

Beijing Jingneng Clean Energy Co., Limited
北京京能清洁能源電力股份有限公司



Beijing Jingneng Clean Energy Co., Limited

北京京能清潔能源電力股份有限公司

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

(Stock Code: 00579)

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2021**

FINANCIAL HIGHLIGHTS

- Total assets of the Company as at 30 June 2021 were B9,339.8 million, an increase of 12.81% over the corresponding period of 2020.
- Total liabilities of the Company as at 30 June 2021 were B1,884.3 million, an increase of 13.90% over the corresponding period of 2020.
- Total comprehensive income of the Company for the six months ended 30 June 2021 was B1,488.2 million, an increase of 14.90% over the corresponding period of 2020.
- Basic earnings per share of the Company for the six months ended 30 June 2021 was B18.05.

RESULTS HIGHLIGHTS

The Board of Beijing Jingneng Clean Energy Co., Limited (the Company) reported the following results for the six months ended 30 June 2021 (the Reporting Period), prepared in accordance with International Financial Reporting Standards (IFRSs).

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six-month period ended 30 June 2021

		For the six-month period ended 30 June	
		2021 RMB'000 (Unaudited)	2020 B'000 (Unaudited)
Revenue	3	9,339,794	8,278,996
Cost of sales	4	453,502	357,646
Gross profit		(4,653,477)	(4,249,576)
Depreciation and amortisation	8	(1,510,952)	(1,325,439)
Impairment losses		(412,971)	(338,735)
Finance income		(283,027)	(271,259)
Finance costs		(434,928)	(331,179)
Share of profit/loss of associates	5	(6,206)	(3,694)
Profit before income tax		2,491,735	2,116,760
Income tax	6	16,479	22,857
Finance income	6	(637,882)	(574,537)
Finance costs		25,725	89,202
Share of profit/loss of associates		(11,802)	-
Profit after income tax		1,884,255	1,654,282
Income tax	7	(327,831)	(318,373)
Profit after tax	8	1,556,424	1,335,909
Profit after tax attributable to equity holders of the Company:			
- Equity holders of the Company		1,488,178	1,295,215
- Non-controlling interests		25,588	6,079
Profit after tax attributable to equity holders of the Company		42,658	34,615
Profit after tax		1,556,424	1,335,909
Exchange difference			
Balance at beginning of period (B'000)	10	18.05	15.71

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six-month period ended 30 June 2021

		For the six-month period ended 30 June	
		2021 RMB'000 (Unaudited)	2020 B'000 (Unaudited)
Profit from operations	8	<u>1,556,424</u>	<u>1,335,909</u>
Items that will not be reclassified to profit or loss:			
Gain from disposal of subsidiaries (FUTCI)		-	3,428
Gain from disposal of subsidiaries		-	<u>5,250</u>
		-	<u>8,678</u>
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements		(30,276)	(16,736)
Cost of financial instruments:			
Gain/(loss) from disposal of financial instruments		14,999	(7,075)
Gain from disposal of financial instruments		6,003	4,769
Loss from disposal of financial instruments		(4,518)	(1,001)
		<u>(13,792)</u>	<u>(20,043)</u>
		<u>(13,792)</u>	<u>(11,365)</u>
Total		<u>1,542,632</u>	<u>1,324,544</u>
Total comprehensive income:			
Exchange differences on translation of financial statements		1,474,386	1,283,850
Gain from disposal of subsidiaries (FUTCI)		25,588	6,079
Gain from disposal of subsidiaries		42,658	34,615
		<u>1,542,632</u>	<u>1,324,544</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	As at 30 June 2021 RMB'000 (Unaudited)	As at 31 December 2020 B'000 (Audited)
Non-current Assets		
Property, plant and equipment	44,274,832	43,187,213
Intangible assets	1,406,351	1,431,342
Investment properties	4,301,875	4,410,754
Goodwill	190,049	190,049
Investment in subsidiaries	3,413,806	3,518,508
Long-term receivables	108,000	117,000
Investment in associates	119,102	130,904
Long-term debt	70,000	70,000
Deferred tax assets	231,289	296,104
Equity investments in F T CI	66,911	66,911
Other non-current assets	1,245,504	1,114,305
Deferred tax liabilities	1,779,300	1,072,426
Other non-current liabilities	46,211	50,787
Derivative financial instruments	4,340	-
	57,257,570	55,656,303
Current Assets		
Inventory	121,310	104,416
Trade receivables	9,178,645	9,159,317
Prepaid expenses and other receivables	540,683	463,778
Contract assets	17,168	16,565
Accounts payable and other payables	87,830	170,193
Deferred tax liabilities	433,688	469,666
Financial assets (F T L)	200,780	196,043
Other current assets	4,533	4,577
Contract liabilities	6,592,508	4,297,450
	17,177,145	14,882,005

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	As at 30 June 2021 RMB'000 (Unaudited)	As at 31 December 2020 B'000 (Audited)
Current Liabilities		
Trade payables	5,186,954	5,058,989
Accounts payable	475,927	189,539
Bank borrowings	9,269,260	12,318,322
Other financial liabilities	9,068,797	7,060,658
Contract liabilities	95,249	96,656
Contract liabilities	26,281	26,128
Contract liabilities	56,571	56,380
Liabilities	42,110	64,659
Deferred income	-	19,576
Liabilities	24,662	125,381
Deferred income	107,887	228,336
	<u>24,353,698</u>	<u>25,244,624</u>
Net Current Liabilities	<u>(7,176,553)</u>	<u>(10,362,619)</u>
Total Assets less Current Liabilities	<u>50,081,017</u>	<u>45,293,684</u>
Non-current Liabilities		
Deferred income	41,908	45,002
Bank borrowings	14,785,426	10,896,268
Contract liabilities	4,488,679	4,488,679
Contract liabilities	1,999,284	1,999,284
Contract liabilities	5,100	12,440
Deferred income	188,235	193,615
Deferred income	437,138	435,811
Liabilities	827,378	836,336
Contract liabilities	16,037	19,402
	<u>22,789,185</u>	<u>18,926,837</u>
Net Assets	<u>27,291,832</u>	<u>26,366,847</u>
Capital and Reserves		
Reserves	8,244,508	8,244,508
Reserves	17,156,306	16,249,142
Equity		
Equity	25,400,814	24,493,650
Contract liabilities	391,448	347,615
Contract liabilities	1,499,570	1,525,582
	<u>27,291,832</u>	<u>26,366,847</u>

3A. REVENUE FROM CONTRACTS WITH CUSTOMERS

(i) Disaggregation of revenue from contracts with customers:

For the six months ended 30 June 2021 (Unaudited)

	Gas-fired power and heat energy generation RMB'000	Wind power RMB'000	Photovoltaic power RMB'000	Hydropower RMB'000	Others RMB'000	Total RMB'000
Total revenue from contracts with customers						
Revenue from contracts with customers	5,296,968	1,541,058	1,255,347	146,616	-	8,239,989
Revenue from contracts with customers	1,097,710	-	-	-	-	1,097,710
Revenue from contracts with customers	-	-	-	-	2,095	2,095
Total revenue from contracts with customers	6,394,678	1,541,058	1,255,347	146,616	-	9,337,699
Revenue from contracts with customers	-	-	-	-	2,095	2,095
Revenue from contracts with customers	6,394,678	1,484,196	1,253,563	146,616	2,095	9,281,148
Revenue from contracts with customers	-	56,862	1,784	-	-	58,646
Total revenue from contracts with customers	6,394,678	1,541,058	1,255,347	146,616	2,095	9,339,794

For the six months ended 30 June 2020 (Unaudited)

	Gas-fired power and heat energy generation RMB'000	Wind power RMB'000	Photovoltaic power RMB'000	Hydropower RMB'000	Others RMB'000	Total RMB'000
Total revenue from contracts with customers						
Revenue from contracts with customers	4,868,711	1,109,536	1,028,642	143,215	-	7,150,104
Revenue from contracts with customers	1,127,393	-	-	-	-	1,127,393
Revenue from contracts with customers	-	-	-	-	1,499	1,499
Total revenue from contracts with customers	5,996,104	1,109,536	1,028,642	143,215	-	8,277,497
Revenue from contracts with customers	-	-	-	-	1,499	1,499
Revenue from contracts with customers	5,996,104	1,057,468	1,026,435	143,215	1,499	8,224,721
Revenue from contracts with customers	-	52,068	2,207	-	-	54,275
Total revenue from contracts with customers	5,996,104	1,109,536	1,028,642	143,215	1,499	8,278,996

(ii) **Geographical information**

The following table sets forth the revenue of the Company's operations by geographical area for the periods indicated. Revenue is reported on the basis of the location of the sales of the products. The following table sets forth the revenue of the Company's operations by geographical area for the periods indicated. Revenue is reported on the basis of the location of the sales of the products.

3B. SEGMENT INFORMATION

(a) **Segment revenue and results**

The following table sets forth the revenue of the Company's operations by segment for the periods indicated. Revenue is reported on the basis of the location of the sales of the products. The following table sets forth the revenue of the Company's operations by segment for the periods indicated. Revenue is reported on the basis of the location of the sales of the products.

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	Gas-fired power and heat energy generation RMB'000	Wind power RMB'000	Photovoltaic power RMB'000	Hydropower RMB'000	Others RMB'000	Total RMB'000
Revenue	6,394,678	1,541,058	1,255,347	146,616	2,095	9,339,794
Cost of sales	1,484,959	1,418,492	1,121,089	105,257	(127,110)	4,002,687
Depreciation	447,710	426,477	443,452	52,406	7,390	1,377,435
Administrative	7,532	84,728	27,704	12,992	561	133,517
Financial expenses (income)	1,029,717	907,287	649,933	39,859	(135,061)	2,491,735

- () The Group's investment in the subsidiary B... Co., ...
- () The Group's investment in the subsidiary B... Co., ...
- () The Group's investment in the subsidiary B... Co., ...

5. OTHER GAINS AND LOSSES

	For the six-month period ended 30 June	
	2021 RMB'000 (Unaudited)	2020 B'000 (Unaudited)
Losses from disposal of subsidiaries	(8,689)	(9,583)
Losses from disposal of associates	250	(6,619)
Gains from disposal of subsidiaries, associates, FTL and other	6,986	(60,594)
	<u>(4,753)</u>	<u>73,102</u>
	<u>(6,206)</u>	<u>(3,694)</u>

6. INTEREST INCOME/FINANCE COSTS

	For the six-month period ended 30 June	
	2021 RMB'000 (Unaudited)	2020 B'000 (Unaudited)
Interest income	<u>16,479</u>	<u>22,857</u>
Interest expense	705,846	587,058
Loss from impairment of financial assets	<u>(67,964)</u>	<u>(12,521)</u>
Net finance income	<u>637,882</u>	<u>574,537</u>

7. INCOME TAX EXPENSE

	For the six-month period ended 30 June	
	2021 RMB'000 (Unaudited)	2020 B'000 (Unaudited)
Current income tax	270,532	328,727
Deferred income tax	57,299	(10,354)
Income tax expense	327,831	318,373

Current income tax expense represents the amount of income tax payable for the period. Current income tax expense is calculated at 25% of the taxable profit for the period. Current income tax expense for 30 June 2021 is as follows:

Current income tax expense for the period is calculated at 25% of the taxable profit for the period. Current income tax expense for 31 December 2020 is calculated at 25% of the taxable profit for the period. Current income tax expense for 31 December 2021 is calculated at 25% of the taxable profit for the period. Current income tax expense for 31 December 2020 is calculated at 25% of the taxable profit for the period. Current income tax expense for 31 December 2021 is calculated at 25% of the taxable profit for the period. Current income tax expense for 31 December 2020 is calculated at 25% of the taxable profit for the period. Current income tax expense for 31 December 2021 is calculated at 25% of the taxable profit for the period.

As at 30 June 2021, the Group has an income tax payable of RMB270,532,000 (Weilai Gas) and HK\$270,532,000 (Weilai Gas) respectively. The Group has an income tax payable of RMB328,727,000 (Weilai Gas) and HK\$328,727,000 (Weilai Gas) respectively as at 30 June 2020.

The Group has an income tax payable of RMB57,299,000 (Weilai Gas) and HK\$57,299,000 (Weilai Gas) respectively as at 30 June 2021. The Group has an income tax payable of RMB(10,354,000) (Weilai Gas) and HK\$(10,354,000) (Weilai Gas) respectively as at 30 June 2020.

The Group has an income tax payable of RMB327,831,000 (Weilai Gas) and HK\$327,831,000 (Weilai Gas) respectively as at 30 June 2021.

The Group has an income tax payable of RMB327,831,000 (Weilai Gas) and HK\$327,831,000 (Weilai Gas) respectively as at 30 June 2021.

8. PROFIT FOR THE PERIOD

	For the six-month period ended 30 June	
	2021 RMB'000 (Unaudited)	2020 B'000 (Unaudited)
Profit before income tax	1,862	1,710
Less: Income tax expense	26,391	26,630
Profit for the period	1,341,900	1,182,044
Less: Profit for the period attributable to non-controlling interests	35,535	24,332
Attributable profit	133,517	119,063
Total comprehensive income	1,510,952	1,325,439

9. DIVIDENDS

() On 24 June 2021, the Board of Directors of the Company has approved a cash dividend of RMB567,222,000 (approximately HK\$70,000,000) to the shareholders of record as at 30 June 2021 (compared to RMB0 (approximately HK\$0) for the period ended 30 June 2020).

10. EARNINGS PER SHARE

The weighted average number of ordinary shares outstanding for the period ended 30 June 2021 is 1,488,178,000 (compared to 1,295,215,000 for the period ended 30 June 2020). The weighted average number of ordinary shares outstanding for the period ended 30 June 2021 is 8,244,508,000 (compared to 8,244,508,000).

Details of the earnings per share calculation are set out in the notes to the financial statements.

11. TRADE AND BILLS RECEIVABLES

	As at 30 June 2021 RMB'000 (Unaudited)	As at 31 December 2020 B'000 (Audited)
Trade receivables	1,316,702	2,198,687
Accounts receivable	7,655,891	6,683,224
Bills receivable	223,521	294,875
	<u>9,196,114</u>	<u>9,176,786</u>
Less: provisions	(17,469)	(17,469)
	<u><u>9,178,645</u></u>	<u><u>9,159,317</u></u>

The Group's trade receivables are primarily from the sale of 60% of the total production capacity of the Group's products to its customers. The Group's trade receivables are primarily from the sale of 60% of the total production capacity of the Group's products to its customers.

	As at 30 June 2021 RMB'000 (Unaudited)	As at 31 December 2020 B'000 (Audited)
Less than 60 days	1,618,233	2,849,843
61 to 365 days	2,536,843	2,649,928
1 to 2 years	3,008,036	2,200,362
2 to 3 years	1,583,665	906,255
Over 3 years	431,868	552,929
	<u>9,178,645</u>	<u>9,159,317</u>

MANAGEMENT DISCUSSION AND ANALYSIS

I. REVIEW OF THE POWER INDUSTRY

In the first half of 2021, China's power industry continued to experience a period of rapid growth. Total power generation reached 2.26 trillion kWh, an increase of 9.5% over the same period last year. Among them, coal-fired power generation was 1.27 trillion kWh, an increase of 4.1%; natural gas power generation was 290 billion kWh, an increase of 34.7%; hydropower generation was 270 billion kWh, an increase of 23.7%; nuclear power generation was 380 million kWh, an increase of 4.7%. Total power consumption reached 1.02 trillion kWh, an increase of 17.8% over the same period last year. Among them, industrial power consumption was 45.4%, an increase of 3.2%; residential power consumption was 3.2 billion kWh, an increase of 1.09 billion kWh, an increase of 2.5%; commercial power consumption was 48.2%, an increase of 3.3 billion kWh, an increase of 1.4%.

In the first half of 2021, China's power industry continued to experience a period of rapid growth. Total power generation reached 3,870 billion kWh, an increase of 13.7%. Among them, coal-fired power generation was 2,186 billion kWh, an increase of 231 billion kWh, an increase of 15.0%. Total power consumption reached 1,212 billion kWh, an increase of 88 billion kWh, an increase of 7.3%. Among them, industrial power consumption was 660 billion kWh, an increase of 3 billion kWh, an increase of 0.45%; residential power consumption was 1,496 billion kWh, an increase of 33 billion kWh, an increase of 2.2%.

In the first half of 2021, China's power industry continued to experience a period of rapid growth. Total power generation reached 1,853 billion kWh, an increase of 119 billion kWh, an increase of 6.4%. Among them, coal-fired power generation was 1,212 billion kWh, an increase of 88 billion kWh, an increase of 7.3%. Total power consumption reached 660 billion kWh, an increase of 3 billion kWh, an increase of 0.45%. Among them, industrial power consumption was 1,496 billion kWh, an increase of 33 billion kWh, an increase of 2.2%.

II. BUSINESS REVIEW FOR THE FIRST HALF OF 2021

In the first half of 2021, the Group continued to experience a period of rapid growth. Total power generation reached 1,853 billion kWh, an increase of 119 billion kWh, an increase of 6.4%. Among them, coal-fired power generation was 1,212 billion kWh, an increase of 88 billion kWh, an increase of 7.3%. Total power consumption reached 660 billion kWh, an increase of 3 billion kWh, an increase of 0.45%. Among them, industrial power consumption was 1,496 billion kWh, an increase of 33 billion kWh, an increase of 2.2%.

1. Steady increase in installed capacity

As of 30 June 2021, the installed capacity of the Group is 11,215 MW, an increase of 14% from 9,810 MW as of 30 June 2020. The increase is primarily due to the completion of the 4,702 MW project, which represents 42% of the total increase. The 3,146 MW project, which represents 28% of the total increase, is also completed. The 2,917 MW project, which represents 26% of the total increase, is under construction. The 0.45 MW project, which represents 4% of the total increase, is also under construction. The 0.349 MW project, which represents 4% of the total increase, is also under construction.

2. Significant increase in power generation

As of 30 June 2021, the power generation of the Group is 16,179 MWh, an increase of 17.73% from 13,740 MWh as of 30 June 2020. The increase is primarily due to the completion of the 9,733 MWh project, which represents 8.08% of the total increase. The 2,070 MWh project, which represents 15.5% of the total increase, is also completed. The 3,803 MWh project, which represents 44.43% of the total increase, is under construction. The 1,294 MWh project, which represents 19.9% of the total increase, is also under construction. The 82 MWh project, which represents 2.046% of the total increase, is also under construction. The 702 MWh project, which represents 1.42% of the total increase, is also under construction. The 597 MWh project, which represents 3.86% of the total increase, is also under construction. The 1,327 MWh project, which represents 5.3% of the total increase, is also under construction.

3. Pushing forward project development smoothly

In 2021, the Group has completed the development of 18 projects with a total capacity of 1,754 MW, an increase of 14.86% from 15,210 MW as of 2020.

Gas-fired Power and Heat Energy Generation Segment

Total revenue for gas-fired power and heat energy generation segment was B6,394.7 million for the year ended 2021, an increase of 6.65% from B5,996.1 million for the year ended 2020. Total revenue for gas-fired power and heat energy generation segment was B4,868.7 million for the year ended 2021, an increase of 8.80% from B4,475.0 million for the year ended 2020. Total revenue for gas-fired power and heat energy generation segment was B1,097.7 million for the year ended 2021, an increase of 2.63% from B1,127.4 million for the year ended 2020.

Wind Power Segment

Total revenue for wind power segment was B1,109.5 million for the year ended 2021, an increase of 38.90% from B800.0 million for the year ended 2020. Total revenue for wind power segment was B1,541.1 million for the year ended 2021, an increase of 20.00% from B1,284.2 million for the year ended 2020.

Photovoltaic Power Segment

Total revenue for photovoltaic power segment was B1,028.6 million for the year ended 2021, an increase of 22.04% from B843.0 million for the year ended 2020. Total revenue for photovoltaic power segment was B1,255.3 million for the year ended 2021, an increase of 10.00% from B1,141.2 million for the year ended 2020.

Hydro Power Segment

Total revenue for hydro power segment was B143.3 million for the year ended 2021, an increase of 2.30% from B140.0 million for the year ended 2020.

Other Segment

Total revenue for other segment was B1.5 million for the year ended 2021, an increase of 40.00% from B1.1 million for the year ended 2020.

3. Other Income

Total other income was B357.6 million for the year ended 2020, an increase of 26.82% from B282.0 million for the year ended 2021. Total other income was B453.5 million for the year ended 2021, an increase of 10.00% from B412.3 million for the year ended 2020.

7. Finance Costs

Finance costs, including interest on bank borrowings, of 11.04% (2020: 11.04%) of B574.5 million (2020: B637.9 million) were incurred during the period.

8. Share of Results of Associates and a Joint Venture

The Group's share of results of associates and a joint venture of 84.42% (2020: 84.42%) of B89.2 million (2020: B13.9 million) was recorded during the period.

9. Profit before Taxation

After taking into account the above items, profit before taxation of 13.90% (2020: 13.90%) of B1,654.3 million (2020: B1,884.3 million) was recorded during the period.

10. Income Tax Expense

Income tax expense of 2.95% (2020: 2.95%) of B318.4 million (2020: B327.8 million) was recorded during the period. Effective tax rate of 19.25% (2020: 17.40%) was recorded during the period.

11. Profit for the Period

After taking into account the above items, profit for the period of 16.51% (2020: 16.51%) of B1,335.9 million (2020: B1,556.4 million) was recorded during the period.

12. Profit for the Period Attributable to Equity Holders of the Company

Profit for the period attributable to equity holders of the Company of 14.90% (2020: 14.90%) of B1,295.2 million (2020: B1,488.2 million) was recorded during the period.

IV. FINANCIAL POSITION

1. Overview

As at 30 June 2021, the Group's total assets of B74,434.7 million (2020: B47,142.9 million) were composed of cash and bank balances of B27,291.8 million (2020: B25,400.8 million) and other assets of B47,142.9 million (2020: B21,742.1 million).

2. Particulars of Assets and Liabilities

Total assets of the Company as at 31 December 2020 were B74,434.7 million (B70,538.3 million as at 31 December 2019). Total liabilities of the Company as at 31 December 2020 were B47,142.9 million (B44,171.5 million as at 31 December 2019). Total equity of the Company as at 31 December 2020 was B27,291.8 million (B26,366.8 million as at 31 December 2019). Current assets of the Company as at 31 December 2020 were B25,400.8 million (B24,493.7 million as at 31 December 2019). Current liabilities of the Company as at 31 December 2020 were B1,406.0 million (B1,406.0 million as at 31 December 2019). Current equity of the Company as at 31 December 2020 was B24,353.7 million (B24,353.7 million as at 31 December 2019). Total assets of the Company as at 31 December 2021 were B74,434.7 million (B70,538.3 million as at 31 December 2020). Total liabilities of the Company as at 31 December 2021 were B47,142.9 million (B44,171.5 million as at 31 December 2020). Total equity of the Company as at 31 December 2021 was B27,291.8 million (B26,366.8 million as at 31 December 2020). Current assets of the Company as at 31 December 2021 were B25,400.8 million (B24,493.7 million as at 31 December 2020). Current liabilities of the Company as at 31 December 2021 were B1,406.0 million (B1,406.0 million as at 31 December 2020). Current equity of the Company as at 31 December 2021 was B24,353.7 million (B24,353.7 million as at 31 December 2020).

3. Liquidity

As at 31 December 2021, the Company's current assets were B17,177.1 million (B17,177.1 million as at 31 December 2020) and current liabilities were B6,592.5 million (B6,592.5 million as at 31 December 2020). The Company's current assets were B9,178.6 million (B9,178.6 million as at 31 December 2020) and current liabilities were B1,406.0 million (B1,406.0 million as at 31 December 2020). The Company's current assets were B24,353.7 million (B24,353.7 million as at 31 December 2020) and current liabilities were B9,269.3 million (B9,269.3 million as at 31 December 2020). The Company's current assets were B9,068.8 million (B9,068.8 million as at 31 December 2020) and current liabilities were B95.2 million (B95.2 million as at 31 December 2020). The Company's current assets were B5,187.0 million (B5,187.0 million as at 31 December 2020) and current liabilities were B707.1 million (B707.1 million as at 31 December 2020). The Company's current assets were B10,362.6 million (B10,362.6 million as at 31 December 2020) and current liabilities were B7,176.6 million (B7,176.6 million as at 31 December 2020).

4. Net Gearing Ratio

The net gearing ratio of the Company as at 31 December 2020 was 0.44 (0.44 as at 31 December 2019). The net gearing ratio of the Company as at 31 December 2020 was 55.28% (55.28% as at 31 December 2019). The net gearing ratio of the Company as at 31 December 2021 was 54.84% (54.84% as at 31 December 2020).

Total gross assets of the Company as at 31 December 2020 were B39,733.0 million (B39,733.0 million as at 31 December 2019). Total gross liabilities of the Company as at 31 December 2020 were B9,269.3 million (B9,269.3 million as at 31 December 2019). Total gross assets of the Company as at 31 December 2021 were B4,583.9 million (B4,583.9 million as at 31 December 2020). Total gross liabilities of the Company as at 31 December 2021 were B2,025.6 million (B2,025.6 million as at 31 December 2020).

Balance sheet total of the Company as at 31 December 2020 was B6,592.5 million (B6,592.5 million as at 31 December 2019). Balance sheet total of the Company as at 31 December 2021 was B4,297.5 million (B4,297.5 million as at 31 December 2020).

V. OTHER SIGNIFICANT EVENTS

1. Financing

On 4 July 2021, the Group issued a bank loan with a term of 12 months, B2, 179,000,000, at an annual interest rate of 2.65%.

On 18 July 2021, the Group issued a bank loan with a term of 12 months, B2, 238,000,000, at an annual interest rate of 2.80%.

On 23 August 2021, the Group issued a bank loan with a term of 12 months, B2, 270,000,000, at an annual interest rate of 2.99%.

On 24 July 2021, the Group issued a bank loan with a term of 12 months, B2, 266,000,000, at an annual interest rate of 2.68%.

2. Capital Expenditure

In 2021, the Group's capital expenditure was B2,910.5 million, of which B2,605.5 million was paid in cash and B305.0 million was financed by bank loans.

3. Acquisition and Establishment of Subsidiaries

As at 31 December 2021, the Group has established subsidiaries in Hong Kong, including Hebei Rongzhi New Energy Power Co., Ltd.* (河北融智新源電力有限公司), Ertoke Qianqi Shijie New Energy Technology Co., Ltd.* (鄂托克前旗晟日新能源科技有限公司).

In 2021, the Group has established subsidiaries in Beijing, Inner Mongolia and Bayan Nur, including Beijing Jingneng Jintong New Energy Co., Ltd.* (北京京能京通新能源有限公司), Yinchuan Jingneng Clean Energy Co., Ltd.* (銀川京能清潔能源有限公司), and Bayan Nur Jingneng Clean Energy Power Co., Ltd.* (巴彥淖爾京能清潔能源電力有限公司).

* For more information, please refer to the relevant disclosures in the financial statements.

4. Contingent Liabilities

As at 30 June 2021, the Group has no contingent liabilities.

5. Mortgage of Assets

6. Significant Events after the Reporting Period

On 19 July 2021, the Company's wholly owned subsidiary, Ningxia Jiatai New Energy Co., Ltd. (寧夏嘉澤新能源股份有限公司) acquired 100% equity interest in Ningxia Keyang New Energy Co., Ltd. (寧夏愷陽新能源有限公司) and Ningxia Boyang New Energy Co., Ltd. (寧夏博陽新能源有限公司), with a total consideration of RMB380.64 million and RMB1,072.4 million, respectively. Details of the acquisition are set out in the Company's announcement dated 19 July 2021. The Company is pleased to announce that the acquisition of the two subsidiaries will further expand the Company's business scope and enhance its market competitiveness.

7. Share Option Scheme

As of 30 June 2021, the Company has no share options outstanding.

8. Foreign Exchange and Exchange Rate Risk

The Company's functional currency is the Renminbi Yuan ("RMB"). The Company's sales are primarily denominated in RMB. The Company's purchases are primarily denominated in RMB and US Dollars ("USD"). The Company's sales and purchases are primarily denominated in RMB and USD. The Company's sales and purchases are primarily denominated in RMB and USD. The Company's sales and purchases are primarily denominated in RMB and USD.

The Company's sales and purchases are primarily denominated in RMB and USD. The Company's sales and purchases are primarily denominated in RMB and USD. The Company's sales and purchases are primarily denominated in RMB and USD. The Company's sales and purchases are primarily denominated in RMB and USD.

VI. BUSINESS OUTLOOK FOR THE SECOND HALF OF 2021

1. Focusing on the Group's "14th Five-Year Plan"

The Group's 2021 business strategy is to focus on the Group's "14th Five-Year Plan" and to continue to expand its business scope and enhance its market competitiveness. The Group will continue to focus on the development of its core business and to expand its market share. The Group will continue to focus on the development of its core business and to expand its market share. The Group will continue to focus on the development of its core business and to expand its market share. The Group will continue to focus on the development of its core business and to expand its market share.

2. Actively promoting key projects

The Group's financial results for the year ended 31 December 2021 are as follows:

Item	2021	2020
Revenue	1.2 billion	1.1 billion
Profit before tax	0.45 billion	0.4 billion
Profit after tax	0.3 billion	0.25 billion

The Group's financial results for the year ended 31 December 2021 are as follows:

Item	2021	2020
Revenue	1.2 billion	1.1 billion
Profit before tax	0.45 billion	0.4 billion
Profit after tax	0.3 billion	0.25 billion

3. Continuing to lay a solid foundation for safety production

The Group's financial results for the year ended 31 December 2021 are as follows:

Item	2021	2020
Revenue	1.2 billion	1.1 billion
Profit before tax	0.45 billion	0.4 billion
Profit after tax	0.3 billion	0.25 billion

The Group's financial results for the year ended 31 December 2021 are as follows:

Item	2021	2020
Revenue	1.2 billion	1.1 billion
Profit before tax	0.45 billion	0.4 billion
Profit after tax	0.3 billion	0.25 billion

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

The Company has not purchased, sold or redeemed any of its listed securities during the year ended 30 June 2021.

INTERIM DIVIDEND

The Board has not declared any interim dividend for the year ended 30 June 2021.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

All the listed companies are required to comply with the Corporate Governance Code. The Company has fully complied with all the provisions of the Corporate Governance Code during the year ended 30 June 2021.

COMPLIANCE WITH CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Code for Securities Transactions for Directors and Officers (Model Code) set out in Appendix 10 of the Listing Rules as a guide for the directors and officers of the Company. Directors and officers of the Company have confirmed that they have complied with the Code for Securities Transactions, and the Company has confirmed that it has complied with the Code.

AUDIT COMMITTEE

The Company has an audit committee ("Audit Committee") established in 2011. The Audit Committee has held 1 meeting during the period from 1 January 2021 to 30 June 2021, and the members of the Audit Committee are:

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

The Company has adopted the Rules Governing the Listing of Securities (the "Listing Rules") of the Hong Kong Stock Exchange ("HKEX") as a guide for the publication of interim results and interim reports. The Company has published its 2021 interim results and interim report on the Listing Rules website of the HKEX and the Company's website.

Beijing Jingneng Clean Energy Co., Limited
KANG Jian
Director General of the Company

Beijing, China
26 April 2021

All directors of the Company have confirmed that they have read and approved the content of the 2021 interim results and interim report, and the Company has confirmed that it has complied with the Listing Rules. The Company has also confirmed that it has complied with the Code for Securities Transactions.