Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2020

(Unless otherwise specified, all amounts are stated in RMB'000)

		As at
	A	
	30 J	
	2020	

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2020 (Unaudited)

1. GENERAL AND BASIS OF PRESENTATION

In preparing the condensed consolidated financial statements, the directors of the Company (the "**D**") have given careful consideration of the Group's net current liabilities of RMB9,292,608,000 as at 30 June 2020. The Group met its day-to-day working capital requirements through cash flows from operating activities and available banking facilities. Based

3A. REVENUE FROM CONTRACTS WITH CUSTOMERS

(a) D [illegible] :

F [illegible] 30 J 2020 ([illegible])

G -

	W	P	H	O	T
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Types of goods and services					
Sales of electricity	**4,868,711**	**1,109,536**	**1,028,642**	**143,215**	**7,150,104**
Sales of heat energy	**1,127,393**				**1,127,393**
Repairs and maintenance and other services				**1,499**	**1,499**
Timing of revenue recognition					
A point in time	**5,996,104**	**1,109,536**	**1,028,642**	**143,215**	**8,277,497**
Over time				**1,499**	**1,499**
Geographical market					
Mainland China	**5,996,104**	**1,057,468**	**1,026,435**	**143,215**	**1,499**	**8,224,721**
Overseas		**52,068**	**2,207**			**54,275**
Revenue from contracts with customers	**5,996,104**	**1,109,536**	**1,028,642**	**143,215**	**1,499**	**8,278,996**

For the six months ended 30 June 2019 (unaudited)

	Gas-fired power and heat energy generation	Wind power	Photovoltaic power	Hydropower	Others	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Types of goods and services						
Sales of electricity	5,147,508	1,028,875	685,668	149,896	–	7,011,947
Sales of heat energy	1,052,148	–	–	–	–	1,052,148
Repairs and maintenance and other services	–	–	–	–	876	876
Timing of revenue recognition						
A point in time	6,199,656	1,028,875	685,668	149,896	–	8,064,095
Over time	–	–	–	–	876	876
Geographical market						
Mainland China	6,199,656	977,473	681,463	149,896	876	8,009,364
Overseas	–	51,402	4,205	–	–	55,607
Revenue from contracts with customers	6,199,656	1,028,875	685,668	149,896	876	8,064,971

(b) G [illegible]

The basis for attributing the revenue is based on the location of customers from which the revenue is generated, which are located in/out of the PRC and the sales activities are made in/out of the PRC.

3B. SEGMENT INFORMATION

The Group manages its businesses by divisions, such as performing the monthly revenue analysis by segments which are organized by types of business. Information is reported internally to the Group's chief operating decision maker ("**CODM**"), including general manager, deputy general managers and chief accountant, for the purposes of resource allocation and performance assessment. The Group has presented the following operating and reportable segments.

– Gas-fired power and heat energy generation: managing and operating natural gas-fired power plants and generating electric power and heat energy for sale to external customers.

– Wind power: constructing, managing and operating wind power plants and generating electric power for sale to external customers.

– Photovoltaic power: constructing, managing and operating photovoltaic power plants and generating electric power for sale to external customers.

– Hydropower: managing and operating hydropower plants and sales of electricity generated to external customers.

Business activities other than "Gas-fired power and heat energy generation", "Wind power", "Photovoltaic power" and "Hydropower" are presented as "Others" in the segment information.

An analysis of the Group's reportable segment information for the six months ended 30 June 2020 and 2019 by operating segment is as follows:

	G -	W	P	H	O	T
	RMB'000	***RMB'000***	***RMB'000***	***RMB'000***	***RMB'000***	***RMB'000***
For the six months ended 30 June 2020 (unaudited)						
Revenue from external customers	**5,996,104**	**1,109,536**	**1,028,642**	**143,215**	**1,499**	**8,278,996**
Reportable segment results before depreciation and amortization *(Note (i))*	**1,425,653**	**1,048,704**	**967,842**	**106,931**	**(106,931)**	**3,442,199**
Depreciation	**432,280**	**358,656**	**358,011**	**54,994**	**2,435**	**1,206,376**
Amortization	**5,129**	**84,341**	**16,730**	**12,322**	**541**	**119,063**
Reportable segment results	**988,244**	**605,707**	**593,101**	**39,615**	**(109,907)**	**2,116,760**

	Gas-fired power and heat energy generation	Wind power	Photovoltaic power	Hydropower	Others	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
For the six months ended 30 June 2019 (unaudited)						
Revenue from external customers	6,199,656	1,028,875	685,668	149,896	876	8,064,971
Reportable segment results before depreciation and amortization *(Note (i))*	1,684,270	923,870	675,728	102,370	(6,755)	3,379,483
Depreciation	436,165	350,489	242,472	53,898	499	1,083,523
Amortization	4,883	84,260	200	12,372	245	101,960
Reportable segment results	1,243,222	489,121	433,056	36,100	(7,499)	2,194,000

Note:

(i) The segment results are arrived at after the deduction from revenue of gas consumption, depreciation and amortization expense, personnel costs, repairs and maintenance, other expenses, other gains and losses and other income (excluding dividend from equity instruments at FVTOCI).

4. OTHER INCOME

	F[illegible] 30 J[illegible] (U[illegible])	
	2020	2019
	RMB'000	*RMB'000*
Government grants and subsidies related to:		
– Clean energy production *(Note (a))*	**199,907**	459,203
– Construction of assets *(Note (b))*	**10,377**	10,004
Income from carbon credits	**60,007**	52,038
Value-added tax refunds *(Note (c))*	**48,650**	61,476
Others	**38,705**	36,783
	357,646	619,504

Notes:

(a) The Group's gas-fired and wind power facilities located in Beijing, the PRC, were entitled to a subsidy policy promulgated by the Beijing Government. The Beijing Government compensated the Group based on a pre-determined subsidized rate and quantities approved from time to time for the sale of electricity generated by those facilities. The grants will be released to profit or loss based on the actual volume of electricity generated from and sold by the Group's related gas and wind power facilities at the pre-determined subsidized rate.

(b) Grants related to construction of assets are provided by several local governments in the PRC to encourage the construction of clean energy facilities. The Group records these grants as deferred income upon receipt of the grants and will release to profit or loss to match with the depreciation of related assets.

(c) The Group is entitled to a 50% refund of value-added tax for its revenue from the sale of electricity generated from the wind farms and a full refund of value-added tax for its revenue from the sale of heat energy to residential customers. The accounts receivables arising from refund of value-added tax and related revenue are recognized when the relevant tax authority in the PRC registers the relevant application for refund of such value-added tax.

5. OTHER GAINS AND LOSSES

	F[illegible] 30 J[illegible] (U[illegible])	
	2020	2019
	RMB'000	*RMB'000*
Other (losses) gains comprise:		
Loss on disposal of property, plant and equipment	**(9,583)**	(2,308)
Net exchange loss	**(6,619)**	(1,382)
(Loss) gain arising on change in fair value of financial assets classified as FVTPL	**(60,594)**	34,991
Others	**73,102**	23,456
	(3,694)	54,757

6. INTEREST INCOME/FINANCE COSTS

	F [redacted] 30 J [redacted] (U [redacted])	
	2020	2019
	RMB'000	*RMB'000*
Interest income	**22,857**	27,422
Interest expense	**587,058**	607,365
Less: Amounts capitalized:		
– property, plant and equipment	**(12,521)**	(27,394)
Total finance costs	**574,537**	579,971
Net finance costs	**551,680**	552,549

7. INCOME TAX EXPENSE

	F [redacted] 30 J [redacted] (U [redacted])	
	2020	2019
	RMB'000	*RMB'000*
Current tax:		
PRC enterprise income tax	**328,727**	332,648
Deferred tax:		
Current period	**(10,354)**	47,872
Income tax expense	**318,373**	380,520

PRC enterprise income tax has been generally calculated at the applicable enterprise income tax rate of 25% on the estimated assessable profits of the Group companies established in the PRC for the six months ended 30 June 2020.

Under the Enterprise Income Tax Law, the preferential tax treatment for encouraged enterprises located in the western China and certain industry-oriented tax incentives remain available up to 31 December 2020 when the original preferential tax period expired. Under the enterprise income tax law, the enterprises in encouraged industries in Western China are eligible for a preferential enterprise income tax rate of 15% for the period from 1 January 2021 to 31 December 2030. The enterprises in encouraged industries stated in this provision refer to those whose main business belongs to the industries and projects as set out in the Catalogue of Encouraged Industries in Western Regions and whose main business income accounts for more than 60% of the total income of the enterprise. A PRC enterprise which enjoys this tax treatment is entitled to a preferential tax rate of 15% with a three-year tax exemption and a three-year 50% deduction on the PRC enterprise income

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "**B** ") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and published on the following day. Under the two-tiered profits tax rates regime, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits in excess of HK$2 million will be taxed at 16.5%. The profits of the group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

The Directors considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years. No provision for Hong Kong income tax has been made as the Group has no assessable profit derived in Hong Kong.

For the six months ended 30 June 2020, Australian income tax is calculated at 30% of the estimated assessable profit.

8. PROFIT FOR THE PERIOD

	F [illegible] 30 J [illegible] (U [illegible])	
	2020	2019
	RMB'000	*RMB'000*
Profit for the period has been arrived at after charging:		
Auditors' remuneration	**1,710**	1,226
Lease payments in respect of land and building	**26,630**	30,157
Depreciation and amortization:		
Depreciation of property, plant and equipment	**1,182,044**	1,078,769
Depreciation of right-of-use assets	**24,332**	4,754
Amortization of intangible assets	**119,063**	101,960
Total depreciation and amortization	**1,325,439**	1,185,483

9. DIVIDENDS

(a) On 28 May 2020, a dividend in the total amount of approximately RMB595,253,000 was declared by the Company.

(b) The Directors do not recommend the payment of any interim dividend for the six months ended 30 June 2020 (six months ended 30 June 2019: nil).

10. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholders of the Company for the six months ended 30 June 2020 of RMB1,295,215,000 (six months ended 30 June 2019: RMB1,268,270,000) and the weighted average number of shares in issue for the six months ended 30 June 2020 of 8,244,508,000 (six months ended 30 June 2019: 8,244,508,000 shares).

Diluted earnings per share are presented as the same as the basic earnings per share as there were no potential diluted shares in issue during the presented periods.

11. TRADE AND BILLS RECEIVABLE

	A 30 J 2020 *RMB'000* (U	As at 31 December 2019 *RMB'000* (Audited)
Trade receivables		
– goods and services	**1,590,077**	520,080
– clean energy power price premium	**6,013,934**	4,294,906
Bills receivable	**185,838**	98,933
	7,789,849	4,913,919
Less: allowance for credit losses	**(15,997)**	(15,997)
	7,773,852	4,897,922

The Group allows an average credit period of 60 days to its electricity and heat energy customers from the end of the month in which the sales are made other than clean energy power premium. The aging analysis of the Group's trade and bills receivables net of allowance for credit losses is as follows:

	A 30 J 2020 *RMB'000* (U	As at 31 December 2019 *RMB'000* (Audited)
Within 60 days	**1,838,612**	1,011,049
61 to 365 days	**2,418,477**	1,570,957
1 to 2 years	**2,138,704**	1,474,339
2 to 3 years	**1,040,796**	496,747
Over 3 years	**337,263**	344,830
	7,773,852	4,897,922

12. TRADE AND OTHER PA ABLES

	A 30 J 2020 *RMB'000* (U)	As at 31 December 2019 *RMB'000* (Audited)
Trade payables	**2,072,401**	2,327,602
Payables for acquisition of property, plant and equipment	**1,589,273**	1,389,957
Retention payables	**270,264**	173,470
Bills payable	**100,000**	–
Salary and staff welfare	**98,086**	105,526
Non-income tax payables	**133,047**	180,709
Dividend payables	**186,519**	71,142
Other payables	**558,678**	489,016
	5,008,268	4,737,422

The following is an ageing analysis of the Group's trade and bills payable by invoice date as at the end of each reporting period:

	A 30 J 2020 *RMB'000* (U)	As at 31 December 2019 *RMB'000* (Audited)
Within 30 days	**790,809**	2,094,691
31 to 365 days	**1,171,748**	148,726
1 to 2 years	**70,802**	68,733
2 to 3 years	**24,483**	11,127
Over 3 years	**14,559**	4,325
	2,072,401	2,327,602

I. REVIEW OF THE POWER INDUSTR

In the first half of 2020, facing the difficult challenges brought by the COVID-19 epidemic and the complicated domestic and overseas environment, the economy of China improved after suffering from downturn, the economic growth in the second quarter changed from negative to positive, the main indicators showed restorative growth, and the economic operation recovered steadily. As affected by the epidemic and the economic recovery, the energy industry in China during the period of epidemic provided indispensable anti-epidemic contribution by guaranteeing the supply. The production continued to grow at a stable rate and the energy construction continued to move forward. According to the statistics from China Electricity Council, as of 30 June 2020, the newly-added national installed capacity was 36.95 million kW, representing a year-on-year decrease of 3.79 million kW. Among which, the capacity of thermal power generation was 16.32 million kW (of which, the capacity of coal power generation was 10.25 million kW, the capacity of gas-fired power generation was 3.46 million kW), representing a year-on-year decrease of 0.61 million kW; the capacity of wind power generation was 6.32 million kW, representing a year-on-year decrease of 2.77 million kW; the capacity of solar power generation was 10.15 million kW, representing a year-on-year decrease of 1.49 million kW; and the capacity of hydropower generation was 4.12 million kW, representing a year-on-year increase of 2.30 million kW.

In the first half of 2020, the power generation of power plants above the national scale was 3,364.5 billion kWh, representing a year-on-year decrease of 1.4%. Among which, the capacity of thermal power generation was 2,434.3 billion kWh, representing a year-on-year decrease of 1.6%; the capacity of wind power generation was 237.9 billion kWh, representing a year-on-year increase of 10.9%; the capacity of photovoltaic power generation was 127.8 billion kWh, representing a year-on-year increase of 20%; the capacity of hydropower generation was 476.9 billion kWh, representing a year-on-year decrease of 7.3%.

In the first half of 2020, the accumulated average utilization hour of national power generation equipment was 1,727 hours, representing a year-on-year decrease of 107 hours. Among which, the utilization hour of thermal power generation was 1,947 hours, representing a year-on-year decrease of 119 hours (of which, the utilization hour of coal power generation was 1,994 hours, representing a year-on-year decrease of 133 hours, and the utilization hour of gas-fired power generation was

II. BUSINESS REVIEW FOR THE FIRST HALF OF 2020

1. I

As at 30 June, consolidated installed capacity of the Group reached 9,802 MW, representing a year-on-year increase of 11%. The installed capacity of the gas-fired power and heat energy generation segment was 4,702 MW, accounting for 48% of the consolidated installed capacity; the installed capacity of the wind power generation segment was 2,447 MW, accounting for 25% of the consolidated installed capacity; the installed capacity of the photovoltaic power generation segment was 2,203 MW, accounting for 22% of the consolidated installed capacity; the installed capacity of the hydropower segment was 450 MW, accounting for 5% of the consolidated installed capacity. In the first half of the year, newly-added installed capacity of the photovoltaic power generation segment was 131 MW, including 61 MW from acquired projects and 70 MW from self-built projects. Newly-added installed capacity of the wind power generation segment was 50 MW.

2. I

In the first half of 2020, the Group focused on the strategic positioning of "being an excellent clean energy operator" with clean energy. All staff took up a proactive role to navigate the headwind, and endeavor to ensure high-quality development while preventing and controlling epidemic disease, thereby guaranteeing safe and stable production and operation and developing an encouraging pattern of epidemic prevention and control. Our production management continued to improve with growth in our power generation. As at 30 June, the consolidated power generation of the Group was 13.74 billion kWh, representing a year-on-year increase of 1.18%, of which, the power generation of the gas-fired power and heat energy generation segment was 9.005 billion kWh, representing a year-on-year decrease of 5.27% with the average utilization hours of facilities reaching 1,915 hours, which was 719 hours more than the national average; the power generation of the wind power generation segment was 2.63 billion kWh, representing a year-on-year increase of 3.95% with the average utilization hours of facilities reaching 1,095 hours, which was 28 hours less than the national average; the power generation of the photovoltaic power generation segment was 1.484 billion kWh, representing a year-on-year increase of 64.34% with the average utilization hours of facilities reaching 703 hours, which was 40 hours more than the national average; and the power generation of the hydropower segment was 0.621 billion kWh, representing a year-on-year decrease of 3.12% with the average utilization hours of facilities reaching 1,380 hours.

3. P

In the first half of 2020, the Group continued to adhere to the "two-wheel drive" of independent development and project merger and acquisition, and head on the path of "intensification, regionalization, scale, specialization and high efficiency". In the first half of the year, the self-developed wind power and photovoltaic projects that achieved construction indicators had a total capacity of 450 MW; the wind power and photovoltaic projects that had been carried out by various regional companies had a total capacity of more than 5 GW; there were 17 wind power and photovoltaic projects in the process of due diligence; the photovoltaic projects acquired in the first half of the year had a total capacity of 61 MW.

In the first half of the year, Zhangjiakou-Beijing renewable clean energy heat supply demonstration project, the integrated energy utilization project of the Winter Olympic Village in Winter Olympics Yanqing Division and the Mountain Media Center and other key projects commenced construction on schedule. The Company actively promoted Ulanqab wind power base project, which has been included in the "14th Five-Year" new energy plan of Beijing. We continued to promote the preliminary work of various projects, such as Datong Green-Power-to-Beijing, the green ecological management of Xilinguole League Hunshandake Sand Land, Green-Power-to-Beijing of Huailai Pumped Storage Power Station; accelerated the progress of strategic projects of "three-energy, two-heat and one-network"; put more effort into the preliminary work of comprehensive energy service, offshore wind power, hydrogen energy, energy storage, city gas and other projects; and actively promoted the joint development of Jiangsu Yancheng 600 MW offshore wind power project with SDIC Power, with a view to achieving a breakthrough of developing an offshore wind power project for the Group.

4. R

The Group obtained multiple funds with low interest rate in the direct financing market by taking advantage of the downward-interest-rate market conditions in the first half of 2020 and leveraging its financing strength of being a state-owned enterprise, thereby reducing overall financing costs of the Company. The Group rationally arranged the issuance time of debentures according to its overall capital requirement and the interest rate trends of bond market. The Company completed the issuance of RMB5.5 billion ultra-short-term financing debentures, RMB1.0 billion medium-term notes, RMB1.0 billion corporate bonds and RMB1.5 billion green medium-term notes. The debentures issued during the year remained at a relatively low level among similar debentures in the same period. The average interest rate of direct financing of the Group during the year reduced by approximately 61BP compared with the same period of last year. On the premise of ensuring the safety of funds, the Company made efforts to reduce financing costs.

III. OPERATING RESULTS AND ANAL SIS

1. O

In the first half of 2020, the Company's profitability recorded continuous improvement. Profit for the period amounted to RMB1,335.9 million, representing an increase of 1.18% as compared with RMB1,320.3 million for the first half of 2019. Profit attributable to the ordinary shareholders of the Company amounted to RMB1,295.2 million, representing an increase of 2.12% as compared with RMB1,268.3 million for the first half of 2019.

2. O I

In the first half of 2020, the total revenue increased by 2.65% from RMB8,065.0 million for the first half of 2019 to RMB8,279.0 million. Adjusted total operating income decreased by 0.53% from RMB8,524.2 million for the first half of 2019 to RMB8,478.9 million for the first half of 2020, due to a decrease in value-added tax rate of the gas-fired power and heat energy generation segment, and the downward adjustment of the power price in relation to a decrease in price of gas due to the COVID-19 epidemic during the season of heat energy generation, resulting in the decrease in government grants and subsidies on clean energy production.

G - P H E G S

The revenue from the gas-fired power and heat energy generation segment decreased by 3.28% from RMB6,199.7 million for the first half of 2019 to RMB5,996.1 million for the first half of 2020, of which, revenue from sales of electricity decreased by 5.42% from RMB5,147.5 million for the first half of 2019 to RMB4,868.7 million for the first half of 2020, due to the decrease in sales volume of electricity of this segment. Revenue from sales of heat energy increased by 7.16% from RMB1,052.1 million for the first half of 2019 to RMB1,127.4 million for the first half of 2020, due to the increase in sales volume of electricity as a result of the extension of heating supply period.

W P S

The revenue from wind power segment increased by 7.83% from RMB1,028.9 million for the first half of 2019 to RMB1,109.5 million for the first half of 2020, due to the increase in sales volume of electricity as a result of an increase in the average wind speed and an increase in the installed capacity in this segment.

P ***P*** ***S***

The revenue from photovoltaic power segment increased by 50.01% from RMB685.7 million for the first half of 2019 to RMB1,028.6 million for the first half of 2020, due to an increase in sales volume of electricity as a result of increased installed capacity in this segment.

H ***S***

The revenue from hydropower segment decreased by 4.47% from RMB149.9 million for the first half of 2019 to RMB143.2 million for the first half of 2020, due to a decrease in sales volume of electricity in this segment.

O

Other revenue increased by 66.67% from RMB0.9 million for the first half of 2019 to RMB1.5 million for the first half of 2020.

3. O I

Other income decreased by 42.28% from RMB619.5 million for the first half of 2019 to RMB357.6 million for the first half of 2020 due to a decrease in value-added tax rate of the gas-fired power and heat energy generation segment, and the downward adjustment of the power price in relation to a decrease in price of gas due to the COVID-19 epidemic during the season of heat energy generation, resulting in the decrease in government grants and subsidies on clean energy production.

4. O E

Operating expenses increased by 0.45% from RMB6,490.5 million for the first half of 2019 to RMB6,519.9 million for the first half of 2020, due to the expenses following the commencement of production of new projects in the wind power segment and the photovoltaic power segment expensed.

G C

Gas consumption decreased by 6.44% from RMB4,542.1 million for the first half of 2019 to RMB4,249.6 million for the first half of 2020, due to the decrease in gas consumption as a result of the downward adjustment of the gas price during the heat supply season due to the COVID-19 epidemic and the decrease in power generation of the gas-fired power and heat energy generation segment.

D ***A***

Depreciation and amortization increased by 11.80% from RMB1,185.5 million for the first half of 2019 to RMB1,325.4 million for the first half of 2020, due to an increase in installed capacity in the wind power segment and the photovoltaic power segment.

P ***C***

Personnel cost increased by 7.12% from RMB316.2 million for the first half of 2019 to RMB338.7 million for the first half of 2020, due to the increase in the number of employees as a result of the business development of the Group and additional personnel costs expensed following the commencement of production of new projects.

R ***M***

Repairs and maintenance increased by 19.62% from RMB226.8 million for the first half of 2019 to RMB271.3 million for the first half of 2020, mainly due to an increase in maintenance costs as a result of the maintenance of certain generator units in the gas-fired power and heat energy generation segment going into overhaul period.

O ***E***

Other Expenses principally comprise (1) external purchase of power, water and materials etc.; (2) property management, greening and fire protection fees; (3) rental expenses; (4) underwriting fees, bank commissions; (5) intermediary service fees; (6) property insurance premium; (7) other miscellaneous operating expenses.

Other expenses increased by 20.57% from RMB274.7 million for the first half of 2019 to RMB331.2 million for the first half of 2020, due to an increase in operating and management expenses as a result of the commencement of production of new projects.

O ***G*** ***L***

Other gains and losses decreased from a gain of RMB54.8 million for the first half of 2019 to a loss of RMB3.69 million for the first half of 2020, due to an increase in the loss from fair value change of H shares of CGN Power Co., Ltd. held by the Company.

5. O P

As a result of the above, operating profit decreased by 3.52% from RMB2,194.0 million for the first half of 2019 to RMB2,116.8 million for the first half of 2020.

6. A S O P

Total adjusted segment operating profit decreased by 3.67% from RMB2,033.7 million for the first half of 2019 to RMB1,959.0 million for the first half of 2020.

G - P H E G S

Adjusted segment operating profit of gas-fired power and heat energy generation segment decreased by 21.47% from RMB1,200.8 million for the first half of 2019 to RMB943.0 million for the first half of 2020, due to a decrease in sales volume of electricity in this segment, as well as a decrease in value-added tax rate, and the downward adjustment of the power price in relation to a decrease in price of gas due to the COVID-19 epidemic during the season of heat energy generation, resulting in the decrease in government grants and subsidies on clean energy production.

W P S

Adjusted segment operating profit of wind power segment increased by 28.83% from RMB386.7 million for the first half of 2019 to RMB498.2 million for the first half of 2020 due to an increase in sales volume of electricity as a result of an increase in average wind speed and the increase in the installed capacity in this segment.

P P S

Adjusted segment operating profit of photovoltaic power segment increased by 37.35% from RMB429.2 million for the first half of 2019 to RMB589.5 million for the first half of 2020, due to an increase in the sales volume of electricity as a result of the increase in the installed capacity in this segment.

H S

Adjusted segment operating profit of hydropower segment increased by 8.15% from RMB35.6 million for the first half of 2019 to RMB38.5 million for the first half of 2020, due to a decrease in operating costs in this segment.

O

Adjusted operating profit of others increased by 492.47% from a loss of RMB18.6 million for the first half of 2019 to a loss of RMB110.2 million for the first half of 2020, due to an increase in the loss from fair value change of H shares of CGN Power Co., Ltd. held by the Company.

7. F C

Finance costs decreased by 0.95% from RMB580.0 million for the first half of 2019 to RMB574.5 million for the first half of 2020, due to the decrease in cost of financing.

8. S R A

Share of results of associates and joint ventures increased by 50.17% from RMB59.4 million for the first half of 2019 to RMB89.2 million for the first half of 2020, due to an increase in net profit as a result of increased sales volume of electricity from a subsidiary of Beijing Jingneng International Power Co., Ltd., an associate of the Company and increased revenue from BEH Finance Co., Ltd.

9. P T

As a result of the foregoing, profit before taxation decreased by 2.74% from RMB1,700.9 million for the first half of 2019 to RMB1,654.3 million for the first half of 2020.

10. I T E

Income tax expense decreased by 16.32% from RMB380.5 million for the first half of 2019 to RMB318.4 million for the first half of 2020. Effective tax rate decreased from 22.37% for the first half of 2019 to 19.25% for the first half of 2020.

11. P P

As a result of the foregoing, profit for the period increased by 1.18% from RMB1,320.3 million for the first half of 2019 to RMB1,335.9 million for the first half of 2020.

12. P P A O S C

Profit for the period attributable to ordinary shareholders of the Company increased by 2.12% from RMB1,268.3 million for the first half of 2019 to RMB1,295.2 million for the first half of 2020.

IV. FINANCIAL POSITION

1. O

As of 30 June 2020, total assets of the Group amounted to RMB65,628.6 million, total liabilities amounted to RMB40,380.6 million and shareholders' equity amounted to RMB25,248.0 million, among which equity attributable to the equity holders amounted to RMB23,360.7 million.

2. P A L

Total assets increased by 9.89% from RMB59,723.2 million as at 31 December 2019 to RMB65,628.6 million as at 30 June 2020, due to an increase in investment in new projects. Total liabilities increased by 10.19% from RMB36,647.9 million as at 31 December 2019 to RMB40,380.6 million as at 30 June 2020, due to increased debt as a result of capital demand for construction of projects. Total equity of shareholders increased by 9.42% from RMB23,075.3 million as at 31 December 2019 to RMB25,248.0 million as at 30 June 2020. Equity attributable to equity holders of the Company increased by 3.03% from RMB22,672.7 million as at 31 December 2019 to RMB23,360.7 million as at 30 June 2020, due to the accretion from business results and the issuance of green medium-term notes in the first half of 2020.

3. L

As of 30 June 2020, current assets amounted to RMB13,977.4 million, including monetary capital of RMB4,741.4 million, bills and account receivables of RMB7,773.9 million (mainly comprising receivables from sales of electricity and sales of heat), and prepayment and other current assets of RMB1,462.1 million (mainly comprising deductible value-added tax and other account receivables). Current liabilities amounted to RMB23,270.0 million, including short-term borrowings of RMB9,414.6 million, short-term financing debentures of RMB7,572.6 million, medium-term notes of RMB99.3 million, corporate bonds of RMB29.5 million, bills and account payables of RMB5,008.3 million (mainly comprising payables for gas, payables for construction projects and purchase of equipment). Other current liabilities amounted to RMB1,145.7 million, mainly comprising income tax payable and amounts due to related parties.

Net current liabilities increased by 0.39% from RMB9,256.7 million as at 31 December 2019 to RMB9,292.6 million as at 30 June 2020. Current ratio increased by 7.69% from 52.38% as at 31 December 2019 to 60.07% as at 30 June 2020, due to an increase in account receivables.

4. N G R

Net gearing ratio, calculated by dividing net debts (total borrowings minus cash and cash equivalents) by the sum of net debts and total equity, decreased by 0.06% from 52.84% as at 31 December 2019 to 52.78% as at 30 June 2020.

The Group's long-term and short-term borrowings increased by 10.19% from RMB29,915.1 million as at 31 December 2019 to RMB32,963.1 million as at 30 June 2020, including short-term borrowings of RMB9,414.6 million, short-term financing debentures of RMB7,572.6 million, medium-term notes of RMB4,588.0 million, long-term borrowings of RMB9,359.2 million and corporate bonds of RMB2,028.8 million.

Bank balances and cash held by the Group increased by 16.90% from RMB4,056.1 million as at 31 December 2019 to RMB4,741.4 million as at 30 June 2020.

V. OTHER SIGNIFICANT EVENTS

1. F

On 8 January 2020, the Group completed the issuance of the first tranche RMB2,000.0 million 270-day ultra-short-term financing debentures of 2020 at an interest rate of 2.95%.

On 13 April 2020, the Group completed the issuance of the second tranche RMB2,000.0 million 270-day ultra-short-term financing debentures of 2020 at an interest rate of 1.96%.

On 12 June 2020, the Group completed the issuance of the third tranche RMB1,500.0 million 179-day ultra-short-term financing debentures of 2020 at an interest rate of 1.90%.

On 9 April 2020, the Group completed the issuance of the first tranche RMB1,000.0 million medium-term notes of 2020, with a period of 5 years, at an interest rate of 3.25%.

On 15 May 2020, the Group completed the issuance of the first tranche RMB1,500.0 million green medium-term notes of 2020, with a period of 3+N years, at an interest rate of 3.44%.

On 16 April 2020, the Group completed the issuance of the first tranche corporate bonds of 2020: for variety 1, RMB400.0 million, with a period of 3 years, at an interest rate of 2.65%; for variety 2, RMB600.0 million, with a period of 5 years, at an interest rate of 3.22%.

2. C E

In the first half of 2020, the Group's capital expenditure amounted to RMB1,636.3 million, among which RMB1,220.9 million incurred for construction projects in the wind power segment and RMB415.4 million incurred for construction projects in the photovoltaic power segment.

3. A S

According to the development plan of the Group, the Group acquired 100% equity of Yi County Jiayu Photovoltaic Power Generation Co., Ltd.* (義縣珈煜光伏發電有限公司) in the first half of 2020, which is engaged in the construction of photovoltaic power generation projects. The project had good performance during the Reporting Period, and are expected to further enhance the operating results and profitability of the Group in the future.

4. C L

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

5. M A

As of 30 June 2020, the Group pledged its bank loans by trade receivables of RMB328.0 million, and used fixed assets of RMB1,396.9 million as collateral for bank loans, and pledged the entire equity interest in Beijing Jingneng Clean Energy (Australia) Holding Pty Ltd. to the National Australia Bank Ltd. as the pledge of bank loans.

6. S E R P

The Board received a letter from Beijing Energy Holding Co., Ltd. (the "**P O** "), the controlling shareholder of the Company, on 2 July 2020 (after trading hours), indicating its intention to make a conditional voluntary cash general offer for all the H shares (the "**H S** ") (other than those H shares owned or agreed to be acquired by the Potential Offeror or parties acting in concert with it) in the Company (the "**P O** "), which if proceeded with, could result in a privatization and delisting of the Company from the Stock Exchange. Please refer to the announcements of the Company dated 6 July 2020 and 6 August 2020 for further details. The Company will pay close attention to the development of the above-mentioned matters and perform its obligation on information disclosure in accordance with the relevant laws and regulations.

VI. BUSINESS PROSPECT FOR THE SECOND HALF OF 2020

In the context of the resumption of operation, production, market and business, all departments in various regions across the country earnestly implemented a series of policies and measures adopted by the central government to guarantee supply and stabilize price. At present, the power industry of China is in a crucial period of transforming its development mode and growth drivers. In the face of five new development trends of the energy industry of "low-carbon, diversity, market orientation, intelligentization and internationalization", the Group will continue to maintain its strategic determination, strengthen development confidence, adhere to the concept of green development, innovate development modes, focus on development priorities, optimize development paths, and persistently promote the high-quality development of clean energy business.

1. G

In the second half of 2020, the Group will strictly control production and operation costs, focus on energy conservation and consumption reduction, organize and sort out the use of annual production expenses, adopt various control and cost management measures, in order to lay a solid foundation for improving profitability. We will pay consistent attention to maintain safe and stable production, meticulously maintain and enhance the reliability of equipment, commit to the mission of guaranteeing supply during the peak season in summer and the National Day, and make efforts to increase power supply, thereby accomplishing the mission of fulfilling annual power and heat generation.

2. F

With the objectives of “showcasing Jingneng’s first-class international position with Olympic

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPAN

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2020.

INTERIM DIVIDEND

The Board has not made any recommendation on the distribution of an interim dividend for the six months ended 30 June 2020.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

As a company listed on the Stock Exchange, the Company always strives to maintain a high level of corporate governance and complied with all code provisions as set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules for the six months ended 30 June 2020.

COMPLIANCE WITH CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**M C** ") set out in Appendix 10 of the Listing Rules as the code of conduct regarding securities transactions of the Company by the directors and supervisors of the Company. Upon making specific enquiries to all of the directors and supervisors of the Company, all directors and supervisors of the Company confirmed that during the Reporting Period, each of the directors and supervisors of the Company had fully complied with the required standards set out in the Model Code.

AUDIT COMMITTEE

The audit committee of the Company has reviewed the Group's 2020 interim results and the unaudited financial statements for the six months ended 30 June 2020 prepared in accordance with the IFRSs.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This results announcement is published on the HKEXnews website of the Stock Exchange at http://www.hkexnews.hk and on the website of the Company at http://www.jncec.com. The 2020 interim report containing all the information required by the Listing Rules will be dispatched to the shareholders in due course and will be published on the websites of the Company and the Stock Exchange.

By Order of the Board
B J C E C ., L
KANG J
Deputy General Manager and Company Secretary

Beijing, the PRC
27 August 2020

As at the date of this announcement, the non-executive Directors of the Company are Mr. Liu Haixia, Mr. Ren Qigui, Ms. Li Juan and Mr. Wang Bangyi; the executive Directors of the Company are Mr. Zhang Fengyang and Mr. Cao Mansheng; and the independent non-executive Directors of the Company are Mr. Huang Xiang, Mr. Zhang Fusheng, Mr. Chan Yin Tsung and Mr. Han Xiaoping.

* *For identification purpose only*