ("Datang Financial Leasing") and Shanghai Datang Financial Leasing Company Limited ("Shanghai Datang Financial Leasing") as set out in Note 16(a).

As at 30 June 2019, certain property, plant and equipment were pledged as security for long-term borrowings and other loans of the Group (Note 16(c)).

For the six months ended 30 June 2019, an impairment loss of RMB81.1 million (for the six months ended 30 June 2018: Nil) was recognised for certain assets under construction in progress which were considered obsolete due to the suspension of the construction progress. The recoverable amount of such assets under construction in progress was determined based on fair value less costs of disposal.

(Amounts expressed in thousands of RMB unless otherwise stated)

13. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	30 June 2019 Unaudited	31 December 2018 Audited
CDM assets/receivables	68,751	68,751
Less: provision for impairment	(66,419)	(66,419)
	2,332	2,332
Prepayments for plant constructions	2,358	2,358
Receivables from the provision of services	36,123	36,123
Proceed receivables from the disposal of subsidiaries	127,324	127,324
Receivable from the disposal of a wind farm project	22,104	22,095
Dividend receivable	5,456	–
Deposit for project investments	34,988	34,181
Deposit for borrowings	48,705	48,705
Receivables under a lease arrangement	45,201	45,775
Other receivables	290,053	244,742
	612,312	561,303
Less: provision for impairment	(1,520)	(1,520)
	613,124	562,115
Value-added tax recoverable	1,676,469	1,808,349
Current tax prepayments	16,094	15,694
Deferred loss on long-term borrowings	352,039	360,252
Other prepayments	1,803,578	1,565,937
	4,461,304	4,312,347

(Amounts expressed in thousands of RMB unless otherwise stated)

13. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS (CONTINUED)

	30 June 2019 Unaudited	31 December 2018 Audited
Less: non-current portion of		
– Receivables under a lease arrangement	(38,437)	(39,456)
– Deposit for borrowings	(48,705)	(48,705)
– Deferred loss on long-term borrowings	(340,306)	(345,416)
– Value-added tax recoverable	(796,053)	(1,225,194)
– Other prepayments	(1,321,545)	(1,167,089)
	(2,545,046)	(2,825,860)
Total current portion of prepayments, other receivables and other assets	1,916,258	1,486,487

(Amounts expressed in thousands of RMB unless otherwise stated)

14. TRADE AND BILLS RECEIVABLES

	30 June 2019 Unaudited	31 December 2018 Audited
Trade receivables	9,319,241	7,140,480
Bills receivable	374,226	335,276
	9,693,467	7,475,756
Less: provision for doubtful debts	(3,216)	(3,216)
	9,690,251	7,472,540

Trade and bills receivables primarily represent receivables from regional or provincial grid companies for tariff revenue. These receivables are unsecured and non-interest-bearing. The carrying amounts of the Group's trade and bills receivables are all denominated in RMB.

For trade and bills receivables arising from tariff revenue, the Group usually grants credit periods of approximately one month to local power grid companies from the date of invoice in accordance with the relevant electricity sales contracts between the Group and the respective local grid companies.

14. TRADE AND BILLS RECEIVABLES (CONTINUED)

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 has 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 30 June 2019, 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 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. 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, except for RMB2.3 million representing a past due tariff receivable from a power grid company in dispute which was assessed to be not recoverable.

(Amounts expressed in thousands of RMB unless otherwise stated)

14. TRADE AND BILLS RECEIVABLES (CONTINUED)

An ageing analysis of trade and bills receivables based on the revenue recognition date is as follows:

	30 June 2019 Unaudited	31 December 2018 Audited
Within 1 year	**5,498,219**	5,133,751
Between 1 and 2 years	**2,808,519**	2,014,496
Between 2 and 3 years	**1,095,514**	156,325
Over 3 years	**287,999**	167,968
	9,690,251	7,472,540

15. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

	30 June 2019 Unaudited	31 December 2018 Audited
Restricted cash	**33,591**	41,377
Cash and bank balances	**2,939,327**	3,632,830
Cash and cash equivalents and restricted cash	**2,972,918**	3,674,207

As at 30 June 2019, restricted cash mainly represented deposits held for use as land reclamation deposit and in unsettled suits.

(Amounts expressed in thousands of RMB unless otherwise stated)

16. INTEREST-BEARING BANK AND OTHER BORROWINGS

(a) Long-term borrowings

	30 June 2019 Unaudited	31 December 2018 Audited
Bank loans		
– Unsecured loans	21,207,029	22,084,328
– Guaranteed loans	1,634,044	1,738,927
– Secured loans	5,407,688	5,199,820
	28,248,761	29,023,075
Other loans		
– Unsecured loans	4,492,440	4,672,240
– Guaranteed loans *(Note (i))*	2,000,000	2,000,000
– Secured loans *(Note (ii))*	4,284,086	3,249,656
	10,776,526	9,921,896
Corporate bonds-unsecured *(Note (iii))*	1,998,484	1,998,151
Lease liabilities	252,396	–
Total long-term borrowings	41,276,167	40,943,122
Less: current portion of long-term borrowings *(Note16(b))*		
– Bank loans	(3,506,593)	(3,441,744)
– Other loans	(1,766,104)	(1,720,703)
– Lease liabilities	(12,073)	–
	(5,284,770)	(5,162,447)
Total non-current portion of long-term borrowings	35,991,397	35,780,675

16. INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

(a) Long-term borrowings (Continued)

Notes:

(i) As at 30 June 2019, the borrowings from Pingan Assets Management Co., Ltd. amounted to RMB2,000.0 million (31 December 2018: RMB2,000.0 million) were guaranteed by Datang Corporation.

(ii) As at 30 June 2019, included in secured other loans were borrowings amounted to RMB2,209.4 million (31 December 2018: RMB1,884.98 million) due to Datang Financial Leasing, RMB804.7 million due to Shanghai Datang Financial Leasing (31 December 2018: RMB138.1 million) and RMB1,098.4 million (31 December 2018: RMB1,177.2 million) from ICBC Financial Leasing Company Limited, which allows certain subsidiaries of the Company sell and lease back certain property, plant and equipment to and from the lenders for a period ranging from 3 to 15 years. The underlying property, plant and equipment will be transferred to the relevant group companies at a notional consideration of RMB1.00 at the end of the lease term. In accordance with Standing Interpretations Committee ("SIC") Interpretation 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*, proceeds received under this agreement should be accounted for as borrowings secured by the relevant property, plant and equipment as the substance of this arrangement is considered as a financing arrangement. As at 30 June 2019, cash amounted to RMB48.7 million (31 December 2018: RMB48.7 million) was held in a deposit account with ICBC Financial Leasing Company Limited.

As at 30 June 2019 and 31 December 2018, deferred loss and deferred income representing the adjustments for the present value of these borrowings, and are included in "Prepayments, other receivables and other assets" and "Other payables and accruals" in the interim condensed consolidated statement of financial position, respectively.

(iii) The Company issued green corporate bonds amounting to RMB1,000.0 million, RMB500.0 million and RMB500.0 million with a unit par value of RMB100 each for cash on 14 September 2016, 28 September 2016 and 21 October 2016, respectively. The annual interest rates for these green corporate bonds were 3.50%, 3.15% and 3.10% respectively.

(Amounts expressed in thousands of RMB unless otherwise stated)

16. INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

(b) Short-term borrowings

	30 June 2019 Unaudited	31 December 2018 Audited
Bank loans		
– Unsecured loans	**4,990,000**	3,090,000
Short-term bonds *(Note)*	**4,051,534**	6,075,584
Other loans		
– Unsecured loans	**654,701**	202,000
– Secured loans	**131,892**	96,829
	786,593	298,829
Current portion of long-term borrowings *(Note 16(a))*	**5,284,770**	5,162,447
	15,112,897	14,626,860

16. INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

(b) Short-term borrowings (Continued)

Note:

On 31 January 2018, 23 April 2018, 11 July 2018, 22 August 2018 and 22 October 2018, the Company issued five tranches of short-term bonds with a par value of RMB100. The first issued short-term bonds amounted to RMB2,500.0 million, and the second, third, fourth and fifth issued short-term bonds amounted to RMB2,000.0 million each. The issuance cost was RMB5.97 million. These bonds have annual effective interest rates ranging from 3.10% to 5.15%. The first four issued short-term bonds have already matured in July 2018, October 2018, April 2019 and May 2019 and the fifth issued short-term bonds will mature in July 2019, respectively.

On 24 May 2019, the Company issued a tranche of short-term bonds with a par value of RMB100 amounted to RMB2,000.0 million. The issuance cost was RMB0.33 million. The bond has an annual effective interest rate of 2.35%, and will mature in July 2019.

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

(Amounts expressed in thousands of RMB unless otherwise stated)

16. INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

(c) Other disclosures in relation to the Group's borrowings

At 30 June 2019, the effective interest rates per annum on borrowings were as follows:

	30 June 2019 Unaudited	31 December 2018 Audited
Long-term		
Bank loans	**2.82%-5.50%**	2.82%-5.50%
Other loans	**4.41%-6.41%**	4.35%-6.41%
Corporate bonds	**3.10%-3.50%**	3.10%-3.50%
Short-term		
Bank loans	**4.33%-4.75%**	4.33%-4.75%
Other loans	**4.75%-5.70%**	4.35%-5.70%
Short-term bonds	**2.35%-4.25%**	3.10%-4.25%

As at 30 June 2019, the repayment period of long-term borrowings were as follows:

	30 June 2019 Unaudited	31 December 2018 Audited
Within 1 year	**5,284,770**	5,162,447
After 1 year but within 2 years	**7,114,611**	5,594,850
After 2 years but within 5 years	**19,598,060**	18,544,584
After 5 years	**9,278,726**	11,641,241
	41,276,167	40,943,122

(Amounts expressed in thousands of RMB unless otherwise stated)

16. INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

(c) Other disclosures in relation to the Group's borrowings (Continued)

As at 30 June 2019, details of the guaranteed bank loans were as follows:

	30 June 2019 Unaudited	31 December 2018 Audited
Guarantor		
– The Company *	1,385,057	1,472,736
– Non-controlling interests and an ultimate holding company of subsidiaries	248,987	266,191
	1,634,044	1,738,927

* As at 30 June 2019, bank loans guaranteed by the Company amounted to RMB19.0 million (31 December 2018: RMB24.0 million) were counter guaranteed by non-controlling interests of a subsidiary.

(Amounts expressed in thousands of RMB unless otherwise stated)

16. INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

(c) Other disclosures in relation to the Group's borrowings (Continued)

As at 30 June 2019, the Group has pledged certain assets as collateral to certain secured borrowings and a summary of the net book value of these pledged assets is as follows:

	Bank loans		Other loans	
	30 June 2019 Unaudited	31 December 2018 Audited	**30 June 2019 Unaudited**	31 December 2018 Audited
Property, plant and equipment	**1,802,854**	2,076,748	**6,311,404**	3,915,217
Concession assets	**207,011**	214,652	**–**	–
Tariff collection rights	**1,078,246**	889,804	**366,479**	49,319
	3,088,111	3,181,204	**6,677,883**	3,964,536

(Amounts expressed in thousands of RMB unless otherwise stated)

17. TRADE AND BILLS PAYABLES

	30 June 2019 Unaudited	31 December 2018 Audited
Trade payables	251,558	257,568
Bills payable	514,961	106,849
	766,519	364,417

The ageing analysis of trade payables, based on the invoice date, is as follows:

	30 June 2019 Unaudited	31 December 2018 Audited
Within 1 year	109,217	182,551
After 1 year but within 3 years	118,649	69,752
After 3 years	23,692	5,265
	251,558	257,568

Bills payable are bills with maturity of less than one year. The trade and bills payables are non-interest-bearing and are normally settled within one year.

The fair values of the trade and bills payables approximate to their carrying amounts.

(Amounts expressed in thousands of RMB unless otherwise stated)

18. OTHER PAYABLES AND ACCRUALS

	30 June 2019 Unaudited	31 December 2018 Audited
Payables for property, plant and equipment	**5,212,030**	4,996,991
Loans from related parties *(Note)*	**2,029,050**	2,037,050
Dividends payable	**319,770**	151,712
Interests payable	**294,300**	130,998
Accrued staff related costs	**45,229**	42,596
Payables for CDM projects	**4,751**	4,759
Payables for taxes other than income taxes	**91,696**	178,878
Asset retirement obligations	**86,493**	86,337
Amounts due to non-controlling interests	**48,034**	48,034
Contract liabilities	**3,301**	3,315
Other payables	**265,892**	281,573
	8,400,546	7,962,243
Deferred government grants	**16,758**	16,848
Deferred income on long-term borrowings	**188,396**	197,540
Other accruals and deferrals	**66,361**	66,681
	8,672,061	8,243,312
Less: non-current portion of		
– Loan from related parties *(Note)*	**(2,004,550)**	(2,012,550)
– Asset retirement obligations	**(86,493)**	(86,337)
– Deferred government grants	**(16,758)**	(16,848)
– Deferred income on long-term borrowings	**(175,032)**	(184,176)
– Other accruals and deferrals	**(65,234)**	(65,554)
	(2,348,067)	(2,365,465)
Current portion of other payables and accruals	**6,323,994**	5,877,847

18. OTHER PAYABLES AND ACCRUALS (CONTINUED)

Note:

Except for the amount of RMB20.6 million which will be paid before 15 April 2025 and carries the effective interest rate of 4.41% and the amount of RMB2,000.0 million which will be paid before 7 June 2021 and carries the effective interest rate of 4.71%, the loans from other related parties are unsecured, non-interest-bearing and have no fixed terms of repayment.

19. BUSINESS COMBINATION

In May 2015, a subsidiary of the Company, Datang Guilin Renewable Power Co., Ltd. ("Guilin Renewable") entered into an agreement with Mingyang Intelligent Energy Group Co., Ltd. (formerly known as Guangdong Mingyang Wind Power Industry Group Co., Ltd.) ("Mingyang Intelligent") to held 2.5% and 97.5% of the shares of Datang Gongcheng Renewable Power Co., Ltd. ("Gongcheng Renewable"), respectively. According to the articles of association of Gongcheng Renewable, Guilin Renewable dispatched a director and a deputy general manager to Gongcheng Renewable, therefore the Group accounted for it as an associate as it had significant influence on it.

As at 25 March 2019, the Group acquired 97.5% interest in Gongcheng Renewable from Mingyang Intelligent. Gongcheng Renewable is engaged in the generation and sale of wind power. The acquisition was made as part of the Group's strategy to expand its market share of wind power industry. The purchase consideration for the acquisition was in the form of cash, with RMB79.56 million paid as at 7 March 2019 and 26 March 2019.

(Amounts expressed in thousands of RMB unless otherwise stated)

19. BUSINESS COMBINATION (CONTINUED)

The fair values of the identifiable assets and liabilities of Gongcheng Renewable as at the date of acquisition were as follows:

	Fair value recognised on acquisition Unaudited
Property, plant and equipment	332,493
Right-of-use assets	2,616
Cash and bank balances	20
Trade receivables	36,732
Prepayments, other receivables and other assets	24,693
Trade payables	(622)
Current income tax liabilities	(895)
Other payables and accruals	(64,625)
Deferred tax liabilities	(912)
Interest-bearing bank and other borrowings	(228,410)
Total identifiable net assets at fair value	101,090
Gain on acquisition	19,001
Satisfied by	
Cash	79,562
Fair value of previously held 2.5% equity interest	2,527
	82,089

The Group incurred transaction costs of RMB0.2 million for this acquisition. These transaction costs have been expensed and are included in other operating expenses in the interim condensed consolidated statement of profit or loss.

(Amounts expressed in thousands of RMB unless otherwise stated)

19. BUSINESS COMBINATION (CONTINUED)

The gain of RMB19.0 million was recognised in other income and other gains in the interim condensed consolidated statement of profit or loss, which was mainly generated from the profits of Gongcheng Renewable for the period from 1 November 2018 to the acquisition date attributed to the Group.

From the date of acquisition, Gongcheng Renewable has contributed RMB8.01 million of revenue and RMB0.35 million of net loss before tax of the Group.

Details of the 2.5% equity interest held by the Group before the acquisition of Gongcheng Renewable and the profit from the investment are as follows:

	Unaudited
Initial investment cost	2,000
Share of profit accumulated under the equity method	1,206
Cash dividends declared	(737)
Book value of the investment in 2.5% equity interest of Gongcheng Renewable on the acquisition date	2,469
Fair value of the investment in 2.5% equity interest of Gongcheng Renewable on the acquisition date *(Note)*	2,527
Gain on previously held equity interest remeasured at acquisition date's fair value	58

Note: The fair value was determined by the valuation report issued by an independent qualified valuer.

An analysis of the cash flows in respect of the acquisition of Gongcheng Renewable is as follows:

	Unaudited
Cash consideration	(79,562)
Cash and bank balances acquired	20
Net outflow of cash and cash equivalents included in cash flows from investing activities	(79,542)

(Amounts expressed in thousands of RMB unless otherwise stated)

20. SIGNIFICANT RELATED PARTY TRANSACTIONS

Other than the related party transactions disclosed elsewhere in these interim condensed consolidated financial statements, the following is a summary of significant related party transactions entered into, in the ordinary course of business, between the Group and its related parties during the period.

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

	For the six months ended 30 June	
	2019 Unaudited	2018 Unaudited
Transactions with subsidiaries of Datang Corporation		
– Provision of installation, construction, general contracting services	834	180
– Purchases of engineering, construction, supervisory services and general contracting services *(Note (i))*	(10,997)	(4,857)
– Purchases of key and auxiliary materials, equipment and finished goods *(Note (ii))*	(121,160)	(35,060)
– Loans from related parties	3,959,924	5,940,460
– Repayments of loans from related parties	(3,382,742)	(4,052,250)
– Interest income earned	9,584	2,546
– Interest expense charged	(137,287)	(113,363)
Capital commitments for the purchase of property, plant and equipment from fellow subsidiaries (contracted but not provided for)	755,333	739,944

20. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Significant related party transactions entered into with Datang Corporation and its subsidiaries (Continued)

Notes:

(i) The provision of general contracting services by certain fellow subsidiaries of Datang Group included purchases of equipment and construction services mainly from China Datang Environment Industry Group Co., Ltd.

(ii) The purchases of key and auxiliary materials, equipment and finished goods are mainly purchases of wind turbines, tower tubes and auxiliary materials from China National Water Resources & Electric Power Materials & Equipment Co., Limited.

The purchase of installation, construction, general contracting services and purchase of equipment and construction services listed above also constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

In addition to the above transactions,the Company and China Datang Corporation Finance Company Limited ("Datang Finance"), a fellow subsidiary of the Company which is a financial institution established in the PRC, entered into an agreement pursuant to which Datang Finance agreed to provide certain loan ("Financial Service Agreement"). The financial service agreement was renewed on 12 May 2017 with a term from 1 January 2018 to 31 December 2020. And on 23 August 2018, the Company and Datang Finance entered into a supplemental agreement of the financial service agreement to make revision of the annual transaction cap. The agreement constitutes connected transactions of the Company under Chapter 14A of the Listing Rules.

20. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Significant related party transactions entered into with Datang Corporation and its subsidiaries (Continued)

As at 30 June 2019, the Group has a cash deposit held at Datang Finance amounted to RMB2,303.0 million (31 December 2018: RMB2,835.0 million) under the Financial Service Agreement, and the interest income on the deposit was RMB7.3 million for the six months ended 30 June 2019 (for the six months ended 30 June 2018: RMB2.5 million).

As at 30 June 2019,there were loans from Datang Finance amounting to RMB4,911.9 million (31 December 2018: RMB5,796.6 million).

All the transactions above with related parties are conducted on prices and terms mutually agreed by the parties involved, and except for the interest income and expense including non-deductible value-added tax, all amounts disclosed are exclusive of value-added tax applicable to the relevant transactions.

(b) Significant transactions with other related parties

For the six months ended 30 June 2019, all revenue from the sales of electricity is made to the provincial power grid companies in which the group companies operate (for the six months ended 30 June 2018: all). These power grid companies are directly or indirectly owned or controlled by the PRC government. As at 30 June 2019, substantially all the trade and bills receivables (see Note 14) are due from these power grid companies (31 December 2018: substantially all).

Apart from the above, for the six months ended 30 June 2019 and 2018, the Group's other significant transactions with other state-owned enterprises are mainly purchases of materials, property, plant and equipment and services. Substantially all the cash and cash equivalents and borrowings as at 30 June 2019 and 2018, and the relevant interest income earned and expenses incurred are transacted with banks and other financial institutions owned/controlled by the PRC government.

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

(Amounts expressed in thousands of RMB unless otherwise stated)

20. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Key management personnel compensation

	For the six months ended 30 June	
	2019	2018
	Unaudited	Unaudited
Basic salaries, housing allowances, other allowances and benefits in kind	**570**	449
Discretionary bonus	**1,016**	1,003
Pension costs	**110**	79
	1,696	1,531

21. PERPETUAL NOTES

On 10 December 2014, the Company issued RMB2,000.0 million medium-term notes at initial interest rate of 5.80% per annum ("Medium-term Notes"). The proceeds from the issuance of the Medium-term Notes after deducted the issuance cost was approximately RMB1,979.3 million. Coupon interest payments of 5.80% are paid annually in arrears on 12 December of each year starting from 2015 (each, a "Coupon Payment Date"), and may be deferred at the discretion of the Company.

The Medium-term Notes have no fixed maturity and are callable at the Company's option, on 12 December 2019 or on any Coupon Payment Date afterwards, at their principal amounts together with any accrued, unpaid or deferred coupon interest payments. After 12 December 2019, the coupon rate will be reset every 5 years to a percentage per annum equal to the sum (a) of the initial spreads of difference between nominal interest rate and initial benchmark interest rate, (b) current benchmark interest rate, and (c) a margin of 300 base points per annum. While any coupon interest payments are unpaid or deferred, the Group cannot declare or pay dividends or reduce registered capital. Pursuant to the terms of these Medium-term Notes, the Company has no contractual obligation to repay its principal or to pay any coupon interest. Accordingly the Medium-term Notes do not meet the definition of financial liabilities in accordance with IAS 32 *Financial Instruments: Presentation*, and are classified as equity and subsequent coupon payment will be treated as distribution to equity owners.

(Amounts expressed in thousands of RMB unless otherwise stated)

21. PERPETUAL NOTES(CONTINUED)

In 2018, the Company announced and paid interests in terms of Medium-term Notes amounted to RMB116.0 million. A final dividend in respect of the year ended 31 December 2018 of RMB0.02 (before tax) per ordinary share, amounted to RMB145.5 million, was approved in the 2018 annual general meeting of shareholders on 27 June 2019. Pursuant to the terms of these Medium-term Notes, the company accrued interests of Medium-term Notes for the year of 2019 amounting to RMB116.0 million, which should be paid on 12 December 2019.

22. COMMITMENTS

Capital commitments for the purchase of property, plant and equipment

	30 June 2019 Unaudited	31 December 2018 Audited
Contracted but not provided for	7,846,405	6,474,074

23. EVENTS AFTER THE REPORTING PERIOD

Until the approval date of these interim condensed consolidated financial statements, there is no significant event after the reporting period that need to be disclosed.

24. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements of the Group for the six months ended 30 June 2019 were approved and authorised for issue by the board of directors on 27 August 2019.

Glossary of Terms

"average on-grid tariff"	electricity sales revenue in a period divided by the corresponding electricity sales in such period
"average utilization hours"	the consolidated power generation in a specified period (in MWh) divided by the average consolidated installed capacity in the same period (in MW)
"Board"	the board of directors of the Company
"Company"	China Datang Corporation Renewable Power Co., Limited* (中國大唐集團新能源股份有限公司)
"consolidated installed capacity"	the aggregate installed capacity or capacity under construction (as the case may be) of the Group's project companies that the Group fully consolidates in its consolidated financial statements only. This is calculated by including 100% of the installed capacity or capacity under construction of the Group's project companies that the Group fully consolidates in its consolidated financial statements and are deemed as its subsidiaries. Consolidated installed capacity and consolidated capacity under construction do not include the capacity of associated companies of the Group
"consolidated power generation"	the aggregate gross power generation or net electricity sales (as the case may be) of the Group's project companies that the Group fully consolidates in its financial statements for a specified period
"Datang Corporation"	China Datang Corporation Ltd. (中國大唐集團有限公司), a state-owned corporation established in the PRC and a controlling shareholder of the Company and one of the promoters of the Company
"Datang Jilin"	Datang Jilin Power Generation Company Limited (大唐吉林發電有限公司), a company incorporated in the PRC with limited liability, which is a wholly-owned subsidiary of Datang Corporation and just like Datang Corporation, also a controlling shareholder of the Group and one of the promoters of the Company

"electricity sales"	gross power generation less (i) auxiliary electricity; and (ii) the electricity generated during the construction and testing period. Income attributable to the sales of electricity generated during the construction and testing period is not included in the electricity sales revenue, but is offset against the cost of property, plant and equipment
"Group"	China Datang Corporation Renewable Power Co., Limited* and its subsidiaries
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"kW"	unit of energy, kilowatt. 1 kW = 1,000 W
"kWh"	unit of energy, kilowatt-hour. The standard unit of energy generally used in the electric power industry. One kilowatt-hour is the amount of energy that would be produced by a generator producing one thousand watts for one hour
"Latest Practicable Date"	27 August 2019, being the latest practicable date prior to the publication of the Report in terms of certain information included herein
"Listing Rules"	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"MW"	unit of energy, megawatt. 1MW=1,000 kW. The installed capacity of power plants is generally expressed in MW
"MWh"	unit of energy, megawatt-hour. 1 MWh=1,000 kWh
"PRC"	the People's Republic of China, unless it has specifically specified, it excludes Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan
"renewable energy"	sustainable energy sources that are regenerative or, for all practical purposes, cannot be depleted, such as wind, water or sunlight

"Reporting Period"	for the six months ended 30 June 2019
"RMB"	Renminbi, the current lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Supervisory Committee"	the supervisory committee of the Company

* *For identification purpose only*

Corporate Information

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中國大唐集團新能源股份有限公司

ENGLISH NAME OF THE COMPANY

China Datang Corporation Renewable Power Co., Limited*

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LEGAL REPRESENTATIVE OF THE COMPANY

Mr. Chen Feihu

AUTHORIZED REPRESENTATIVES

Ms. Kwong Yin Ping, Yvonne
Mr. Liu Guangming

JOINT COMPANY SECRETARIES

Mr. Cui Jian
Ms. Kwong Yin Ping, Yvonne

* *For identification purpose only*

BOARD OF DIRECTORS

Non-executive Directors

Chen Feihu *(Chairman)*
Hu Shengmu *(Vice Chairman)*
Wu Zhiquan
Liu Baojun

Executive Directors

Liu Guangming
Meng Lingbin

Independent Non-executive Directors

Liu Chaoan
Lo Mun Lam, Raymond
Yu Shunkun

COMMITTEES UNDER THE BOARD

Audit Committee

Mr. Lo Mun Lam, Raymond *(independent non-executive director) (Chairman)*
Mr. Liu Baojun *(non-executive director)*
Mr. Yu Shunkun *(independent non-executive director)*

Nomination Committee

Mr. Liu Chaoan *(independent non-executive director) (Chairman)*
Mr. Wu Zhiquan *(non-executive director)*
Mr. Lo Mun Lam, Raymond *(independent non-executive director)*

Remuneration and Assessment Committee

Mr. Yu Shunkun *(independent non-executive director) (Chairman)*
Mr. Hu Shengmu *(non-executive director)*
Mr. Liu Chaoan *(independent non-executive director)*

Strategic Committee

Mr. Hu Shengmu *(non-executive director) (Chairman)*
Mr. Liu Guangming *(executive director)*
Mr. Meng Lingbin *(executive director)*

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