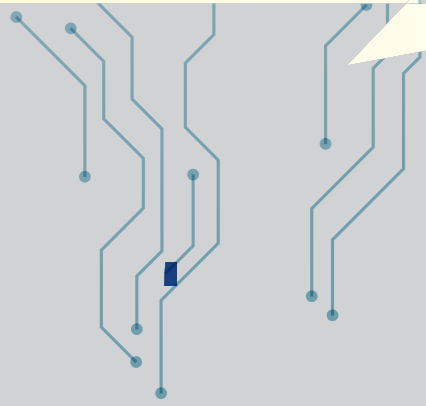




Beiji  
北京

ergy Co., Limited





# CONTENTS

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**6** M / / / D / / / A / /

**19** C / / / G / / / O / / /

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**26** / / / C / / / C / / / F / / / P / / /

**28** / / / C / / / C / / / C / / / E / / /

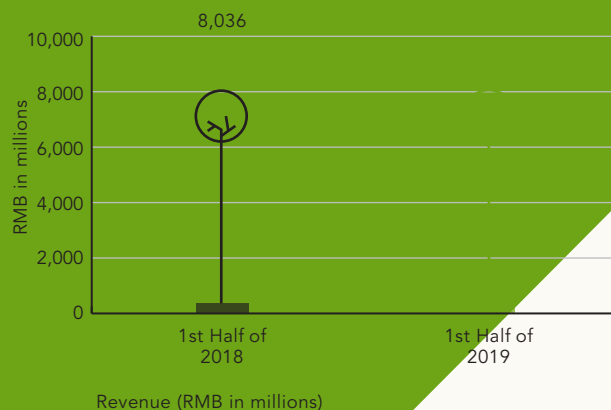
**29** / / / C / / / C / / / C / / F / / /

**31** N / / / C / / / C / / / F / / /

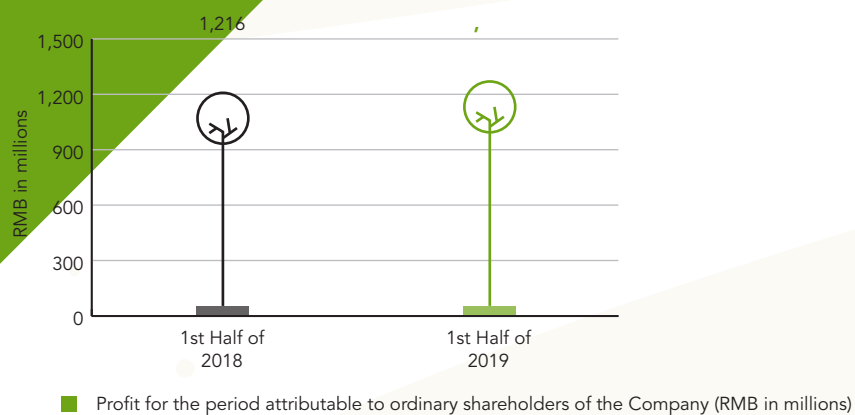


# FINANCIAL HIGHLIGHTS

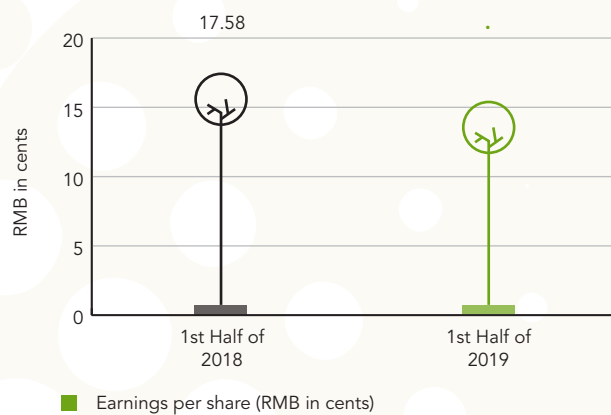
## REVENUE



## PROFIT FOR THE PERIOD ATTRIBUTABLE TO ORDINARY SHAREHOLDERS OF THE COMPANY



## EARNINGS PER SHARE



## FINANCIAL HIGHLIGHTS

|  | For the six months ended<br>30 June |           |
|--|-------------------------------------|-----------|
|  | 2019                                | 2018      |
|  | RMB'000                             | ¥ MB'000  |
| Revenue  | 8,064,971                           | 8,036,391 |
| Profit before income tax                                     | 1,700,856                           | 1,731,629 |
| Income tax expense   | (380,520)                           | (414,287) |
| Profit after income tax                                      | 1,320,336                           | 1,317,342 |
| Profit attributable to equity holders of the parent company: |                                     |           |
| Equity holders of the parent company                         | 1,268,270                           | 1,216,095 |
| Minority interest  | -                                   | 35,768    |
| Non-controlling interest                                     | 52,066                              | 65,479    |
| Basic earnings per share (RMB)                               | 15.38                               | 17.58     |

|  | As of<br>30 June<br>2019 | As of<br>31 Dec<br>2018 |
|--|--------------------------|-------------------------|
|  | RMB'000                  | ¥ MB'000                |
| Property, plant and equipment                                | 43,497,066               | 42,809,938              |
| Intangible assets  | 10,991,098               | 12,131,522              |
| Goodwill   | 54,488,164               | 54,941,460              |
| Investments in subsidiaries                                  | 15,894,135               | 19,391,917              |
| Investments in associates                                    | 16,327,219               | 14,037,943              |
| Other non-current assets                                     | 32,221,354               | 33,429,860              |
| Net assets   | 22,266,810               | 21,511,600              |
| Equity attributable to equity holders of the parent company: |                          |                         |
| Equity holders of the parent company                         | 21,817,522               | 21,114,378              |
| Non-controlling interest                                     | 449,288                  | 397,222                 |
| Other non-current assets                                     | 22,266,810               | 21,511,600              |

# CORPORATE PROFILE

## REGISTERED NAME

BEIJING JINGNENG CLEAN ENERGY CO., LIMITED

## DIRECTORS

### Non-executive Directors

M. LI H/<sup>李</sup> (C/ )

M. LI J /

M. ANG B /

M. REN /

### Executive Directors

M. HANG F / (G / M / )

M. H J /

M. CAO M /

### Independent Non-executive Directors

M. H ANG /

M. HANG F /

M. CHAN /

M. HAN /

## STRATEGY COMMITTEE

M. LI H/<sup>李</sup> (C/ )

M. HANG F /

M. H J /

M. CAO M /

## REMUNERATION AND NOMINATION COMMITTEE

M. H ANG / (C/ )

M. LI H/<sup>李</sup> /

M. H J /

M. HANG F /

M. HAN /

## AUDIT COMMITTEE

M. CHAN / (C/ )

M. LI J /

M. H ANG /

## SUPERVISORS

M. ANG /

M. H ANG H /

M. H ANG L /

## COMPANY SECRETARY

M. KANG J /

## AUTHORIZED REPRESENTATIVES

M. HANG F /

7/8 F , N . 6 / / / / /

C / / / / D , B , / / / / R C

M. KANG J /

7/8 F , N . 6 / / / / /

C / / / / D , B , / / / / R C

## REGISTERED OFFICE

118, N . 1 / / / / / E / / / / /

B / / / / E D / / / / /

/ / / / / D , B , / / / / /

P / / / / R C / ( / / PRC )

## PRINCIPAL PLACE OF BUSINESS IN THE PRC

7/8 F , N . 6 / / / / /

C / / / / D , B , / / / / R C

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

L 54, H / / / / C / / / /

183 / / / / E / / / H / / / /

**PRINCIPAL BANKERS**

China Merchants Bank BC., Ltd. (Donghai Branch)  
 Floor 2, No. 100, Middle Road,  
 No. 46, Daxi Road, Beijing, P.R.C.

Bank of China Co., Ltd. (Fuzhou Branch)  
 Building 1, No. 9, Chong'an Road,  
 Daxi Road, Beijing, P.R.C.

Asia Pacific Bank BC., Ltd. (Fuzhou Branch)  
 No. 9, E. Anli Road,  
 Fuzhou, Daxi Road, Beijing, P.R.C.

Industrial Bank BC., Ltd. (Fuzhou Branch)  
 (Fuzhou Branch)  
 No. 55, Zhongyuan Road,  
 Daxi Road, Beijing, P.R.C.

**INTERNATIONAL AUDITORS**

Deloitte Touche  
 Coopers & Lybrand  
 35/F, One Pacific Place,  
 88, Queen's Road, Hong Kong

**DOMESTIC AUDITORS**

Grant Thornton LLP (Guangzhou Practice)  
 5/F, One Pacific Place,  
 22, Jiefang Road, A  
 China Daxi Road, Beijing, P.R.C.

**HONG KONG LEGAL ADVISORS**

Frost Borden  
 55/F, One Pacific Place,  
 One Pacific Place,  
 One Pacific Place, Hong Kong

**PRC LEGAL ADVISORS**

Yan L. Feng  
 10/F, CPIC Plaza, 28 Fuzhou Road,  
 Daxi Road, Beijing, P.R.C.

**HONG KONG SHARE REGISTRAR**

Central Hong Kong Limited  
 L1712-1716, 17/F,  
 Hong Kong, 183 Queen's Road, E,  
 Hong Kong

**STOCK CODE**

579

**COMPANY'S WEBSITE**

www.jingneng.com

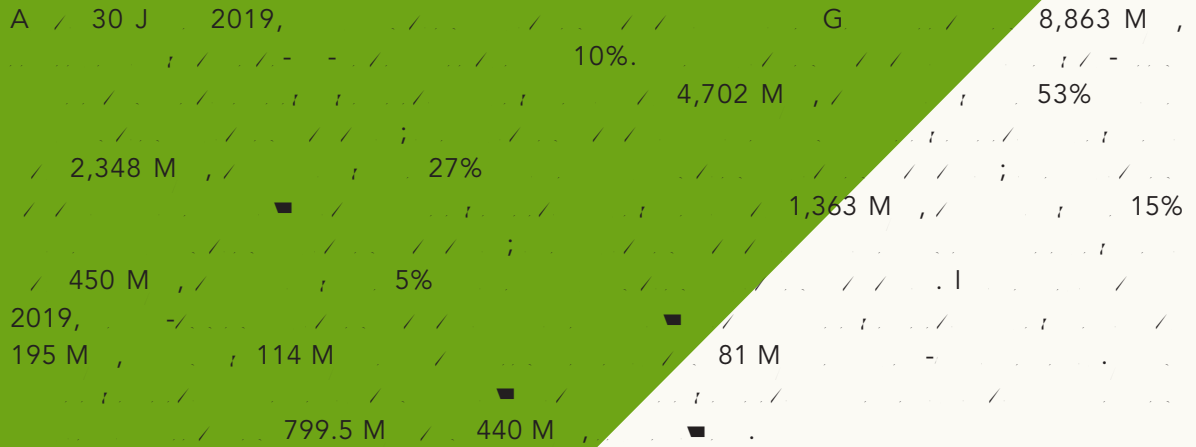
**LISTING PLACE**

BEIXINSE, Hong Kong

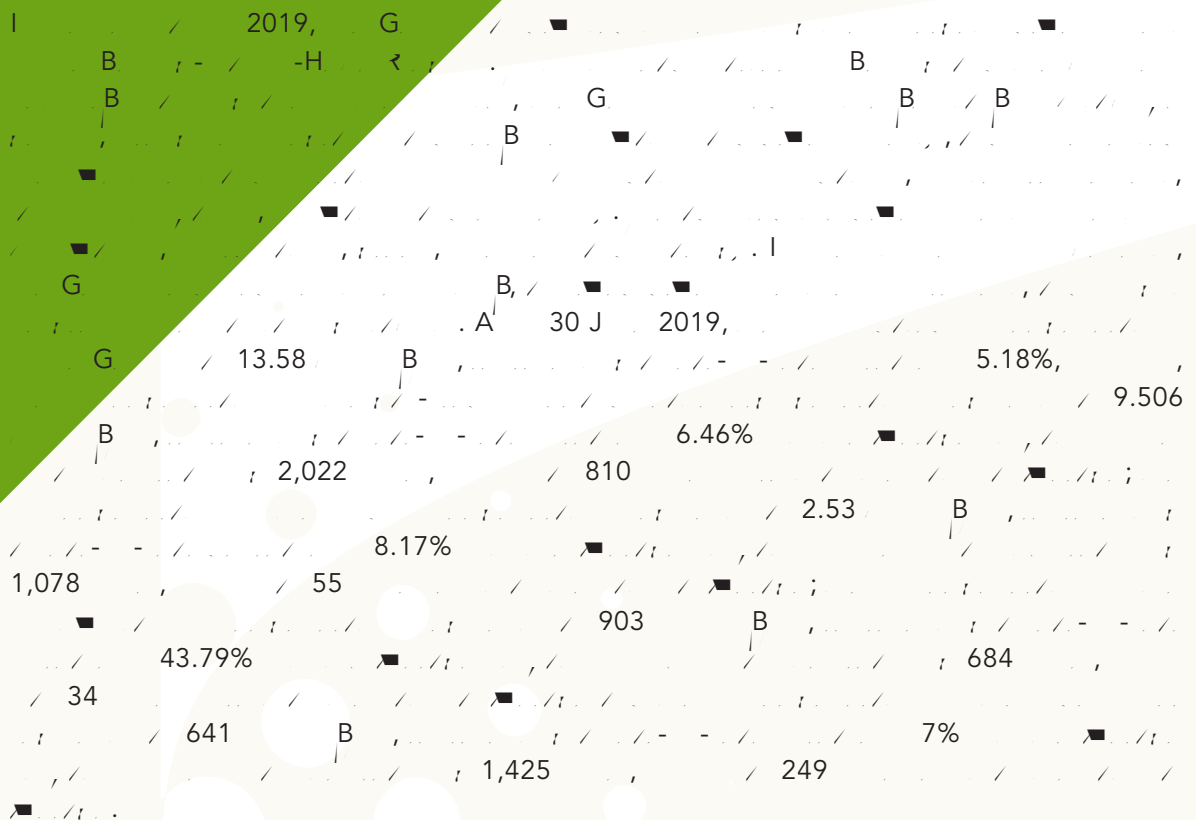
# MANAGEMENT DISCUSSION AND ANALYSIS

## I. BUSINESS REVIEW FOR THE FIRST HALF OF 2019

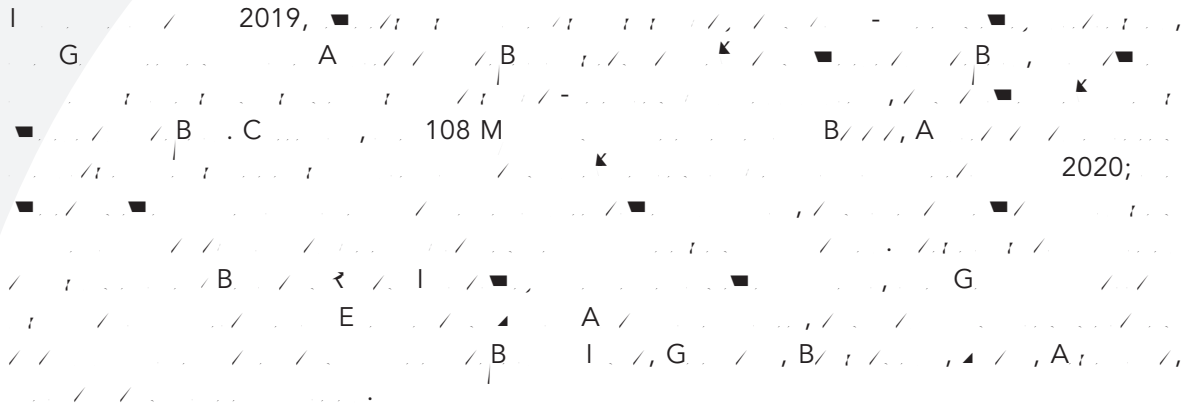
### 1. Increase in installed capacity



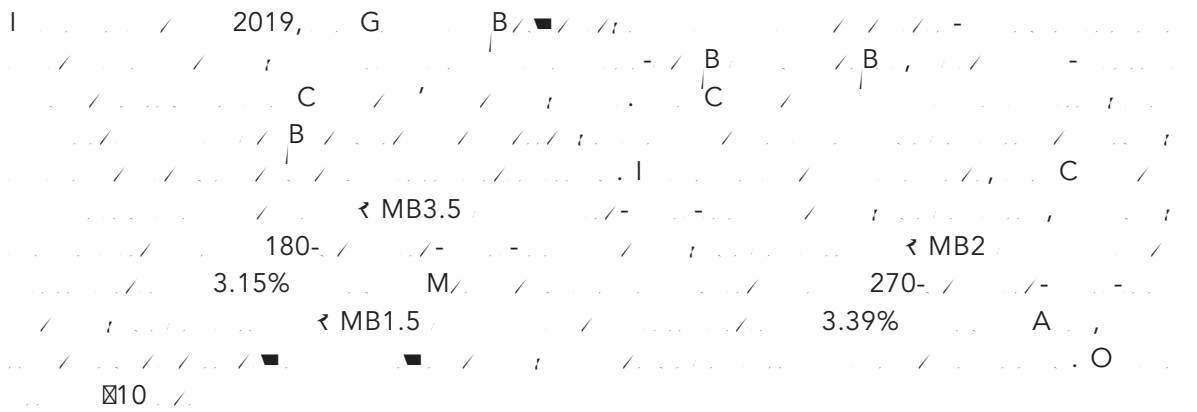
### 2. Increase in power generation



3. Steady promotion of overseas projects



4. Reduction in financing cost





# MANAGEMENT DISCUSSION AND ANALYSIS

## 2. Operating Income

| Segment  | 2019, RMB million | 2018, RMB million | Change (%)    |
|--|-------------------|-------------------|---------------|
| Gas-fired Power and Heat Energy Generation Segment | 8,036.4           | 8,065.0           | -0.36%        |
| Wind Power Segment                                 | 1,149.6           | 1,028.9           | 10.50%        |
| Photovoltaic Power Segment                         | 485.6             | 685.7             | -41.21%       |
| Hydropower Segment                                 | 145.7             | 149.9             | -2.88%        |
| Others   | 6.5               | 0.9               | 86.15%        |
| <b>Total</b>                                       | <b>10,723.8</b>   | <b>10,939.5</b>   | <b>-1.92%</b> |

### Gas-fired Power and Heat Energy Generation Segment

| Item                       | 2019, RMB million | 2018, RMB million | Change (%) |
|----------------------------|-------------------|-------------------|------------|
| Gas-fired power generation | 6,249.0           | 6,199.7           | 0.79%      |
| Heat energy generation     | 5,190.6           | 5,147.5           | 0.83%      |
| Others                     | 1,052.1           | 1,058.4           | -0.60%     |

### Wind Power Segment

| Item                  | 2019, RMB million | 2018, RMB million | Change (%) |
|-----------------------|-------------------|-------------------|------------|
| Wind power generation | 1,149.6           | 1,028.9           | 10.50%     |

### Photovoltaic Power Segment

| Item                          | 2019, RMB million | 2018, RMB million | Change (%) |
|-------------------------------|-------------------|-------------------|------------|
| Photovoltaic power generation | 485.6             | 685.7             | -41.21%    |

### Hydropower Segment

| Item                  | 2019, RMB million | 2018, RMB million | Change (%) |
|-----------------------|-------------------|-------------------|------------|
| Hydropower generation | 145.7             | 149.9             | -2.88%     |

### Others

| Item   | 2019, RMB million | 2018, RMB million | Change (%) |
|--------|-------------------|-------------------|------------|
| Others | 6.5               | 0.9               | 86.15%     |

## 3. Other Income

| Item         | 2019, RMB million | 2018, RMB million | Change (%) |
|--------------|-------------------|-------------------|------------|
| Other income | 504.2             | 619.5             | -22.87%    |

4. Operating Expenses

Operating expenses increased by 3.12% to RMB6,294.4 million in 2019, compared with RMB6,490.5 million in 2018. The increase was mainly due to the increase in depreciation and amortization, gas consumption, personnel cost, repairs and maintenance, and other expenses.

Gas Consumption

Gas consumption decreased by 5.63% to RMB4,300.1 million in 2019, compared with RMB4,542.1 million in 2018. The decrease was mainly due to the decrease in gas consumption in the power generation business.

Depreciation and Amortization

Depreciation and amortization increased by 9.42% to RMB1,083.4 million in 2019, compared with RMB1,185.5 million in 2018. The increase was mainly due to the increase in depreciation and amortization of property, plant and equipment.

Personnel Cost

Personnel cost decreased by 1.25% to RMB320.2 million in 2019, compared with RMB316.2 million in 2018. The decrease was mainly due to the decrease in personnel cost in the power generation business.

Repairs and Maintenance

Repairs and maintenance decreased by 3.78% to RMB235.7 million in 2019, compared with RMB226.8 million in 2018. The decrease was mainly due to the decrease in repairs and maintenance in the power generation business.

Other Expenses

Other expenses increased by 19.98% to RMB343.3 million in 2019, compared with RMB274.7 million in 2018. The increase was mainly due to the increase in other expenses in the power generation business.

Other Gains and Losses

Other gains and losses decreased by RMB11.7 million in 2019, compared with RMB54.8 million in 2018. The decrease was mainly due to the decrease in other gains and losses in the power generation business.

## 5. Operating Profit

A contribution margin of 2.32% (2018: 2.32%) was achieved, resulting in an operating profit of RMB2,246.1 million (2018: RMB2,194.0 million).

## 6. Adjusted Segment Operating Profit

The adjusted segment operating profit was RMB2,069.6 million (2018: RMB2,033.7 million), representing a contribution margin of 1.73% (2018: 1.73%).

### Gas-fired Power and Heat Energy Generation Segment

A contribution margin of 7.71% (2018: 7.71%) was achieved, resulting in an adjusted segment operating profit of RMB1,301.1 million (2018: RMB1,200.8 million). The contribution margin of this segment decreased by 0.02 percentage points (2018: 0.02 percentage points) due to the increase in the contribution margin of the wind power segment.

### Wind Power Segment

A contribution margin of 22.71% (2018: 22.71%) was achieved, resulting in an adjusted segment operating profit of RMB500.3 million (2018: RMB386.7 million). The contribution margin of this segment increased by 0.02 percentage points (2018: 0.02 percentage points) due to the increase in the contribution margin of the gas-fired power and heat energy generation segment.

### Photovoltaic Power Segment

A contribution margin of 51.45% (2018: 51.45%) was achieved, resulting in an adjusted segment operating profit of RMB283.4 million (2018: RMB429.2 million). The contribution margin of this segment decreased by 0.02 percentage points (2018: 0.02 percentage points) due to the increase in the contribution margin of the wind power segment.

### Hydropower Segment

A contribution margin of 60.36% (2018: 60.36%) was achieved, resulting in an adjusted segment operating profit of RMB22.2 million (2018: RMB35.6 million). The contribution margin of this segment decreased by 0.02 percentage points (2018: 0.02 percentage points) due to the increase in the contribution margin of the wind power segment.

### Others

A contribution margin of 20.00% (2018: 20.00%) was achieved, resulting in an adjusted segment operating profit of RMB37.4 million (2018: RMB18.6 million). The contribution margin of this segment decreased by 0.02 percentage points (2018: 0.02 percentage points) due to the increase in the contribution margin of the wind power segment.

**7. Finance Costs**

Finance costs were 3.96% of the profit before taxation of ₹ MB557.9 million in 2019, compared to 3.96% of ₹ MB580.0 million in 2018. Finance costs were primarily interest on bank borrowings.

**8. Share of Results of Associates**

Share of results of associates was ₹ MB23.3 million in 2019, compared to ₹ MB59.4 million in 2018. The share of results of associates was primarily from Beijing Jingneng Clean Energy Co., Limited ("Jingneng Clean Energy").

**9. Profit before Taxation**

Profit before taxation was ₹ MB1,731.6 million in 2019, compared to ₹ MB1,700.9 million in 2018. Profit before taxation was primarily from the operations of the Company.

**10. Income Tax Expense**

Income tax expense was ₹ MB414.3 million in 2019, compared to ₹ MB380.5 million in 2018. The effective tax rate was 23.92% in 2019, compared to 22.37% in 2018.

**11. Profit for the Period**

Profit for the period was ₹ MB1,317.3 million in 2019, compared to ₹ MB1,320.3 million in 2018. Profit for the period was primarily from the operations of the Company.

**12. Profit for the Period Attributable to Ordinary Shareholders of the Company**

Profit for the period attributable to ordinary shareholders of the Company was ₹ MB1,216.1 million in 2019, compared to ₹ MB1,268.3 million in 2018. Profit for the period attributable to ordinary shareholders of the Company was primarily from the operations of the Company.

## III. FINANCIAL POSITION

### 1. Overview

|   |            |  |   |  |              |
|---|------------|--|---|--|--------------|
| A | 30 J 2019, |  | G |  | ↔ MB54,488.2 |
|   |            |  |   |  | ↔ MB32,221.4 |
|   |            |  |   |  | ↔ MB22,266.8 |
|   |            |  |   |  | ↔ MB21,817.5 |

### 2. Particulars of Assets and Liabilities

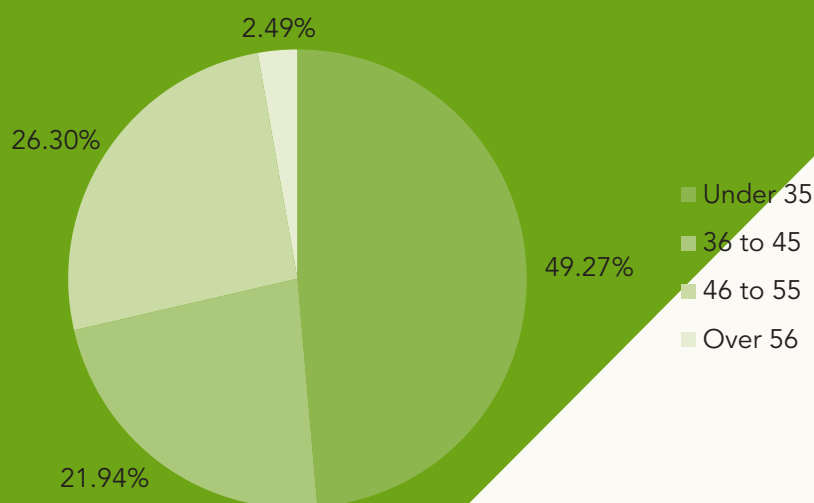
|  |              |       |              |   |                        |
|--|--------------|-------|--------------|---|------------------------|
|  |              | 0.83% | ↔ MB54,941.5 |   | 31 D 2018              |
|  | ↔ MB54,488.2 |       | 30 J 2019,   |   |                        |
|  |              | 3.62% | ↔ MB33,429.9 |   | 31 D 2018              |
|  | ↔ MB32,221.4 |       | 30 J 2019,   | B |                        |
|  |              | 3.51% | ↔ MB21,511.6 |   | 31 D 2018 ↔ MB22,266.8 |
|  | ↔ MB21,114.4 |       | 30 J 2019. E | C |                        |
|  |              | 3.33% | ↔ MB21,114.4 |   | 31 D 2018 ↔ MB21,817.5 |
|  | 30 J 2019,   |       |              |   | ↔ MB21,817.5           |
|  |              |       |              |   | ↔ MB21,817.5           |

### 3. Liquidity

|   |             |        |              |  |                |
|---|-------------|--------|--------------|--|----------------|
| A | 30 J 2019,  |        | ↔ MB10,991.1 |  |                |
|   | ↔ MB3,940.4 |        |              |  | ↔ MB5,672.6    |
|   |             |        |              |  | (↔ MB1,378.1)  |
|   |             |        |              |  | ↔ MB1,378.1    |
|   |             |        |              |  | (↔ MB15,894.1) |
|   |             |        |              |  | ↔ MB5,551.4    |
|   | ↔ MB6,083.0 |        |              |  | ↔ MB82.9       |
|   | ↔ MB2,920.7 |        |              |  | (↔ MB1,256.1)  |
|   |             |        |              |  | ↔ MB1,256.1    |
|   |             |        |              |  | ↔ MB1,256.1    |
| N |             | 32.47% | ↔ MB7,260.4  |  | 31 D 2018      |
|   | ↔ MB4,903.0 |        | 30 J 2019. C |  | ↔ MB4,903.0    |
|   |             | 62.56% | ↔ MB4,903.0  |  | 31 D 2018      |
|   |             |        | 69.15%       |  | 30 J 2019,     |
|   |             |        |              |  | ↔ MB4,903.0    |



## Age Structure



## 2. Degree Structure:

| Educational background | Number of employees | Percentage | Cumulative percentage |
|------------------------|---------------------|------------|-----------------------|
| D                      | 3                   | 0.11%      | 0.11%                 |
| M                      | 167                 | 6.12%      | 6.23%                 |
| B                      | 1,356               | 49.67%     | 55.90%                |
| C                      | 1,204               | 44.10%     | 100.00%               |
|                        | 2,730               | 100.00%    | -                     |

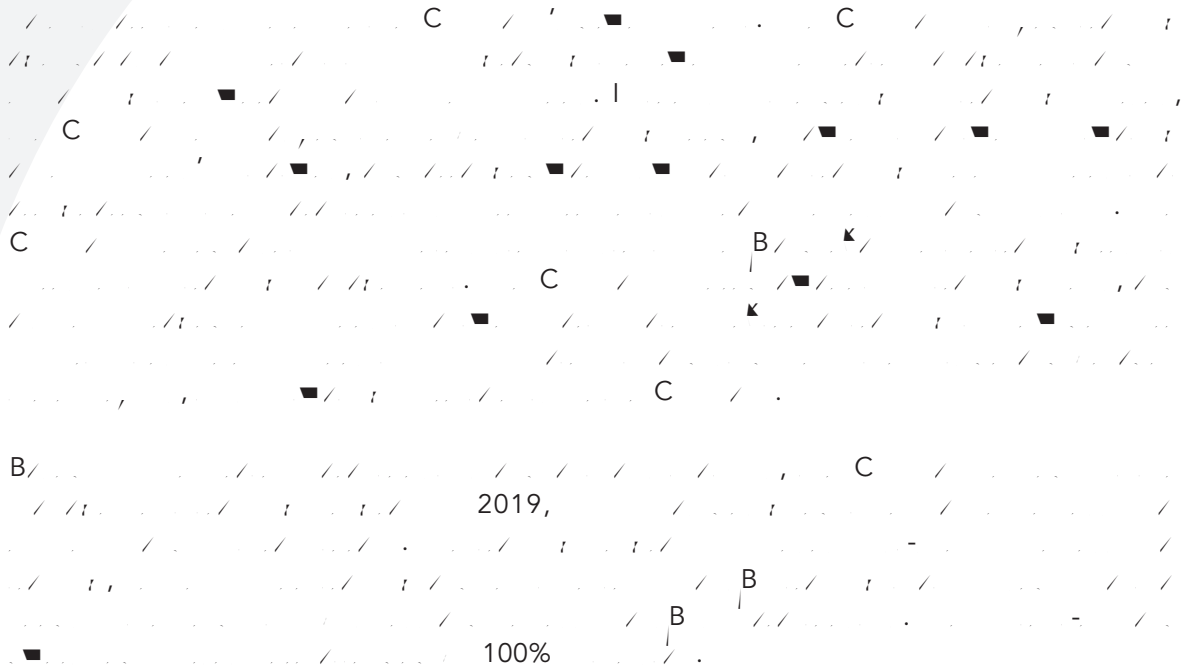
## II. EMPLOYEES' INCENTIVES

Our incentive system is designed to attract, retain and motivate our employees. We have implemented a comprehensive incentive system, including performance-based bonuses, stock options, and other long-term incentives. The system is designed to align employee interests with the company's long-term growth and success. We also provide various benefits and welfare programs to support our employees' well-being and work-life balance.

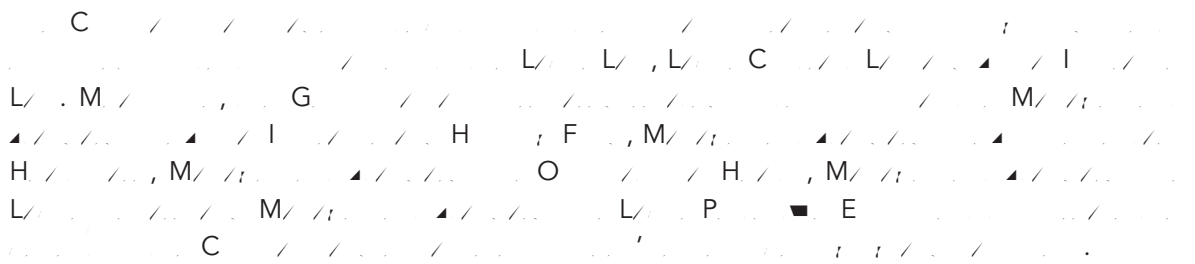
## III. EMPLOYEES' REMUNERATION

Our remuneration policy is based on the principle of fair and competitive compensation. We conduct regular market research to benchmark our compensation levels against industry peers. Our remuneration structure includes a base salary, performance bonuses, and long-term incentives. We also provide various benefits and welfare programs to support our employees' well-being and work-life balance.

IV. EMPLOYEES' TRAINING



V. EMPLOYEES' BENEFITS



V. OTHER SIGNIFICANT EVENTS

1. Financing

On 22 March 2019, the Group issued a bank loan of ₹ MB218.0 million with an interest rate of 3.15%. On 22 April 2019, the Group issued a bank loan of ₹ MB1.5 million with an interest rate of 3.39%.

2. Capital Expenditure

In 2019, the Group incurred capital expenditure of ₹ MB761.7 million, of which ₹ MB232.5 million was paid in cash and ₹ MB529.2 million was financed by bank loans.



### 3. Significant Investment

As at 30 June 2019, the Group has significant investments in the following entities:

| Entity Name   | Investment Type   | Value (MB) |
|---|-------------------|------------|
| 常寧光聚電力開發有限公司 (Changning Guangju Power Development Co., Ltd.)              | Equity Investment | MB14.4     |
| 潤峰格爾木電力有限公司 (Runfeng GERMU Power Co., Ltd.)                               | Equity Investment | MB14.4     |
| 陽西清芸陽光新能源科技有限公司 (Yangxi Qingyun Sunlight New Energy Technology Co., Ltd.) | Equity Investment | MB14.4     |
| 陸豐市明大新能源科技有限公司 (Lu Feng City Mingda New Energy Technology Co., Ltd.)      | Equity Investment | MB14.4     |

The Group also has significant investments in the following entities:

| Entity Name   | Investment Type   | Value (MB) |
|---|-------------------|------------|
| 常寧光聚電力開發有限公司 (Changning Guangju Power Development Co., Ltd.)              | Equity Investment | MB14.4     |
| 潤峰格爾木電力有限公司 (Runfeng GERMU Power Co., Ltd.)                               | Equity Investment | MB14.4     |
| 陽西清芸陽光新能源科技有限公司 (Yangxi Qingyun Sunlight New Energy Technology Co., Ltd.) | Equity Investment | MB14.4     |
| 陸豐市明大新能源科技有限公司 (Lu Feng City Mingda New Energy Technology Co., Ltd.)      | Equity Investment | MB14.4     |

### 4. Contingent Liabilities

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

### 5. Mortgage of Assets

As at 30 June 2019, the Group has mortgaged assets with a carrying amount of MB2,339.9 million, which are pledged to the following financial institutions:

| Financial Institution                             | Mortgaged Assets (MB) |
|---|-----------------------|
| 交通銀行 (交通銀行) 廣東分行 (Jiaotong Bank Guangdong Branch) | MB208.0               |
| 中國銀行 (中國銀行) 廣東分行 (China Bank Guangdong Branch)    | MB2,131.9             |

9. Share Option Scheme

At 30 June 2019, the Company has no share options outstanding.

10. Foreign Exchange and Exchange Rate Risk

The Company's operations are primarily in the Mainland China, Hong Kong, and other regions. The Company's revenue is primarily denominated in RMB, while its expenses are denominated in various currencies, including RMB, HKD, and USD. The Company is exposed to foreign exchange risk arising from the fluctuations in the exchange rates of these currencies. The Company has implemented various risk management strategies to mitigate the foreign exchange risk, including using forward exchange contracts and natural hedging.

The Company's financial statements are presented in RMB. The Company's assets and liabilities are primarily denominated in RMB. The Company's revenue and expenses are denominated in various currencies, including RMB, HKD, and USD. The Company is exposed to foreign exchange risk arising from the fluctuations in the exchange rates of these currencies.

VI. BUSINESS PROSPECT FOR THE SECOND HALF OF 2019

1. Safety production guarantee

The Company will continue to adhere to the principle of safety first, and ensure the safety of production and operations. The Company will strengthen the safety management system, improve the safety management measures, and ensure the safety of production and operations. The Company will also strengthen the safety training and education for employees, and ensure that all employees are fully aware of the importance of safety. The Company will also strengthen the safety inspection and maintenance of equipment, and ensure that all equipment is in good working order. The Company will also strengthen the safety management of subcontractors, and ensure that all subcontractors comply with the Company's safety management requirements.

2. Promoting the preliminary work of incremental projects

The Company will continue to promote the preliminary work of incremental projects, and ensure that all projects are completed in a timely and efficient manner. The Company will strengthen the project management system, improve the project management measures, and ensure that all projects are completed in a timely and efficient manner. The Company will also strengthen the project financing and investment management, and ensure that all projects have sufficient funds. The Company will also strengthen the project risk management, and ensure that all projects are completed in a safe and sound manner.

B, B, B, -H, B, C, B, B, B, -B, B, C, B, B, B, -H, B, C, B, B, B, -H, K, -M, G, B, A, B, B, C, G, -P, -B, I, C, E, B, P, G, P, H, B

### 3. Reform and integration and regional management

I 2019, I, B, C, G, A, C, C, N, C, A, B, C

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is listed on the Hong Kong Stock Exchange (the "Stock Exchange"), and is subject to the Corporate Governance Code set out in the Listing Rules of the Stock Exchange. The Company has adopted the Corporate Governance Code as its own code of corporate governance. The Company has complied with all the applicable provisions of the Corporate Governance Code during the reporting period ended 30 June 2019.

COMPLIANCE WITH MODEL CODE

The Company is also subject to the Model Code for Directors' Securities Transactions set out in the Listing Rules of the Stock Exchange (the "Model Code"). The Company has adopted the Model Code as its own code of conduct for Directors' securities transactions. The Company has complied with all the applicable provisions of the Model Code during the reporting period ended 30 June 2019.

PLEDGING OF SHARES BY THE CONTROLLING SHAREHOLDER

The Company has no knowledge of any shares of the Company being pledged by the controlling shareholder during the reporting period ended 30 June 2019.

LOAN AGREEMENTS OR FINANCIAL ASSISTANCE OF THE COMPANY

The Company has no knowledge of any loan agreements or financial assistance provided by the Company to any Director or controlling shareholder during the reporting period ended 30 June 2019.

AUDIT COMMITTEE

The Audit Committee (the "Audit Committee") is composed of three independent non-executive Directors, namely M. CHAN, M. H. ANG and M. LI J. M. CHAN is the Chairman of the Audit Committee. The Audit Committee has reviewed the financial statements of the Company for the reporting period ended 30 June 2019.

The Audit Committee has also reviewed the Company's internal control system and financial reporting process during the reporting period ended 30 June 2019.

# CORPORATE GOVERNANCE AND OTHER INFORMATION

## REGISTERED SHARE CAPITAL

As at 30 June 2019, the registered share capital of the Company is RMB8,244,508,144 (8,244,508,144 RMB1.00), of which 5,414,831,344 shares (5,414,831,344 shares) are ordinary shares and 2,829,676,800 shares (2,829,676,800 shares) are preferred shares.

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

As at 30 June 2019, the interests and short positions of the Directors, Supervisors and Chief Executives in the Company's shares, underlying shares and debentures are as follows:

(1) Interests in the Company's shares

None of the Directors, Supervisors and Chief Executives has any interests in the Company's shares, underlying shares and debentures.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES

As at 30 June 2019, the substantial shareholders' interests and short positions in the Company's shares are as follows:

(1) Substantial shareholders' interests in the Company's shares

None of the substantial shareholders has any short positions in the Company's shares.

| Name of shareholders  | Types of Shares | Capacity | Number of shares/<br>underlying<br>shares held<br>(share) | Percentage of<br>relevant class of<br>share capital (%) | Percentage of<br>total<br>share capital (%) |
|---|-----------------|----------|---|---|---|
| BEH <sup>(1), (2)</sup>   | D               | B        | 5,190,483,053 (L)   | 95.86   | 62.96                                       |
| B <sub>1</sub> COMC <sup>(1), (2)</sup>                         | H<br>D          | I<br>B   | 471,612,800 (L)<br>5,414,831,344 (L)                      | 16.67<br>100.00   | 5.72<br>65.68                               |
| B <sub>2</sub> , E <sub>1</sub> , I <sub>1</sub> <sup>(2)</sup> | H               | I        | 471,612,800 (L)   | 16.67   | 5.72  |
| ▲AIFI GP C/ L <sup>(3)</sup>                                    | H               | I        | 173,532,000 (L)   | 6.13  | 2.10  |
| ▲AIFI GP LP <sup>(3)</sup>                                      | H               | I        | 173,532,000 (L)   | 6.13  | 2.10  |

# CORPORATE GOVERNANCE AND OTHER INFORMATION

| Name of shareholders | Types of Shares | Capacity | Number of shares/<br>underlying<br>shares held<br>(share) | Percentage of<br>relevant class of<br>share capital (%) | Percentage of<br>total<br>share capital (%) |
|----------------------|-----------------|----------|---|---|---|
| AIFF / I L.P. (N 3)  | H               | B        | 173,532,000 (L)   | 6.13  | 2.10  |
| V A (N 3)            | H               | I        | 173,532,000 (L)   | 6.13  | 2.10  |
| B E                  | H               | I        | 196,964,000 (L)   | 6.96  | 2.39  |
| H L (N 4)            |                 |          |   |   |   |
| B E E                | H               | B        | 196,964,000 (L)   | 6.96  | 2.39  |
| I                    |                 |          |   |   |   |
| C L (N 4)            |                 |          |   |   |   |
| B E E                | H               | I        | 196,964,000 (L)   | 6.96  | 2.39  |
| (H K)                |                 |          |   |   |   |
| C L (N 4)            |                 |          |   |   |   |
| N B B                | H               | B        | 169,930,000 (L)   | 6.01  | 2.06  |
| C H I L (N 5)        | H               | I        | 653,136,000 (L)   | 23.08   | 7.92  |
| C R (G )             | H               | B        | 653,136,000 (L)   | 23.08   | 7.92  |
| C (N 5)              |                 |          |   |   |   |
| C P & C              | H               | B        | 196,704,000 (L)   | 6.95  | 2.39  |
| R C L (N 5)          |                 |          |   |   |   |
| C I (N 6)            | H               | I        | 157,635,592 (L)   | 5.57  | 1.91  |
|                      |                 |          | 294,000 (A)   | 0.01  | 0.00  |
|                      |                 |          | 157,339,595 (P)   | 5.56  | 1.91  |

**Notes:**

- B I E E C L 92,654,249 C A C

B I E E C L - BEH. I FO, BEH

92,654,249 B I E E C L

B D H (G ) C L 16,035,322 C A C B

D H (G ) C L - BEH. I FO, BEH 16,035,322

B D H (G ) C L

BEH 5,081,793,482 C I FO, BEH

5,190,483,053 C

B COMC 224,348,291 C A C BEH - B COMC

I FO, B COMC 5,414,831,344 C

# CORPORATE GOVERNANCE AND OTHER INFORMATION

|    |   |   |
|----|---|---|
| 2. | <p>BEH, BEH, B.COMC.I, FO, BEH, B.COMC</p> <p>471,612,800 H</p> <p>BEH, BEH, B.COMC.I, FO, BEH, B.COMC</p> <p>471,612,800 H</p>   | <p>C.A, C, BEH, B.COMC</p> <p>C.A, C, BEH, B.COMC</p> <p>C.A, C, BEH, B.COMC</p> <p>C.A, C, BEH, B.COMC</p>   |
| 3. | <p>AIF P, I L.P., AIF I GP LP, AIF I GP LP, AIF I GP C, L, AIF I GP C, L</p> <p>173,532,000 H</p> <p>AIF P, I L.P., AIF I GP LP, AIF I GP LP, AIF I GP C, L, AIF I GP C, L</p> <p>173,532,000 H</p>                 | <p>C.A, C, AIF P, I L.P., AIF I GP LP, AIF I GP LP, AIF I GP C, L, AIF I GP C, L</p> <p>C.A, C, AIF P, I L.P., AIF I GP LP, AIF I GP LP, AIF I GP C, L, AIF I GP C, L</p> <p>C.A, C, AIF P, I L.P., AIF I GP LP, AIF I GP LP, AIF I GP C, L, AIF I GP C, L</p> <p>C.A, C, AIF P, I L.P., AIF I GP LP, AIF I GP LP, AIF I GP C, L, AIF I GP C, L</p>                             |
| 4. | <p>BEH, E, I, C, L, BEH, E, I, C, L, BEH, E, I, C, L, BEH, E, I, C, L</p> <p>196,964,000 H</p> <p>BEH, E, I, C, L, BEH, E, I, C, L, BEH, E, I, C, L, BEH, E, I, C, L</p> <p>196,964,000 H</p>                       | <p>C.A, C, BEH, E, I, C, L, BEH, E, I, C, L, BEH, E, I, C, L, BEH, E, I, C, L</p> <p>C.A, C, BEH, E, I, C, L, BEH, E, I, C, L, BEH, E, I, C, L, BEH, E, I, C, L</p> <p>C.A, C, BEH, E, I, C, L, BEH, E, I, C, L, BEH, E, I, C, L, BEH, E, I, C, L</p> <p>C.A, C, BEH, E, I, C, L, BEH, E, I, C, L, BEH, E, I, C, L, BEH, E, I, C, L</p>   |
| 5. | <p>C P &amp; C, C, L, (G) C, &amp; C, C, L, C, (G) C, C, H, I, L, C, C, H, I, L</p> <p>196,704,000 H</p> <p>(G) C, &amp; C, C, L, C, (G) C, C, H, I, L, C, C, H, I, L</p> <p>456,432,000 H</p> <p>653,136,000 H</p> | <p>C.A, C, C P &amp; C, C, L, (G) C, &amp; C, C, L, C, (G) C, C, H, I, L, C, C, H, I, L</p> <p>C.A, C, C P &amp; C, C, L, (G) C, &amp; C, C, L, C, (G) C, C, H, I, L, C, C, H, I, L</p> <p>C.A, C, C P &amp; C, C, L, (G) C, &amp; C, C, L, C, (G) C, C, H, I, L, C, C, H, I, L</p> <p>C.A, C, C P &amp; C, C, L, (G) C, &amp; C, C, L, C, (G) C, C, H, I, L, C, C, H, I, L</p> |
| 6. | <p>C, I, H, C, ( )</p>  | <p>C.A, C, C, I, H, C, ( )</p>  |

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

None. 30 J 2019.

## INTERIM DIVIDEND

None. 30 J 2019.

## CHANGE IN DIRECTORS' INFORMATION

30 J 2019, B, M. HAO, C.

30 J 2019, B, M. ANG, C.

30 J 2019, C.

## CORPORATE GOVERNANCE AND OTHER INFORMATION



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

For the six months ended 30 June 2019

(Expressed in Renminbi Yuan, unless otherwise indicated) (RMB'000)

|  | Notes | For the six months ended 30 June |                                |
|--|-------|----------------------------------|--------------------------------|
|  |       | 2019<br>RMB'000<br>(Unaudited)   | 2018<br>RMB'000<br>(Unaudited) |
| Revenue                                | 3     | 8,064,971                        | 8,036,391                      |
| Operating expenses                     | 5     | 619,504                          | 504,151                        |
| Gain on disposal of subsidiaries       |       | (4,542,057)                      | (4,300,126)                    |
| Depreciation and amortisation          | 9     | (1,185,483)                      | (1,083,356)                    |
| Provision for doubtful accounts        |       | (316,183)                        | (320,187)                      |
| Financial income                       |       | (226,821)                        | (235,729)                      |
| Other income                           |       | (274,688)                        | (343,292)                      |
| Other expenses                         | 6     | 54,757                           | (11,713)                       |
| Profit from operations                 |       | 2,194,000                        | 2,246,139                      |
| Income tax                             | 7     | 27,422                           | 20,054                         |
| Finance costs                          | 7     | (579,971)                        | (557,881)                      |
| Share of profit of associates          |       | 59,405                           | 23,317                         |
| Profit before income tax               |       | 1,700,856                        | 1,731,629                      |
| Income tax                             | 8     | (380,520)                        | (414,287)                      |
| Profit after income tax                |       | 1,320,336                        | 1,317,342                      |
| Profit attributable to:                |       |                                  |                                |
| - Ordinary shareholders of the Company |       | 1,268,270                        | 1,216,095                      |
| - Holding companies                    |       | -                                | 35,768                         |
| - Non-controlling interests            |       | 52,066                           | 65,479                         |
|  |       | 1,320,336                        | 1,317,342                      |
|  |       | RMB cents                        | RMB                            |
| Exchange rate                          |       |                                  |                                |
| Basis                                  |       |                                  |                                |



# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2019

(Expressed in Renminbi Yuan, unless otherwise indicated) (RMB'000)

|  | As at<br>30 June<br>2019<br>RMB'000<br>(Unaudited) | 31 December<br>2018<br>RMB'000 |
|--|--|--------------------------------|
|  | N/A  | RMB'000                        |

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2019

(Expressed in Renminbi Yuan, unless otherwise indicated) (RMB'000)

|                            |    | As at<br>30 June<br>2019<br>RMB'000<br>(Unaudited) | As at<br>31 December<br>2018<br>RMB'000<br>(Audited) |
|----------------------------|----|--|--|
| <b>Current Liabilities</b> |    |  |  |
| Accounts payable           | 17 | 3,432,461  | 3,708,661  |
| Accounts receivable        | A  | 455,293  | 129,938  |
| Other payables             | B  | 5,551,435  | 8,864,459  |
| Other liabilities          | 19 | 6,082,989  | 6,086,848  |
| Provisions                 | M  | 82,873   | 80,189   |
| Contract liabilities       | C  | 59,337   | 88,564   |
| Income tax payable         | I  | 23,472   | 128,598  |
| Dividends payable          | D  | 206,275  | 304,660  |
|                            |    | <b>15,894,135</b>                                  | <b>19,391,917</b>                                    |

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period from January 1, 2019 to June 30, 2019

(Expressed in Renminbi Yuan, unless otherwise indicated) (in MB'000)

|  | Share capital | Statutory Capital reserve | Attributable to equity holders of the Company |  |
|--|---------------|---------------------------|---|--|
|  |               |                           |   |  |
|  |               |                           |   |  |

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2019  
(Expressed in Renminbi Yuan, unless otherwise indicated) (RMB'000)

|   | For the six months ended 30 June |                                |
|---|----------------------------------|--------------------------------|
|   | 2019<br>RMB'000<br>(Unaudited)   | 2018<br>RMB'000<br>(Unaudited) |
| <b>Net cash generated from operating activities</b> | <b>2,131,089</b>                 | <b>2,613,497</b>               |
| <b>Investing activities</b>                         |                                  |                                |
| Interest received                                   | 26,699                           | 25,562                         |
| Dividends received                                  | 9,150                            | 5,928                          |
| Change in prepayments                               | 1,710                            | 10,521                         |
| Change in other receivables                         | -                                | 12,000                         |
| Change in other assets                              | (50,000)                         | (45,000)                       |
| Acquisition of:                                     |                                  |                                |
| - Property, plant and equipment                     | (1,714,208)                      | (783,705)                      |
| - Intangible assets                                 | (448)                            | (2,007)                        |
| Proceeds from disposal of:                          |                                  |                                |
| - Property, plant and equipment                     | (47,185)                         | (4,765)                        |
| - Other assets                                      | 15,080                           | -                              |
| Change in other liabilities                         | 29,237                           | (415,391)                      |
| Net cash used in investing activities               | (25,954)                         | -                              |
| Change in cash and cash equivalents                 | -                                | (181,913)                      |
| <b>Net cash used in investing activities</b>        | <b>(1,755,919)</b>               | <b>(1,378,770)</b>             |

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

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

|   | N  | For the six months ended 30 June |                                |
|---|----|----------------------------------|--------------------------------|
|   |    | 2019<br>RMB'000<br>(Unaudited)   | 2018<br>RMB'000<br>(Unaudited) |
| <b>Financing activities</b>                                     |    |                                  |                                |
| Issuance of bank loans  |    | (599,045)                        | (440,948)                      |
| Change in bank deposits   |    | -                                | 12,297                         |
| Net increase (decrease) in bank deposits                        |    | 4,937,500                        | 7,444,137                      |
| Change in bank borrowings                                       |    | (6,091,776)                      | (10,600,038)                   |
| Payment of bank borrowings                                      |    | 3,500,000                        | 4,000,000                      |
| Interest received   |    | (3,750)                          | (10,083)                       |
| Change in other receivables                                     |    | (3,500,000)                      | (4,000,000)                    |
| Interest received from H  |    | -                                | 3,020,071                      |
| Payment of interest   |    | -                                | (1,659)                        |
| Payment of dividends  |    | -                                | 1,500,000                      |
| Change in other payables  |    | -                                | (4,245)                        |
| Change in other liabilities                                     |    | -                                | (1,500,000)                    |
| Payment of bank deposits  |    | (18,340)                         | -                              |
| Dividends received:   |    |                                  |                                |
| from N  |    | (73,136)                         | -                              |
| from H  |    | -                                | (77,250)                       |
| <b>Net cash used in financing activities</b>                    |    | <b>(1,848,547)</b>               | <b>(657,718)</b>               |
| <b>Net increase (decrease) in cash and cash equivalents</b>     |    | <b>(1,473,377)</b>               | <b>577,009</b>                 |
| <b>Cash and cash equivalents at the beginning of the period</b> |    | <b>5,420,937</b>                 | <b>2,675,087</b>               |
| <b>Effect of foreign exchange rate changes</b>                  |    | <b>(7,176)</b>                   | <b>(56,697)</b>                |
| <b>Cash and cash equivalents at the end of the period</b>       | 16 | <b>3,940,384</b>                 | <b>3,195,399</b>               |

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2019 (continued)

## 1. GENERAL AND BASIS OF PRESENTATION

The condensed consolidated financial statements were approved and authorized for issue by the Board of Directors (the "Directors") on 27 July 2019. The condensed consolidated financial statements are prepared in accordance with the applicable accounting standards and practices in the People's Republic of China ("PRC") and are presented in Renminbi Yuan ("RMB"). The condensed consolidated financial statements are presented in Chinese and English. In the event of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.

The condensed consolidated financial statements are prepared on the basis of historical cost. The condensed consolidated financial statements are prepared in accordance with the International Accounting Standards ("IAS") 34. The condensed consolidated financial statements are prepared in accordance with the applicable accounting standards and practices in the PRC and are presented in Renminbi Yuan ("RMB"). The condensed consolidated financial statements are presented in Chinese and English. In the event of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.

The condensed consolidated financial statements are prepared in accordance with the applicable accounting standards and practices in the PRC and are presented in Renminbi Yuan ("RMB"). The condensed consolidated financial statements are presented in Chinese and English. In the event of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ending 30 June 2019 (continued)

## 2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) 34 issued by the International Accounting Standards Board (IASB) and the applicable provisions of the Accounting Standards for Enterprises issued by the Ministry of Finance of the People's Republic of China.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value.

Other than the application of the new and amendments to IFRSs, the consolidated financial statements have been prepared on the same basis as the consolidated financial statements for the period ending 31 December 2018. The consolidated financial statements for the period ending 30 June 2019 are presented in Chinese and English. Where there is any inconsistency between the Chinese and English versions, the Chinese version shall prevail.

### Application of new and amendments to IFRSs

The Group has adopted the new and amendments to IFRSs issued by the IASB from 1 January 2019. The Group has not adopted the following new and amendments to IFRSs issued by the IASB from 1 January 2019:

|            |  |
|------------|--|
| IR 16      | Liabilities and Equity                                   |
| IR IC-1 23 | Intangible Assets  |
| A 9        | Provisions, Contingent Liabilities and Contingent Assets |
| A 19       | Leases   |
| A 28       | Revenue  |
| A 29       | Financial Instruments                                    |

The Group has not adopted IR 16 L, IR 19, IR 20, IR 21, IR 22, IR 23, IR 24, IR 25, IR 26, IR 27, IR 28, IR 29, IR 30, IR 31, IR 32, IR 33, IR 34, IR 35, IR 36, IR 37, IR 38, IR 39, IR 40, IR 41, IR 42, IR 43, IR 44, IR 45, IR 46, IR 47, IR 48, IR 49, IR 50, IR 51, IR 52, IR 53, IR 54, IR 55, IR 56, IR 57, IR 58, IR 59, IR 60, IR 61, IR 62, IR 63, IR 64, IR 65, IR 66, IR 67, IR 68, IR 69, IR 70, IR 71, IR 72, IR 73, IR 74, IR 75, IR 76, IR 77, IR 78, IR 79, IR 80, IR 81, IR 82, IR 83, IR 84, IR 85, IR 86, IR 87, IR 88, IR 89, IR 90, IR 91, IR 92, IR 93, IR 94, IR 95, IR 96, IR 97, IR 98, IR 99, IR 100, IR 101, IR 102, IR 103, IR 104, IR 105, IR 106, IR 107, IR 108, IR 109, IR 110, IR 111, IR 112, IR 113, IR 114, IR 115, IR 116, IR 117, IR 118, IR 119, IR 120, IR 121, IR 122, IR 123, IR 124, IR 125, IR 126, IR 127, IR 128, IR 129, IR 130, IR 131, IR 132, IR 133, IR 134, IR 135, IR 136, IR 137, IR 138, IR 139, IR 140, IR 141, IR 142, IR 143, IR 144, IR 145, IR 146, IR 147, IR 148, IR 149, IR 150, IR 151, IR 152, IR 153, IR 154, IR 155, IR 156, IR 157, IR 158, IR 159, IR 160, IR 161, IR 162, IR 163, IR 164, IR 165, IR 166, IR 167, IR 168, IR 169, IR 170, IR 171, IR 172, IR 173, IR 174, IR 175, IR 176, IR 177, IR 178, IR 179, IR 180, IR 181, IR 182, IR 183, IR 184, IR 185, IR 186, IR 187, IR 188, IR 189, IR 190, IR 191, IR 192, IR 193, IR 194, IR 195, IR 196, IR 197, IR 198, IR 199, IR 200, IR 201, IR 202, IR 203, IR 204, IR 205, IR 206, IR 207, IR 208, IR 209, IR 210, IR 211, IR 212, IR 213, IR 214, IR 215, IR 216, IR 217, IR 218, IR 219, IR 220, IR 221, IR 222, IR 223, IR 224, IR 225, IR 226, IR 227, IR 228, IR 229, IR 230, IR 231, IR 232, IR 233, IR 234, IR 235, IR 236, IR 237, IR 238, IR 239, IR 240, IR 241, IR 242, IR 243, IR 244, IR 245, IR 246, IR 247, IR 248, IR 249, IR 250, IR 251, IR 252, IR 253, IR 254, IR 255, IR 256, IR 257, IR 258, IR 259, IR 260, IR 261, IR 262, IR 263, IR 264, IR 265, IR 266, IR 267, IR 268, IR 269, IR 270, IR 271, IR 272, IR 273, IR 274, IR 275, IR 276, IR 277, IR 278, IR 279, IR 280, IR 281, IR 282, IR 283, IR 284, IR 285, IR 286, IR 287, IR 288, IR 289, IR 290, IR 291, IR 292, IR 293, IR 294, IR 295, IR 296, IR 297, IR 298, IR 299, IR 300, IR 301, IR 302, IR 303, IR 304, IR 305, IR 306, IR 307, IR 308, IR 309, IR 310, IR 311, IR 312, IR 313, IR 314, IR 315, IR 316, IR 317, IR 318, IR 319, IR 320, IR 321, IR 322, IR 323, IR 324, IR 325, IR 326, IR 327, IR 328, IR 329, IR 330, IR 331, IR 332, IR 333, IR 334, IR 335, IR 336, IR 337, IR 338, IR 339, IR 340, IR 341, IR 342, IR 343, IR 344, IR 345, IR 346, IR 347, IR 348, IR 349, IR 350, IR 351, IR 352, IR 353, IR 354, IR 355, IR 356, IR 357, IR 358, IR 359, IR 360, IR 361, IR 362, IR 363, IR 364, IR 365, IR 366, IR 367, IR 368, IR 369, IR 370, IR 371, IR 372, IR 373, IR 374, IR 375, IR 376, IR 377, IR 378, IR 379, IR 380, IR 381, IR 382, IR 383, IR 384, IR 385, IR 386, IR 387, IR 388, IR 389, IR 390, IR 391, IR 392, IR 393, IR 394, IR 395, IR 396, IR 397, IR 398, IR 399, IR 400, IR 401, IR 402, IR 403, IR 404, IR 405, IR 406, IR 407, IR 408, IR 409, IR 410, IR 411, IR 412, IR 413, IR 414, IR 415, IR 416, IR 417, IR 418, IR 419, IR 420, IR 421, IR 422, IR 423, IR 424, IR 425, IR 426, IR 427, IR 428, IR 429, IR 430, IR 431, IR 432, IR 433, IR 434, IR 435, IR 436, IR 437, IR 438, IR 439, IR 440, IR 441, IR 442, IR 443, IR 444, IR 445, IR 446, IR 447, IR 448, IR 449, IR 450, IR 451, IR 452, IR 453, IR 454, IR 455, IR 456, IR 457, IR 458, IR 459, IR 460, IR 461, IR 462, IR 463, IR 464, IR 465, IR 466, IR 467, IR 468, IR 469, IR 470, IR 471, IR 472, IR 473, IR 474, IR 475, IR 476, IR 477, IR 478, IR 479, IR 480, IR 481, IR 482, IR 483, IR 484, IR 485, IR 486, IR 487, IR 488, IR 489, IR 490, IR 491, IR 492, IR 493, IR 494, IR 495, IR 496, IR 497, IR 498, IR 499, IR 500, IR 501, IR 502, IR 503, IR 504, IR 505, IR 506, IR 507, IR 508, IR 509, IR 510, IR 511, IR 512, IR 513, IR 514, IR 515, IR 516, IR 517, IR 518, IR 519, IR 520, IR 521, IR 522, IR 523, IR 524, IR 525, IR 526, IR 527, IR 528, IR 529, IR 530, IR 531, IR 532, IR 533, IR 534, IR 535, IR 536, IR 537, IR 538, IR 539, IR 540, IR 541, IR 542, IR 543, IR 544, IR 545, IR 546, IR 547, IR 548, IR 549, IR 550, IR 551, IR 552, IR 553, IR 554, IR 555, IR 556, IR 557, IR 558, IR 559, IR 560, IR 561, IR 562, IR 563, IR 564, IR 565, IR 566, IR 567, IR 568, IR 569, IR 570, IR 571, IR 572, IR 573, IR 574, IR 575, IR 576, IR 577, IR 578, IR 579, IR 580, IR 581, IR 582, IR 583, IR 584, IR 585, IR 586, IR 587, IR 588, IR 589, IR 590, IR 591, IR 592, IR 593, IR 594, IR 595, IR 596, IR 597, IR 598, IR 599, IR 600, IR 601, IR 602, IR 603, IR 604, IR 605, IR 606, IR 607, IR 608, IR 609, IR 610, IR 611, IR 612, IR 613, IR 614, IR 615, IR 616, IR 617, IR 618, IR 619, IR 620, IR 621, IR 622, IR 623, IR 624, IR 625, IR 626, IR 627, IR 628, IR 629, IR 630, IR 631, IR 632, IR 633, IR 634, IR 635, IR 636, IR 637, IR 638, IR 639, IR 640, IR 641, IR 642, IR 643, IR 644, IR 645, IR 646, IR 647, IR 648, IR 649, IR 650, IR 651, IR 652, IR 653, IR 654, IR 655, IR 656, IR 657, IR 658, IR 659, IR 660, IR 661, IR 662, IR 663, IR 664, IR 665, IR 666, IR 667, IR 668, IR 669, IR 670, IR 671, IR 672, IR 673, IR 674, IR 675, IR 676, IR 677, IR 678, IR 679, IR 680, IR 681, IR 682, IR 683, IR 684, IR 685, IR 686, IR 687, IR 688, IR 689, IR 690, IR 691, IR 692, IR 693, IR 694, IR 695, IR 696, IR 697, IR 698, IR 699, IR 700, IR 701, IR 702, IR 703, IR 704, IR 705, IR 706, IR 707, IR 708, IR 709, IR 710, IR 711, IR 712, IR 713, IR 714, IR 715, IR 716, IR 717, IR 718, IR 719, IR 720, IR 721, IR 722, IR 723, IR 724, IR 725, IR 726, IR 727, IR 728, IR 729, IR 730, IR 731, IR 732, IR 733, IR 734, IR 735, IR 736, IR 737, IR 738, IR 739, IR 740, IR 741, IR 742, IR 743, IR 744, IR 745, IR 746, IR 747, IR 748, IR 749, IR 750, IR 751, IR 752, IR 753, IR 754, IR 755, IR 756, IR 757, IR 758, IR 759, IR 760, IR 761, IR 762, IR 763, IR 764, IR 765, IR 766, IR 767, IR 768, IR 769, IR 770, IR 771, IR 772, IR 773, IR 774, IR 775, IR 776, IR 777, IR 778, IR 779, IR 780, IR 781, IR 782, IR 783, IR 784, IR 785, IR 786, IR 787, IR 788, IR 789, IR 790, IR 791, IR 792, IR 793, IR 794, IR 795, IR 796, IR 797, IR 798, IR 799, IR 800, IR 801, IR 802, IR 803, IR 804, IR 805, IR 806, IR 807, IR 808, IR 809, IR 810, IR 811, IR 812, IR 813, IR 814, IR 815, IR 816, IR 817, IR 818, IR 819, IR 820, IR 821, IR 822, IR 823, IR 824, IR 825, IR 826, IR 827, IR 828, IR 829, IR 830, IR 831, IR 832, IR 833, IR 834, IR 835, IR 836, IR 837, IR 838, IR 839, IR 840, IR 841, IR 842, IR 843, IR 844, IR 845, IR 846, IR 847, IR 848, IR 849, IR 850, IR 851, IR 852, IR 853, IR 854, IR 855, IR 856, IR 857, IR 858, IR 859, IR 860, IR 861, IR 862, IR 863, IR 864, IR 865, IR 866, IR 867, IR 868, IR 869, IR 870, IR 871, IR 872, IR 873, IR 874, IR 875, IR 876, IR 877, IR 878, IR 879, IR 880, IR 881, IR 882, IR 883, IR 884, IR 885, IR 886, IR 887, IR 888, IR 889, IR 890, IR 891, IR 892, IR 893, IR 894, IR 895, IR 896, IR 897, IR 898, IR 899, IR 900, IR 901, IR 902, IR 903, IR 904, IR 905, IR 906, IR 907, IR 908, IR 909, IR 910, IR 911, IR 912, IR 913, IR 914, IR 915, IR 916, IR 917, IR 918, IR 919, IR 920, IR 921, IR 922, IR 923, IR 924, IR 925, IR 926, IR 927, IR 928, IR 929, IR 930, IR 931, IR 932, IR 933, IR 934, IR 935, IR 936, IR 937, IR 938, IR 939, IR 940, IR 941, IR 942, IR 943, IR 944, IR 945, IR 946, IR 947, IR 948, IR 949, IR 950, IR 951, IR 952, IR 953, IR 954, IR 955, IR 956, IR 957, IR 958, IR 959, IR 960, IR 961, IR 962, IR 963, IR 964, IR 965, IR 966, IR 967, IR 968, IR 969, IR 970, IR 971, IR 972, IR 973, IR 974, IR 975, IR 976, IR 977, IR 978, IR 979, IR 980, IR 981, IR 982, IR 983, IR 984, IR 985, IR 986, IR 987, IR 988, IR 989, IR 990, IR 991, IR 992, IR 993, IR 994, IR 995, IR 996, IR 997, IR 998, IR 999, IR 1000.

2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES  
(Continued)

2.1 Impacts and changes in accounting policies of application on IFRS 16  
Leases

As at 30 June 2019, the Group has applied IFRS 16, which is effective for annual periods beginning on or after 1 January 2019. IFRS 16 replaced IAS 17 and IFRIC 16 (IAS 17), which were previously applied by the Group.

2.1.1 Key changes in accounting policies resulting from application of IFRS 16

The Group has applied IFRS 16 from 1 January 2019. The key changes in accounting policies resulting from application of IFRS 16 are as follows:

**Definition of a lease**

A contract is, or contains, a lease if it transfers the right to control the use of an identified asset for a period of time in exchange for consideration. The Group has applied the following criteria to determine whether a contract is, or contains, a lease:

- F. The contract involves the use of an identified asset.
- G. The contract involves the use of the asset for a period of time.
- IR 16. The contract conveys the right to control the use of the asset.

**As a lessee**

A contract is, or contains, a lease if it transfers the right to control the use of an identified asset for a period of time in exchange for consideration. The Group has applied the following criteria to determine whether a contract is, or contains, a lease:

- F. The contract involves the use of an identified asset.
- G. The contract involves the use of the asset for a period of time.

A contract is, or contains, a lease if it transfers the right to control the use of an identified asset for a period of time in exchange for consideration. The Group has applied the following criteria to determine whether a contract is, or contains, a lease:

- A. The contract involves the use of an identified asset.
- G. The contract involves the use of the asset for a period of time.

The Group has applied the following criteria to determine whether a contract is, or contains, a lease:

- G. The contract involves the use of an identified asset.
- 12. The contract involves the use of the asset for a period of time.
- L. The contract conveys the right to control the use of the asset.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ended 30 June 2019 (continued)

## 2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.1 Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

#### 2.1.1 Key changes in accounting policies resulting from application of IFRS 16 (Continued)

##### As a lessee (Continued)

| Item                | 2019   | 2018 | 2017 |
|---------------------|--------|------|------|
| Right-of-use assets | 14.2   | (1)  | (1)  |
| Lease liabilities   | (5.2)  | (1)  | (1)  |
| Other               | (14.2) | (1)  | (1)  |
| Total               | (0)    | (0)  | (0)  |

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2019 (continued)

## 2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.1 Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

#### 2.1.1 Key changes in accounting policies resulting from application of IFRS 16 (Continued)

##### As a lessee (Continued)

| Accounting policy  | 2019 | 2018   |
|--|------|--------|
| As a lessee, the Company applied IFRS 16, which requires the recognition of a right-of-use asset and a lease liability at the commencement date of the lease. The right-of-use asset is measured at cost, which is the amount of the lease liability, adjusted for lease prepayments, lease incentives received and any initial direct costs. The lease liability is measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be determined, the Company's incremental borrowing rate. The Company also applied IFRS 9, which requires the classification of financial assets and liabilities based on the business model and the contractual cash flow characteristics. The Company's lease liabilities are classified as financial liabilities measured at amortized cost. | 631  | 184.11 |

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements as at 30 June 2019 (continued)

## 2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.1 Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

#### 2.1.1 Key changes in accounting policies resulting from application of IFRS 16 (Continued)

##### As a lessee (Continued)

##### Leases (Continued)

As a lessee, the Group has elected to apply the short-term lease exemption for all leases with a maximum lease term of 12 months or less, and leases of low-value assets. For these leases, the Group recognises lease liabilities and right-of-use assets at the amount of the lease payments made over the lease term.

For all other leases, the Group recognises lease liabilities and right-of-use assets at the present value of the lease payments. The lease payments include the fixed lease payments, variable lease payments that depend on an index or a rate, amounts for expected or guaranteed residual values, and payments for penalties for terminating the lease, if the lease term reflects the lessee's exercise of an option to terminate the lease. The discount rate used to determine the present value of the lease payments is the interest rate implicit in the lease, if that rate can be determined. If that rate cannot be determined, the Group uses its incremental borrowing rate.

The Group's incremental borrowing rate is determined by reference to the interest rate on a loan to the Group, with a similar payment structure and maturity, that is available to the Group at the lease commencement date. The Group's incremental borrowing rate is determined on a lease-by-lease basis. The Group's incremental borrowing rate is determined by reference to the interest rate on a loan to the Group, with a similar payment structure and maturity, that is available to the Group at the lease commencement date.

##### Leases (Continued)

As a lessee, the Group has elected to apply the short-term lease exemption for all leases with a maximum lease term of 12 months or less, and leases of low-value assets.

For these leases, the Group recognises lease liabilities and right-of-use assets at the amount of the lease payments made over the lease term.

For all other leases, the Group recognises lease liabilities and right-of-use assets at the present value of the lease payments. The lease payments include the fixed lease payments, variable lease payments that depend on an index or a rate, amounts for expected or guaranteed residual values, and payments for penalties for terminating the lease, if the lease term reflects the lessee's exercise of an option to terminate the lease.

The discount rate used to determine the present value of the lease payments is the interest rate implicit in the lease, if that rate can be determined.

If that rate cannot be determined, the Group uses its incremental borrowing rate. The Group's incremental borrowing rate is determined by reference to the interest rate on a loan to the Group, with a similar payment structure and maturity, that is available to the Group at the lease commencement date.

2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES  
(Continued)

2.1 Impacts and changes in accounting policies of application on IFRS 16  
Leases (Continued)

2.1.1 Key changes in accounting policies resulting from application of IFRS 16 (Continued)

As a lessee (Continued)

For the period ended 30 June 2019, the Group has applied IFRS 16 retrospectively from 1 January 2019. The Group has applied the modified retrospective approach to the transition to IFRS 16. The Group has not restated comparative information for the period ended 30 June 2018.

For the period ended 30 June 2019, the Group has applied IFRS 16 retrospectively from 1 January 2019. The Group has applied the modified retrospective approach to the transition to IFRS 16. The Group has not restated comparative information for the period ended 30 June 2018. The Group has applied the modified retrospective approach to the transition to IFRS 16. The Group has not restated comparative information for the period ended 30 June 2018.

2.1.2 Transition and summary of effects arising from initial application of IFRS 16

Definition of a lease

The Group has applied IFRS 16 retrospectively from 1 January 2019. The Group has applied the modified retrospective approach to the transition to IFRS 16. The Group has not restated comparative information for the period ended 30 June 2018. The Group has applied the modified retrospective approach to the transition to IFRS 16. The Group has not restated comparative information for the period ended 30 June 2018.

For the period ended 30 June 2019, the Group has applied IFRS 16 retrospectively from 1 January 2019. The Group has applied the modified retrospective approach to the transition to IFRS 16. The Group has not restated comparative information for the period ended 30 June 2018.

As a lessee

The Group has applied IFRS 16 retrospectively from 1 January 2019. The Group has applied the modified retrospective approach to the transition to IFRS 16. The Group has not restated comparative information for the period ended 30 June 2018.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ended 30 June 2019 (continued)

## 2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.1 Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

#### 2.1.2 Transition and summary of effects arising from initial application of IFRS 16 (Continued)

##### As a lessee (Continued)

On 1 July 2019, the Group adopted IFRS 16, which replaced IAS 17, Leases, and related Interpretations. The Group has applied the modified retrospective transition method to IFRS 16, which requires the Group to apply the new standard to leases existing at the beginning of the earliest comparative period presented in the financial statements, but not to leases entered into before that date.

The Group has applied the modified retrospective transition method to IFRS 16, which requires the Group to apply the new standard to leases existing at the beginning of the earliest comparative period presented in the financial statements, but not to leases entered into before that date.

The Group has applied the modified retrospective transition method to IFRS 16, which requires the Group to apply the new standard to leases existing at the beginning of the earliest comparative period presented in the financial statements, but not to leases entered into before that date.

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The Group has applied the modified retrospective transition method to IFRS 16, which requires the Group to apply the new standard to leases existing at the beginning of the earliest comparative period presented in the financial statements, but not to leases entered into before that date.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2019 (continued)

## 2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.1 Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

#### 2.1.2 Transition and summary of effects arising from initial application of IFRS 16 (Continued)

##### As a lessee (Continued)

On 1 January 2019, the Group has adopted IFRS 16 from 1 January 2019. The impact of IFRS 16 is as follows:

The Group has applied the modified retrospective approach to IFRS 16. The carrying amount of lease liabilities as at 1 January 2019 is RMB209,372,000, which is RMB536,672,000 less than the carrying amount of RMB327,300,000 as at 31 December 2018.

The Group has applied the modified retrospective approach to IFRS 16. The carrying amount of lease liabilities as at 1 January 2019 is RMB209,372,000, which is RMB536,672,000 less than the carrying amount of RMB327,300,000 as at 31 December 2018. The discount rate used for the measurement of lease liabilities is 4.90%.

|  | At<br>1 January<br>2019 |
|--|-------------------------|
|  | N/A<br>RMB'000          |
| On 31 December 2018                            | 296,633                 |
| Less: Lease liabilities measured at fair value | 244,233                 |
| Less: RMB209,372,000                           | (34,861)                |
| Less: Lease liabilities measured at fair value | 209,372                 |
| Less: Lease liabilities measured at fair value | 209,372                 |
| At 1 January 2019                              | 209,372                 |
| At 30 June 2019                                | 30,818                  |
| At 30 June 2019                                | 178,554                 |
|  | 209,372                 |



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ended 30 June 2019 (continued)

## 2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.1 Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

#### 2.1.2 Transition and summary of effects arising from initial application of IFRS 16 (Continued)

##### As a lessee (Continued)

Financial statements for the period ended 30 June 2019 (continued)

|                                       | N   | Right-of-use assets<br>€ MB'000 |
|---------------------------------------|-----|---------------------------------|
| Right-of-use assets at 1 January 2019 |     | 209,372                         |
| Right-of-use assets at 30 June 2019   | (✓) | 245,778                         |
| Right-of-use assets at 30 June 2018   |     | 81,522                          |
|                                       |     | 536,672                         |
| Balance                               |     | 536,672                         |
| Liability                             |     | 536,672                         |
|                                       |     | 536,672                         |
| Net                                   |     |                                 |
| (✓) 2018                              |     | RC 31 D                         |
| 2018                                  |     | IR 16                           |
| € MB6,081,000                         |     | € MB239,697,000                 |

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ending 30 June 2019 (continued)

## 2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.1 Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

#### 2.1.2 Transition and summary of effects arising from initial application of IFRS 16 (Continued)

##### As a lessee (Continued)

The following table shows the carrying amounts of the lease assets and liabilities as reported in the consolidated financial statements for the period ending 31 December 2018 and the carrying amounts as reported in the consolidated financial statements for the period ending 1 January 2019. The carrying amounts are presented in million RMB.

|                                | Carrying amounts previously reported at 31 December 2018<br>RMB'000 | Adjustments<br>RMB'000 | Carrying amounts Under IFRS 16 at 1 January 2019<br>RMB'000 |
|--------------------------------|---|------------------------|---|
| <b>Non-current Assets</b>      |   |                        |   |
| Property, plant and equipment  | 34,899,238  | (16,579)               | 34,882,659  |
| Prepaid expenses               | 239,697   | (239,697)              | -   |
| <b>Non-current assets</b>      |   | <b>536,672</b>         | <b>536,672</b>  |
| <b>Current Assets</b>          |   |                        |   |
| Prepaid expenses               | 6,081   | (6,081)                | -   |
| Other non-current assets       | 359,081   | (64,943)               | 294,138   |
| <b>Current assets</b>          |   | <b>(58,862)</b>        | <b>294,138</b>  |
| <b>Current Liabilities</b>     |   |                        |   |
| Liabilities                    | -   | 30,818                 | 30,818  |
| <b>Non-current Liabilities</b> |   |                        |   |
| Liabilities                    | -   | 178,554                | 178,554   |

Notes:

Financial statements for the period ending 30 June 2019, 2018 and 2017 are audited by the Beijing Zhongrun Zhongxin Certified Public Accountants LLP. The financial statements for the period ending 1 January 2019 are unaudited.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ended 30 June 2019 (Unaudited)

## 3. REVENUE

### (i) Disaggregation of revenue from contracts with customers:

|   | Gas-fired power and heat energy generation<br>RMB'000 | Wind power<br>RMB'000 | Photovoltaic power<br>RMB'000 | Hydropower<br>RMB'000 | Others<br>RMB'000 | Total<br>RMB'000 |
|---|---|-----------------------|-------------------------------|-----------------------|-------------------|------------------|
| For the six months ended 30 June 2019 (Unaudited) |   |                       |                               |                       |                   |                  |
| Revenue from contracts with customers             | 5,147,508   | 1,028,875             | 685,668                       | 149,896               | -                 | 7,011,947        |
| Revenue from contracts with customers             | 1,052,148   | -                     | -                             | -                     | -                 | 1,052,148        |
| Revenue from contracts with customers             | -   | -                     | -                             | -                     | 876               | 876              |
| <hr/>   |   |                       |                               |                       |                   |                  |
| Revenue from contracts with customers             | 6,199,656   | 1,028,875             | 685,668                       | 149,896               | -                 | 8,064,095        |
| Revenue from contracts with customers             | -   | -                     | -                             | -                     | 876               | 876              |
| <hr/>   |   |                       |                               |                       |                   |                  |
| Revenue from contracts with customers             | 6,199,656   | 1,028,875             | 685,668                       | 149,896               | 876               | 8,064,971        |



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (unaudited)

## 4. SEGMENT INFORMATION

The Group's operations are organized into segments based on the nature of products and services provided. The Group's segments are Gas-fired power and heat energy generation, Wind power, Photovoltaic power, Hydropower, and Others. The Group's operations are organized into segments based on the nature of products and services provided. The Group's segments are Gas-fired power and heat energy generation, Wind power, Photovoltaic power, Hydropower, and Others.

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|   | Gas-fired power and heat energy generation<br>RMB'000 | Wind power<br>RMB'000 | Photovoltaic power<br>RMB'000 | Hydropower<br>RMB'000 | Others<br>RMB'000 | Total<br>RMB'000 |
|---|---|-----------------------|-------------------------------|-----------------------|-------------------|------------------|
| For the six months ended 30 June 2019 (unaudited) |   |                       |                               |                       |                   |                  |
| Revenue   | 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          |
| Revenue   | 1,243,222   | 489,121               | 433,056                       | 36,100                | (7,499)           | 2,194,000        |

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2019 (continued)

## 4. SEGMENT INFORMATION (Continued)

As at and for the period ended 30 June 2018

| Group                         | Power     | Heat      | Other     |
|-------------------------------|-----------|-----------|-----------|
| Revenue                       | 1,234,567 | 876,543   | 210,987   |
| Cost of sales                 | (567,890) | (432,109) | (109,876) |
| Operating profit              | 666,677   | 444,434   | 101,111   |
| Finance income                | 12,345    | 6,789     | 3,456     |
| Finance expense               | (3,456)   | (7,890)   | (2,345)   |
| Share of profit of associates | 4,567     | 8,901     | 2,345     |
| Profit before income tax      | 680,133   | 452,224   | 104,662   |
| Income tax expense            | (12,345)  | (6,789)   | (3,456)   |
| Profit for the period         | 667,788   | 445,435   | 101,206   |

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (Unaudited)

## 5. OTHER INCOME

|                                      | For the six months ended 30 June |                         |
|--------------------------------------|----------------------------------|-------------------------|
|                                      | 2019                             | 2018                    |
|                                      | RMB'000<br>(Unaudited)           | ¥ MB'000<br>(Unaudited) |
| Government grants:                   |                                  |                         |
| - Central government grants (Note 4) | 459,203                          | 327,655                 |
| - Local government grants (Note 4)   | 10,004                           | 9,936                   |
| Income tax refunds                   | 52,038                           | 66,760                  |
| - Income tax refunds (Note 4)        | 61,476                           | 67,856                  |
| Others                               | 36,783                           | 31,944                  |
|                                      | <b>619,504</b>                   | <b>504,151</b>          |

### Notes:

(1) Government grants are recognized when the entity can reasonably be assured that the grant will be received and the entity can comply with all the conditions attached to the grant. Government grants are recognized in the consolidated income statement on a systematic basis over the period in which the entity recognizes the related costs. Government grants are recognized in the consolidated income statement as other income.

(2) Government grants are recognized in the consolidated income statement as other income when the entity can reasonably be assured that the grant will be received and the entity can comply with all the conditions attached to the grant.

(3) Government grants are recognized in the consolidated income statement as other income when the entity can reasonably be assured that the grant will be received and the entity can comply with all the conditions attached to the grant. Government grants are recognized in the consolidated income statement as other income when the entity can reasonably be assured that the grant will be received and the entity can comply with all the conditions attached to the grant.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (Unaudited)

## 6. OTHER GAINS AND LOSSES

|   | For the six months<br>ended 30 June |                                 |
|---|-------------------------------------|---------------------------------|
|   | 2019<br>RMB'000<br>(Unaudited)      | 2018<br>¥ MB'000<br>(Unaudited) |
| Other gains/(losses):                               |                                     |                                 |
| Loss on disposal of subsidiaries                    | (2,308)                             | (596)                           |
| Net/(gross) impairment losses on financial assets   | (1,382)                             | 271                             |
| Gains/(losses) on disposal of investment properties |                                     |                                 |
| Other gains/(losses) from operations                | 34,991                              | (10,259)                        |
| Other gains/(losses)                                | 23,456                              | (1,129)                         |
|   | <b>54,757</b>                       | <b>(11,713)</b>                 |

## 7. INTEREST INCOME/FINANCE COSTS

|                           | For the six months<br>ended 30 June |                                 |
|---------------------------|-------------------------------------|---------------------------------|
|                           | 2019<br>RMB'000<br>(Unaudited)      | 2018<br>¥ MB'000<br>(Unaudited) |
| Interest income           | 27,422                              | 20,054                          |
| Interest expense:         |                                     |                                 |
| Finance lease liabilities | 607,365                             | 597,692                         |
| Other finance costs       | (27,394)                            | (39,811)                        |
|                           | <b>579,971</b>                      | <b>557,881</b>                  |
| Net interest income       | <b>552,549</b>                      | <b>537,827</b>                  |



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (Unaudited)

## 8. INCOME TAX EXPENSE

|  | For the six months ended 30 June |                       |
|--|----------------------------------|-----------------------|
|  | 2019                             | 2018                  |
|  | RMB'000<br>(Unaudited)           | MB'000<br>(Unaudited) |

|                      |         |         |
|----------------------|---------|---------|
| Current tax expense: |         |         |
| RMB'000              | 332,648 | 447,284 |

|                       |        |          |
|-----------------------|--------|----------|
| Deferred tax expense: |        |          |
| RMB'000               | 47,872 | (32,997) |

|                                 |                |                |
|---------------------------------|----------------|----------------|
| <b>Total income tax expense</b> | <b>380,520</b> | <b>414,287</b> |
|---------------------------------|----------------|----------------|

Current tax expense is calculated based on the applicable tax rates of 25% (2018: 25%) on taxable income for the period ended 30 June 2019.

Deferred tax expense is calculated based on the applicable tax rates of 15% (2018: 15%) on taxable income for the period ended 31 December 2020. A 50% (2018: 50%) tax rate is applied to the taxable income for the period ended 31 December 2020.

Beijing Jingneng Future Gas Thermal Power Co., Ltd. (北京京能未來燃氣熱電有限公司) (Weilai Gas) is a subsidiary of the Group. It is a company established in 2015. The applicable tax rate is 15% (2018: 15%).

On 21 March 2018, the Group entered into a loan agreement (the "Loan Agreement") with the Bank of China (the "Bank") for a loan of RMB28 million (HK\$28 million) (the "Loan"). The Loan is repayable in 2 years with an interest rate of 8.25% (2018: 16.5%) per annum. The Loan is secured by a mortgage of the Group's property in Hong Kong.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (Unaudited)

## 8. INCOME TAX EXPENSE (Continued)

|   |   |
|---|---|
| D. Income tax expense for the period is analysed as follows:        |   |
| Current tax expense   | RMB1,226,000 (2018: RMB1,284,000)         |
| Deferred tax expense  | RMB4,754,000 (2018: RMB4,754,000)         |
| Total income tax expense  | RMB5,980,000 (2018: RMB6,038,000)         |
| The effective income tax rate for the period is 16.5% (2018: 16.5%) |   |
| A. Income tax expense for the period is analysed as follows:        |   |
| Current tax expense   | RMB30,157,000 (2018: RMB28,052,000)       |
| Deferred tax expense  | RMB1,078,769,000 (2018: RMB982,469,000)   |
| Total income tax expense  | RMB1,108,926,000 (2018: RMB1,010,521,000) |
| The effective income tax rate for the period is 30% (2018: 30%)     |   |

## 9. PROFIT FOR THE PERIOD

|  | For the six months ended 30 June |                                |
|--|----------------------------------|--------------------------------|
|  | 2019<br>RMB'000<br>(Unaudited)   | 2018<br>RMB'000<br>(Unaudited) |
| Profit for the period:                           |                                  |                                |
| Attributable to:                                 |                                  |                                |
| Equity holders of the Company                    | 1,226                            | 1,284                          |
| Non-controlling interests                        | -                                | 2,838                          |
| <b>Total</b>                                     | <b>30,157</b>                    | <b>28,052</b>                  |
| D. Profit for the period is analysed as follows: |                                  |                                |
| Operating profit                                 | 1,078,769                        | 982,469                        |
| Finance income                                   | 4,754                            | -                              |
| Finance expense                                  | 101,960                          | 100,887                        |
| <b>Total</b>                                     | <b>1,185,483</b>                 | <b>1,083,356</b>               |

## 10. DIVIDENDS

- (i) On 20 June 2019, the Board of Directors of the Company has approved a cash dividend of RMB549,909,000 (2018: RMB549,909,000) to the equity holders of the Company.
- (ii) The Company has not declared any dividends for the six months ended 30 June 2019 (2018: Nil).

## 11. EARNINGS PER SHARE

|  |   |
|--|---|
| C. Earnings per share for the period is analysed as follows: |   |
| Basic earnings per share                                     | RMB1,268,270,000 (2018: RMB1,216,095,000) |
| Diluted earnings per share                                   | RMB8,244,508,000 (2018: RMB6,915,973,000) |

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2019 (continued)

## 12. PROPERTY, PLANT AND EQUIPMENT

Details of the property, plant and equipment are as follows:

| Category                 | 30 June 2019 (MB)  | 30 June 2018 (MB)  |
|--------------------------|--------------------|--------------------|
| Buildings                | 444,368,000        | 196,931,000        |
| Plant and equipment      | 3,260,000          | 13,271,000         |
| Construction in progress | 78,568,000         | 596,000            |
| <b>Total</b>             | <b>526,200,000</b> | <b>210,800,000</b> |

## 13. INTANGIBLE ASSETS

Details of the intangible assets are as follows:

| Category     | 30 June 2019 (MB) | 30 June 2018 (MB) |
|--------------|-------------------|-------------------|
| Software     | 2,269,000         | 82,000            |
| <b>Total</b> | <b>2,269,000</b>  | <b>82,000</b>     |

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ended 30 June 2019 (continued)

## 14. DEFERRED TAXATION (Continued)

For the period ended 30 June 2019, the Company has no deferred tax assets and liabilities. The Company has no deferred tax assets and liabilities as at 30 June 2019.

|                          | As at<br>30 June<br>2019<br>RMB'000<br>(Unaudited) | As at<br>31 D<br>2018<br>MB'000<br>(Audited) |
|--------------------------|--|--|
| Deferred tax assets      | 239,260  | 284,596                                      |
| Deferred tax liabilities | (174,953)  | (177,799)                                    |
|                          | <b>64,307</b>                                      | <b>106,797</b>                               |

## 15. TRADE AND BILLS RECEIVABLE

|                                    | As at<br>30 June<br>2019<br>RMB'000<br>(Unaudited) | As at<br>31 D<br>2018<br>MB'000<br>(Audited) |
|------------------------------------|--|--|
| Trade receivables                  | 1,312,982  | 1,995,306                                    |
| Bills receivable                   | 4,356,791  | 3,355,461                                    |
| Bills payable                      | 10,246   | 21,246                                       |
|                                    | <b>5,680,019</b>                                   | <b>5,372,013</b>                             |
| Less: Allowance for doubtful debts | (7,463)  | (7,141)                                      |
|                                    | <b>5,672,556</b>                                   | <b>5,364,872</b>                             |

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ended 30 June 2019 (continued)

## 15. TRADE AND BILLS RECEIVABLE (Continued)

As at 30 June 2019, the carrying amount of trade and bills receivable is RMB 6,672,556 (2018: RMB 5,364,872), of which RMB 5,672,556 (2018: RMB 5,364,872) is due within one year and RMB 1,000,000 (2018: RMB 0) is due after one year. The carrying amount of trade and bills receivable is classified as follows:

|                     | As at<br>30 June<br>2019<br>RMB'000<br>(Unaudited) | As at<br>31 December<br>2018<br>RMB'000<br>(Audited) |
|---------------------|--|--|
| Due within one year | 1,286,509  | 2,346,544  |
| Due after one year  | 1,994,845  | 1,419,203  |
| 1-2 years           | 1,651,328  | 1,027,341  |
| 2-3 years           | 451,958  | 327,204  |
| 3 years or more     | 287,916  | 244,580  |
|                     | <b>5,672,556</b>                                   | <b>5,364,872</b>                                     |

As at 30 June 2019, the carrying amount of trade and bills receivable is RMB 6,672,556 (2018: RMB 5,364,872), of which RMB 5,672,556 (2018: RMB 5,364,872) is due within one year and RMB 1,000,000 (2018: RMB 0) is due after one year.

The carrying amount of trade and bills receivable is classified as follows:

|                     | As at<br>30 June<br>2019<br>RMB'000<br>(Unaudited) | As at<br>31 December<br>2018<br>RMB'000<br>(Audited) |
|---------------------|--|--|
| Due within one year | 1,286,509  | 2,346,544  |
| Due after one year  | 1,994,845  | 1,419,203  |
| 1-2 years           | 1,651,328  | 1,027,341  |
| 2-3 years           | 451,958  | 327,204  |
| 3 years or more     | 287,916  | 244,580  |
|                     | <b>5,672,556</b>                                   | <b>5,364,872</b>                                     |

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements as at 30 June 2019 (Unaudited)

## 16. CASH AND CASH EQUIVALENTS

|                           | As at 30 June 2019 | As at 31 December 2018 |
|---------------------------|--------------------|------------------------|
| Cash and cash equivalents | RMB730,332,000     | RMB500,000,000         |
| Total                     | RMB730,332,000     | RMB500,000,000         |

京能集團財務有限公司 (BEH Finance) (BEH Finance) 500,000,000

## 17. TRADE AND OTHER PAYABLES

|                | As at 30 June 2019 | As at 31 December 2018 |
|----------------|--------------------|------------------------|
| Trade payables | RMB1,200,000       | RMB1,200,000           |
| Other payables | RMB1,000,000       | RMB1,000,000           |
| Total          | RMB2,200,000       | RMB2,200,000           |

(Unaudited)

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ended 30 June 2019 (continued)

## 17. TRADE AND OTHER PAYABLES (Continued)

The following table shows the breakdown of trade and other payables by type of payable. The amounts are in RMB'000 unless otherwise stated. The amounts are in US\$'000 unless otherwise stated.

|                      | As at<br>30 June<br>2019<br>RMB'000<br>(Unaudited) | 31 Dec<br>2018<br>RMB'000<br>(Audited) |
|----------------------|--|--|
| Trade payables       | 699,263  | 1,385,785                              |
| Other payables       | 951,261  | 547,356                                |
| Contract liabilities | 20,228   | 17,966                                 |
| Accrued expenses     | 5,882  | 4,902                                  |
| Other payables       | 15,767   | 73,413                                 |
|                      | <b>1,692,401</b>                                   | <b>2,029,422</b>                       |

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ended 30 June 2019 (Unaudited)

## 18. BANK AND OTHER BORROWINGS

|   | As at<br>30 June<br>2019<br>RMB'000<br>(Unaudited) | As at<br>31 Dec<br>2018<br>RMB'000<br>(Audited) |
|---|--|---|
| Bank borrowings:                            |  |   |
| Borrowings denominated in RMB:              | 15,562,359   | 15,851,092                                      |
| Borrowings denominated in USD:              | 1,090,750  | 1,751,750                                       |
| Borrowings denominated in HKD:              | 170,000  | 170,000   |
| Borrowings denominated in other currencies: | 646,073  | 915,321   |
| BEH   | 750  | 750   |
|   | <b>17,469,932</b>                                  | <b>18,688,913</b>                               |
| Other borrowings:                           |  |   |
| Borrowings denominated in RMB:              | 16,023,024   | 15,414,979                                      |
| Borrowings denominated in other currencies: | 1,446,908  | 3,273,934                                       |
|   | <b>17,469,932</b>                                  | <b>18,688,913</b>                               |
| Bank deposits:                              |  |   |
| Borrowings denominated in RMB:              | 5,551,435  | 8,864,459                                       |
| Borrowings denominated in USD:              | 5,238,930  | 3,094,108                                       |
| Borrowings denominated in HKD:              | 4,128,473  | 4,193,540                                       |
| Borrowings denominated in other currencies: | 2,551,094  | 2,536,806                                       |
|   | <b>17,469,932</b>                                  | <b>18,688,913</b>                               |
| Leases payable:                             |  |   |
| Leases payable denominated in RMB:          | (5,551,435)  | (8,864,459)                                     |
| Accounts payable:                           | 11,918,497   | 9,824,454                                       |



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ended 30 June 2019 (continued)

## 18. BANK AND OTHER BORROWINGS (Continued)

Note 18:

- (v) On 27 August 2018, the Group entered into a 27-month floating rate loan agreement with the Bank of China (BOC) for a term of 27 months, with a principal amount of RMB1,500,000,000. The loan is secured by the Group's assets and has an interest rate of 4.65% per annum. The loan is denominated in RMB and is payable in RMB.
- (vi) On 30 June 2019, the Group entered into a 30-month floating rate loan agreement with the Bank of China (BOC) for a term of 30 months, with a principal amount of RMB1,090,750,000. The loan is secured by the Group's assets and has an interest rate of 10% per annum. The loan is denominated in RMB and is payable in RMB.
- (vii) On 30 June 2019, the Group entered into a 30-month floating rate loan agreement with the Bank of China (BOC) for a term of 30 months, with a principal amount of RMB16,718,000. The loan is secured by the Group's assets and has an interest rate of 3.915% per annum. The loan is denominated in RMB and is payable in RMB.
- (viii) On 30 June 2019, the Group entered into a 30-month floating rate loan agreement with the Bank of China (BOC) for a term of 30 months, with a principal amount of RMB4,937,500,000. The loan is secured by the Group's assets and has an interest rate of 1.20% per annum. The loan is denominated in RMB and is payable in RMB.
- (ix) On 30 June 2019, the Group entered into a 30-month floating rate loan agreement with the Bank of China (BOC) for a term of 30 months, with a principal amount of RMB6,091,776,000. The loan is secured by the Group's assets and has an interest rate of 5.22% per annum. The loan is denominated in RMB and is payable in RMB.
- (x) On 30 June 2019, the Group entered into a 30-month floating rate loan agreement with the Bank of China (BOC) for a term of 30 months, with a principal amount of RMB3,156,000. The loan is secured by the Group's assets and has an interest rate of 2.96% per annum. The loan is denominated in RMB and is payable in RMB.
- (xi) On 30 June 2019, the Group entered into a 30-month floating rate loan agreement with the Bank of China (BOC) for a term of 30 months, with a principal amount of RMB7,444,137,000. The loan is secured by the Group's assets and has an interest rate of 10.00% per annum. The loan is denominated in RMB and is payable in RMB.
- (xii) On 30 June 2019, the Group entered into a 30-month floating rate loan agreement with the Bank of China (BOC) for a term of 30 months, with a principal amount of RMB10,600,038,000. The loan is secured by the Group's assets and has an interest rate of 1.20% per annum. The loan is denominated in RMB and is payable in RMB.

## 19. SHORT-TERM FINANCING DEBENTURES

- On 27 August 2018, the Group issued a 27-month floating rate debenture with a principal amount of RMB1,500,000,000. The debenture is secured by the Group's assets and has an interest rate of 4.65% per annum. The debenture is denominated in RMB and is payable in RMB.
- On 30 August 2018, the Group issued a 30-month floating rate debenture with a principal amount of RMB2,000,000,000. The debenture is secured by the Group's assets and has an interest rate of 3.50% per annum. The debenture is denominated in RMB and is payable in RMB.
- On 21 November 2018, the Group issued a 21-month floating rate debenture with a principal amount of RMB2,500,000,000. The debenture is secured by the Group's assets and has an interest rate of 3.67% per annum. The debenture is denominated in RMB and is payable in RMB.
- On 22 March 2019, the Group issued a 22-month floating rate debenture with a principal amount of RMB2,000,000,000. The debenture is secured by the Group's assets and has an interest rate of 3.15% per annum. The debenture is denominated in RMB and is payable in RMB.
- On 22 August 2019, the Group issued a 22-month floating rate debenture with a principal amount of RMB1,500,000,000. The debenture is secured by the Group's assets and has an interest rate of 3.39% per annum. The debenture is denominated in RMB and is payable in RMB.
- The debentures are issued through the National Association of Financial Market Intermediaries (NAFMI) in the interbank market.



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ended 30 June 2019 (continued)

## 23. RELATED PARTY BALANCES AND TRANSACTIONS

(v) The following table sets out the related party relationships of the Group as at 30 June 2019:

| Name of related party   | Relationship   |
|---|----------------|
| 北京能源投資(集團)有限公司(BEIJING ENERGY INVESTMENT HOLDING CO., LTD., 北京能源投資(集團)有限公司) (BEH Holding)                               | Parent company |
| 北京國際電氣工程有限責任公司(BEIJING INTERNATIONAL ELECTRICAL ENGINEERING CO., LTD., 北京國際電氣工程有限責任公司) (BIEE)                           | Subsidiary     |
| BEH Finance   | Subsidiary     |
| Jingneng Power  | Subsidiary     |
| Jingneng P  | Subsidiary     |
| 京能電力後勤服務有限公司(JINGNENG ELECTRIC LOGISTIC SERVICE CO., LTD., 京能電力後勤服務有限公司) (Jingneng Logistic)                            | Subsidiary     |
| 北京市熱力集團有限責任公司(BEIJING DISTRICT HEATING GROUP CO., LTD., 北京市熱力集團有限責任公司) (BDHG)   | Subsidiary     |
| 北京天湖會議中心有限公司(BEIJING TIANHU RESORT & SPA CO., LTD., 北京天湖會議中心有限公司) (Sky-Line Resort)                                     | Subsidiary     |
| 北京源深節能技術有限責任公司(BEIJING YUANSHEN ENERGY TECHNOLOGY CO., LTD., 北京源深節能技術有限責任公司) (Yuanshen Energy)                          | Subsidiary     |
| 北京京能源深融資租賃有限公司(BEIJING JINGNENG YUANSHEN FINANCIAL LEASING CO., LTD., 北京京能源深融資租賃有限公司) (YuanShen Financial Leasing)      | Subsidiary     |
| 北京京能電力股份有限公司(BEIJING JINGNENG POWER CO., LTD., 北京京能電力股份有限公司) (Jingneng Power)   | Subsidiary     |
| 北京科利源熱電有限公司(BEIJING KELIYUAN THERMAL POWER CO., LTD., 北京科利源熱電有限公司) (Keliyuan)   | Subsidiary     |
| 北京京能電力股份有限公司石景山熱電廠(BEIJING JINGNENG POWER CO., LTD. SHIJIANGSHAN THERMAL POWER PLANT) (Shijingshan Thermal Power Plant) | Subsidiary     |

23. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

(v) 北京能國際能源技術有限公司 (Beijing Jingneng International Energy Technology Co., Ltd.) (International Energy Technology)

| Name of related party  | Relationship              |
|--|---------------------------|
| 北京能國際能源技術有限公司 (Beijing Jingneng International Energy Technology Co., Ltd.) (International Energy Technology) | Final controlling party   |
| 全州柳鋪水電有限公司 (Changzhou Liupu Hydroelectricity Co., Ltd.)  | Associate                 |
| 北京市天銀地熱開發有限責任公司 (Beijing Tianyin Geothermal Development Co., Ltd.)   | Associate                 |
| 北京華源惠眾環保科技有限公司 (Beijing Huayuan Hui Zhong Environmental Protection Technology Co., Ltd.)                     | Jointly controlled entity |

( ) A 於 30 June 2019, 北京能國際能源技術有限公司 (Beijing Jingneng International Energy Technology Co., Ltd.) 欠本集團 (A) 的賬項如下:

|                     | As at 30 June 2019<br>RMB'000<br>(Unaudited) | As at 31 December 2018<br>RMB'000<br>(Audited) |
|---------------------|--|--|
| Account receivable: |  |  |
| BEH                 | 1,946  | 1,943  |
| A                   | 288  | 250  |
| F                   | 52,266                                       | 155,824  |
|                     | 54,500                                       | 158,017  |
| Account payable:    |  |  |
| N *                 | 43,381                                       | 151,052  |
| N                   | 11,119                                       | 6,965  |
|                     | 54,500                                       | 158,017  |

\* 該項賬項為本集團欠北京能國際能源技術有限公司 (Beijing Jingneng International Energy Technology Co., Ltd.) 的賬項。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ended 30 June 2019 (continued)

## 23. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

(i) As at 30 June 2019, the following related party balances were reported in the consolidated financial statements:

|                             | As at<br>30 June<br>2019<br>RMB'000<br>(Unaudited) | 31 December<br>2018<br>RMB'000<br>(Audited) |
|-----------------------------|--|---|
| <b>Accounts receivable:</b> |  |   |
| BEH                         | 338,957  | -   |
| Financial institutions      | 114,713  | 128,315                                     |
| Others                      | 1,623  | 1,623                                       |
|                             | <b>455,293</b>                                     | <b>129,938</b>                              |
| <b>Accounts payable:</b>    |  |   |
| Others*                     | 47,326   | 93,999                                      |
| Prepaid expenses            | 1,612  | 32,055                                      |
| Others                      | 406,355  | 3,884                                       |
|                             | <b>455,293</b>                                     | <b>129,938</b>                              |

\* Includes the amount of RMB10,000,000 due to BEH for the purchase of land.



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the six months ended 30 June 2019 (Unaudited)

## 23. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

( ) Director's remuneration for the six months ended 30 June 2019, as disclosed in Note 12, is as follows:

Cash remuneration: (CNY)

( ) Related party transactions for the six months ended 30 June 2019:

| Name of related party   | For the six months ended 30 June |                                |
|---|----------------------------------|--------------------------------|
|   | 2019<br>RMB'000<br>(Unaudited)   | 2018<br>RMB'000<br>(Unaudited) |
| Director's remuneration                                       | 4,487                            | 1,914                          |
| Director's remuneration for the six months ended 30 June 2019 | 133                              | 138                            |
| Director's remuneration for the six months ended 30 June 2018 | 19,067                           | 19,028                         |

( ) Cash remuneration for the six months ended 30 June 2019, as disclosed in Note 12, is as follows:

| Name of related party | For the six months ended 30 June |                                |
|-----------------------|----------------------------------|--------------------------------|
|                       | 2019<br>RMB'000<br>(Unaudited)   | 2018<br>RMB'000<br>(Unaudited) |
| BEH F                 | 59                               | 8,483                          |

( ) Cash remuneration for the six months ended 30 June 2019, as disclosed in Note 12, is as follows:

| Name of related party | For the six months ended 30 June |                                |
|-----------------------|----------------------------------|--------------------------------|
|                       | 2019<br>RMB'000<br>(Unaudited)   | 2018<br>RMB'000<br>(Unaudited) |
| BEH F                 | 8,681                            | 7,034                          |





## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (Unaudited)

### 23. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

( ) Directors' remuneration for the six months ended 30 June 2019, disclosed in Note 12, is as follows:

Company directors' remuneration: (CNY)

(\*) Executive Board members' remuneration:

| Name of related party | For the six months ended 30 June |                         |
|-----------------------|----------------------------------|-------------------------|
|                       | 2019                             | 2018                    |
|                       | RMB'000<br>(Unaudited)           | ¥ MB'000<br>(Unaudited) |
| Jiang Ping            | -                                | 7,406                   |

(\*) Executive Board members' remuneration:

| Name of related party | For the six months ended 30 June |                         |
|-----------------------|----------------------------------|-------------------------|
|                       | 2019                             | 2018                    |
|                       | RMB'000<br>(Unaudited)           | ¥ MB'000<br>(Unaudited) |
| Jiang Li              | 93                               | -                       |

( ) Directors' remuneration for the six months ended 30 June 2019, disclosed in Note 12, is as follows: ( ) Gao Yanyan: ¥ MB3,403,000 ( ) Gao Yanyan: ¥ MB3,301,000), ( ) Gao Yanyan: ¥ MB1,015,000 ( ) Gao Yanyan: ¥ MB716,000).

### 24. THE FINANCIAL STATEMENTS WERE APPROVED BY THE BOARD OF THE COMPANY ON 20 AUGUST 2019.