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

2020
INTERIM REPORT

* For identification purpose only

Contents

Unaudited Interim Results

The Board 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 2020, together with the operating results for the six months ended 30 June 2019 (the "Corresponding Period of 2019") for comparison. For the six months ended 30 June 2020, the revenue amounted to RMB4,822 million, representing an increase of 7.35% as compared with the Corresponding Period of 2019; profit before tax amounted to RMB1,450 million, representing an increase of 17.92% as compared with the Corresponding Period of 2019; profit attributable to owners of the parent amounted to RMB992 million, representing an increase of 12.28% as compared with the Corresponding Period of 2019; basic and diluted earnings per share attributable to ordinary equity holders of the parent amounted to RMB0.1280, representing an increase of RMB0.0145 as compared with the Corresponding Period of 2019.

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Key Operating and Financial Data

FINANCIAL HIGHLIGHTS

	For the six months ended 30 June	
	2020	2019
	RMB'000	*RMB'000*
	Unaudited	Unaudited
Revenue	**4,822,458**	4,492,095
Other income and other gains, net	**166,259**	208,137
Operating expenses	**(2,463,333)**	(2,420,375)
Operating profit	**2,525,384**	2,279,857
Profit before tax	**1,450,297**	1,229,947
Income tax expense	**(216,754)**	(184,316)
Profit for the period	**1,233,543**	1,045,631
Total comprehensive income for the period	**1,237,375**	1,040,258
Profit for the period attributable to:		
Owners of the parent	**991,792**	883,289
Non-controlling interests	**241,751**	162,342
	1,233,543	1,045,631
Total comprehensive income for the period attributable to:		
Owners of the parent	**997,378**	878,854
Non-controlling interests	**239,997**	161,404
	1,237,375	1,040,258
Basic and diluted earnings per share attributable to ordinary equity holders of the parent *(expressed in RMB per share)*	**0.1280**	0.1135

FINANCIAL HIGHLIGHTS (CONTINUED)

	30 June 2020 *RMB'000*	31 December 2019 *RMB'000*
	Unaudited	Audited
Total non-current assets	64,698,442	65,222,639
Total current assets	20,621,576	14,800,804
Total assets	85,320,018	80,023,443
Total current liabilities	26,762,881	26,457,117
Total non-current liabilities	37,242,743	39,065,476
Total liabilities	64,005,624	65,522,593
Equity attributable to owners of the parent	17,611,330	11,068,797
Non-controlling interests	3,703,064	3,432,053
Total equity	21,314,394	14,500,850
Total equity and liabilities	85,320,018	80,023,443

Management Discussion and Analysis

I. INDUSTRY OVERVIEW

For the six months ended 30 June 2020, according to the information published by the National Energy Administration ("NEA"), the electricity consumption nationwide reached 3,354.7 billion kWh, representing a year-on-year decrease of 1.3%. The installed capacity of power generation nationwide was 2,050,000 MW, representing a year-on-year increase of 5.5%, among which, the wind power installed capacity was 220,000MW, representing a year-on-year increase of 12.3%, and the solar power installed capacity was 220,000MW, representing a year-on-year increase of 16.4%. The wind power generation with a size of over 6,000 kW nationwide was 237.9 billion kWh, representing a year-on-year increase of 10.9%, the growth rate of which slowed down by 0.6 percentage point as compared to the first half of last year. The accumulated average utilisation hours of power generation equipment nationwide amounted to 1,727 hours, representing a year-on-year decrease of 107 hours. The average utilisation hours of wind power equipment amounted to 1,123 hours, representing a year-on-year decrease of 10 hours. The average utilisation hours of solar power generation equipment amounted to 663 hours, representing a year-on-year increase of 13 hours.

In the first half of the year, the National Development and Reform Commission (the "NDRC") and the NEA issued various policies successively, including the exposure draft of the basic rules for medium and long-term power trading introduced in January 2020 and the basic rules for medium and long-term power trading officially signed and approved by the NDRC on 10 June 2020. During such period, normative documents such as provincial level grid pricing rules and regional grid pricing rules were also issued in the hope to play a role in accelerating the consumption of new energy by making use of the power trading market.

On 20 January 2020, the Ministry of Finance (the "MOF"), the NDRC and NEA jointly issued the new edition of Notice on the Measures for Administration of Subsidy Funds for Tariff Premium of Renewable Energy (Caijian [2020] No. 5). For the newly-added renewable energy power generation projects that need subsidies after the issuance of the Measures, the total subsidies that are within the limit of subsidy funds for the same year will be determined by the MOF in a reasonable way, based on the increase level of the subsidy funds for the same year, technological advancement, industrial development and other factors. The newly-added size of installed capacity of various kinds of renewable energy power generation projects that need subsidies will be determined by the NDRC and the NEA in a reasonable way, based on the development plan of renewable energy, technological advancement and other factors, but not exceeding the total newly-added subsidies for the year that determined by the MOF.

I. INDUSTRY OVERVIEW (CONTINUED)

On 18 March 2020, NEA issued the 2020 Notice on Matters Related to Construction of Wind Power and Photovoltaic Power Projects (《關於2020年風電、光伏發電項目建設有關事項的通知》). The notice requires that provincial energy authorities should organise the construction of the projects in a standard and orderly way, in accordance with the 13th Five-Year Plan related to the national development of renewable energy and consumption and acceptance capacity of local grids, and pursuant to the requirement under the 2020 scheme of construction of wind power and photovoltaic power projects; the monitoring and alarm requirement should be implemented strictly and the scale of Newly-added Projects that have been approved (filed) should be arranged in a reasonable way, based on the consumption and acceptance capacity of the grids; enterprises engaging in wind power and photovoltaic power should be organised, on a monthly basis, to fill in, submit and upgrade the information management platform of national renewable energy power generation projects with the information about the approval (filling), commencement, under construction status, gird connection, etc. of the projects; and intensified coordination should be made with the departments of land, environment protection, etc. to promote the reduction of non-technological cost and foster a sound environment for the construction and investment of wind power and photovoltaic power.

On 15 April 2020, the General Office of the NEA issued the Notice on Matters in Relation to the Preparation of the 14th Five-Year Plan for the Development of Renewable Energy (《關於做好可再生能源發展「十四五」規劃編制工作有關事項的通知》). The Notice proposes to promote the construction of renewable energy bases in the western and northern regions to expand the scope of renewable energy resource allocation through measures such as improving the transmission capacity of existing channels and building new transmission channels under the premise of successfully connecting the sending and receiving ends and making it available in the consumption market.

I. INDUSTRY OVERVIEW (CONTINUED)

On 18 May 2020, the NEA issued the Guiding Opinion on Establishing and Improving the Long-term Mechanism of Clean Energy Consumption (Exposure Draft) (《關於建立健全清潔能源消納長效機制的指導意見(徵求意見稿)》). The Opinion clarifies that we must stably increase the share of clean energy electricity in energy consumption and promote the development of clean energy in a healthy and orderly manner by rationally setting the targets for clean energy utilisation rate. Acceleration of the formation of a mechanism conducive to clean energy consumption for the electricity market: We will improve the auxiliary service mechanism, improve the medium and long-term trading market for electricity, and speed up the advancement of the spot market for electricity. We will accelerate the loosening of the priority power generation plan for cross-provincial and cross-district areas, continue to improve the trading mechanism for cross-provincial market, innovate the trading types conducive to clean energy consumption and expand the room for clean energy consumption. We will accelerate the construction of supporting frequency modulation and reserve market in pilot areas of electricity spot. We will enrich the participants of auxiliary services and further promote participation of electricity energy reserve, demand side response and others. Focus on the innovation of consumption modes of clean energy: We will explore and establish the mechanism for jointly optimizing the configuration of outgoing power supply across province and district, and explore and establish the in-place consumption model for the clean energy.

On 10 June 2020, the NDRC and the NEA signed and approved the Basic Rules for Medium and Long-term Power Trading (《電力中長期交易基本規則》). The Basic Rules specifies the rights and duties of power-generation enterprises, power consumers, electric power companies, power grid enterprises, power trading agencies and power dispatching agencies. The Basic Rules will further guide and standardize medium and long-term power trading in various regions, promote the building of a unified, open, and orderly competitive market system and an effectively competitive market structure, and foster the market-oriented allocation of power factors and power.

On 22 June 2020, the NEA issued the Guiding Opinion on Energy Work in 2020. The Opinion made a guidance on the energy work in 2020. On the whole, we will adhere to the targets for clean and low-carbon development so that the coal consumption will decrease by more than a half, the clean energy utilisation rate will further improve, and the consumption on electricity will account for 27% or around of the consumption on terminal energy. Pursuant to the Opinion, in 2020, the total national energy consumption will be not more than 5 billion tons of benchmark coal. The consumption on coal will decrease to 57.5% or around. In respect of supply guarantee, oil production will amount to approximately 193 million tons, the natural gas production will amount to approximately 181,000 million cubic meters, and the installed capacity of non-fossil energy power generation will reach to approximately 900 million kW. The efficiency of the energy system and the utilisation rate of clean energy such as wind power and photovoltaic power will be further improved.

II. BUSINESS REVIEW

In the first half of 2020, the Company firmly supported the decisions and planning of the Party Central Committee and the State Council, and took into consideration both prevention and control of COVID-19 pandemic and various tasks related to "high-quality development year". While effectively preventing and controlling the pandemic, it also completed its phased tasks and objects, thus laying a solid foundation on the completion of tasks for the whole year.

As at 30 June 2020, the Group's consolidated installed capacity amounted to 9,902.72 MW, representing a year-on-year increase of 10.44%. Electricity generation amounted to 10,763,080 MWh, representing a year-on-year increase of 7.76%. The average utilisation hours were 1,118 hours, representing a year-on-year decrease of 10 hours. The curtailment ratio totalled 4.40%, representing a year-on-year decrease of 1.24 percentage point. The total profit before tax was RMB1,450 million, representing a year-on-year increase of RMB220 million or 17.92%. The gearing ratio was 75.02%, representing a decrease of 6.86 percentage points as compared with the end of 2019.

1. Strengthened the management of plans and spared no effort to fight for increase in power generation

According to its plan for power generation announced at the beginning of the year, by virtue of data analyzing system, the Company effectively disseminated and implemented tasks, deepened data benchmarking, prepared Monthly Report on Power Generation and circulated it timely, as well as requested the units with poor performance in power generation to identify their respective problems and formulate measures to rectify. The Company also strengthened its tracking of the dealings in market and ensured the most favorable price through a well planning of quantity and price.

As at 30 June 2020, the wind power generation of the Company amounted to 10,589,470 MWh, representing a year-on-year increase of 743,100 MWh, or 7.55%.

II. BUSINESS REVIEW (CONTINUED)

1. Strengthened the management of plans and spared no effort to fight for increase in power generation (Continued)

As at 30 June 2020, the consolidated power generation of the Group by region was as follows:

Business segments	Regional distribution	As at 30 June 2020 *(MWh)*	As at 30 June 2019 *(MWh)*	Rate of year-on-year change *(%)*
Total		10,763,080	9,987,938	7.76
Wind Power		10,589,470	9,846,370	7.55
	Inner Mongolia	3,723,365	3,975,235	-6.34
	Heilongjiang	665,192	668,527	-0.50
	Jilin	773,052	838,771	-7.84
	Liaoning	563,228	408,158	37.99
	Gansu	848,809	759,699	11.73
	Ningxia	478,755	460,209	4.03
	Shaanxi	126,256	117,927	7.06
	Shanxi	525,815	524,731	0.21
	Hebei	104,225	106,553	-2.18
	Henan	153,984	159,112	-3.22
	Anhui	93,481	62,603	49.32
	Guangxi	218,493	117,146	86.51
	Guizhou	55,261	36,711	50.53

II. BUSINESS REVIEW (CONTINUED)

1. Strengthened the management of plans and spared no effort to fight for increase in power generation (Continued)

Business segments	Regional distribution	As at 30 June 2020 (MWh)	As at 30 June 2019 (MWh)	Rate of year-on-year change (%)
	Yunnan	489,361	464,345	5.39
	Chongqing	65,726	41,060	60.07
	Guangdong	38,696	40,443	-4.32
	Shandong	817,428	778,125	5.05
	Shanghai	250,127	199,855	25.15
	Fujian	88,126	87,158	1.11
	Jiangsu	510,091	–	–
Photovoltaic Power		160,180	131,520	21.79
	Jiangsu	9,207	8,502	8.29
	Ningxia	38,558	34,306	12.39
	Qinghai	61,791	64,530	-4.24
	Shanxi	17,051	18,055	-5.56
	Liaoning	6,329	6,126	3.31
	Guizhou	27,244	–	–
Gas		13,430	10,048	33.65
	Shanxi	13,430	10,048	33.65

II. BUSINESS REVIEW (CONTINUED)

2. Further implementation of the safety production

While strictly implementing COVID-19 pandemic prevention and control work, the Company effectively carried out examination in spring and a three-year special rectification program on production safety, ensured production safety while maintaining ongoing COVID-19 response; organized and carried out flood prevention and power failure drill as per the Company's overall requirements on flood prevention; strengthened safety monitoring and examination by monitoring and ensuring the safety of infrastructure construction sites as per the direction on safety and risk control issued at the beginning of the year; carried out in-depth production indicator data gathering, analysis and commenting work, identified the disadvantageous units through analyzing the indicators including the curtailment ratio, regional benchmarking of utilisation hour and urged them to spare no effort to fight for the increase in power generation.

In the first half of 2020, with an overall stable status in safety production, the utilisation rate of wind turbines of the Company was 99.01%, continued to be better than the industry average; the wind power curtailment ratio decreased to 4.32%, representing a year-on-year decrease of 1.30 percentage points; the average utilisation hours of wind power of the Company stood at 1,128 hours, which was 5 hours higher than the national average utilisation hours of wind power.

II. BUSINESS REVIEW (CONTINUED)

2. Further implementation of the safety production (Continued)

As at 30 June 2020, the average utilisation hours of the Group by region was as follows:

Business segments	Regional distribution	As at 30 June 2020 *(hours)*	As at 30 June 2019 *(hours)*	Year-on-year change *(hours)*
Total		1,118	1,128	-10
Wind Power		1,128	1,135	-7
	Inner Mongolia	1,239	1,323	-84
	Heilongjiang	1,227	1,334	-107
	Jilin	1,193	1,294	-101
	Liaoning	1,165	1,092	73
	Gansu	1,004	898	106
	Ningxia	769	841	-72
	Shaanxi	847	791	56
	Shanxi	965	999	-34
	Hebei	1,053	1,076	-23
	Henan	1,079	1,115	-36
	Anhui	823	640	183
	Guangxi	969	816	153
	Guizhou	1,151	765	386
	Yunnan	1,488	1,567	-79
	Chongqing	789	821	-32
	Guangdong	782	817	-35

II. BUSINESS REVIEW (CONTINUED)

2. Further implementation of the safety production (Continued)

Business segments	Regional distribution	As at 30 June 2020 *(hours)*	As at 30 June 2019 *(hours)*	Year-on-year change *(hours)*
	Shandong	**950**	904	46
	Shanghai	**1,225**	979	246
	Fujian	**923**	913	10
	Jiangsu	**1,690**	–	–
Photovoltaic Power		**684**	754	-70
	Jiangsu	**498**	460	38
	Ningxia	**787**	700	87
	Qinghai	**772**	807	-35
	Shanxi	**853**	903	-50
	Liaoning	**904**	875	29
	Guizhou	**457**	–	–
Gas		**2,686**	2,010	676
	Shanxi	**2,686**	2,010	676

II. BUSINESS REVIEW (CONTINUED)

3. Strived to carry forward the work progress of maintaining electricity prices and facilitating projects to be put into operation

On the basis of task of projects put into operation of the Company at the beginning of the year, the Company carefully untangled the continuous pressure, set up a steering team to maintain the electricity prices, and strengthened the progress supervision to ensure one schedule for one project and implementation of individual's responsibilities. Moreover, the Company followed up the project progress every week, endeavored to coordinate to solve the fund, equipment and other related issues in the construction of projects to ensure the completion of the annual task by strengthening the supervision and implementation.

As at 30 June 2020, the capacity of the projects under construction of the Company was 1,837 MW with the total consolidated installed capacity of 9,902.72 MW. In particular, the wind power consolidated installed capacity was 9,625.25 MW, representing an increase of 837.80 MW or 9.53% as compared with the Corresponding Period of 2019. The consolidated installed capacity of photovoltaic power was 272.47 MW, representing an increase of 98 MW or 56.17% as compared with the Corresponding Period of 2019.

II. BUSINESS REVIEW (CONTINUED)

3. Strived to carry forward the work progress of maintaining electricity prices and facilitating projects to be put into operation (Continued)

As at 30 June 2020, the consolidated installed capacity of the Group by region was as follows:

Business segments		Regional distribution	As at 30 June 2020 *(MW)*	As at 30 June 2019 *(MW)*	Rate of year-on-year change *(%)*
Total			9,902.72	8,966.92	10.44
Wind Power			9,625.25	8,787.45	9.53
	Inner Mongolia		3,005.55	3,005.55	0.00
		Eastern Inner Mongolia	2,151.75	2,151.75	0.00
		Western Inner Mongolia	853.80	853.80	0.00
	Northeast China		1,716.90	1,522.90	12.74
		Heilongjiang	551.00	501.00	9.98
		Jilin	648.10	648.10	0.00
		Liaoning	517.80	373.80	38.52
	Central and Western China		3,391.30	3,049.30	11.22
		Gansu	845.80	845.80	0.00
		Ningxia	646.50	547.50	18.08
		Shaanxi	149.00	149.00	0.00
		Shanxi	625.50	625.50	0.00
		Hebei	99.00	99.00	0.00
		Henan	142.75	142.75	0.00
		Anhui	145.50	97.50	49.23
		Guangxi	247.00	148.00	66.89

II. BUSINESS REVIEW (CONTINUED)

3. Strived to carry forward the work progress of maintaining electricity prices and facilitating projects to be put into operation (Continued)

Business segments		Regional distribution	As at 30 June 2020 (MW)	As at 30 June 2019 (MW)	Rate of year-on-year change (%)
		Guizhou	48.00	48.00	0.00
		Yunnan	344.25	296.25	16.20
		Chongqing	98.00	50.00	96.00
	South-East Coastal Areas		1,511.50	1,209.70	24.95
		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
		Jiangsu	301.80	-	-
Photovoltaic Power			272.47	174.47	56.17
		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
		Guizhou	98.00	-	-
Gas			5.00	5.00	0.00
		Shanxi	5.00	5.00	0.00

Note: Given that the wind power project (I) in Longgan Lake, Hubei of the Company had been eliminated, therefore, the installed size on 30 June 2019 was restated and the installed capacity in Hubei decreased 48 MW accordingly.

II. BUSINESS REVIEW (CONTINUED)

4. Accelerated the layout, development and construction of early projects

In the first half of 2020, the Company strove to promote high-quality development. In addition, it set up a work steering group for competitive resource allocation to actively participate in the competitive bidding allocation and grid-parity priority selection of 16 provinces and regions in China. The Company strengthened communication and coordination, and took the initiative to carry out the early development work in key areas so as to increase resource reserves and to enhance the sustained development momentum of the Company.

As at 30 June 2020, the Company added a total of 1,180 MW of new applications and obtained bidding and parity photovoltaic project quota.

5. Coordinated to carry out the 14th Five-Year Plan of the Company

The Company adhered to the new development concept, promoted high-quality development, regarded "transforming the method, adjusting the structure and improving the weakness" as the main line, actively accelerated onshore wind power and steadily developed offshore wind power with economic efficiency as the center and orderly scientific development as the means, enhanced the sustainable development capacity of the new energy company and strove to reach a new level in wind power scale and photovoltaic scale of the Company at the end of 2025.

II. BUSINESS REVIEW (CONTINUED)

6. Strengthened the management of financial capital and optimised debt structure

The Company further intensified the overall budget and capital management and control and gave full play to the role of overall management and supervision. Moreover, the Company paid close attention to business budget and cash flow budget, improved process management and control mechanism and increased budget precision. In addition, it strengthened the centralised management and control of capital, reduced capital occupation and decreased capital cost so as to meet the capital demand of the project of maintaining electricity prices.

The Company seized the current relatively easing and interest rate-downward policy window in capital market and actively consulted with financial institutions. What's more, the Company minimized the financing costs, improved the capital and debt structure through issuing perpetual corporate bonds and perpetual medium-term notes, registering and issuing Asset Backed Notes (ABN), replacing high cost loan and other ways. The Company continuously enriched the ways of reducing leverage and controlled the scale of interest-bearing liabilities.

As at 30 June 2020, the average cost of capital of the Company was 4.34%, decreased by 0.17 percentage points as compared with that as at 30 June 2019.

II. BUSINESS REVIEW (CONTINUED)

7. Implement the key Party building tasks and gave full play to the leading role of Party building in development

The Company studies and implements Xi Jinping's socialist ideology with Chinese characteristics in the new era, the important remarks and instructions, proceeded from the needs of reform and development, promoted Party building and central work to make plans, to deploy, to implement and to review at the same time to ensure the two-way works go hand in hand, and represented the effectiveness of Party building works through the achievements of reform and development. The Company coordinated the implementation of various targets and tasks of pandemic prevention and control and "high-quality development year", fulfilled the political responsibility of Party Committees at all levels to administer and run the Party; intensified the study and education of Party members and cadres, collaborated to carry out the ideological work, deepened the construction of spiritual civilisation and enterprise culture, effectively implemented the advanced and typical selection campaign and created a positive working atmosphere. Moreover, the Company actively carried out "Happy Datang" and the construction of staff service center so as to improve the sense of gain, well-being and security of staff, enhance enterprise cohesion.

III. FINANCIAL POSITION AND OPERATING RESULTS

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

1. Overview

The Group's net profit for the six months ended 30 June 2020 amounted to RMB1,233.54 million, representing an increase of RMB187.91 million as compared with that for the Corresponding Period of 2019. In particular, profit attributable to the owners of the parent for the period amounted to RMB991.79 million, representing an increase of RMB108.50 million as compared with that for the Corresponding Period of 2019.

III. FINANCIAL POSITION AND OPERATING RESULTS (CONTINUED)

2. Revenue

The Group's revenue for the six months ended 30 June 2020 increased by 7.35% to RMB4,822.46 million as compared with RMB4,492.10 million for the Corresponding Period of 2019, 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 2020 increased by 7.33% to RMB4,810.36 million as compared with RMB4,481.93 million for the Corresponding Period of 2019, primarily due to the combined effect of an increase in installed capacity, improvement of the power curtailment, and an increase in average on-grid tariff.

The Group's revenue from the provision of other services for the six months ended 30 June 2020 amounted to RMB7.16 million, mainly attributable to the revenue generated from the provision of EPC services, repair and maintenance services of wind turbines equipment and other services.

3. Other income and other gains, net

The Group's net other income and other gains for the six months ended 30 June 2020 decreased by 20.12% to RMB166.26 million as compared with RMB208.14 million for the Corresponding Period of 2019, primarily due to the decrease in government grants and gain on acquisition of a subsidiary.

The Group's government grants for the six months ended 30 June 2020 decreased by 12.82% to RMB165.04 million as compared with RMB189.31 million for the Corresponding Period of 2019, primarily due to the decrease in income for value-added tax refund upon collection.

III. FINANCIAL POSITION AND OPERATING RESULTS (CONTINUED)

4. Operating expenses

The Group's operating expenses for the six months ended 30 June 2020 increased by 1.77% to RMB2,463.33 million as compared with RMB2,420.38 million for the Corresponding Period of 2019, mainly attributable to the increase in depreciation of wind turbines.

The Group's depreciation and amortisation charges for the six months ended 30 June 2020 increased by 5.70% to RMB1,879.11 million as compared with RMB1,777.85 million for the Corresponding Period of 2019, primarily due to the increased capacity of wind power projects which were put into operation.

The Group's other operating expenses for the six months ended 30 June 2020 decreased by 25.60% to RMB192.25 million as compared with RMB258.39 million for the Corresponding Period of 2019, primarily due to that the provision for impairment of property, plant and equipment decreased by RMB81.12 million for the period.

5. Operating profit

The Group's operating profit for the six months ended 30 June 2020 increased by 10.77% to RMB2,525.38 million as compared with RMB2,279.86 million for the Corresponding Period of 2019, primarily due to the increase in electricity sales revenue and the decrease in other operating expenses.

6. Finance income

The Group's finance income for the six months ended 30 June 2020 increased by 10.21% to RMB19.10 million as compared with RMB17.33 million for the Corresponding Period of 2019, primarily due to the increase in the average balance of the Group's bank deposits.

III. FINANCIAL POSITION AND OPERATING RESULTS (CONTINUED)

7. Finance expenses

The Group's finance expenses for the six months ended 30 June 2020 increased by 1.91% to RMB1,117.14 million as compared with RMB1,096.21 million for the Corresponding Period of 2019, primarily due to the increase in the average balance of interest-bearing liabilities.

8. Share of profits of associates and joint ventures

The Group recorded a profit of RMB22.95 million in share of profits of associates and joint ventures for the six months ended 30 June 2020 as compared with RMB28.98 million for the Corresponding Period of 2019.

9. Income tax expense

The Group's income tax expense for the six months ended 30 June 2020 was RMB216.75 million, representing an increase of 17.59% from RMB184.32 million for the Corresponding Period of 2019. This was mainly due to (1) the increase in the Group's profit before tax for the six months ended 30 June 2020 over the Corresponding Period of 2019, which led to a corresponding increase in income tax expense; (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 2020 amounted to RMB1,233.54 million, representing an increase of RMB187.91 million as compared with that of RMB1,045.63 million for the Corresponding Period of 2019. The Group's net profit margin for the six months ended 30 June 2020 increased to 25.58% as compared with 23.28% for the Corresponding Period of 2019, primarily due to the increase in electricity sales revenue.

III. FINANCIAL POSITION AND OPERATING RESULTS (CONTINUED)

11. Profit attributable to the owners of the parent

Profit attributable to the owners of the parent for the six months ended 30 June 2020 amounted to RMB991.79 million, representing an increase of RMB108.50 million as compared with that of RMB883.29 million for the Corresponding Period of 2019.

12. Profit attributable to non-controlling interests

The profit attributable to non-controlling interests for the six months ended 30 June 2020 increased by 48.92% to RMB241.75 million as compared with RMB162.34 million for the Corresponding Period of 2019.

13. Liquidity and capital resources

The Group's cash and cash equivalents as at 30 June 2020 increased by 69.11% to RMB5,948.04 million as compared with RMB3,517.16 million as at 31 December 2019. The main source of operating capital of the Group was approximately RMB20,322.00 million of unutilised banking facilities as at 30 June 2020, primarily including the undrawn credit facilities under the strategic cooperative framework agreements which the Company entered into with commercial banks in China and approved/registered but not issued corporate bonds, mid-term note and ultra short-term financing bonds of RMB13,800.00 million.

As at 30 June 2020, the Group's borrowings increased by 0.46% to RMB57,042.62 million as compared with RMB56,780.55 million as at 31 December 2019. In particular, an amount of RMB20,251.60 million (including an amount of RMB6,664.68 million of long-term borrowings due within 1 year) was short-term borrowings, and an amount of RMB36,791.02 million was long-term borrowings.

14. Capital expenditure

The Group's capital expenditure for the six months ended 30 June 2020 increased by 41.33% to RMB3,002.79 million as compared with RMB2,124.65 million for the Corresponding Period of 2019. Capital expenditure was mainly engineering construction cost such as purchase and construction of property, plant and equipment, right-of-use assets, and intangible assets and net increase in prepayments for constructions and equipments.

III. FINANCIAL POSITION AND OPERATING RESULTS (CONTINUED)

15. Net gearing ratio

As at 30 June 2020, 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 70.88%, representing a decrease of 8.41 percentage points as compared with 79.29% as at 31 December 2019, which was mainly due to the combined effect of the increase in cash and cash equivalents and profitability.

16. Significant investment

For the six months ended 30 June 2020, the Group had no significant investment.

17. Material acquisitions and disposals

On 16 January 2020, Datang Renewables (HK) Co., Limited ("Datang Renewable HK") accepted the voluntary conditional offer made by CLSA Limited on behalf of China Huaneng Group Co., Ltd.* (中國華能集團有限公司) ("China Huaneng") to acquire all of the issued H Shares in Huaneng Renewables Corporation Limited* (華能新能源股份有限公司) ("Huaneng Renewables") and disposed its 124,000,000 H Shares in Huaneng Renewables to China Huaneng in consideration of the cash offer price at HK$3.17 per H share. As at 30 June 2020, a total consideration of HK$393,080,000 has been received by Huaneng Renewables.

Save as disclosed above, the Group has no other material acquisitions and disposals for the six months ended 30 June 2020.

18. Pledge of assets

Some of the Group's loans are secured by property, plant and equipment, tariff collection rights and concession assets. As at 30 June 2020, net carrying amount of the pledged assets amounted to RMB11,675.95 million in aggregate.

19. Contingent liabilities

As at 30 June 2020, the Group had no material contingent liabilities.

IV. RISK FACTORS AND RISK MANAGEMENT

1. Policy risk

Since 2005, the PRC government has offered increasing policy support to the renewable energy industry and implemented a series of preferential measures to bolster the development of domestic new energy projects, including compulsory grid connections, on-grid tariff subsidies, and preferential tax policies. Although the PRC government has reiterated that it would continue to intensify its support for the development of new energy industry, there is still possibility that it might alter or repeal the current preferential measures and favorable policies without any prior notice.

2. Power curtailment risk

Although the power curtailment has been improved continuously in recent years, as the increase in current social power consumption did not match with the increase in generation capacity, it might result in the failure of full consumption of energy output from the Group's power generating projects operating at full load.

3. 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)

4. Climate risk

The commercial viability and profitability of the Group's wind farms highly depend on suitable wind resources and weather conditions. The power generation and operating revenue of wind power projects largely depend on local climatic conditions. Particularly, the condition of wind resources varies greatly with seasons and geographical location and is difficult to predict accurately. The Group's investment decision for any wind power project is based on the feasibility study conducted on site before the start of construction. However, there may be difference between actual climatic conditions, particularly the wind resources conditions, at the project site, and the findings of feasibility study. Therefore, the wind power projects of the Group may fail to reach the expected production level, which may have an adverse impact on the realisation of profitability target.

5. Risks related to interest rate

Interest risk arises from fluctuations in bank loan rate. Such interest rate changes may influence the Group's capital expenditure structure and eventually affect its operating results. As the Group highly relies on external financing for funding its investment so as to expand its wind power business, the Group closely monitors the capital cost in securing such loans.

6. Higher gearing ratio risk

The business of the Group is a capital-intensive industry, and a substantial increase in the cost of capital may have a material adverse effect on the business, financial condition or operating results of the Group. The Group has huge demand for construction and capital expenditure, and it takes a long time to recover the capital investment in new energy facilities. Meanwhile, the capital investment required for the development and construction of new energy projects generally varies with the cost of the necessary fixed assets. If the development and construction costs of the new energy projects of the Group increase significantly, the Group's ability to achieve its goals and the business, financial conditions and operating results of the Group will be adversely affected. In this regard, the Group will monitor the market situation in a timely manner and make corresponding strategic adjustments, as well as explore various financing channels and adjust its financial structure.

IV. RISK FACTORS AND RISK MANAGEMENT (CONTINUED)

7. 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 the Shareholders. We are therefore subject to risks associated with foreign currency exchange rate fluctuations. Fluctuations in the value of RMB against foreign currencies may affect RMB for foreign acquisitions and foreign currency borrowings, and the prices of our 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 2020

In the second half of 2020, the Group will continue to implement the new development concept, strive to expand the development space, improve its core competitiveness, focus on the pandemic prevention and control, and strengthen the operational management, to ensure the comprehensive completion of various targets and tasks of "high-quality development year".

1. To ensure production safety and stability in an unremitting way

We will adhere to the system to manage the general administration of works, fasten on style guarantee, enhance the implementation of responsibilities, and pay close attention to major enterprises and "key minorities". We will monitor the situation of the prevention and control of COVID-19 pandemic closely and be prepared for its change all the time, and carefully plan the work of production and operation in all aspects under regular COVID-19 prevention and control. We will stick to the practise of timely warning and early intervention while maintaining the control over the overall situation, and take special actions to effectively address problems occurring, so as to ensure production safety. Furthermore, we will eliminate unplanned outages as well as identify and remove hidden dangers, so as to ensure safety and stability during production for the whole year.

2. To spare no effort to fight for the increase of power generation so as to ensure the achievement of annual operating goals

We will strengthen our market, competition and efficiency awareness, consistently give top priority to the fight for the increase of power generation and attach equal importance to the driving force of planning and that of market. We will conduct daily monitoring, weekly scheduling, monthly analysis and quarterly summary, so as to timely identify and effectively address various problems impacting power generation. We will put the work of power generation first and invest full efforts to achieve the power generation target for this year. Furthermore, we will devote greater efforts to marketing, make active response to power system reform and the policies on tariff adjustments, coordinate the relation between quantity and tariff, monitor closely the planned quantity and various transacted quantity, and strive for the increase of power generation in an efficient manner. We will enhance the management of wind power equipment, promote the availability of the units and continuously improve the quality and efficiency of wind power business, to ensure the achievement of various production and operation targets for the whole year.

V. OUTLOOK FOR BUSINESS IN SECOND HALF OF 2020 (CONTINUED)

3. To advance high quality development with intensive efforts

While sticking to our construction and production target for the year, we will race against time and make joint efforts as well as take all possible measures to achieve our primary target in a timely manner, to ensure the completion of each project in a satisfactory way. We will fight as scheduled, firmly fasten on the objective of construction and putting into operation of the annual work, make every effort, and be strict on appraisal mechanism. We will accelerate the advancing of the construction and operation of competitive bidding and grid parity photovoltaic projects as well as price-securing projects. We will create, maintain and consolidate a sound environment which values resources and market share acquisition, increase resource reserve and resource converting, advance the approval and registration of our projects and strive to safeguard our bottom line by maintaining the new market share acquired.

4. To coordinate the improvement of quality and that of efficiency

Under current situation of further deepening of the reform of electricity market, we keep to be goal-, problem- and result-oriented. By virtue of two special actions which are quality and efficiency improvement and benchmarking against world-class peers, in addition to striving for the increase of power generation, we will take combined measures to increase revenue and profit, reduce expenditures and loss, and improve quality and efficiency. We will strengthen dynamic monitoring, shorten duration for management and control cycle, and supervise and urge to make improvement. Furthermore, we will focus on the net profit target for the year and delegate lead personnel to assume responsibility for the achievement of such target, as well as strengthen process management and control, to ensure early exposure and early solving of problems and avoid the occurrence of passive situation. We will strictly implement various measures to reduce the leverage and liabilities, conduct rigid control over the budget and adhere strictly to the "belt-tightening" principle, to further lower the proportion of expenses to operating revenue. We will improve funds management and take full advantage of policies on financing support, to optimize debt structure and reduce capital cost and financial expenses.

V. OUTLOOK FOR BUSINESS IN SECOND HALF OF 2020 (CONTINUED)

5. To put effort into improving market value management

We will comprehensively strengthen research on capital market, implement various measures, and establish a good capital market image; continue to improve the operating results, promote the enhancement of the Company's intrinsic value; improve the sound investor relationship management system and the daily communication and contact mechanism, and be more active to communicate with analysts and investors; continue to deepen the work of information disclosure, so as to further draw more attention in capital market.

Human Resources

I. PROFILE OF HUMAN RESOURCES

As at 30 June 2020, the Group had 3,336 employees in total, including 137 employees aged 55 and above, representing 4.11% of the total; 267 employees aged from 50 to 54, representing 8.00% of the total; 373 employees aged from 45 to 49, representing 11.18% of the total; 216 employees aged from 40 to 44, representing 6.47%; 2,343 employees aged 39 or below, representing 70.23% of the total.

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

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

IV. STAFF TRAINING

Guided by the concept of "high-quality development", the Group actively carried out the plan of building a strong enterprise relying on talents and vigorously worked on building up three talents teams in management, technical and skilled personnel. The Company aimed to gradually establish and improve the talents cultivation system with its characteristics through "fostering, selecting, motivating and utilising" talents, thus enabling the talents to play important roles in the development of the Company.

As at 30 June 2020, the Group mainly provided training programmes on business management, professional techniques and production skills, with a staff attendance rate of 100%. Average hours of training per employee by gender were 70 hours/person for male and 22 hours/person for female. Average hours of training per employee by ranking were 28 hours/person for senior management, 25 hours/person for heads of department, 26 hours/person for other office staff, and 40 hours/person for general and technical workers.

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 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.

1. SHARE CAPITAL

As at 30 June 2020, 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 the Shareholders for the six months ended 30 June 2020.

3. INTERESTS AND SHORT POSITIONS OF THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2020, 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 2020, 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%
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

For the six months ended 30 June 2020, in accordance with the disclosure as required under Rule 13.51(2) of the Listing Rules, changes in information of directors, supervisors and senior management of the Company are set out as below:

(1) On 31 March 2020, Ms. Wang Haiyan was appointed as the chief accountant of the Company. Mr. Sun Yanwen ceased to serve as the chief accountant of the Company with effect on the same day.

(2) At the 2020 first extraordinary general meeting held on 11 May 2020, the appointment of Mr. Kou Wei as a non-executive director of the Company was approved by the Shareholders. His term of office is the same long as those of the members of the third session of the Board. It is agreed that Mr. Chen Feihu ceased to serve as a non-executive director of the Company. On the same day, Mr. Kou Wei was also appointed as the chairman of the Board.

(3) Mr. Zhao Zonglin has resigned as a vice general manager with effect from 29 June 2020.

(4) Mr. Pan Xiaokai was appointed as the deputy general manager of the Company with effect from 25 August 2020.

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

During the six months ended 30 June 2020, 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 2020, 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

Details of the subsequent events after the Reporting Period of the Group are set out in Note 23 to the interim condensed consolidated financial information.

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. For the six months ended 30 June 2020, 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 2020, the Company was in strict compliance with the principles and code provisions contained in 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, 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 2020, 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 2020, the Company had three independent non-executive directors, namely Mr. Liu Chaoan, Mr. Lo Mun Lam, Raymond and Mr. Yu Shunkun.

12. REVIEW BY THE AUDIT COMMITTEE

In compliance with Rule 3.21 of the Listing Rules, the Company has established the Audit Committee in accordance with the board resolution adopted on 12 July 2010. 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 2020, 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 2020 and the accounting standards and practises 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 2020 and the 2020 interim report of the Company.

Interim Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2020
(Amounts expressed in thousands of RMB unless otherwise stated)

	Notes	For the six months ended 30 June 2020 Unaudited	2019 Unaudited
Revenue	6	**4,822,458**	4,492,095
Other income and other gains, net	7	**166,259**	208,137
Depreciation and amortisation charges		**(1,879,105)**	(1,777,846)
Employee benefit expenses		**(296,343)**	(273,405)
Material costs		**(20,419)**	(26,532)
Repairs and maintenance expenses		**(75,215)**	(84,203)
Other operating expenses	8	**(192,251)**	(258,389)
		(2,463,333)	(2,420,375)
Operating profit		**2,525,384**	2,279,857
Finance income	9	**19,098**	17,327
Finance expenses	9	**(1,117,136)**	(1,096,213)
Finance expenses, net	9	**(1,098,038)**	(1,078,886)
Share of profits of associates and joint ventures		**22,951**	28,976

(Amounts expressed in thousands of RMB unless otherwise stated)

		For the six months ended 30 June	
	Notes	2020 Unaudited	2019 Unaudited
Profit before tax		**1,450,297**	1,229,947
Income tax expense	10	**(216,754)**	(184,316)
Profit for the period		**1,233,543**	1,045,631
Attributable to:			
Owners of the parent		**991,792**	883,289
Non-controlling interests		**241,751**	162,342
		1,233,543	1,045,631
Basic and diluted earnings per share attributable to ordinary equity holders of the parent *(expressed in RMB per share)*	11	**0.1280**	0.1135

Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2020
(Amounts expressed in thousands of RMB unless otherwise stated)

	For the six months ended 30 June	
	2020 Unaudited	2019 Unaudited
Profit for the period	**1,233,543**	1,045,631
Other comprehensive income/(loss)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in the subsequent periods:		
Exchange differences on translation of foreign operations	**(350)**	(408)
Share of other comprehensive income of joint ventures	**131**	–
Net other comprehensive loss that may be reclassified to profit or loss in the subsequent periods	**(219)**	(408)
Other comprehensive income/(loss) 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	**4,051**	(4,965)
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in the subsequent periods	**4,051**	(4,965)
Other comprehensive income/(loss) for the period, net of tax	**3,832**	(5,373)
Total comprehensive income for the period	**1,237,375**	1,040,258
Attributable to:		
Owners of the parent	**997,378**	878,854
Non-controlling interests	**239,997**	161,404
	1,237,375	1,040,258

Interim Condensed Consolidated Statement of Financial Position

30 June 2020

(Amounts expressed in thousands of RMB unless otherwise stated)

	Notes	30 June 2020 Unaudited	31 December 2019 Audited
ASSETS			
Non-current assets			
Property, plant and equipment	13	58,288,282	59,055,130
Investment properties		19,879	20,259
Right-of-use assets		1,740,351	1,730,167
Intangible assets	13	351,491	361,650
Investments in associates and joint ventures		876,590	833,173
Equity investments designated at fair value through other comprehensive income		73,922	413,010
Financial assets at fair value through profit or loss		17,095	14,368
Deferred tax assets		12,348	12,391
Prepayments, other receivables and other assets	14	3,318,484	2,782,491
Total non-current assets		64,698,442	65,222,639
Current assets			
Inventories		199,932	193,731
Trade and bills receivables	15	11,827,310	9,545,652
Prepayments, other receivables and other assets	14	2,501,456	1,500,221
Restricted cash	16	64,834	44,041
Structured deposits	16	80,000	–
Cash and cash equivalents	16	5,948,044	3,517,159
Total current assets		20,621,576	14,800,804
Total assets		85,320,018	80,023,443

(Amounts expressed in thousands of RMB unless otherwise stated)

	Notes	30 June 2020 Unaudited	31 December 2019 Audited
LIABILITIES			
Current liabilities			
Interest-bearing bank and other borrowings	17	**20,251,601**	20,131,024
Trade and bills payables	18	**248,590**	366,641
Other payables and accruals	19	**6,150,646**	5,833,280
Current income tax liabilities		**112,044**	126,172
Total current liabilities		**26,762,881**	26,457,117
Net current liabilities		**(6,141,305)**	(11,656,313)
Total assets less current liabilities		**58,557,137**	53,566,326
Non-current liabilities			
Interest-bearing bank and other borrowings	17	**36,791,017**	36,649,523
Deferred tax liabilities		**17,187**	18,427
Other payables and accruals	19	**434,539**	2,397,526
Total non-current liabilities		**37,242,743**	39,065,476
Total liabilities		**64,005,624**	65,522,593
Net assets		**21,314,394**	14,500,850

(Amounts expressed in thousands of RMB unless otherwise stated)

	Notes	30 June 2020 Unaudited	31 December 2019 Audited
EQUITY			
Share capital		7,273,701	7,273,701
Share premium		2,080,969	2,080,969
Perpetual note and bonds	21	5,990,566	–
Retained profits		3,589,463	2,951,129
Other reserves		(1,323,369)	(1,237,002)
Equity attributable to owners of the parent		17,611,330	11,068,797
Non-controlling interests		3,703,064	3,432,053
Total equity		21,314,394	14,500,850

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2020
(Amounts expressed in thousands of RMB unless otherwise stated)

	Equity attributable to owners of the parent							
	Share capital	Share premium	Perpetual note and bonds *(Note 21)*	Other reserves	Retained profits	Total	Non-controlling interests	Total equity
At 1 January 2020	7,273,701	2,080,969	–	(1,237,002)	2,951,129	11,068,797	3,432,053	14,500,850
Profit for the period	–	–	–	–	991,792	991,792	241,751	1,233,543
Other comprehensive income for the period:								
Exchange differences on translation of foreign operations	–	–	–	(337)	–	(337)	(13)	(350)
Share of other comprehensive income of joint ventures	–	–	–	131	–	131	–	131
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax	–	–	–	5,792	–	5,792	(1,741)	4,051
Total comprehensive income for the period	–	–	–	5,586	991,792	997,378	239,997	1,237,375
Contributions from non-controlling interests	–	–	–	–	–	–	31,014	31,014
Transfer of fair value reserve upon the disposal of equity investments designated at fair value through other comprehensive income	–	–	–	(91,953)	91,953	–	–	–
Issuance of perpetual note and bonds, net of issuance costs	–	–	5,990,566	–	–	5,990,566	–	5,990,566
Appropriation to perpetual note and bonds holders	–	–	–	–	(227,200)	(227,200)	–	(227,200)
Final 2019 dividend declared *(Note 12)*	–	–	–	–	(218,211)	(218,211)	–	(218,211)
At 30 June 2020 (Unaudited)	7,273,701	2,080,969	5,990,566	(1,323,369)	3,589,463	17,611,330	3,703,064	21,314,394

(Amounts expressed in thousands of RMB unless otherwise stated)

	Equity attributable to owners of the parent							
	Share capital	Share premium	Perpetual note	Other reserves	Retained profits	Total	Non-controlling interests	Total equity
At 1 January 2019	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:								
Exchange differences on translation of foreign operations	–	–	–	(403)	–	(403)	(5)	(408)
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax	–	–	–	(4,032)	–	(4,032)	(933)	(4,965)
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 note holders	–	–	–	–	(116,000)	(116,000)	–	(116,000)
Final 2018 dividend declared	–	–	–	–	(145,476)	(145,476)	–	(145,476)
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

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2020
(Amounts expressed in thousands of RMB unless otherwise stated)

	For the six months ended 30 June	
	2020 Unaudited	2019 Unaudited
Net cash flows from operating activities	1,936,238	1,179,904
Cash flows from investing activities		
Purchases of property, plant and equipment and intangible assets	(3,310,249)	(981,934)
Investments in associates	(20,335)	–
Proceeds from disposal of property,plant and equipment	3,605	1,179
Dividend received from associates	–	6,689
Acquisition of a subsidiary	–	(79,542)
Investments in equity investments designated at fair value through other comprehensive income	(9,759)	–
Proceeds from disposal of equity investments designated at fair value through other comprehensive income	352,898	–
Purchases of structured deposits	(80,000)	–
Net cash flows used in investing activities	(3,063,840)	(1,053,608)
Cash flows from financing activities		
Proceeds from issuance of perpetual note and bonds, net of issuance costs	5,996,226	–
Capital contributions from non-controlling interests	31,014	7,450
Proceeds from issuance of short-term bonds, net of issuance costs	4,000,000	2,000,000
Repayments of short-term bonds	(4,000,000)	(4,000,000)
Proceeds from borrowings	13,299,408	7,998,999
Repayments of borrowings	(14,472,885)	(5,425,775)
Dividends paid to non-controlling interests	(5,695)	(5,671)
Principal portion of lease payments	(243,133)	(321,421)
Interest paid	(1,052,441)	(1,073,152)
Net cash flows from/(used in) financing activities	3,552,494	(819,570)

For the six months ended 30 June 2020
(Amounts expressed in thousands of RMB unless otherwise stated)

	For the six months ended 30 June	
	2020 Unaudited	2019 Unaudited
Net increase/(decrease) in cash and cash equivalents	2,424,892	(693,274)
Cash and cash equivalents at the beginning of the period	3,517,159	3,632,830
Net foreign exchange differences	5,993	(229)
Cash and cash equivalents at the end of the period	5,948,044	2,939,327

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 2020, 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 information is presented in thousands of Renminbi ("RMB"), unless otherwise stated.

The interim condensed consolidated financial information has not been audited.

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

2.1 Basis of preparation

The interim condensed consolidated financial information for the six months ended 30 June 2020 has been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*.

The interim condensed consolidated financial information does 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 for the year ended 31 December 2019.

2.1.1 Going concern

As at 30 June 2020, the Group's current liabilities exceeded its current assets by approximately RMB6,141.3 million (31 December 2019: RMB11,656.3 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 RMB20,322.0 million as at 30 June 2020. And the directors of the Company were of the opinion that such covenants of unutilised banking facilities had been complied with and were confident that these banking facilities could be renewed upon expiration based on the Group's good credit standing at 30 June 2020; and

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. There were corporate bonds of RMB2,800.0 million approved by the China Securities Regulatory Commission ("CSRC") but not issued, renewable corporate bonds of RMB8,000.0 million approved by the CSRC but not issued, mid-term note of RMB1,000.0 million registered in the National Association of Financial Market Institutional Investors ("NAFMII") but not issued, and ultra short-term financing bonds of RMB2,000.0 million registered in the NAFMII but not issued as at 30 June 2020, all approvals and registrations of which are effective and valid for the next 12 months from the end of the reporting period.

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 information.

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

2.2 Changes in accounting policies and disclosures

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2019, except for the adoption of the following revised International Financial Reporting Standards ("IFRSs") for the first time for the current period's financial information.

Amendments to IFRS 3	*Definition of a Business*
Amendments to IFRS 9, IAS 39 and IFRS 7	*Interest Rate Benchmark Reform*
Amendment to IFRS 16	*Covid-19-Related Rent Concessions*
Amendments to IAS 1 and IAS 8	*Definition of Material*
Conceptual Framework for Financial Reporting issued on 29 March 2018	

The nature and impact of the revised IFRSs are described below:

(a) Amendments to IFRS 3 clarify and provide additional guidance on the definition of a business. The amendments clarify that for an integrated set of activities and assets to be considered a business, it must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create outputs. The amendments remove the assessment of whether market participants are capable of acquiring the business and continue to produce outputs. Instead, the focus is on whether acquired inputs and acquired substantive processes together significantly contribute to the ability to create outputs. The amendments have also narrowed the definition of outputs to focus on goods or services provided to customers, investment income or other income from ordinary activities. Furthermore, the amendments provide guidance to assess whether an acquired process is substantive and introduce an optional fair value concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The Group has applied the amendments prospectively to transactions or other events that occurred on or after 1 January 2020. The amendments did not have any significant impact on the financial position and performance of the Group.

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

2.2 Changes in accounting policies and disclosures (Continued)

(b) Amendments to IFRS 9, IAS 39 and IFRS 7 address the effects of interbank offered rate reform on financial reporting. The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments did not have any impact on the financial position and performance of the Group as the Group does not have any interest rate hedge relationships.

(c) Amendment to IFRS 16 provides a practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the covid-19 pandemic. The practical expedient applies only to rent concessions occurring as a direct consequence of the covid-19 pandemic and only if (i) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (ii) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and (iii) there is no substantive change to other terms and conditions of the lease. The amendment is effective retrospectively for annual periods beginning on or after 1 June 2020 with earlier application permitted. During the six months ended 30 June 2020, the Group had no material rent concessions granted by the lessors. Therefore the amendment did not have any impact on the Group's interim condensed consolidated financial information.

(d) Amendments to IAS 1 and IAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information. The amendments did not have any 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)

(e) The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the International Accounting Standards Board("IASB") in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards. The revised Conceptual Framework includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. The amendments had no impact on the Group's interim condensed consolidated financial information.

3. SEASONALITY OF OPERATIONS

The Group's wind power business generally generates more revenue in the first and fourth quarters, comparing to the second and third quarters in the year, as the wind speed is more suitable to power generation in spring and winter. As a result, the revenue from the wind power business fluctuates during the year.

4. ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the interim condensed consolidated financial information requires management to make judgements, 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 information, the significant judgements 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 2019.

(Amounts expressed in thousands of RMB unless otherwise stated)

5. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Fair value

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 2020 (Unaudited)		31 December 2019 (Audited)	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities:				
Non-current portion of loans from related parties *(Note 19)*	**257,613**	**263,775**	2,219,964	2,215,285
Long-term interest-bearing bank and other borrowings (other than lease liabilities)	**35,711,608**	**35,290,825**	35,588,254	35,166,659
Total	**35,969,221**	**35,554,600**	37,808,218	37,381,944

Management has assessed that the fair values of cash and cash equivalents, restricted cash, structured 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.

5. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value (Continued)

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 and loans from related parties 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 and loans from related parties as at 30 June 2020 was assessed to be insignificant.

- 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 to calculate an appropriate price multiple, such as enterprise value to earnings before interest, taxes, depreciation and amortisation ("EV/EBITDA") 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 illiquidity differences between the comparable companies based on company-specific facts and circumstances. The discounted multiple is applied to the corresponding earnings and net assets 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.

(Amounts expressed in thousands of RMB unless otherwise stated)

5. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value (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 2020 and 31 December 2019:

	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 2020: 1.2x-1.3x (31 December 2019: 1.5x)	10% (31 December 2019: 10%) increase/ decrease in multiple would result in increase/ decrease in fair value by RMB4,493,423 (31 December 2019: RMB5,495,002)
		Average EV/ EBITDA multiple of peers	30 June 2020:9.6x (31 December 2019: nil)	
		Discount for lack of marketability	30 June 2020: 30% (31 December 2019: 27%-30%)	10% (31 December 2019: 10%) increase/ decrease in multiple would result in decrease/ increase in fair value by RMB1,874,664 (31 December 2019: RMB2,317,213)

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. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial information 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

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

Assets measured at fair value:

	30 June 2020 (Unaudited)				31 December 2019 (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
Bills receivable	–	358,175	–	358,175	–	233,179	–	233,179
Equity investments designated at fair value through other comprehensive income	19,246	–	54,676	73,922	359,888	–	53,122	413,010
Financial assets at fair value through profit or loss	–	–	17,095	17,095	–	–	14,368	14,368
	19,246	358,175	71,771	449,192	359,888	233,179	67,490	660,557

(Amounts expressed in thousands of RMB unless otherwise stated)

5. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (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 2020.

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 2020 (during the six months ended 30 June 2019: nil).

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

	2020 Unaudited	2019 Unaudited
At 1 January	67,490	72,216
Total losses recognised in other comprehensive income	(8,205)	(5,498)
Total gains/(losses) recognised in the statement of profit or loss included in other income	2,727	(3,392)
Investment in equity investments designated at fair value through other comprehensive income	9,759	–
At 30 June	71,771	63,326

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) (collectively referred to as the "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 2020 and 2019. 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 2020, all (for the six months ended 30 June 2019: all) the Group's revenue was derived from external customers in the PRC.

As at 30 June 2020, substantially all (31 December 2019: substantially all) the non-current assets were located in the PRC (including Hong Kong).

For the six months ended 30 June 2020 and 2019, all revenue from the sales of electricity was derived from the provincial power grid companies in which the group 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.

6. REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Revenue

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2020 Unaudited	2019 Unaudited
Revenue from contracts with customers	4,817,517	4,489,731
Revenue from other sources:		
Gross rental income from investment property leases	4,941	2,364
	4,822,458	4,492,095

(Amounts expressed in thousands of RMB unless otherwise stated)

6. REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Revenue (Continued)

Revenue from contracts with customers

Disaggregated revenue information

Wind power segment	For the six months ended 30 June	
	2020 Unaudited	2019 Unaudited
Types of goods or services		
Sale of electricity	**4,810,362**	4,481,926
Other services	**7,155**	7,805
Total revenue from contracts with customers	**4,817,517**	4,489,731
Timing of revenue recognition		
Goods transferred at a point in time	**4,810,362**	4,481,926
Services transferred over time	**7,155**	7,805
Total revenue from contracts with customers	**4,817,517**	4,489,731

(Amounts expressed in thousands of RMB unless otherwise stated)

7. OTHER INCOME AND OTHER GAINS, NET

	For the six months ended 30 June	
	2020	2019
	Unaudited	Unaudited
Government grants	**165,042**	189,312
Dividend from equity investments at fair value through other comprehensive income	**–**	5,456
Fair value gains/(losses) on financial assets at fair value through profit or loss	**2,727**	(3,392)
(Losses)/gains on disposal of property, plant and equipment	**(134)**	1,146
Gain on acquisition of a subsidiary	**–**	19,001
Gain on previously held equity interest remeasured at acquisition date's fair value	**–**	58
Others	**(1,376)**	(3,444)
	166,259	208,137

(Amounts expressed in thousands of RMB unless otherwise stated)

8. OTHER OPERATING EXPENSES

	For the six months ended 30 June	
	2020 Unaudited	2019 Unaudited
Impairment of property, plant and equipment	–	81,117
Tax and surcharges	57,389	55,589
Insurance premium	26,660	24,022
Utility fees	25,435	17,619
Travelling expenses	10,198	12,742
Professional service and consulting fees	9,075	13,532
Lease payments not included in the measurement of lease liabilities	5,790	771
Transportation expenses	3,967	6,084
Information technology expenses	3,816	3,972
Property management fees	2,788	3,113
Office expenses	2,637	2,962
Technical supervision service fees	1,491	2,286
Entertainment expenses	643	1,657
Research and development costs	394	99
Others	41,968	32,824
	192,251	258,389

(Amounts expressed in thousands of RMB unless otherwise stated)

9. FINANCE INCOME AND FINANCE EXPENSES

	For the six months ended 30 June	
	2020	2019
	Unaudited	Unaudited
Finance income		
Interest income on deposits with banks and other financial institutions	**1,733**	6,617
Interest income on deposits and other receivables with related parties	**16,384**	9,584
Others	**981**	1,126
	19,098	17,327
Finance expenses		
Interest on bank and other borrowings	**(1,236,706)**	(1,185,130)
Interest on lease liabilities	**(29,957)**	(4,554)
Less: interest expenses capitalised in property, plant and equipment and intangible assets	**143,534**	93,700
	(1,123,129)	(1,095,984)
Foreign exchange gains/(losses), net	**5,993**	(229)
	(1,117,136)	(1,096,213)
Finance expenses, net	**(1,098,038)**	(1,078,886)
Interest capitalisation rate	**4.17% to 5.90%**	4.41% to 6.41%

(Amounts expressed in thousands of RMB unless otherwise stated)

10. INCOME TAX EXPENSE

	For the six months ended 30 June	
	2020	2019
	Unaudited	Unaudited
Current tax		
PRC enterprise income tax	**215,730**	173,100
Under provision in prior years	**2,221**	9,956
	217,951	183,056
Deferred tax		
Recognition of temporary differences	**(1,197)**	1,260
Income tax expense	**216,754**	184,316

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 2020, 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 2019: 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 2019: 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)

11. 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 interests on perpetual note and bonds, and the weighted average number of ordinary shares in issue during the period.

	For the six months ended 30 June	
	2020 Unaudited	2019 Unaudited
Earnings		
Profit attributable to ordinary equity holders of the parent *(RMB'000)*	**991,792**	883,289
Interests on perpetual note and bonds *(RMB'000)*	**(60,453)**	(57,523)
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation *(RMB'000)*	**931,339**	825,766
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)*	**0.1280**	0.1135

(b) Diluted earnings per share

Diluted earnings per share for the six months ended 30 June 2020 and 2019 are the same as the basic earnings per share as there are no potential dilutive shares.

12. DIVIDENDS

(a) Interim dividends

The board of directors did not recommend the distribution of any interim dividends to the Shareholders for the six months ended 30 June 2020 (for the six months ended 30 June 2019: nil).

(b) Dividends payable to the Shareholders attributable to the previous financial year and approved during the interim period

Final dividend of RMB0.03 per share (before tax) with a total amount of RMB218.2 million in respect of the year ended 31 December 2019 has been approved at the 2019 annual general meeting. The above final dividend has not been paid to the Shareholders as at 30 June 2020.

(Amounts expressed in thousands of RMB unless otherwise stated)

13. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

	Property, plant and equipment	Intangible assets
Net book value at 1 January 2020	**59,055,130**	**361,650**
Additions	**1,088,441**	**568**
Transfer and reclassification	**(7,548)**	**–**
Other disposals	**(3,739)**	**–**
Depreciation and amortisation charges	**(1,844,002)**	**(10,727)**
Net book value at 30 June 2020 (Unaudited)	**58,288,282**	**351,491**
Net book value at 1 January 2019	56,429,521	564,302
Additions	5,766,582	9,827
Transfer and reclassification	108,991	(190,684)
Disposal of a subsidiary	332,493	–
Other disposals	(975)	(204)
Depreciation and amortisation charges	(3,482,692)	(21,591)
Impairment during the year	(98,790)	–
Net book value at 31 December 2019 (Audited)	59,055,130	361,650

As at 30 June 2020, included in intangible assets are concession assets amounting to RMB235.0 million (31 December 2019: RMB242.6 million).

As at 30 June 2020, certain property, plant and equipment were pledged as security for long-term borrowings and other loans of the Group (Note 17(c)).

For the six months ended 30 June 2020, there was no impairment loss recognised for property, plant, equipment and intangible assets. For the six months ended 30 June 2019, impairment loss of RMB81.1 million 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 to sell.

(Amounts expressed in thousands of RMB unless otherwise stated)

14. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	30 June 2020 Unaudited	31 December 2019 Audited
Clean Development Mechanism ("CDM") assets/ receivables	68,642	68,642
Less: provision for impairment	(66,310)	(66,310)
	2,332	2,332
Receivables from the provision of services	36,123	36,123
Proceeds receivables from the disposal of subsidiaries	127,324	127,324
Receivable from the disposal of a wind farm project	22,281	22,367
Dividend receivable	18,000	18,000
Deposit for project investments	37,276	23,935
Deposit for borrowings *(Note 17 (a)(ii))*	48,705	48,705
Receivables under lease arrangements	37,037	39,456
Other receivables	237,642	200,141
	564,388	516,051
Less: provision for impairment	(30,220)	(30,220)
	536,500	488,163
Value-added tax recoverable	1,842,182	1,945,606
Current tax prepayments	6,486	7,624
Prepayments for constructions and equipments	3,150,067	1,531,286
Other prepayments	284,705	310,033
	5,819,940	4,282,712

(Amounts expressed in thousands of RMB unless otherwise stated)

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

	30 June 2020 Unaudited	31 December 2019 Audited
Less: non-current portion of		
– Receivables under a lease arrangement	**(30,273)**	(32,843)
– Deposit for borrowings *(Note 17 (a)(ii))*	**(48,705)**	(48,705)
– Value-added tax recoverable	**(1,225,572)**	(1,341,270)
– Prepayments for constructions and equipments	**(1,898,740)**	(1,233,038)
– Other prepayments	**(115,194)**	(126,635)
	(3,318,484)	(2,782,491)
Total current portion of prepayments, other receivables and other assets	**2,501,456**	1,500,221

(Amounts expressed in thousands of RMB unless otherwise stated)

15. TRADE AND BILLS RECEIVABLES

	30 June 2020 Unaudited	31 December 2019 Audited
Trade receivables	**11,472,787**	9,316,125
Bills receivable	**358,175**	233,179
	11,830,962	9,549,304
Less: provision for doubtful debts	**(3,652)**	(3,652)
	11,827,310	9,545,652

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

	30 June 2020 Unaudited	31 December 2019 Audited
Within 1 year	**4,139,590**	5,462,437
Between 1 year and 2 years	**4,682,905**	3,314,653
Between 2 years and 3 years	**2,340,036**	566,524
Over 3 years	**664,779**	202,038
	11,827,310	9,545,652

Trade and bills receivables primarily represent receivables from regional or provincial power grid companies for tariff revenue. These receivables are unsecured and non-interest-bearing. The fair values of the trade and bills receivables approximate to their carrying amounts.

(Amounts expressed in thousands of RMB unless otherwise stated)

15. TRADE AND BILLS RECEIVABLES (CONTINUED)

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 power grid companies, except for the tariff premium of renewable energy. The collection of renewable energy tariff premium is subject to the allocation of funds by the relevant government authorities to the local power grid companies, which consequently takes a relatively longer time for settlement.

At 30 June 2020 and 31 December 2019, the Group has pledged a portion of its tariff collection rights and bills as securities for certain bank and other loans (Note 17(c)).

The maximum exposure to credit risk at the reporting date was the carrying amount of each category of receivables. The Group does not hold any collateral as security.

The movements in the loss allowance for impairment of trade and bills receivables are as follows:

	30 June 2020 Unaudited	31 December 2019 Audited
At the beginning of the period/year	3,652	3,216
Impairment losses	–	436
At the end of the period/year	3,652	3,652

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by product type, customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if the recovery of the amount is considered to be remote.

15. TRADE AND BILLS RECEIVABLES (CONTINUED)

The financial resource for the renewable energy tariff premium is the national renewable energy fund that accumulated through a special levy on the consumption of electricity. 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 "MOF"), the National Development and Reform Commission (the "NDRC") and the National Energy Administration (the "NEA") in March 2012, the standardised application and approval procedures on a project by project basis for the settlement of the tariff premium came into force since 2012, and such applications are accepted and approved batch by batch jointly by the MOF, NDRC and NEA at intervals in form of announcing renewable energy subsidy catalogues (the "Subsidy Catalogue").

In February 2020, the MOF, NDRC and NEA jointly issued new guidelines and notices (collectively referred to "New Guidelines"), i.e., Caijian [2020] No. 4 Guidelines on the Stable Development of Non-Water Renewable Energy Generation (關於促進非水可再生能源發電健康發展的若干意見) and Caijian [2020] No. 5 Measures for Administration of Subsidy Funds for Tariff Premium of Renewable Energy (可再生能源電價附加資金管理辦法). Pursuant to the New Guidelines, the quota of new subsidies should be decided based on the scale of subsidy funds, there will be no new Subsidy Catalogue published for tariff premium and as an alternative, power grid enterprises will publish list of renewable energy projects qualified for tariff premium (the "Subsidy List") periodically after the renewable energy generators gone through certain approval and information publicity process.

15. TRADE AND BILLS RECEIVABLES (CONTINUED)

As at 30 June 2020, 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. Based on the above, the Directors estimated that there are no foreseeable obstacles that would lead to the application not being approved before entering into either the Subsidy Catalogue or the Subsidy List. 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 for 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 power grid companies in the past and such tariff premium is funded by the PRC government, except for RMB2.3 million (31 December 2019: RMB2.3 million) representing a past due tariff receivable from a power grid company in dispute which was assessed to be not recoverable. The expected credit loss for other trade receivables was RMB1.3 million as at 30 June 2020 (31 December 2019: RMB1.3 million).

(Amounts expressed in thousands of RMB unless otherwise stated)

16. CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND STRUCTURED DEPOSITS

	30 June 2020 Unaudited	31 December 2019 Audited
Restricted cash	64,834	44,041
Structured deposits	80,000	–
Cash and bank balances	5,948,044	3,517,159
Cash and cash equivalents, restricted cash and structured deposits	6,092,878	3,561,200

As at 30 June 2020, restricted cash mainly represented deposits held for use as land reclamation deposits, issuance of bills payable, and unsettled suits.

As at 30 June 2020, structured deposits were measured at amortised cost and represented several deposits placed in banks with guaranteed principal. The expected annual interest rates are 3.5% and 3.15% when the one month USD London Interbank Offered Rate ("1 month LIBOR") is equal to or less than 5%, or 1.15% when the 1 month LIBOR is greater than 5% ("the event"). The structured deposits have a maturity of six months from the date of acquisition. The Group designated these financial assets at amortised cost as the event is extremely rare, highly abnormal and very unlikely to occur, therefore it could have only a de minimis effect on the contractual cash flows of the financial assets.

(Amounts expressed in thousands of RMB unless otherwise stated)

17. INTEREST-BEARING BANK AND OTHER BORROWINGS

(a) Long-term borrowings

	30 June 2020 Unaudited	31 December 2019 Audited
Bank loans		
– Unsecured loans	19,936,784	20,230,006
– Guaranteed loans	1,305,067	1,501,203
– Secured loans	7,465,064	6,301,084
	28,706,915	28,032,293
Other loans		
– Unsecured loans	5,192,215	4,935,491
– Guaranteed loans *(Note (i))*	1,000,000	1,000,000
– Secured loans *(Note (ii))*	5,245,514	5,329,301
	11,437,729	11,264,792
Corporate bonds - unsecured *(Note (iii))*	2,197,182	2,196,545
Lease liabilities	1,113,868	1,097,187
Total long-term borrowings	43,455,694	42,590,817
Less: current portion of long-term borrowings *(Note17(b))*		
– Bank loans	(3,972,961)	(3,965,265)
– Other loans	(2,657,257)	(1,940,111)
– Lease liabilities	(34,459)	(35,918)
	(6,664,677)	(5,941,294)
Total non-current portion of long-term borrowings	36,791,017	36,649,523

(Amounts expressed in thousands of RMB unless otherwise stated)

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

(a) Long-term borrowings (Continued)

Notes:

(i) As at 30 June 2020, the borrowings from Pingan Assets Management Co., Ltd. amounting to RMB1,000.0 million (31 December 2019: RMB1,000.0 million) were guaranteed by Datang Corporation.

(ii) As at 30 June 2020, the details of secured other loans were as followings:

	30 June 2020 Unaudited	31 December 2019 Audited
Datang Financial Leasing Company Limited ("Datang Financial Leasing")	**2,247,859**	2,645,592
Shanghai Datang Financial Leasing Company Limited ("Shanghai Datang Financial Leasing")	**1,340,705**	983,283
ICBC Financial Leasing Company Limited	**937,290**	1,018,783
CMB Financial Leasing Company Limited	**387,330**	356,019
China Reform Financial Leasing Company Limited	**117,117**	140,553
State Grid International Leasing Company Limited	**192,032**	152,979
Bank of Communications Financial Leasing Company Limited	**23,181**	32,092
Total	**5,245,514**	5,329,301

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

(a) Long-term borrowings (Continued)

Notes: (Continued)

(ii) (Continued)

According to the respective loan agreements with the aforementioned companies, certain subsidiaries of the Company agreed to sell and lease back certain property, plant and equipment to and from the aforementioned companies for periods ranging from 3 to 15 years under certain conditions. 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 SIC-27 *Evaluating the Substance of Transactions in 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 2020, cash amounting to RMB48.7 million (31 December 2019: RMB48.7 million) was held in a deposit account with ICBC Financial Leasing Company Limited.

(iii) The Company issued green corporate bonds amounting to RMB500.0 million, RMB500.0 million and RMB1,200.0 million with a unit par value of RMB100 each on 28 September 2016, 21 October 2016 and 26 September 2019, respectively. The annual interest rates for these green corporate bonds are 3.15%, 3.10% and 3.58%, respectively.

(Amounts expressed in thousands of RMB unless otherwise stated)

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

(b) Short-term borrowings

	30 June 2020 Unaudited	31 December 2019 Audited
Bank loans		
– Unsecured loans	**4,750,000**	5,750,000
Short-term bonds *(Note (i))*	**4,006,989**	4,035,833
Entrusted loans *(Note (ii))*	**3,000,000**	3,000,000
Other loans		
– Unsecured loans	**1,255,000**	855,000
– Secured loans	**574,935**	548,897
	1,829,935	1,403,897
Current portion of long-term borrowings *(Note 17(a))*	**6,664,677**	5,941,294
	20,251,601	20,131,024

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

(b) Short-term borrowings (Continued)

Notes:

(i) On 24 May 2019, 18 July 2019, 31 July 2019 and 17 September 2019, the Company issued four tranches of short-term bonds with a par value of RMB100 amounting to RMB2,000.0 million each. The issuance cost was RMB3.65 million. The bonds had annual effective interest rates from 2.35% to 2.60%. The four issued short-term bonds have already matured in July 2019, September 2019, April 2020 and June 2020, respectively.

On 14 April 2020 and 10 June 2020, the Company issued two tranches of short-term bonds with a par value of RMB100 amounting to RMB2,000.0 million each. The issuance cost was RMB0.58 million. The bond had annual effective interest rates from 1.10% to 1.80%. The second tranche of short-term bond has already matured in July 2020, and the first tranche of short-term bond will mature in October 2020.

(ii) During the period ended 30 June 2020, included in entrusted loans were borrowings from Datang Corporation entrusted through China Datang Group Finance Co., Ltd. ("Datang Finance"), a fellow subsidiary of the Company which is a financial institution established in the PRC, with the amount of RMB3,000.0 million. The loans will be repaid before 8 December 2020 and carry an annual effective interest rate of 3.92%.

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

(Amounts expressed in thousands of RMB unless otherwise stated)

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

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

At 30 June 2020, the effective interest rates per annum on borrowings were as follows:

	30 June 2020 Unaudited	31 December 2019 Audited
Long-term		
Bank loans	**2.82%-5.84%**	2.82%-5.76%
Other loans	**4.00%-6.41%**	3.92%-6.41%
Corporate bonds	**3.10%-3.58%**	3.10%-3.58%
Short-term		
Bank loans	**3.92%-4.35%**	3.70%-4.35%
Other loans	**2.80%-5.70%**	3.92%-5.70%
Short-term bonds	**1.10%-1.80%**	2.48%-2.60%
Entrusted loans	**3.92%**	3.92%

As at 30 June 2020, the repayment periods of long-term borrowings were as follows:

	30 June 2020 Unaudited	31 December 2019 Audited
Within 1 year	**6,664,677**	5,941,294
After 1 year but within 2 years	**7,963,773**	7,764,504
After 2 years but within 5 years	**17,075,550**	17,420,300
After 5 years	**11,751,694**	11,464,719
	43,455,694	42,590,817

(Amounts expressed in thousands of RMB unless otherwise stated)

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

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

As at 30 June 2020, details of the guaranteed bank loans were as follows:

	30 June 2020 Unaudited	31 December 2019 Audited
Guarantor		
– The Company *	**1,128,937**	1,269,420
– Non-controlling interests and an ultimate holding company of subsidiaries	**176,130**	231,783
	1,305,067	1,501,203

* As at 30 June 2020, bank loans guaranteed by the Company amounted to RMB9.0 million (31 December 2019: RMB14.0 million) were counter-guaranteed by the non-controlling interests of a subsidiary.

As at 30 June 2020, the Group has pledged certain assets as collateral for certain secured borrowings and a summary of the net book value of these pledged assets is as follows:

	Bank loans		Other loans	
	30 June 2020 Unaudited	31 December 2019 Audited	30 June 2020 Unaudited	31 December 2019 Audited
Property, plant and equipment	**1,529,634**	1,626,498	**7,468,203**	7,743,519
Concession assets	**191,730**	199,370	**–**	–
Tariff collection rights	**1,948,838**	1,412,974	**537,541**	436,186
	3,670,202	3,238,842	**8,005,744**	8,179,705

At 30 June 2020 and 31 December 2019, the Group's borrowings were all denominated in RMB.

(Amounts expressed in thousands of RMB unless otherwise stated)

18. TRADE AND BILLS PAYABLES

	30 June 2020 Unaudited	31 December 2019 Audited
Trade payables	241,590	356,619
Bills payable	7,000	10,022
	248,590	366,641

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

	30 June 2020 Unaudited	31 December 2019 Audited
Within 1 year	46,977	258,761
Between 1 year and 3 years	160,967	77,356
Over 3 years	33,646	20,502
	241,590	356,619

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)

19. OTHER PAYABLES AND ACCRUALS

	30 June 2020 Unaudited	31 December 2019 Audited
Payables for property, plant and equipment	**4,178,264**	4,866,326
Loans from related parties *(Note)*	**797,190**	2,244,265
Dividends payable	**453,772**	241,256
Interest payable	**467,409**	141,314
Accrued staff related costs	**48,122**	42,425
Payables for CDM projects	**4,409**	3,704
Payables for taxes other than income taxes	**72,295**	133,026
Asset retirement obligations	**92,158**	91,992
Amounts due to non-controlling interests	**48,034**	48,034
Contract liabilities	**3,057**	3,057
Other payables	**334,581**	328,710
	6,499,291	8,144,109
Deferred government grants	**15,660**	16,052
Other accruals and deferrals	**70,234**	70,645
	6,585,185	8,230,806
Less: non-current portion of		
– Loans from related parties *(Note)*	**(257,613)**	(2,219,964)
– Asset retirement obligations	**(92,158)**	(91,992)
– Deferred government grants	**(15,660)**	(16,052)
– Other accruals and deferrals	**(69,108)**	(69,518)
	(434,539)	(2,397,526)
Current portion of other payables and accruals	**6,150,646**	5,833,280

Note:

Except for an amount of RMB500.0 million which will be repaid before 7 June 2021 and carries an annual effective interest rate of 4.71%, and an aggregate amount of RMB257.6 million which will be repaid before 14 November 2029 and carries annual effective interest rates from 4.85% to 5.88%, the loans from related parties are unsecured, non-interest-bearing and have no fixed terms of repayment.

(Amounts expressed in thousands of RMB unless otherwise stated)

20. SIGNIFICANT RELATED PARTY TRANSACTIONS

Other than the related party transactions disclosed elsewhere in this interim condensed consolidated financial information, 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 fellow subsidiaries of the Group

	For the six months ended 30 June	
	2020 Unaudited	2019 Unaudited
Transactions with fellow subsidiaries of the Group:		
– Provision of installation, construction, general contracting services	**4,159**	834
– Purchases of insurance, engineering, construction, supervisory services and general contracting services *(Note (i))*	**(26,243)**	(10,997)
– Purchases of key and auxiliary materials, equipment and finished goods *(Note (ii))*	**(107,899)**	(121,160)
– Loans from related parties *(Note (iii))*	**4,915,888**	3,959,924
– Repayments of loans from related parties *(Note (iii))*	**(5,694,994)**	(3,382,742)
– Interest income earned	**16,668**	9,584
– Interest expense charged *(Note (iii))*	**(267,049)**	(137,287)

20. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Significant related party transactions entered into with fellow subsidiaries of the Group (Continued)

Notes:

(i) The provision of insurance and general contracting services by certain fellow subsidiaries of Datang Group included purchases of insurance and equipment and construction services mainly from China Datang Corporation Renewable Energy Science and Technology Research Institute and Beijing Datang Taixin Insurance Brokers Company Limited. The transaction prices were determined by the prescribed prices or guidance prices published by the government authorities. Where a government-prescribed price or guidance price was not available, a market price as determined through a bidding process was adopted; where a bidding process was impractical, the transaction prices were determined on arm's length basis by parties and on the basis of cost plus reasonable profit according to the historical prices and price trends of the relevant products.

(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 Company Limited and Datang International Energy Service Company Limited. The transaction prices were determined by the prescribed prices or guidance prices published by the government authorities. Where a government-prescribed price or guidance price was not available, a market price as determined through a bidding process was adopted; where a bidding process was impractical, the transaction prices were determined on arm's length basis by parties and on the basis of cost plus reasonable profit according to the historical prices and price trends of the relevant products.

(iii) During the period ended 30 June 2020, the loans from related parties included borrowings from Datang Financial Leasing, Shanghai Datang Financial Leasing, Datang Factoring Company and Datang Finance. The determination of the interest rates was based on the benchmark borrowing rates announced by the People's Bank of China. The due dates of the related borrowings fall within the period from 5 June 2023 to 6 April 2035, and the interest rates range from 2.80% to 6.41% per annum.

The purchases of installation, construction, general contracting services and purchases of key and auxiliary materials, equipment and finished goods listed above also constitute connected transactions of the Company under Chapter 14A of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time (the"Listing Rules"). Datang Financial Leasing, Shanghai Datang Financial Leasing and Datang Factoring Company are fellow subsidiaries of the Company, and the borrowings from these companies constitute 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 fellow subsidiaries of the Group (Continued)

In addition to the above transactions, on 17 March 2015, the Company and Datang Finance entered into an agreement pursuant to which Datang Finance agreed to provide certain loans, depository and other financial services to the Group for a period of three years, which expired at 31 December 2017. 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 "Financial Service Agreement"). The deposit interest rates and loan interest rates stipulated in the Financial Service Agreement are determined with reference to the benchmark deposit interest rates and loan interest rates announced by the People's Bank of China and the equivalent deposit interest rates and loan interest rates provided by independent domestic commercial banks in China. The agreement constitutes connected transactions of the Company under Chapter 14A of the Listing Rules.

As at 30 June 2020, the Group had a cash deposit held at Datang Finance amounting to RMB5,177.4 million (31 December 2019: RMB3,172.1 million) under the Financial Service Agreement, and the interest income on the deposit was RMB16.7 million for the six months ended 30 June 2020 (for the six months ended 30 June 2019: RMB7.3 million).

As at 30 June 2020, there were loans from Datang Finance amounting to RMB6,393.0 million (31 December 2019: RMB5,682.2 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 2020, 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 2019: all). These power grid companies are directly or indirectly owned or controlled by the PRC government. As at 30 June 2020, substantially all the trade and bills receivables (Note 15) are due from these power grid companies (31 December 2019: substantially all).

20. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Significant transactions with other related parties (Continued)

Apart from the above, for the six months ended 30 June 2020 and 2019, 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 2020 and 2019, 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.

(c) During the six months ended 30 June 2020, the Group recognised right-of-use assets of RMB275.5 million (for the six months ended 30 June 2019: nil), and lease liabilities of RMB267.1 million (for the six months ended 30 June 2019: nil) for leases from related parties and it also recognised depreciation expense of RMB34.4 million from right-of-use assets (for the six months ended 30 June 2019: RMB1.8 million), and interest expense of RMB28.2 million (for the six months ended 30 June 2019: RMB1.1 million) from lease liabilities. It paid RMB267.3 million (for the six months ended 30 June 2019: RMB0.3 million) under lease agreements during the six months ended 30 June 2020.

(Amounts expressed in thousands of RMB unless otherwise stated)

20. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(d) Key management personnel compensation

	For the six months ended 30 June	
	2020	2019
	Unaudited	Unaudited
Basic salaries, housing allowances, other allowances and benefits in kind	**653**	570
Discretionary bonus	**1,229**	1,016
Pension costs	**15**	110
	1,897	1,696

(e) Commitments with related parties

	30 June 2020	31 December 2019
	Unaudited	Audited
Capital commitments for the purchase of property, plant and equipment from fellow subsidiaries (contracted but not provided for)	**1,662,926**	812,829
Capital commitments to one of the Group's associates	**100,000**	100,000

21. PERPETUAL NOTE AND BONDS

On 16 January 2020, the Company issued RMB2,000.0 million renewable corporate bonds (first tranche) of 2020 at an initial interest rate of 3.88% per annum (the "Renewable Corporate Bonds I"). The proceeds from the issuance of the Renewable Corporate Bonds I after deducting the issuance cost were approximately RMB1,998.0 million. Coupon interest payments of 3.88% are paid annually in arrears on 16 January of each year starting from 2021 (each, a "Coupon Payment Date"), and may be deferred at the discretion of the Company. The first call date is 16 January 2023.

On 27 February 2020, the Company issued RMB2,000.0 million renewable corporate bonds (second tranche) of 2020 at an initial interest rate of 3.58% per annum (the "Renewable Corporate Bonds II"). The proceeds from the issuance of the Renewable Corporate Bonds II after deducting the issuance cost were approximately RMB1,998.0 million. Coupon interest payments of 3.58% are paid annually in arrears on 27 February of each year starting from 2021 and may be deferred at the discretion of the Company. The first call date is 27 February 2023.

On 23 June 2020 and 24 June 2020, the Company issued the first tranche of RMB2,000.0 million 2020 mid-term note at an initial interest rate of 3.90% per annum (the "Mid-term Note"). The proceeds from the issuance of the Mid-term Note after deducting the issuance cost were approximately RMB1,994.0 million. Coupon interest payments of 3.90% are paid annually in arrears on 29 June of each year starting from 2021 and may be deferred at the discretion of the Company. The first call date is 29 June 2023.

(Amounts expressed in thousands of RMB unless otherwise stated)

21. PERPETUAL NOTE AND BONDS (CONTINUED)

The Mid-term Note and Renewable Corporate Bonds have no fixed maturity dates and are callable at the Company's option on the first call date or on any Coupon Payment Date afterwards, at their principal amounts together with any accrued, unpaid or deferred coupon interest payments. After the first call date, the coupon rate will be reset every 3 years to a percentage per annum equal to the sum of (a) the initial spreads of difference between the nominal interest rate and the initial benchmark interest rate, (b) the 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 the registered capital. Pursuant to the terms of these Mid-term Note and Renewable Corporate Bonds, the Company has no contractual obligations to repay its principal or to pay any coupon interest. Accordingly, the Mid-term Note and Renewable Corporate Bonds 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 distributions to equity owners.

A final dividend in respect of the year ended 31 December 2019 of RMB0.03 (before tax) per ordinary share amounting to RMB218.2 million was approved in the 2019 annual general meeting of the Shareholders on 29 June 2020. Pursuant to the terms of these Mid-term Note and Renewable Corporate Bonds, the Company accrued the interest of the Mid-term Note and the Renewable Corporate Bonds for the period ended at the First Coupon Payment Date amounting to RMB71.6 million, RMB77.6 million and RMB78.0 million, which should be paid on 16 January 2021, 27 February 2021 and 29 June 2021, respectively.

22. COMMITMENTS

Capital commitments for the purchase of property, plant and equipment are as follows:

	30 June 2020 Unaudited	31 December 2019 Audited
Contracted but not provided for	**7,508,728**	6,449,396

23. EVENTS AFTER THE REPORTING PERIOD

The Company has completed the public issue of its ultra short-term bonds (third tranche) of 2020 (the "Ultra Short-term Bonds III") and received the proceeds therefrom on 21 July 2020. The final issue size of the Ultra Short-term Bonds III was RMB2,000.0 million, with a term of 51 days. The par value is RMB100 and the interest rate is 1.25%. The interest started to accrue on 22 July 2020.

The Company has redeemed the ultra short-term financing bonds (second tranche) of 2020 due on 23 July 2020, and has repaid the principal amount of RMB2,000.0 million.

The Company has completed the public issue of its renewable corporate bonds (third tranche) of 2020 (the "Renewable Corporate Bonds III") and received the proceeds therefrom on 21 July 2020. The final issue size of the Renewable Corporate Bonds III was RMB2,000.0 million, with a basic term of 3 years. The par value is RMB100 and the interest rate is 4.15%. The interest started to accrue on 21 July 2020.

Except events above, until the approval date of these interim condensed consolidated financial information, there is no significant event after the reporting period that need to be disclosed.

24. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The interim condensed consolidated financial information of the Group for the six months ended 30 June 2020 was approved and authorised for issue by the board of directors on 25 August 2020.

Glossary of Terms

"average on-grid tariff"	electricity sales revenue in a period divided by the corresponding electricity sales in such period
"average utilisation hours"	the consolidated power generation in a specified period (in MWh or GWh) divided by the average consolidated installed capacity in the same period (in MW or GW)
"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, also a controlling shareholder of the Company and one of the promoters of the Company

"Directors"	the directors of the Company
"electricity sales"	the actual sales of electricity by power plants during a specific period, which equals to the gross power generation minus consolidated auxiliary electricity
"EPC"	the energy saving services mechanism under which energy saving services companies and energy-consuming organisation agree on the energy saving targets by way of contract, pursuant to which the former provide necessary services to the latter for fulfillment of the energy saving targets and, in return, the latter pay for the former's input together with a reasonable profit margin, out of the energy saving benefit
"Group"	China Datang Corporation Renewable Power Co., Limited* and its subsidiaries
"Hong Kong"	Hong Kong Special Administrative Region
"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
"Listing Rules"	Rules Governing the Listing of Securities on Hong Kong Stock Exchange, as amended, supplemented or otherwise modified from time to time
"MW"	unit of energy and unit of power, megawatt. 1 MW=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, Macaw 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
"Shareholders"	the shareholders of the Company
"Supervisors"	the supervisors of the Company
"Reporting Period"	for the six months ended 30 June 2020
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time

Corporate Information

LEGAL NAME OF THE COMPANY

中國大唐集團新能源股份有限公司

ENGLISH NAME OF THE COMPANY

China Datang Corporation Renewable Power Co., Limited*

REGISTERED OFFICE

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PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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LEGAL REPRESENTATIVE OF THE COMPANY

Mr. Kou Wei

AUTHORISED 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

Mr. Kou Wei *(Chairman)*
Mr. Hu Shengmu *(Vice Chairman)*
Mr. Li Yi
Mr. Liu Baojun

Executive Directors

Mr. Liu Guangming
Mr. Meng Lingbin

Independent Non-executive Directors

Mr. Liu Chaoan
Mr. Lo Mun Lam, Raymond
Mr. 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)*

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)*

Nomination Committee

Mr. Liu Chaoan *(independent non-executive Director) (Chairman)*
Mr. Li Yi *(non-executive Director)*
Mr. Lo Mun Lam, Raymond *(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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PRINCIPAL BANKS

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- Bank of Communications Co., Ltd. Beijing Branch

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

- China Development Bank Co., Ltd.

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