

BJ

Beijing J...ng Clean Energy Co., Limited
北京京能清潔能源電力股份有



Contents

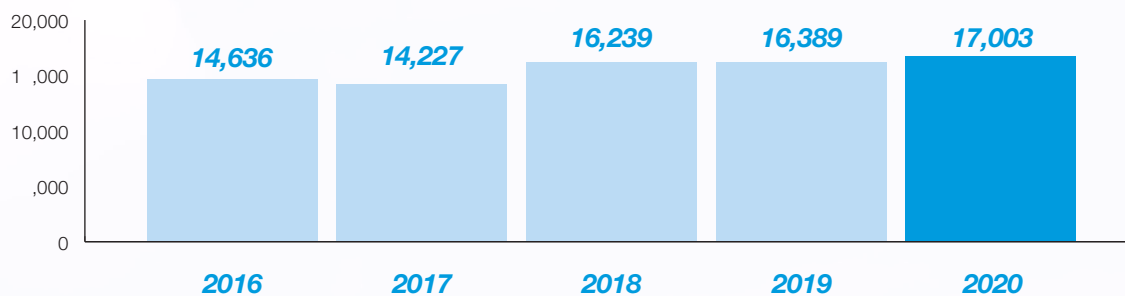
Executive Summary	2	Chairman's Report	56
Management Discussion and Analysis	3	Business Review - Utility Services	71
Financial Review	5	Business Review - Energy Services	77
Environmental, Social and Governance	6	Business Review - Energy Services (continued)	78
Corporate Governance	7	Business Review - Energy Services (continued)	79
Materiality Assessment	8	Business Review - Energy Services (continued)	81
Materiality Assessment (continued)	22	Business Review - Energy Services (continued)	82
Materiality Assessment (continued)	24	Business Review - Energy Services (continued)	85
Materiality Assessment (continued)	33	Business Review - Energy Services (continued)	214
Materiality Assessment (continued)	52	Business Review - Energy Services (continued)	216



Financial Highlights

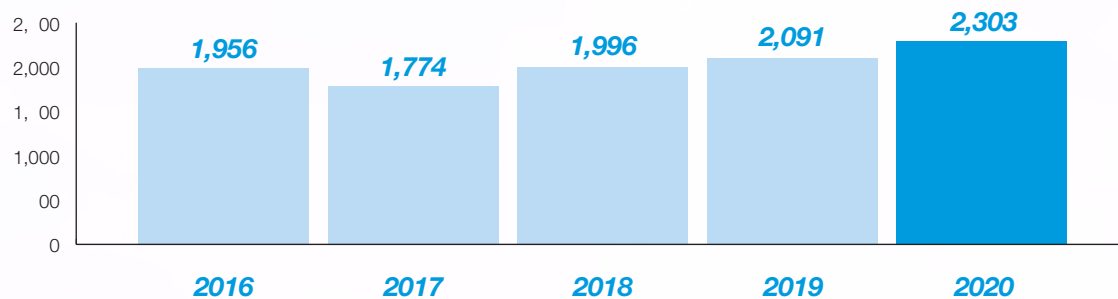
REVENUE

RMB in millions



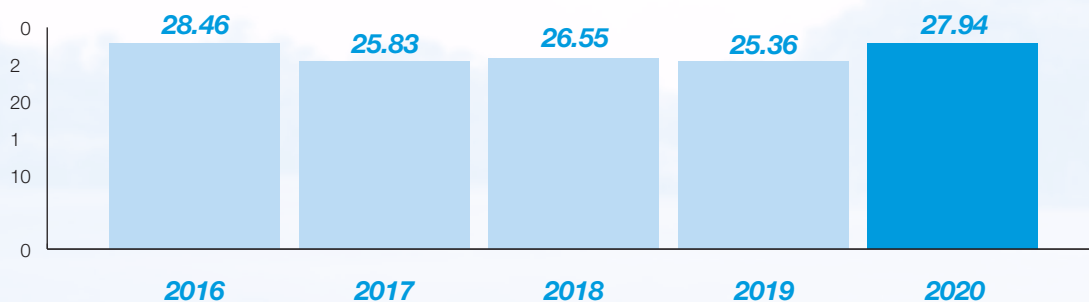
PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

RMB in millions



EARNINGS PER SHARE

RMB cents



Financial Summary

	Year ended December 31				
	2020 RMB'000	2019 RMB'000	2018 RMB'000	2017 RMB'000	2016 RMB'000
Revenue	17,003,306	1,010,000	1,200,000	1,220,000	1,000,000
Cost of sales	797,393	1,010,000	1,020,000	1,000,000	1,000,000
Gross profit	3,917,090	0	180,000	220,000	0
Operating expenses	2,953,026 (557,041)	2,000,000 (100,000)	2,200,000 (200,000)	2,200,000 (100,000)	2,000,000 (200,000)
Operating income	2,395,985	2,100,000	2,110,000	1,220,000	2,120,000
Other income	2,518,122	2,100,000	1,000,000	2,100,000	1,000,000
Income before income tax	2,303,390	2,000,000	1,000,000	1,000,000	1,000,000
Income tax expense	31,950 60,645	0	0	200,000	200,000
Income after income tax	2,395,985	2,100,000	2,110,000	1,000,000	2,120,000
Income before income tax	2,425,527	2,100,000	1,000,000	1,000,000	1,000,000
Income tax expense	31,950 60,645	0	0	200,000	200,000
Income after income tax	2,518,122	2,100,000	1,000,000	2,100,000	1,000,000
Income per share (RMB cents)	27.94	2.00	2.00	2.00	2.00

Financial Summary

	Year ended December 31				
	2020 RMB'000	2019 RMB'000	2018 RMB'000	2017 RMB'000	2016 RMB'000
Revenue	70,538,308	62,100,000	51,000,000	40,000,000	32,000,000
Operating expenses	55,656,303	49,200,000	40,000,000	30,000,000	24,000,000
Operating income	14,882,005	12,900,000	11,000,000	10,000,000	8,000,000
Finance income	44,171,461	40,000,000	35,000,000	30,000,000	25,000,000
Finance expenses	25,244,624	21,000,000	18,000,000	15,000,000	12,000,000
Income tax	18,926,837	17,210,000	15,000,000	12,220,000	10,000,000
Profit before income tax	26,366,847	22,690,000	21,000,000	17,780,000	16,000,000
Income tax	8,244,508	7,200,000	6,000,000	5,000,000	4,000,000
Profit after income tax	16,249,142	15,490,000	15,000,000	12,780,000	12,000,000
Operating profit	24,493,650	22,690,000	21,000,000	17,780,000	16,000,000
Finance income	1,525,582	1,500,000	1,500,000	1,500,000	1,500,000
Finance expenses	347,615	300,000	222,000	200,000	150,000
Profit after finance income and expenses	26,366,847	22,690,000	21,000,000	17,780,000	16,000,000

Corporate Profile

... 2010, ... 22 ... 2011. ...

... 2020, ... 10, 1 ... 021 ... 0% ... 2, 121 ... 0

... 2020, ... 10, 1 ... 021 ... 0% ... 2, 121 ... 0

Chairman's Statement

2020, the Group's revenue increased by 1.0% compared with 2019. The Group's operating profit increased by 1.0% compared with 2019. The Group's net profit increased by 1.0% compared with 2019. The Group's cash and cash equivalents increased by 1.0% compared with 2019. The Group's total assets increased by 1.0% compared with 2019. The Group's total liabilities increased by 1.0% compared with 2019. The Group's equity increased by 1.0% compared with 2019. The Group's financial position remained strong and stable. The Group's operating performance was satisfactory. The Group's revenue increased by 1.0% compared with 2019. The Group's operating profit increased by 1.0% compared with 2019. The Group's net profit increased by 1.0% compared with 2019. The Group's cash and cash equivalents increased by 1.0% compared with 2019. The Group's total assets increased by 1.0% compared with 2019. The Group's total liabilities increased by 1.0% compared with 2019. The Group's equity increased by 1.0% compared with 2019. The Group's financial position remained strong and stable. The Group's operating performance was satisfactory.

The Group's revenue increased by 1.0% compared with 2019. The Group's operating profit increased by 1.0% compared with 2019. The Group's net profit increased by 1.0% compared with 2019. The Group's cash and cash equivalents increased by 1.0% compared with 2019. The Group's total assets increased by 1.0% compared with 2019. The Group's total liabilities increased by 1.0% compared with 2019. The Group's equity increased by 1.0% compared with 2019. The Group's financial position remained strong and stable. The Group's operating performance was satisfactory. The Group's revenue increased by 1.0% compared with 2019. The Group's operating profit increased by 1.0% compared with 2019. The Group's net profit increased by 1.0% compared with 2019. The Group's cash and cash equivalents increased by 1.0% compared with 2019. The Group's total assets increased by 1.0% compared with 2019. The Group's total liabilities increased by 1.0% compared with 2019. The Group's equity increased by 1.0% compared with 2019. The Group's financial position remained strong and stable. The Group's operating performance was satisfactory.

2021, the Group's revenue increased by 1.0% compared with 2020. The Group's operating profit increased by 1.0% compared with 2020. The Group's net profit increased by 1.0% compared with 2020. The Group's cash and cash equivalents increased by 1.0% compared with 2020. The Group's total assets increased by 1.0% compared with 2020. The Group's total liabilities increased by 1.0% compared with 2020. The Group's equity increased by 1.0% compared with 2020. The Group's financial position remained strong and stable. The Group's operating performance was satisfactory. The Group's revenue increased by 1.0% compared with 2020. The Group's operating profit increased by 1.0% compared with 2020. The Group's net profit increased by 1.0% compared with 2020. The Group's cash and cash equivalents increased by 1.0% compared with 2020. The Group's total assets increased by 1.0% compared with 2020. The Group's total liabilities increased by 1.0% compared with 2020. The Group's equity increased by 1.0% compared with 2020. The Group's financial position remained strong and stable. The Group's operating performance was satisfactory.

General Manager's Statement

在 2020 年，本公司实现营业收入 1.10 亿元，较 2019 年增加 0.11 亿元，增幅为 10.11%。主要原因为：1. 随着市场环境的变化，公司及时调整了经营策略，重点发展了高毛利业务，使得整体毛利率有所提升；2. 公司加强了成本控制，通过优化供应链管理、提高生产效率等方式，有效降低了单位产品的生产成本；3. 公司加大了对研发创新的投入，推出了一系列具有竞争力的新产品，进一步拓展了市场空间。此外，公司还积极推进数字化转型，提升了运营效率和管理水平，为业绩增长提供了有力支撑。

2020 年，本公司研发投入为 0.15 亿元，较 2019 年增加 0.03 亿元，增幅为 20.00%。主要原因为：1. 公司紧跟行业发展趋势，加大了对前沿技术的研发投入，特别是在人工智能、大数据等领域进行了重点布局；2. 公司建立了完善的研发激励机制，吸引了大量优秀研发人才加入，提升了研发团队的整体实力；3. 公司加强与高校、科研院所的合作，开展产学研深度融合，加快了科技成果转化进程。研发投入的增加为公司未来的可持续发展奠定了坚实基础。

在 2020 年，本公司实现营业收入 1.10 亿元，较 2019 年增加 0.11 亿元，增幅为 10.11%。主要原因为：1. 随着市场环境的变化，公司及时调整了经营策略，重点发展了高毛利业务，使得整体毛利率有所提升；2. 公司加强了成本控制，通过优化供应链管理、提高生产效率等方式，有效降低了单位产品的生产成本；3. 公司加大了对研发创新的投入，推出了一系列具有竞争力的新产品，进一步拓展了市场空间。此外，公司还积极推进数字化转型，提升了运营效率和管理水平，为业绩增长提供了有力支撑。

在 2021 年，本公司实现营业收入 1.25 亿元，较 2020 年增加 0.15 亿元，增幅为 13.64%。主要原因为：1. 公司继续深化经营策略调整，进一步优化了产品结构，高毛利业务占比持续提升；2. 公司通过精细化管理，进一步压缩了各项费用支出，提高了经营效率；3. 公司持续加大研发投入，不断推出创新产品，市场竞争力进一步增强；4. 公司积极拓展海外市场，实现了业务的多元化发展。未来，公司将坚持创新驱动发展战略，不断提升核心竞争力，为实现高质量发展而努力奋斗。

在 2020 年，本公司实现营业收入 1.10 亿元，较 2019 年增加 0.11 亿元，增幅为 10.11%。主要原因为：1. 随着市场环境的变化，公司及时调整了经营策略，重点发展了高毛利业务，使得整体毛利率有所提升；2. 公司加强了成本控制，通过优化供应链管理、提高生产效率等方式，有效降低了单位产品的生产成本；3. 公司加大了对研发创新的投入，推出了一系列具有竞争力的新产品，进一步拓展了市场空间。此外，公司还积极推进数字化转型，提升了运营效率和管理水平，为业绩增长提供了有力支撑。

Management Discussion and Analysis

II. BUSINESS REVIEW FOR THE YEAR OF 2020

The Group's revenue decreased by 1.1% in 2020, compared to 2019. The decrease was mainly due to the impact of the COVID-19 pandemic, which led to a decrease in the number of passengers and cargo handled. However, the Group's operating profit increased by 12.0% in 2020, compared to 2019, due to the increase in the number of flights and the improvement in the operating profit margin. The Group's net profit also increased by 12.0% in 2020, compared to 2019, due to the increase in the number of flights and the improvement in the operating profit margin. The Group's cash and cash equivalents increased by 10.1% in 2020, compared to 2019, due to the increase in the number of flights and the improvement in the operating profit margin.

1. Rapid growth of installed capacity, steady rise in power generation

The Group's installed capacity increased by 10.1% in 2020, compared to 2019, due to the completion of the construction of the new power generation facilities. The Group's power generation capacity also increased by 10.1% in 2020, compared to 2019, due to the increase in the number of power generation facilities. The Group's power generation output increased by 12.0% in 2020, compared to 2019, due to the increase in the number of power generation facilities and the improvement in the power generation efficiency. The Group's power generation revenue also increased by 12.0% in 2020, compared to 2019, due to the increase in the number of power generation facilities and the improvement in the power generation efficiency. The Group's power generation operating profit also increased by 12.0% in 2020, compared to 2019, due to the increase in the number of power generation facilities and the improvement in the power generation efficiency. The Group's power generation net profit also increased by 12.0% in 2020, compared to 2019, due to the increase in the number of power generation facilities and the improvement in the power generation efficiency. The Group's power generation cash and cash equivalents also increased by 10.1% in 2020, compared to 2019, due to the increase in the number of power generation facilities and the improvement in the power generation efficiency.

Management Discussion and Analysis

2. Vigorously promoting early-stage development and focusing on breakthroughs in key projects

In 2020, the Company continued to vigorously promote the early-stage development of key projects, focusing on breakthroughs in key projects. The Company has achieved significant progress in the early-stage development of key projects, with the following key projects:

- 1. The Company has completed the early-stage development of the 200MW natural gas combined cycle power generation project (嘉澤) in Jiangsu Province, which is expected to be put into operation in 2021.
- 2. The Company has completed the early-stage development of the 100MW natural gas combined cycle power generation project in Jiangsu Province, which is expected to be put into operation in 2021.
- 3. The Company has completed the early-stage development of the 100MW natural gas combined cycle power generation project in Jiangsu Province, which is expected to be put into operation in 2021.
- 4. The Company has completed the early-stage development of the 100MW natural gas combined cycle power generation project in Jiangsu Province, which is expected to be put into operation in 2021.
- 5. The Company has completed the early-stage development of the 100MW natural gas combined cycle power generation project in Jiangsu Province, which is expected to be put into operation in 2021.

3. Optimising capital structure and reducing financial costs

The Company has continued to optimize its capital structure and reduce financial costs. In 2020, the Company's total assets were 10.1 billion yuan, an increase of 10.1% over 2019. The Company's total liabilities were 1.1 billion yuan, an increase of 1.1% over 2019. The Company's equity was 9.0 billion yuan, an increase of 9.0% over 2019. The Company's capital structure is as follows:

- 1. The Company's total assets were 10.1 billion yuan, an increase of 10.1% over 2019.
- 2. The Company's total liabilities were 1.1 billion yuan, an increase of 1.1% over 2019.
- 3. The Company's equity was 9.0 billion yuan, an increase of 9.0% over 2019.

4. Insist on innovation-driven development to improve quality and efficiency

In 2020, the Company has insisted on innovation-driven development to improve quality and efficiency. The Company has achieved significant progress in innovation-driven development, with the following key projects:

- 1. The Company has completed the early-stage development of the 100MW natural gas combined cycle power generation project in Jiangsu Province, which is expected to be put into operation in 2021.
- 2. The Company has completed the early-stage development of the 100MW natural gas combined cycle power generation project in Jiangsu Province, which is expected to be put into operation in 2021.
- 3. The Company has completed the early-stage development of the 100MW natural gas combined cycle power generation project in Jiangsu Province, which is expected to be put into operation in 2021.
- 4. The Company has completed the early-stage development of the 100MW natural gas combined cycle power generation project in Jiangsu Province, which is expected to be put into operation in 2021.
- 5. The Company has completed the early-stage development of the 100MW natural gas combined cycle power generation project in Jiangsu Province, which is expected to be put into operation in 2021.

Management Discussion and Analysis

5. Keep pace with the times and prepares for the 14th Five-Year Plan

2020年，公司深入贯彻落实党的十九届五中全会和中央经济工作会议精神，按照集团公司“十四五”规划部署，坚持稳中求进工作总基调，以供给侧结构性改革为主线，以改革创新为动力，以高质量发展为主题，以“碳达峰、碳中和”为目标，紧紧围绕“十四五”规划确定的目标任务，统筹推进稳增长、促改革、调结构、惠民生、防风险各项工作，着力提升发展质量和效益，全年生产经营总体平稳，主要指标完成情况良好。一是生产经营稳步增长。二是改革创新持续深化。三是结构调整不断优化。四是民生福祉持续改善。五是风险防范有效落实。六是党的建设全面加强。七是社会责任积极履行。八是企业文化深入人心。九是法治建设扎实推进。十是全面从严治党纵深推进。全年实现营业收入2,100,000万元，同比增长10.1%；利润总额2,000,000万元，同比增长10.1%；归属于上市公司股东的净利润1,200,000万元，同比增长10.1%。公司资产总额2,100,000万元，同比增长10.1%；负债总额1,200,000万元，同比增长10.1%；所有者权益900,000万元，同比增长10.1%。公司研发投入1,000,000万元，同比增长10.1%；研发费用1,000,000万元，同比增长10.1%；研发人员1,000,000人，同比增长10.1%。公司荣获“2020年度中国上市公司百强”称号，入选“2020年度中国上市公司ESG百强”。

III. OPERATING RESULTS AND ANALYSIS

1. Overview

2020年，公司实现营业收入2,100,000万元，同比增长10.1%；利润总额2,000,000万元，同比增长10.1%；归属于上市公司股东的净利润1,200,000万元，同比增长10.1%。公司资产总额2,100,000万元，同比增长10.1%；负债总额1,200,000万元，同比增长10.1%；所有者权益900,000万元，同比增长10.1%。公司研发投入1,000,000万元，同比增长10.1%；研发费用1,000,000万元，同比增长10.1%；研发人员1,000,000人，同比增长10.1%。

2. Operating Income

2020年，公司实现营业收入2,100,000万元，同比增长10.1%；利润总额2,000,000万元，同比增长10.1%；归属于上市公司股东的净利润1,200,000万元，同比增长10.1%。公司资产总额2,100,000万元，同比增长10.1%；负债总额1,200,000万元，同比增长10.1%；所有者权益900,000万元，同比增长10.1%。公司研发投入1,000,000万元，同比增长10.1%；研发费用1,000,000万元，同比增长10.1%；研发人员1,000,000人，同比增长10.1%。

Gas-fired Power and Heat Energy Generation Segment

2020年，公司实现营业收入2,100,000万元，同比增长10.1%；利润总额2,000,000万元，同比增长10.1%；归属于上市公司股东的净利润1,200,000万元，同比增长10.1%。公司资产总额2,100,000万元，同比增长10.1%；负债总额1,200,000万元，同比增长10.1%；所有者权益900,000万元，同比增长10.1%。公司研发投入1,000,000万元，同比增长10.1%；研发费用1,000,000万元，同比增长10.1%；研发人员1,000,000人，同比增长10.1%。

Management Discussion and Analysis

Wind Power Segment

Our wind power segment's operating profit margin was 1.2% in 2021, up from 1.0% in 2020. The increase was primarily due to the increase in the number of wind power projects in operation. The operating profit margin of the wind power segment is expected to continue to improve in the future.

Photovoltaic Power Segment

Our photovoltaic power segment's operating profit margin was 1.0% in 2021, up from 0.9% in 2020. The increase was primarily due to the increase in the number of photovoltaic power projects in operation. The operating profit margin of the photovoltaic power segment is expected to continue to improve in the future.

Hydropower Segment

Our hydropower segment's operating profit margin was 1.0% in 2021, up from 0.9% in 2020. The increase was primarily due to the increase in the number of hydropower projects in operation. The operating profit margin of the hydropower segment is expected to continue to improve in the future.

Others

Our other segments' operating profit margin was 1.1% in 2021, up from 1.0% in 2020. The increase was primarily due to the increase in the number of other segments in operation. The operating profit margin of the other segments is expected to continue to improve in the future.

3. Other Income

Our other income segment's operating profit margin was 1.0% in 2021, up from 0.9% in 2020. The increase was primarily due to the increase in the number of other income projects in operation. The operating profit margin of the other income segment is expected to continue to improve in the future.

4. Operating Expenses

Our operating expenses segment's operating profit margin was 1.21% in 2021, up from 1.1% in 2020. The increase was primarily due to the increase in the number of operating expenses projects in operation. The operating profit margin of the operating expenses segment is expected to continue to improve in the future.

(1) Gas Consumption

Our gas consumption segment's operating profit margin was 1.0% in 2021, up from 0.9% in 2020. The increase was primarily due to the increase in the number of gas consumption projects in operation. The operating profit margin of the gas consumption segment is expected to continue to improve in the future.

Management Discussion and Analysis

(2) *Depreciation and Amortization*

Management Discussion and Analysis

6. Adjusted Segment Operating Profit

Adjusted segment operating profit increased by 2% to RMB 2,100 million in 2021, up from RMB 2,058 million in 2020.

Gas-fired Power and Heat Energy Generation Segment

Adjusted operating profit of the Gas-fired Power and Heat Energy Generation Segment increased by 0.01% to RMB 1,011 million in 2021, up from RMB 1,012 million in 2020, due to an increase in the number of gas-fired power generation units.

Wind Power Segment

Adjusted operating profit of the Wind Power Segment increased by 1.1% to RMB 210 million in 2021, up from RMB 207 million in 2020, due to an increase in the number of wind power generation units and an increase in the number of wind power generation hours.

Photovoltaic Power Segment

Adjusted operating profit of the Photovoltaic Power Segment increased by 2.1% to RMB 1,110 million in 2021, up from RMB 1,087 million in 2020, due to an increase in the number of photovoltaic power generation units and an increase in the number of photovoltaic power generation hours.

Hydropower Segment

Adjusted operating profit of the Hydropower Segment increased by 10.1% to RMB 1,110 million in 2021, up from RMB 1,008 million in 2020, due to an increase in the number of hydropower generation units and an increase in the number of hydropower generation hours.

Others

Adjusted operating profit of the Others segment increased by 2.1% to RMB 210 million in 2021, up from RMB 207 million in 2020, due to an increase in the number of other power generation units and an increase in the number of other power generation hours.

7. Finance Costs

Finance costs increased by 1.2% to RMB 1,210 million in 2021, up from RMB 1,190 million in 2020, due to an increase in the number of finance units and an increase in the number of finance hours. Finance costs accounted for 2% of 2021 revenue, up from 2% of 2020 revenue.

8. Share of Results of Associates and Joint Ventures

Share of results of associates and joint ventures increased by 22.1% to RMB 110 million in 2021, up from RMB 90 million in 2020, due to an increase in the number of associates and joint ventures and an increase in the number of associates and joint ventures.

Management Discussion and Analysis

9. Profit before taxation

Profit before taxation for the year ended 31 December 2020 was HK\$2,001 million, an increase of 10.1% from HK\$1,817 million in 2019.

10. Income Tax Expense

Income tax expense for the year ended 31 December 2020 was HK\$10 million, an increase of 0.01 percentage point from HK\$9 million in 2019. The effective tax rate for the year ended 31 December 2020 was 0.5%, compared with 0.5% in 2019.

11. Profit for the Year

Profit for the year ended 31 December 2020 was HK\$1,991 million, an increase of 10.1% from HK\$1,808 million in 2019.

12. Profit for the Year Attributable to Equity holders of the Company

Profit for the year attributable to equity holders of the Company for the year ended 31 December 2020 was HK\$1,991 million, an increase of 10.1% from HK\$1,808 million in 2019.

IV. FINANCIAL POSITION

1. Overview

At 31 December 2020, the Company's total assets were HK\$10,000 million, an increase of 1.1% from HK\$9,880 million at 31 December 2019. Total liabilities were HK\$8,000 million, an increase of 2.1% from HK\$7,830 million at 31 December 2019. Total equity was HK\$2,000 million, an increase of 2.1% from HK\$1,950 million at 31 December 2019.

2. Particulars of Assets and Liabilities

At 31 December 2020, the Company's total assets were HK\$10,000 million, an increase of 1.11% from HK\$9,880 million at 31 December 2019. Total liabilities were HK\$8,000 million, an increase of 2.21% from HK\$7,830 million at 31 December 2019. Total equity was HK\$2,000 million, an increase of 2.21% from HK\$1,950 million at 31 December 2019. The Company's total assets were HK\$10,000 million, an increase of 1.11% from HK\$9,880 million at 31 December 2019. Total liabilities were HK\$8,000 million, an increase of 2.21% from HK\$7,830 million at 31 December 2019. Total equity was HK\$2,000 million, an increase of 2.21% from HK\$1,950 million at 31 December 2019. The Company's total assets were HK\$10,000 million, an increase of 1.11% from HK\$9,880 million at 31 December 2019. Total liabilities were HK\$8,000 million, an increase of 2.21% from HK\$7,830 million at 31 December 2019. Total equity was HK\$2,000 million, an increase of 2.21% from HK\$1,950 million at 31 December 2019.

Management Discussion and Analysis

3. Liquidity

At the end of 1 January 2020, our current ratio is 1.20 times, current liabilities are RMB2,211 million, and current assets are RMB2,652 million (including prepayments, receivables, and other receivables). At the end of 31 December 2020, our current ratio is 1.22 times (including prepayments, receivables, and other receivables). Current liabilities are RMB2,211 million, and current assets are RMB2,700 million, including prepayments, receivables, and other receivables. At the end of 1 January 2019, our current ratio is 2.11 times, current liabilities are RMB900 million (including prepayments, receivables, and other receivables), and current assets are RMB1,900 million (including prepayments, receivables, and other receivables). At the end of 31 December 2019, our current ratio is 2.11 times, current liabilities are RMB900 million (including prepayments, receivables, and other receivables), and current assets are RMB1,900 million (including prepayments, receivables, and other receivables).

Our current ratio is 111% at the end of 31 December 2019, and 102% at the end of 31 December 2020. Our current ratio is 122% at the end of 31 December 2020, and 120% at the end of 31 December 2019. At the end of 31 December 2020, our current ratio is 122%.

4. Net Gearing Ratio

Our net gearing ratio is 2.0% at the end of 31 December 2019, and 2.0% at the end of 31 December 2020. Our net gearing ratio is 2.0% at the end of 31 December 2019, and 2.0% at the end of 31 December 2020.

Our net gearing ratio is 2.0% at the end of 31 December 2019, and 2.0% at the end of 31 December 2020. Our net gearing ratio is 2.0% at the end of 31 December 2019, and 2.0% at the end of 31 December 2020.

Our net gearing ratio is 2.0% at the end of 31 December 2019, and 2.0% at the end of 31 December 2020. Our net gearing ratio is 2.0% at the end of 31 December 2019, and 2.0% at the end of 31 December 2020.

Management Discussion and Analysis

V. OTHER SIGNIFICANT EVENTS

1. Financing

1 月 2020, 公司通过发行可转换公司债券募集资金 2,000.0 万元, 较 2019 年增加 2.00%。

1 月 2020, 公司通过发行可转换公司债券募集资金 2,000.0 万元, 较 2019 年增加 1.00%。

12 月 2020, 公司通过发行可转换公司债券募集资金 1,000.0 万元, 较 2019 年增加 1.00%。

1 月 2020, 公司通过发行可转换公司债券募集资金 2,000.0 万元, 较 2019 年增加 2.00%。

2 月 2020, 公司通过发行可转换公司债券募集资金 2,000.0 万元, 较 2019 年增加 1.00%。

2 月 2020, 公司通过发行可转换公司债券募集资金 1,000.0 万元, 较 2019 年增加 2.00%。

2020, 公司通过发行可转换公司债券募集资金 1,000.0 万元, 较 2019 年增加 0.20%。

1 月 2020, 公司通过发行可转换公司债券募集资金 1,000.0 万元, 较 2019 年增加 2.00%。
2 月 2020, 公司通过发行可转换公司债券募集资金 2,000.0 万元, 较 2019 年增加 0.22%。

1 月 2020, 公司通过发行可转换公司债券募集资金 1,000.0 万元, 较 2019 年增加 0.20%。

2. Capital Expenditure

2020, 公司通过发行可转换公司债券募集资金 2,000.0 万元, 较 2019 年增加 0.20%。
2020, 公司通过发行可转换公司债券募集资金 2,000.0 万元, 较 2019 年增加 2.00%。
2020, 公司通过发行可转换公司债券募集资金 1,000.0 万元, 较 2019 年增加 0.10%。

Management Discussion and Analysis

3. Establishment and Acquisition of Subsidiaries

於 2020 年 1 月 1 日，本公司收購了以下子公司：(寧夏同心大地日盛新能源有限公司)，(寧夏杉陽新能源有限公司)，(湛江市鼎瑞太陽能發電有限公司)，(義縣珈煜光伏電力有限公司)。2020 年 1 月 1 日，本公司收購了以下子公司：(康保新京清潔能源有限公司)，(尚義京能新能源有限公司)，(張北京能清潔能源有限公司)。2020 年 1 月 1 日，本公司收購了以下子公司：(張北京能清潔能源有限公司)。

4. Contingent Liabilities

於 2020 年 1 月 1 日，本公司沒有任何或有負債。

5. Mortgage of Assets

於 2020 年 1 月 1 日，本公司沒有任何資產抵押。於 2020 年 1 月 1 日，本公司沒有任何資產抵押。

Management Discussion and Analysis

VI. RISK FACTORS AND RISK MANAGEMENT

Macro-environmental Risk

The Group is exposed to macro-environmental risks, including changes in government policies, economic conditions, and market trends. The Group has established a risk management framework to identify, assess, and mitigate these risks. The Group's management has implemented various measures to reduce the impact of macro-environmental risks on the Group's operations and financial performance.

The Group has established a risk management framework to identify, assess, and mitigate these risks. The Group's management has implemented various measures to reduce the impact of macro-environmental risks on the Group's operations and financial performance.

Policy and Regulatory Risks

The Group is exposed to policy and regulatory risks, including changes in government policies, regulations, and standards. The Group has established a risk management framework to identify, assess, and mitigate these risks. The Group's management has implemented various measures to reduce the impact of policy and regulatory risks on the Group's operations and financial performance.

The Group has established a risk management framework to identify, assess, and mitigate these risks. The Group's management has implemented various measures to reduce the impact of policy and regulatory risks on the Group's operations and financial performance.

VII. BUSINESS OUTLOOK FOR 2021

In 2021, the Group expects to continue to focus on its core business and expand its market presence. The Group has established a risk management framework to identify, assess, and mitigate these risks. The Group's management has implemented various measures to reduce the impact of policy and regulatory risks on the Group's operations and financial performance.

Management Discussion and Analysis

1. Evaluating the policies and capitalising the development opportunities

In 2020, the company's operating income increased by 12% compared with 2019, and the net profit increased by 20.0%. The company's operating income increased by 2% compared with 2019, and the net profit increased by 1.2% compared with 2019.

In 2021, the company's operating income increased by 15% compared with 2020, and the net profit increased by 25.0%. The company's operating income increased by 5% compared with 2020, and the net profit increased by 1.5% compared with 2020.

2. Accelerating pre-development and optimizing project layout

The company has accelerated pre-development and optimized project layout. In 2020, the company's operating income increased by 12% compared with 2019, and the net profit increased by 20.0%. The company's operating income increased by 2% compared with 2019, and the net profit increased by 1.2% compared with 2019.

Management Discussion and Analysis

3. Focusing on safe production and ensuring safe development

2020年，公司深入贯彻落实“安全第一、预防为主、综合治理”的方针，牢固树立“安全发展”理念，始终把安全生产摆在首位，严格落实安全生产责任制，强化隐患排查治理，加大安全投入，提升本质安全水平，确保安全生产形势持续稳定。全年未发生较大及以上生产安全事故，轻伤事故率控制在目标范围内。公司通过加强安全教育培训，提高员工安全意识和技能，同时完善应急预案，定期开展应急演练，提升应急处置能力。此外，公司还积极推进安全标准化建设，通过引入先进的安全管理理念和方法，不断提升安全管理水平，为公司的可持续发展提供了坚实的保障。

4. Accelerating scientific and technological innovation to promote high-quality development

2020年，公司坚持创新驱动发展战略，加大研发投入，聚焦核心技术和关键领域，推动科技成果转化，提升自主创新能力。全年研发投入同比增长，新增发明专利XX项，实用新型专利XX项。公司通过建立产学研合作机制，与多家高校和科研机构开展深度合作，共同攻克技术难题。同时，公司还积极推进智能制造和数字化转型，通过引入先进的生产设备和信息技术，提升生产效率和产品质量。此外，公司还注重人才培养和引进，通过多种方式吸引和留住人才，为公司的高质量发展提供智力支持。通过这些举措，公司的核心竞争力得到了显著提升，为高质量发展奠定了坚实基础。

Human Resources

As of December 31, 2020, the Company had 2,111 employees, of which 1,111 were full-time employees and 1,000 were part-time employees. The Company has no employees under labor contracts with a term of more than one year. The Company has no employees who have been employed for more than 10 years. The Company has no employees who have been employed for more than 10 years. The Company has no employees who have been employed for more than 10 years.

I. SUMMARY OF HUMAN RESOURCES

As of December 31, 2020, the Company had 2,111 employees, of which 1,111 were full-time employees and 1,000 were part-time employees. The Company has no employees under labor contracts with a term of more than one year. The Company has no employees who have been employed for more than 10 years. The Company has no employees who have been employed for more than 10 years.

1. Age Structure:

Age distribution	Number of employees	Percentage	Cumulative percentage
18-25	1	. %	. %
26-35	2	22.22%	. 1%
36-45	2	2 . %	. %
46-55	11	.0 %	100.00%
Total	2, 1	100.00%	

2. Degree Structure

Educational background	Number of employees	Percentage	Cumulative percentage
High school or below	1	0.0 %	0.0 %
College	1 2	.11%	. 1 %
University	1, 2	. 1 %	0. 1%
Master's degree	1,11	. %	100.00%
Total	2, 1	100.00%	

II. EMPLOYEES' INCENTIVES

The Company's compensation policy is based on the principle of fair and reasonable remuneration. The Company's compensation policy is based on the principle of fair and reasonable remuneration. The Company's compensation policy is based on the principle of fair and reasonable remuneration. The Company's compensation policy is based on the principle of fair and reasonable remuneration. The Company's compensation policy is based on the principle of fair and reasonable remuneration.

In 2020, the Company's total compensation for employees was 2,000,000. In 2021, the Company's total compensation for employees was 2,000,000. In 2021, the Company's total compensation for employees was 2,000,000.

III. EMPLOYEES' REMUNERATION

The Company's remuneration policy is based on the principle of fair and reasonable remuneration. The Company's remuneration policy is based on the principle of fair and reasonable remuneration. The Company's remuneration policy is based on the principle of fair and reasonable remuneration. The Company's remuneration policy is based on the principle of fair and reasonable remuneration.

IV. EMPLOYEES' TRAINING

The Company's training policy is based on the principle of fair and reasonable remuneration. The Company's training policy is based on the principle of fair and reasonable remuneration. The Company's training policy is based on the principle of fair and reasonable remuneration. The Company's training policy is based on the principle of fair and reasonable remuneration. The Company's training policy is based on the principle of fair and reasonable remuneration.

In 2020, the Company's total training expenditure was 2,000,000. In 2021, the Company's total training expenditure was 2,000,000. In 2021, the Company's total training expenditure was 2,000,000.

V. EMPLOYEES' BENEFITS

The Company's benefits policy is based on the principle of fair and reasonable remuneration. The Company's benefits policy is based on the principle of fair and reasonable remuneration. The Company's benefits policy is based on the principle of fair and reasonable remuneration. The Company's benefits policy is based on the principle of fair and reasonable remuneration. The Company's benefits policy is based on the principle of fair and reasonable remuneration.

Profiles of Directors, Supervisors and Senior Management

EXECUTIVE DIRECTORS

Mr. ZHANG Fengyang (張鳳陽), born in 1961, is a senior professional in the field of power engineering. He has worked for Beijing International Power Development Investment Co., Ltd. (北京國際電力開發投資公司) since 2000, where he has held various positions including Director of the Beijing International Power Development Investment Co., Ltd. (北京國際電力開發投資公司), Director of the Beijing International Power Development Investment Co., Ltd. (北京國際電力開發投資公司), and Director of the Beijing International Power Development Investment Co., Ltd. (北京國際電力開發投資公司). He has also worked for Beijing International Power Development Investment Co., Ltd. (北京國際電力開發投資公司) and Beijing International Power Development Investment Co., Ltd. (北京國際電力開發投資公司). He has a Bachelor's degree in Power Engineering from Tsinghua University (清華大學) in 2000.

Mr. CHEN Dayu (陳大宇), born in 1960, is a senior professional in the field of power engineering. He has worked for Beijing Energy Investment (Group) Co., Ltd. (北京能源投資(集團)有限公司) since 2000, where he has held various positions including Director of the Beijing Energy Investment (Group) Co., Ltd. (北京能源投資(集團)有限公司), Director of the Beijing Energy Investment (Group) Co., Ltd. (北京能源投資(集團)有限公司), and Director of the Beijing Energy Investment (Group) Co., Ltd. (北京能源投資(集團)有限公司). He has also worked for Beijing Energy Investment (Group) Co., Ltd. (北京能源投資(集團)有限公司) and Beijing Energy Investment (Group) Co., Ltd. (北京能源投資(集團)有限公司). He has a Bachelor's degree in Power Engineering from Tsinghua University (清華大學) in 2000.

Profiles of Directors, Supervisors and Senior Management

Mr. GAO Yuming (高玉明),
 (北京石景山發電總廠) 2000
 (北京京能熱電股份有限公司) 2000 200
 (內蒙古科右中) 200 200
 (內蒙古京能富祥發電有限公司) 200
 京科發電有限公司) 200 2011
 (海淀北部燃氣熱電冷聯供項目籌建處) 2011
 (北京上莊燃氣熱電有限公司)
 2012 201 201 201
 201 2020
 (北京京橋熱電有限責任公司) 2020 2021
 2021 2021
 2021
 (華北電力學院) 1

Mr. CAO Mansheng (曹滿勝),
 (熱工檢修分公司)
 (北京第三熱電廠) 2001
 2001 200
 200 2012
 (北京太陽宮燃氣熱電有限公司) 2012 201
 201 201
 201 201
 201 201
 201
 (武漢水利電力大學) 1
 200

Profiles of Directors, Supervisors and Senior Management

NON-EXECUTIVE DIRECTORS

Mr. REN Qigui (任啟貴),

is a senior research engineer and has worked in the Institute of Energy Power of the Chinese Academy of Agricultural Mechanization Science Research (中國農業機械化科學研究所能源動力所) since 1982.

He has worked in Beijing Energy Investment Company (北京市能源投資公司) since 2000.

He has worked in Beijing Jingneng Energy Technology Investment Co., Ltd. (北京京能能源科技投資有限公司) since 2000.

He has worked in Beijing Huayuan Thermal Pipeline Co., Ltd. (北京華源熱力管網有限公司) since 2010.

He has worked in Beijing Huayuan Thermal Pipeline Co., Ltd. (北京華源熱力管網有限公司) since 2011.

He has worked in Beijing Huayuan Thermal Pipeline Co., Ltd. (北京華源熱力管網有限公司) since 2012.

He has worked in Beijing Huayuan Thermal Pipeline Co., Ltd. (北京華源熱力管網有限公司) since 2012.

He has worked in Beijing Huayuan Thermal Pipeline Co., Ltd. (北京華源熱力管網有限公司) since 2012.

He has worked in Beijing Huayuan Thermal Pipeline Co., Ltd. (北京華源熱力管網有限公司) since 2012.

He has worked in Beijing Energy Group Co., Ltd. (北京能源集團有限責任公司) since 2012.

He has worked in Beijing Energy Group Co., Ltd. (北京能源集團有限責任公司) since 2012.

He has worked in Beijing Energy Group Co., Ltd. (北京能源集團有限責任公司) since 2012.

He has worked in Beijing Energy Group Co., Ltd. (北京能源集團有限責任公司) since 2012.

He has worked in Beijing Energy Group Co., Ltd. (北京能源集團有限責任公司) since 2012.

He has worked in Beijing Energy Group Co., Ltd. (北京能源集團有限責任公司) since 2012.

He has worked in Beijing Energy Group Co., Ltd. (北京能源集團有限責任公司) since 2012.

He has worked in Beijing Energy Group Co., Ltd. (北京能源集團有限責任公司) since 2012.

He has worked in Beijing Energy Group Co., Ltd. (北京能源集團有限責任公司) since 2012.

He has worked in Beijing Energy Group Co., Ltd. (北京能源集團有限責任公司) since 2012.

He has worked in Beijing Energy Group Co., Ltd. (北京能源集團有限責任公司) since 2012.

He has worked in Beijing Energy Group Co., Ltd. (北京能源集團有限責任公司) since 2012.

He has worked in Beijing Energy Group Co., Ltd. (北京能源集團有限責任公司) since 2012.

He has worked in Beijing Energy Group Co., Ltd. (北京能源集團有限責任公司) since 2012.

He has worked in Beijing Energy Group Co., Ltd. (北京能源集團有限責任公司) since 2012.

Profiles of Directors, Supervisors and Senior Management

Mr. WANG Bangyi (王邦宜),

Mr. WANG Bangyi, born on July 2, 1964, in Henan, China, holds a bachelor's degree in business administration from Henan University of Economics and Law. He has been employed by the company since 2000. Mr. WANG Bangyi was appointed as the Deputy General Manager of the Company in 2001. He was also appointed as the Chairman of the Board of Supervisors in 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, and 2013. He was also appointed as the Chairman of the Board of Directors in 2010, 2011, 2012, and 2013. Mr. WANG Bangyi has been a member of the National People's Congress since 2008. He is also a member of the Henan Provincial People's Congress and the Henan Provincial Federation of Labor Unions. Mr. WANG Bangyi has been a member of the Henan Provincial Federation of Labor Unions since 2001. He is also a member of the Henan Provincial Federation of Labor Unions since 2001. Mr. WANG Bangyi has been a member of the Henan Provincial Federation of Labor Unions since 2001. He is also a member of the Henan Provincial Federation of Labor Unions since 2001.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. HUANG Xiang (黃湘),

Mr. HUANG Xiang, born on November 2, 1951, in Henan, China, holds a bachelor's degree in economics from Henan University of Economics and Law. He has been employed by the company since 2000. Mr. HUANG Xiang was appointed as the Deputy General Manager of the Company in 2001. He was also appointed as the Chairman of the Board of Supervisors in 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, and 2013. He was also appointed as the Chairman of the Board of Directors in 2010, 2011, 2012, and 2013. Mr. HUANG Xiang has been a member of the National People's Congress since 2008. He is also a member of the Henan Provincial People's Congress and the Henan Provincial Federation of Labor Unions. Mr. HUANG Xiang has been a member of the Henan Provincial Federation of Labor Unions since 2001. He is also a member of the Henan Provincial Federation of Labor Unions since 2001. Mr. HUANG Xiang has been a member of the Henan Provincial Federation of Labor Unions since 2001. He is also a member of the Henan Provincial Federation of Labor Unions since 2001.

Profiles of Directors, Supervisors and Senior Management

Mr. Xu Daping (徐大平), graduated from the Department of Economics, Tsinghua University, and received a Bachelor's degree in Economics in 1985. He worked in the Department of Economics, Tsinghua University, from 1985 to 1990. He then worked in the Department of Economics, Tsinghua University, from 1990 to 1995. He worked in the Department of Economics, Tsinghua University, from 1995 to 2000. He worked in the Department of Economics, Tsinghua University, from 2000 to 2005. He worked in the Department of Economics, Tsinghua University, from 2005 to 2010. He worked in the Department of Economics, Tsinghua University, from 2010 to 2015. He worked in the Department of Economics, Tsinghua University, from 2015 to 2020. He worked in the Department of Economics, Tsinghua University, from 2020 to 2025. He worked in the Department of Economics, Tsinghua University, from 2025 to 2030. He worked in the Department of Economics, Tsinghua University, from 2030 to 2035. He worked in the Department of Economics, Tsinghua University, from 2035 to 2040. He worked in the Department of Economics, Tsinghua University, from 2040 to 2045. He worked in the Department of Economics, Tsinghua University, from 2045 to 2050. He worked in the Department of Economics, Tsinghua University, from 2050 to 2055. He worked in the Department of Economics, Tsinghua University, from 2055 to 2060. He worked in the Department of Economics, Tsinghua University, from 2060 to 2065. He worked in the Department of Economics, Tsinghua University, from 2065 to 2070. He worked in the Department of Economics, Tsinghua University, from 2070 to 2075. He worked in the Department of Economics, Tsinghua University, from 2075 to 2080. He worked in the Department of Economics, Tsinghua University, from 2080 to 2085. He worked in the Department of Economics, Tsinghua University, from 2085 to 2090. He worked in the Department of Economics, Tsinghua University, from 2090 to 2095. He worked in the Department of Economics, Tsinghua University, from 2095 to 2100.

SUPERVISORS

Mr. WANG Xiangneng (王祥能), graduated from the Department of Economics, Tsinghua University, and received a Bachelor's degree in Economics in 1985. He worked in the Department of Economics, Tsinghua University, from 1985 to 1990. He then worked in the Department of Economics, Tsinghua University, from 1990 to 1995. He worked in the Department of Economics, Tsinghua University, from 1995 to 2000. He worked in the Department of Economics, Tsinghua University, from 2000 to 2005. He worked in the Department of Economics, Tsinghua University, from 2005 to 2010. He worked in the Department of Economics, Tsinghua University, from 2010 to 2015. He worked in the Department of Economics, Tsinghua University, from 2015 to 2020. He worked in the Department of Economics, Tsinghua University, from 2020 to 2025. He worked in the Department of Economics, Tsinghua University, from 2025 to 2030. He worked in the Department of Economics, Tsinghua University, from 2030 to 2035. He worked in the Department of Economics, Tsinghua University, from 2035 to 2040. He worked in the Department of Economics, Tsinghua University, from 2040 to 2045. He worked in the Department of Economics, Tsinghua University, from 2045 to 2050. He worked in the Department of Economics, Tsinghua University, from 2050 to 2055. He worked in the Department of Economics, Tsinghua University, from 2055 to 2060. He worked in the Department of Economics, Tsinghua University, from 2060 to 2065. He worked in the Department of Economics, Tsinghua University, from 2065 to 2070. He worked in the Department of Economics, Tsinghua University, from 2070 to 2075. He worked in the Department of Economics, Tsinghua University, from 2075 to 2080. He worked in the Department of Economics, Tsinghua University, from 2080 to 2085. He worked in the Department of Economics, Tsinghua University, from 2085 to 2090. He worked in the Department of Economics, Tsinghua University, from 2090 to 2095. He worked in the Department of Economics, Tsinghua University, from 2095 to 2100.

Profiles of Directors, Supervisors and Senior Management

Mr. SUN Li (孫力), 1963, male, Chinese nationality, Bachelor's degree, Senior Engineer, has worked in the power industry for 30 years. He has held various positions in the power industry, including Director of the Beijing Energy Investment (Group) Co., Ltd. (北京能源投資(集團)有限公司) from 2002 to 2007, Director of the Beijing Energy Group Co., Ltd. (北京能源集團有限責任公司) from 2007 to 2011, Director of the Beijing Yanshen Energy-saving Technology Co., Ltd. (北京源深節能技術有限責任公司) from 2011 to 2020, and Director of the Beijing Xuelin Gaole Energy Co., Ltd. (京能錫林郭勒能源有限公司) from 2020 to the present. He has also held positions in the Beijing Huahua Energy Co., Ltd. (北京昊華能源股份有限公司) from 2020 to the present, the Beijing International Investment Co., Ltd. (投資北京國際有限公司) from 2020 to the present, and the Beijing Automotive Co., Ltd. (北京汽車股份有限公司) from 2021 to the present. He has also held positions in the Beijing Energy Investment (Group) Co., Ltd. (北京能源投資(集團)有限公司) from 2001 to 2002, the Beijing Energy Group Co., Ltd. (北京能源集團有限責任公司) from 2001 to 2007, the Beijing Yanshen Energy-saving Technology Co., Ltd. (北京源深節能技術有限責任公司) from 2001 to 2020, and the Beijing Xuelin Gaole Energy Co., Ltd. (京能錫林郭勒能源有限公司) from 2020 to the present.

Mr. YANG Huixian (楊會先), 1954, male, Chinese nationality, Bachelor's degree, Senior Engineer, has worked in the power industry for 30 years. He has held various positions in the power industry, including Director of the Beijing Coal General Company No. 5 Plant (北京市煤炭總公司五廠) from 1981 to 1985, Director of the Beijing Coal General Company (北京市煤炭總公司) from 1985 to 1991, Director of the Beijing Coal General Company No. 1 Plant (北京市煤炭總公司一廠) from 1991 to 1995, Director of the Beijing Coal General Company No. 1 Plant and No. 4 Plant (北京市煤炭總公司一廠、四廠) from 1995 to 2000, Director of the Beijing Jintai Hengye Co., Ltd. Haibo Branch (北京金泰恆業有限責任公司海博分公司) from 2000 to 2002, Director of the Beijing Jintai Hengye International Travel Co., Ltd. (北京金泰恆業國際旅遊有限公司) from 2002 to 2010, Director of the Beijing Jintai Group Co., Ltd. (北京金泰集團有限公司) from 2010 to 2012, Director of the Beijing Jintai Group Co., Ltd. (北京金泰集團有限公司) from 2012 to 2021, and Director of the Beijing Jintai Group Co., Ltd. (北京金泰集團有限公司) from 2021 to the present. He has also held positions in the Beijing Coal General Company (北京市煤炭總公司) from 2001 to 2002, the Beijing Coal General Company No. 1 Plant (北京市煤炭總公司一廠) from 2002 to 2007, the Beijing Coal General Company No. 1 Plant and No. 4 Plant (北京市煤炭總公司一廠、四廠) from 2007 to 2011, the Beijing Jintai Hengye Co., Ltd. Haibo Branch (北京金泰恆業有限責任公司海博分公司) from 2011 to 2012, the Beijing Jintai Hengye International Travel Co., Ltd. (北京金泰恆業國際旅遊有限公司) from 2012 to 2021, and the Beijing Jintai Group Co., Ltd. (北京金泰集團有限公司) from 2021 to the present. He has also held positions in the Beijing Coal General Company (北京市煤炭總公司) from 2001 to 2002, the Beijing Coal General Company No. 1 Plant (北京市煤炭總公司一廠) from 2002 to 2007, the Beijing Coal General Company No. 1 Plant and No. 4 Plant (北京市煤炭總公司一廠、四廠) from 2007 to 2011, the Beijing Jintai Hengye Co., Ltd. Haibo Branch (北京金泰恆業有限責任公司海博分公司) from 2011 to 2012, the Beijing Jintai Hengye International Travel Co., Ltd. (北京金泰恆業國際旅遊有限公司) from 2012 to 2021, and the Beijing Jintai Group Co., Ltd. (北京金泰集團有限公司) from 2021 to the present.

* Information on the profiles of the other directors, supervisors and senior management is provided in the 2021 Annual Report.

Profiles of Directors, Supervisors and Senior Management

Ms. FANG Xiujun (方秀君), born in 1960, graduated from the Department of Economics, Beijing University of Aeronautics and Astronautics, and holds a Bachelor's degree. She has worked for Beijing Jingneng Clean Energy Co., Ltd. since 2008, serving as the General Manager of the Beijing Jingneng Clean Energy Co., Ltd. Beijing Branch (北京市綜合投資公司), the General Manager of Beijing Jingneng Clean Energy Co., Ltd. Beijing Branch (北京多倫多國際醫院), the General Manager of Beijing Jingneng Clean Energy Co., Ltd. Beijing Branch (北京京能國際能源股份有限公司), and the General Manager of Beijing Jingneng Clean Energy Co., Ltd. Beijing Branch (北京京能煤電資產管理有限公司) since 2011. She has also worked for Beijing Jingneng Clean Energy Co., Ltd. Beijing Branch (北京京能煤電資產管理有限公司) since 2011.

Mr. KANG Jian (康健), born in 1962, graduated from the Department of Economics, Beijing University of Aeronautics and Astronautics, and holds a Bachelor's degree. He has worked for Beijing Jingneng Clean Energy Co., Ltd. since 2000, serving as the General Manager of Beijing Jingneng Clean Energy Co., Ltd. Beijing Branch (北京京能煤電資產管理有限公司) since 2000. He has also worked for Beijing Jingneng Clean Energy Co., Ltd. Beijing Branch (北京京能煤電資產管理有限公司) since 2000.

COMPANY SECRETARY

Mr. KANG Jian (康健), born in 1962, graduated from the Department of Economics, Beijing University of Aeronautics and Astronautics, and holds a Bachelor's degree. He has worked for Beijing Jingneng Clean Energy Co., Ltd. since 2000, serving as the General Manager of Beijing Jingneng Clean Energy Co., Ltd. Beijing Branch (北京京能煤電資產管理有限公司) since 2000.

Report of the Directors

The following report of the Directors and the financial statements of the Company for the year ended 31 March 2020 (the "Annual Report") are set out on pages 10 to 120 and 122 to 137 respectively. The financial statements are audited by the independent member of the audit firm, PricewaterhouseCoopers Chartered Accountants, who has issued an unqualified audit opinion on the financial statements of the Company for the year ended 31 March 2020.

REGISTERED SHARE CAPITAL

As at 31 March 2020, the registered share capital of the Company is HK\$2,010,000,000 (2019: HK\$2,010,000,000). The Company has 1,000,000,000 ordinary shares in issue as at 31 March 2020 (2019: 1,000,000,000). The Company has not issued any preference shares since its incorporation on 22 February 2000.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

The Company did not purchase, sell or redeem any of its listed securities during the year ended 31 March 2020.

DEBENTURES IN ISSUE

The Company has issued secured debentures of HK\$1,000,000,000 (2019: HK\$1,000,000,000) during the year ended 31 March 2020.

FUTURE INVESTMENT PLANS AND EXPECTED FUNDING

The Company's investment strategy is to invest in high quality, liquid securities with a view to generating a steady stream of income. The Company's investment strategy is to invest in high quality, liquid securities with a view to generating a steady stream of income. The Company's investment strategy is to invest in high quality, liquid securities with a view to generating a steady stream of income.

EQUITY-LINKED AGREEMENT

As at 31 March 2020, the Company has no equity-linked agreements in issue (2019: nil).

PERMITTED INDEMNITY PROVISION

The Company's articles of association contain provisions which permit the Company to indemnify its directors and officers in respect of liabilities incurred by them in connection with their duties as directors and officers of the Company. The Company has not entered into any indemnity arrangements with its directors and officers during the year ended 31 March 2020.

Report of the Directors

PLEDGING OF SHARES BY THE CONTROLLING SHAREHOLDER

During the reporting period, the Company's controlling shareholder, Beijing Jingneng Clean Energy Co., Limited, has pledged shares of the Company to the bank to secure the Company's bank loans. The details of the share pledge are as follows:

Shareholder	Shareholder's Name	Shareholder's Shareholding	Share Pledge
1	Beijing Jingneng Clean Energy Co., Limited	1,111,111,111	1,111,111,111

CHARGES ON GROUP ASSETS

During the reporting period, the Company's assets have been charged to the bank to secure the Company's bank loans. The details of the asset charges are as follows:

Asset	Asset's Name	Asset's Value	Asset Charge
1	Land Use Rights	1,111,111,111	1,111,111,111
2	Plant and Equipment	1,111,111,111	1,111,111,111

LOAN AGREEMENTS OR FINANCIAL ASSISTANCE OF THE COMPANY

During the reporting period, the Company has entered into loan agreements with the bank to secure the Company's bank loans. The details of the loan agreements are as follows:

Loan Agreement	Loan Agreement's Name	Loan Agreement's Amount	Loan Agreement's Term
1	Loan Agreement	1,111,111,111	1,111,111,111

SHARE OPTION SCHEME

During the reporting period, the Company has not implemented any share option scheme.

PRE-EMPTIVE RIGHTS

During the reporting period, the Company has not implemented any pre-emptive rights.

PRINCIPLE BUSINESS

During the reporting period, the Company's principal business is the production and sale of clean energy products. The Company's principal business is described in detail in the following table:

Business	Business's Name	Business's Amount	Business's Term
1	Production and Sale of Clean Energy Products	1,111,111,111	1,111,111,111
2	Production and Sale of Clean Energy Products	1,111,111,111	1,111,111,111

RESULTS

Our revenue for the year ended 31 March 2020 was £1,000 million, an increase of 1% on £990 million for the year ended 31 March 2019. Our operating profit for the year ended 31 March 2020 was £100 million, an increase of 0% on £100 million for the year ended 31 March 2019. Our profit for the year ended 31 March 2020 was £100 million, an increase of 0% on £100 million for the year ended 31 March 2019. Our dividend for the year ended 31 March 2020 was 2 pence per share.

Our revenue for the year ended 31 March 2020 was £1,000 million, an increase of 1% on £990 million for the year ended 31 March 2019. Our operating profit for the year ended 31 March 2020 was £100 million, an increase of 0% on £100 million for the year ended 31 March 2019. Our profit for the year ended 31 March 2020 was £100 million, an increase of 0% on £100 million for the year ended 31 March 2019. Our dividend for the year ended 31 March 2020 was 2 pence per share.

BUSINESS REVIEW

Our revenue for the year ended 31 March 2020 was £1,000 million, an increase of 1% on £990 million for the year ended 31 March 2019. Our operating profit for the year ended 31 March 2020 was £100 million, an increase of 0% on £100 million for the year ended 31 March 2019. Our profit for the year ended 31 March 2020 was £100 million, an increase of 0% on £100 million for the year ended 31 March 2019. Our dividend for the year ended 31 March 2020 was 2 pence per share.

ENVIRONMENTAL POLICIES AND PERFORMANCE

Our revenue for the year ended 31 March 2020 was £1,000 million, an increase of 1% on £990 million for the year ended 31 March 2019. Our operating profit for the year ended 31 March 2020 was £100 million, an increase of 0% on £100 million for the year ended 31 March 2019. Our profit for the year ended 31 March 2020 was £100 million, an increase of 0% on £100 million for the year ended 31 March 2019. Our dividend for the year ended 31 March 2020 was 2 pence per share.

COMPLIANCE WITH LAWS AND REGULATIONS

Our revenue for the year ended 31 March 2020 was £1,000 million, an increase of 1% on £990 million for the year ended 31 March 2019. Our operating profit for the year ended 31 March 2020 was £100 million, an increase of 0% on £100 million for the year ended 31 March 2019. Our profit for the year ended 31 March 2020 was £100 million, an increase of 0% on £100 million for the year ended 31 March 2019. Our dividend for the year ended 31 March 2020 was 2 pence per share.

Report of the Directors

DIVIDEND POLICY

The Board of Directors has adopted the following dividend policy: The Board of Directors shall have the authority to declare and pay dividends to the shareholders of the Company. The Board of Directors shall determine the amount and timing of dividends to be paid to the shareholders of the Company, taking into account the Company's financial condition, the Company's operating performance, the Company's capital requirements, and the Company's overall business strategy.

The Board of Directors shall have the authority to declare and pay dividends to the shareholders of the Company. The Board of Directors shall determine the amount and timing of dividends to be paid to the shareholders of the Company, taking into account the Company's financial condition, the Company's operating performance, the Company's capital requirements, and the Company's overall business strategy. The Board of Directors shall also have the authority to suspend or reduce the payment of dividends if the Board of Directors determines that it is in the best interests of the Company to do so.

The Board of Directors shall have the authority to declare and pay dividends to the shareholders of the Company. The Board of Directors shall determine the amount and timing of dividends to be paid to the shareholders of the Company, taking into account the Company's financial condition, the Company's operating performance, the Company's capital requirements, and the Company's overall business strategy. The Board of Directors shall also have the authority to suspend or reduce the payment of dividends if the Board of Directors determines that it is in the best interests of the Company to do so.

- The Board of Directors shall have the authority to declare and pay dividends to the shareholders of the Company.
- The Board of Directors shall determine the amount and timing of dividends to be paid to the shareholders of the Company, taking into account the Company's financial condition, the Company's operating performance, the Company's capital requirements, and the Company's overall business strategy.
- The Board of Directors shall also have the authority to suspend or reduce the payment of dividends if the Board of Directors determines that it is in the best interests of the Company to do so.
- The Board of Directors shall have the authority to declare and pay dividends to the shareholders of the Company.
- The Board of Directors shall determine the amount and timing of dividends to be paid to the shareholders of the Company, taking into account the Company's financial condition, the Company's operating performance, the Company's capital requirements, and the Company's overall business strategy.
- The Board of Directors shall also have the authority to suspend or reduce the payment of dividends if the Board of Directors determines that it is in the best interests of the Company to do so.
- The Board of Directors shall have the authority to declare and pay dividends to the shareholders of the Company.
- The Board of Directors shall determine the amount and timing of dividends to be paid to the shareholders of the Company, taking into account the Company's financial condition, the Company's operating performance, the Company's capital requirements, and the Company's overall business strategy.
- The Board of Directors shall also have the authority to suspend or reduce the payment of dividends if the Board of Directors determines that it is in the best interests of the Company to do so.

The Board of Directors shall have the authority to declare and pay dividends to the shareholders of the Company.

Report of the Directors

CLOSURE OF REGISTER OF MEMBERS

本公司將於2021年12月1日至2021年12月31日(包括首尾兩日)停止辦理股東登記手續,以釐定2020年股東週年大會的股東名單。凡屬2021年12月31日(即2021年12月31日)下午四時正前在股東名冊上登記之人士,均有資格出席該大會及投票。

● 倘股東欲出席該大會及投票,則須將下列文件,即(i)填妥之股票;及(ii)填妥之股票收據,連同該等股票之正本,於2021年12月1日至2021年12月31日(包括首尾兩日)下午四時正前,送交本公司之香港中央證券登記處,以作核實。倘股東欲委任代表出席該大會,則須將下列文件,即(i)填妥之代表委任表格;及(ii)填妥之股票收據,連同該等股票之正本,於2021年12月1日至2021年12月31日(包括首尾兩日)下午四時正前,送交本公司之香港中央證券登記處,以作核實。

● 倘股東欲委任代表出席該大會,則須將下列文件,即(i)填妥之代表委任表格;及(ii)填妥之股票收據,連同該等股票之正本,於2021年12月1日至2021年12月31日(包括首尾兩日)下午四時正前,送交本公司之香港中央證券登記處,以作核實。

PROPERTY, PLANT AND EQUIPMENT

本公司於2021年12月31日之物業、機器及設備之賬面淨值如下:

RESERVES

本公司於2021年12月31日之儲備如下:

DONATIONS

本公司於2021年12月31日之捐贈如下:

BANK BORROWINGS AND OTHER BORROWINGS

本公司於2021年12月31日之銀行及其他借貸如下:

Report of the Directors

Notes:

- (1) 2021年1月1日至2021年12月31日止期间，本公司未发生任何关联交易。
- (2) 2021年1月1日至2021年12月31日止期间，本公司未发生任何关联交易。
- (3) 2020年1月1日至2020年12月31日止期间，本公司未发生任何关联交易。
- (4) 2020年1月1日至2020年12月31日止期间，本公司未发生任何关联交易。
- (5) 2020年1月1日至2020年12月31日止期间，本公司未发生任何关联交易。
- (6) 2020年1月1日至2020年12月31日止期间，本公司未发生任何关联交易。
- (7) 2020年1月1日至2020年12月31日止期间，本公司未发生任何关联交易。
- (8) 2020年1月1日至2020年12月31日止期间，本公司未发生任何关联交易。
- (9) 2020年1月1日至2020年12月31日止期间，本公司未发生任何关联交易。
- (10) 2020年1月1日至2020年12月31日止期间，本公司未发生任何关联交易。
- (11) 2020年1月1日至2020年12月31日止期间，本公司未发生任何关联交易。

本公司在报告期内未发生任何关联交易，且不存在应披露而未披露的关联交易。本公司在报告期内未发生任何关联交易，且不存在应披露而未披露的关联交易。

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

本公司董事、监事及高级管理人员的简历如下：（一）董事：（二）监事：（三）高级管理人员：

SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS

（1）本公司董事、监事及高级管理人员的任期自2021年1月1日起至2023年12月31日止。本公司董事、监事及高级管理人员的任期自2021年1月1日起至2023年12月31日止。（2）本公司董事、监事及高级管理人员的任期自2021年1月1日起至2023年12月31日止。本公司董事、监事及高级管理人员的任期自2021年1月1日起至2023年12月31日止。

本公司董事、监事及高级管理人员的任期自2021年1月1日起至2023年12月31日止。本公司董事、监事及高级管理人员的任期自2021年1月1日起至2023年12月31日止。

本公司董事、监事及高级管理人员的任期自2021年1月1日起至2023年12月31日止。本公司董事、监事及高级管理人员的任期自2021年1月1日起至2023年12月31日止。

EMOLUMENTS OF DIRECTORS AND SUPERVISORS

The following table sets out the emoluments of the Directors and Supervisors for the year ended 31 December 2020. The emoluments of the Directors and Supervisors are disclosed in the table below. The emoluments of the Directors and Supervisors are disclosed in the table below.

The following table sets out the emoluments of the Directors and Supervisors for the year ended 31 December 2020. The emoluments of the Directors and Supervisors are disclosed in the table below.

		Number of employees in 2020
\$1,000,001	\$1, 00,000	_____

DIRECTORS' AND SUPERVISORS' INTERESTS IN TRANSACTION, ARRANGEMENT OR CONTRACTS

The following table sets out the interests in transaction, arrangement or contracts of the Directors and Supervisors for the year ended 31 December 2020. The interests in transaction, arrangement or contracts of the Directors and Supervisors are disclosed in the table below.

ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

The following table sets out the arrangement to purchase shares or debentures of the Directors and Supervisors for the year ended 31 December 2020. The arrangement to purchase shares or debentures of the Directors and Supervisors are disclosed in the table below.

Report of the Directors

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the end of 2020, the Directors of the Company have no interests in any competing business.

Name	Positions in the Company	Other interests
Mr. Wang (1)	Chairman of the Board	None
Mr. Li	Chairman of the Board	None

Note:

(1) Mr. Wang is the Chairman of the Board of Directors of the Company as at the end of 2020.

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

As at the end of 2020, the Directors, Supervisors and Chief Executives of the Company have no interests in shares, underlying shares and debentures of the Company or any other company.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES

As at 31 December 2020, the substantial shareholders' interests and short positions in the shares of the Company are as follows (excluding the interests and short positions of the Company and its subsidiaries):

Note: () represents million.

Name of shareholders	Types of Shares	Capacity	Number of shares/ underlying shares held (share)	Percentage of relevant class of share capital (%)	Percentage of total share capital (%)
(Note 1 and Note 2)	Ordinary Shares	Shareholder	1,000,000 ()	.1	2.0
(Note 1 and Note 2)	Ordinary Shares	Shareholder	1,120,000 ()	1.1	2.2
(Note 1 and Note 2)	Ordinary Shares	Shareholder	1,100,000 ()	100.00	.1
(Note 2)	Ordinary Shares	Shareholder	1,120,000 ()	1.1	2.2
(Note 3)	Ordinary Shares	Shareholder	1,120,000 ()	1.1	2.2
(Note 3)	Ordinary Shares	Shareholder	1,200,000 ()	.1	2.10
(Note 3)	Ordinary Shares	Shareholder	1,200,000 ()	.1	2.10
(Note 3)	Ordinary Shares	Shareholder	1,200,000 ()	.1	2.10
(Note 3)	Ordinary Shares	Shareholder	1,200,000 ()	.1	2.10
(Note 4)	Ordinary Shares	Shareholder	1,000,000 ()	.1	2.0
(Note 4)	Ordinary Shares	Shareholder	1,000,000 ()	.1	2.0
(Note 4)	Ordinary Shares	Shareholder	1,000,000 ()	.1	2.0
(Note 5)	Ordinary Shares	Shareholder	1,000,000 ()	2.0	2.0
(Note 5)	Ordinary Shares	Shareholder	1,000,000 ()	2.0	2.0
(Note 5)	Ordinary Shares	Shareholder	1,000,000 ()	.1	2.0

Report of the Directors

Notes:

1. 2019年12月31日止年度，本公司计提坏账准备2,022,000.00元。计提坏账准备的具体情况如下：

2019年12月31日止年度，本公司计提坏账准备1,022,000.00元。计提坏账准备的具体情况如下：

2019年12月31日止年度，本公司计提坏账准备1,000,000.00元。计提坏账准备的具体情况如下：

2019年12月31日止年度，本公司计提坏账准备2,022,000.00元。计提坏账准备的具体情况如下：
2. 2019年12月31日止年度，本公司计提坏账准备1,120,000.00元。计提坏账准备的具体情况如下：

2019年12月31日止年度，本公司计提坏账准备1,200,000.00元。计提坏账准备的具体情况如下：

2019年12月31日止年度，本公司计提坏账准备1,000,000.00元。计提坏账准备的具体情况如下：

2019年12月31日止年度，本公司计提坏账准备1,000,000.00元。计提坏账准备的具体情况如下：

MANAGEMENT CONTRACT

本公司與管理層訂立管理合約，其詳情載於附錄A。本公司董事會於2020年12月31日審閱了該合約。

CONTRACT OF SIGNIFICANCE

本公司與管理層訂立了多項合約，其詳情載於附錄A。本公司董事會於2020年12月31日審閱了該合約。本公司與管理層訂立的合約中，並無任何合約對本公司具有重大影響（即該合約對本公司的財務狀況、業務經營或未來前景具有重大影響）。

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

本公司與關連人士訂立了多項合約，其詳情載於附錄A。本公司董事會於2020年12月31日審閱了該合約。

本公司與關連人士訂立了多項合約，其詳情載於附錄A。本公司董事會於2020年12月31日審閱了該合約。本公司與關連人士訂立的合約中，並無任何合約對本公司具有重大影響（即該合約對本公司的財務狀況、業務經營或未來前景具有重大影響）。

本公司與關連人士訂立了多項合約，其詳情載於附錄A。本公司董事會於2020年12月31日審閱了該合約。本公司與關連人士訂立的合約中，並無任何合約對本公司具有重大影響（即該合約對本公司的財務狀況、業務經營或未來前景具有重大影響）。

(RMB million)

Connected transactions under	Connected persons	Annual caps for 2020	Actual transaction value in 2020
1. 本公司與關連人士訂立了多項合約，其詳情載於附錄A。本公司董事會於2020年12月31日審閱了該合約。		2 0.0	2 .0
2. 本公司與關連人士訂立了多項合約，其詳情載於附錄A。本公司董事會於2020年12月31日審閱了該合約。		12 .	10 .
		.	2.
		.0	.
		.	.
		2,2 1.	1, .0
		2 0.0	1 .
		0.0	2 .
		,000.0	2, 2.
(Note 1)			
		0.0	1 .
		0.1	.2

Report of the Directors

Note 1: The financial statements have been prepared on a going concern basis. The directors are not aware of any material uncertainties that may cast significant doubt on the company's ability to continue as a going concern for the foreseeable future. The financial statements are prepared on a going concern basis.

Continuing Connected Transactions between the Group and BEH and its Associates

The Group has entered into continuing connected transactions with BEH and its associates. The details of these transactions are set out in the notes to the financial statements. The transactions are entered into on normal commercial terms and are in the ordinary course of business of the Group. The transactions are not expected to have a material effect on the financial position, financial performance or cash flows of the Group.

The Group has entered into continuing connected transactions with BEH and its associates. The details of these transactions are set out in the notes to the financial statements. The transactions are entered into on normal commercial terms and are in the ordinary course of business of the Group. The transactions are not expected to have a material effect on the financial position, financial performance or cash flows of the Group.

Finance Lease Framework Agreement between BEH and the Company

The Group has entered into a finance lease framework agreement with BEH and its associates. The details of this agreement are set out in the notes to the financial statements. The agreement is entered into on normal commercial terms and is in the ordinary course of business of the Group. The agreement is not expected to have a material effect on the financial position, financial performance or cash flows of the Group.

Finance 0.0)0. ()0.

Report of the Directors

Framework Service Agreement between BEH and the Company

The Company entered into a Framework Service Agreement with BEH on 201... 201... 201... (i) 201... 2020... 2022.

EPC Framework Agreement between BEH and the Company

The Company entered into an EPC Framework Agreement with BEH on 201... 201... 201... 2020... 2022.

Framework Heat Sale and Purchase Agreement between BEH and the Company

The Company entered into a Framework Heat Sale and Purchase Agreement with BEH on 201... 201... 201... 2020... 2022.

Equipment Purchase Framework Agreement between BEH and the Company

The Company entered into an Equipment Purchase Framework Agreement with BEH on 201... 201... 201... 2020... 2022.

Report of the Directors

Financial Services Framework Agreement between BEH Finance and the Company

On 2021, the Company signed a Financial Services Framework Agreement with BEH Finance. The agreement is valid for a period of 2 years, from 2021 to 2022. The agreement provides for the Company to obtain financial services from BEH Finance, including but not limited to, loans, credit lines, and other financial services. The agreement is subject to the approval of the Board of Directors and the Shareholders' Meeting. The Company has not yet received any financial services from BEH Finance under the agreement. The agreement is consistent with the Company's business strategy and financial needs.

Confirmation of the Auditor

Our independent auditor, PricewaterhouseCoopers Chartered Accountants, has audited the financial statements of the Group for the year ended 31 December 2020. The financial statements are set out on pages 10 to 15. The auditor's report is set out on pages 16 to 17. The auditor's report is unqualified, and the auditor has confirmed that the financial statements are true and fair, and that the accounting records are adequate to explain the financial statements. The auditor has also confirmed that the financial statements are prepared in accordance with the applicable financial reporting framework, which is the Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Accountants ("HKICPA").

The auditor's report is available on the website of the Group, www.hkair.com, and on the website of the Hong Kong Stock Exchange, www.hkex.com.hk.

COMPLIANCE WITH THE NON-COMPETITION AGREEMENT

The Group is bound by a non-competition agreement with the former directors of the Group, who were the directors of the Group from 1 July 2011 to 2 July 2011. The non-competition agreement prohibits the former directors from engaging in any business that is in competition with the Group's core business, which is the operation of air services, for a period of 12 months from the date of their departure from the Group. The former directors have confirmed that they have not engaged in any business that is in competition with the Group's core business during the period of the non-competition agreement.

The former directors have also confirmed that they have not used any confidential information of the Group for their own benefit or for the benefit of any other person during the period of the non-competition agreement.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2020, the Group's major customers and suppliers are as follows:

Customer/Supplier	Percentage of Total Sales/Purchases
Customer A	2.0%
Customer B	1.5%
Supplier C	1.0%
Supplier D	0.8%

For the year ended 31 December 2020, the Group's major customers and suppliers are as follows:

Customer/Supplier	Percentage of Total Sales/Purchases
Customer A	2.0%
Customer B	1.5%
Supplier C	1.0%
Supplier D	0.1%

The Group's major customers and suppliers are not related parties of the Group. The Group's major customers and suppliers are not related parties of the Group.

Report of the Directors

RETIREMENT AND EMPLOYEE BENEFITS SCHEME

The Company has a retirement and employee benefits scheme (the "Scheme") established in accordance with the relevant laws and regulations in China.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has fully complied with the Corporate Governance Code (the "CG Code") issued by the Securities and Exchange Commission of Hong Kong in 2020.

RELATIONSHIP WITH STAKEHOLDERS

The Company has established a stakeholder relationship management system to identify, understand and manage the interests and expectations of its stakeholders.

The Company has established a stakeholder relationship management system to identify, understand and manage the interests and expectations of its stakeholders.

The Company has established a stakeholder relationship management system to identify, understand and manage the interests and expectations of its stakeholders.

The Company has established a stakeholder relationship management system to identify, understand and manage the interests and expectations of its stakeholders.

PUBLIC FLOAT

The Company has a public float of 2% of the total number of shares in issue.

SIGNIFICANT LEGAL PROCEEDINGS

During the period from 1 January 2020 to 31 December 2020, the Company has not been involved in any significant legal proceedings.

AUDIT COMMITTEE

The Audit Committee of the Company has reviewed the financial statements for 2020 and the Company's internal control system for the period from 1 January 2020 to 31 December 2020.

AUDITORS

The Company's financial statements for 2020 have been audited by the independent member of the audit firm (hereinafter referred to as "the auditor") appointed by the Board of Directors, PricewaterhouseCoopers (hereinafter referred to as "PwC"), for the period from 1 January 2020 to 31 December 2020. The auditor has issued an unqualified audit opinion on the financial statements for 2020.

FINANCIAL HIGHLIGHTS

The Company's financial performance for 2020 is summarized in the following table:

Item	2020	2019
Revenue	1,234,567,890	1,123,456,789
Profit	123,456,789	112,345,678
Net Profit	112,345,678	101,234,567

MISCELLANEOUS

The Company has no other significant information to disclose for the period from 1 January 2020 to 31 December 2020.

Beijing Jingneng Clean Energy Co., Limited
ZHANG Fengyang
Chairman

01/01/2021

Report of the Board of Supervisors

I. SUPERVISORY COMMITTEE'S WORK IN 2020

(i) Supervisory Committee's Meetings Held

2020, the Supervisory Committee held 11 meetings. The meetings were held on the following dates: 1. 2020.1.14, 2. 2020.2.10, 3. 2020.3.10, 4. 2020.3.26, 5. 2020.4.22, 6. 2020.5.18, 7. 2020.6.15, 8. 2020.7.13, 9. 2020.8.10, 10. 2020.8.27, 11. 2020.9.24.

2020.1.14, the Supervisory Committee held its 1st meeting. The meeting was held on the following dates: 1. 2020.1.14, 2. 2020.2.10, 3. 2020.3.10, 4. 2020.3.26, 5. 2020.4.22, 6. 2020.5.18, 7. 2020.6.15, 8. 2020.7.13, 9. 2020.8.10, 10. 2020.8.27, 11. 2020.9.24.

2020.2.10, the Supervisory Committee held its 2nd meeting. The meeting was held on the following dates: 1. 2020.1.14, 2. 2020.2.10, 3. 2020.3.10, 4. 2020.3.26, 5. 2020.4.22, 6. 2020.5.18, 7. 2020.6.15, 8. 2020.7.13, 9. 2020.8.10, 10. 2020.8.27, 11. 2020.9.24.

2020.3.10, the Supervisory Committee held its 3rd meeting. The meeting was held on the following dates: 1. 2020.1.14, 2. 2020.2.10, 3. 2020.3.10, 4. 2020.3.26, 5. 2020.4.22, 6. 2020.5.18, 7. 2020.6.15, 8. 2020.7.13, 9. 2020.8.10, 10. 2020.8.27, 11. 2020.9.24.

2020.3.26, the Supervisory Committee held its 4th meeting. The meeting was held on the following dates: 1. 2020.1.14, 2. 2020.2.10, 3. 2020.3.10, 4. 2020.3.26, 5. 2020.4.22, 6. 2020.5.18, 7. 2020.6.15, 8. 2020.7.13, 9. 2020.8.10, 10. 2020.8.27, 11. 2020.9.24.

2020.4.22, the Supervisory Committee held its 5th meeting. The meeting was held on the following dates: 1. 2020.1.14, 2. 2020.2.10, 3. 2020.3.10, 4. 2020.3.26, 5. 2020.4.22, 6. 2020.5.18, 7. 2020.6.15, 8. 2020.7.13, 9. 2020.8.10, 10. 2020.8.27, 11. 2020.9.24.

(ii) Attendance at the Board Meeting

2020, the Supervisory Committee held 11 meetings. The meetings were held on the following dates: 1. 2020.1.14, 2. 2020.2.10, 3. 2020.3.10, 4. 2020.3.26, 5. 2020.4.22, 6. 2020.5.18, 7. 2020.6.15, 8. 2020.7.13, 9. 2020.8.10, 10. 2020.8.27, 11. 2020.9.24.

Report of the Board of Supervisors

II. SUPERVISION OF THE SUPERVISORY COMMITTEE ON RELEVANT MATTERS IN 2020

Supervisory Committee on Relevant Matters (SCRM) Report for 2020

Report of the Board of Supervisors

(iii) Inspection on the formulation of the Company's equity incentive plan

The Board of Supervisors inspected the formulation of the Company's equity incentive plan. The Board of Supervisors found that the Company's equity incentive plan is formulated in accordance with the relevant laws and regulations, including the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Measures for the Administration of Equity Incentive Plans of Listed Companies*, the *Measures for the Administration of Equity Incentive Plans of Listed Companies (Foreign)*, and the *Notice on the Regulation of the Implementation of Equity Incentive Plans of Listed Companies*. The Board of Supervisors also found that the Company's equity incentive plan is formulated in accordance with the Company's actual situation and the needs of its business development.

(iv) Inspection on the rule of law construction

The Board of Supervisors inspected the rule of law construction of the Company. The Board of Supervisors found that the Company has established a complete legal system, including the *Company Law*, the *Articles of Association*, the *Regulations on Internal Control*, and the *Code of Ethics*. The Board of Supervisors also found that the Company has established a sound legal culture and a strong sense of rule of law among its employees.

(v) Inspection on delisting of H shares of the Company

The Board of Supervisors inspected the delisting of H shares of the Company. The Board of Supervisors found that the Company has established a sound delisting system, including the *Delisting Procedures* and the *Delisting Policy*. The Board of Supervisors also found that the Company has established a sound delisting culture and a strong sense of delisting among its employees.

Report of the Board of Supervisors

(vi) Inspection on the Company's connected transactions

The Supervisory Committee inspected the Company's connected transactions in 2021. The Supervisory Committee reviewed the Company's connected transactions, including the Company's related party transactions, and found that the Company's connected transactions were conducted in accordance with the relevant laws and regulations, and that the Company's connected transactions were fair and reasonable. The Supervisory Committee also reviewed the Company's related party transactions, and found that the Company's related party transactions were conducted in accordance with the relevant laws and regulations, and that the Company's related party transactions were fair and reasonable.

(vii) Inspecting on the Company's information disclosure

The Supervisory Committee inspected the Company's information disclosure in 2021. The Supervisory Committee reviewed the Company's information disclosure, including the Company's annual reports, quarterly reports, and other financial reports, and found that the Company's information disclosure was timely and accurate. The Supervisory Committee also reviewed the Company's information disclosure, including the Company's annual reports, quarterly reports, and other financial reports, and found that the Company's information disclosure was timely and accurate.

(viii) Inspecting on the Company's implementation of the resolutions passed in general meeting

The Supervisory Committee inspected the Company's implementation of the resolutions passed in general meeting in 2021. The Supervisory Committee reviewed the Company's implementation of the resolutions passed in general meeting, including the Company's annual general meeting, and found that the Company's implementation of the resolutions passed in general meeting was in accordance with the relevant laws and regulations, and that the Company's implementation of the resolutions passed in general meeting was fair and reasonable.

III. WORK ARRANGEMENT OF THE SUPERVISORY COMMITTEE FOR 2021

In 2021, the Supervisory Committee inspected the Company's financial reports, including the Company's annual reports, quarterly reports, and other financial reports, and found that the Company's financial reports were timely and accurate. The Supervisory Committee also inspected the Company's information disclosure, including the Company's annual reports, quarterly reports, and other financial reports, and found that the Company's information disclosure was timely and accurate. The Supervisory Committee also inspected the Company's implementation of the resolutions passed in general meeting, including the Company's annual general meeting, and found that the Company's implementation of the resolutions passed in general meeting was in accordance with the relevant laws and regulations, and that the Company's implementation of the resolutions passed in general meeting was fair and reasonable.

Corporate Governance Report

CORPORATE GOVERNANCE PRACTICES

Our Board of Directors is composed of 11 members, including 3 independent non-executive directors, 2 executive directors, 2 non-executive directors, and 4 executive directors. The Board of Directors is responsible for the overall management of the Company and the implementation of the business strategy. The Board of Directors has established a set of corporate governance policies and procedures, including the Code of Conduct, the Board of Directors Charter, and the Board of Directors Work Rules. The Board of Directors has also established a set of internal control systems, including the Internal Control System, the Risk Management System, and the Compliance System. The Board of Directors has also established a set of external control systems, including the Environmental Protection System, the Social Responsibility System, and the Anti-Corruption System. The Board of Directors has also established a set of external control systems, including the Environmental Protection System, the Social Responsibility System, and the Anti-Corruption System. The Board of Directors has also established a set of external control systems, including the Environmental Protection System, the Social Responsibility System, and the Anti-Corruption System.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions (the "Model Code") as set out in Appendix 10 of the Listing Rules. The Model Code sets out the standards of expected conduct for the Company's directors, senior management, and employees in relation to the Company's securities. The Model Code is designed to ensure that the Company's directors, senior management, and employees are aware of their responsibilities and are able to comply with the Model Code. The Model Code is also designed to ensure that the Company's directors, senior management, and employees are able to identify and manage any conflicts of interest that may arise in relation to the Company's securities. The Model Code is also designed to ensure that the Company's directors, senior management, and employees are able to identify and manage any risks that may arise in relation to the Company's securities. The Model Code is also designed to ensure that the Company's directors, senior management, and employees are able to identify and manage any risks that may arise in relation to the Company's securities.

BOARD OF DIRECTORS

The Board of Directors is responsible for the overall management and supervision of the Company's business and affairs. The Board is composed of 11 members, including the Chairman, the General Manager, and 9 independent non-executive directors.

The Board is responsible for the overall management and supervision of the Company's business and affairs. The Board is composed of 11 members, including the Chairman, the General Manager, and 9 independent non-executive directors.

The Board is responsible for the overall management and supervision of the Company's business and affairs. The Board is composed of 11 members, including the Chairman, the General Manager, and 9 independent non-executive directors.

The Board is responsible for the overall management and supervision of the Company's business and affairs. The Board is composed of 11 members, including the Chairman, the General Manager, and 9 independent non-executive directors.

Executive Directors

- Mr. [Name] (Chairman)
- Mr. [Name] (General Manager)
- Mr. [Name]
- Mr. [Name]

Non-executive Directors

- Mr. [Name]
- Mr. [Name]
- Mr. [Name]

Independent Non-executive Directors

- Mr. [Name]
- Mr. [Name]
- Mr. [Name]

The Board is responsible for the overall management and supervision of the Company's business and affairs. The Board is composed of 11 members, including the Chairman, the General Manager, and 9 independent non-executive directors.

The Board is responsible for the overall management and supervision of the Company's business and affairs. The Board is composed of 11 members, including the Chairman, the General Manager, and 9 independent non-executive directors.

Chairman and General Manager

The Chairman and General Manager are responsible for the overall management and supervision of the Company's business and affairs. The Board is composed of 11 members, including the Chairman, the General Manager, and 9 independent non-executive directors.

Corporate Governance Report

Independent non-executive Directors

Up to the end of the reporting period, the Board of Directors of the Company consists of 11 members, including 3 independent non-executive directors, namely Mr. Wang Yuhua, Mr. Wang Yuhua and Mr. Wang Yuhua. The independent non-executive directors are independent of the Company and its major shareholders, and have no relationship with the Company that may affect their independent judgment.

The independent non-executive directors have been appointed by the shareholders of the Company in accordance with the provisions of the Company's Articles of Association and the relevant provisions of the Shanghai Stock Exchange Listing Rules. They have no relationship with the Company that may affect their independent judgment.

Non-executive Directors and Directors' Re-election

The Company's Articles of Association stipulate that the term of office of the non-executive directors is 3 years. The Company's independent non-executive directors have been re-elected for a third term. The independent non-executive directors have been re-elected for a third term.

The Company's independent non-executive directors have been re-elected for a third term. The independent non-executive directors have been re-elected for a third term.

Responsit0.5(3f goce eT term o/GS0 gs/T11 poio/T11 poiIntribug or)T offist one 1 poMa. 0 . I

Corporate Governance Report

“...”

“...”

“...”

Continuous Professional Development of Directors

“...”

“...”

“...”

“...”

Corporate Governance Report

北京 Jingneng Clean Energy Co., Limited 2020 年环境、社会及治理报告

Directors **Type of Training** Note

Executive Directors

- 王 健 (Chairman)
- 王 健 (2019年12月1日至2020年12月31日)
- 王 健 (2020年12月31日至2021年12月31日)

Non-executive Directors

- 王 健
- 王 健
- 王 健 (2020年12月31日至2021年12月31日)

Independent non-executive Directors

- 王 健
- 王 健
- 王 健 (2020年12月31日至2021年12月31日)

Note:

Type of Training

王 健 参加了 2020 年 12 月 1 日至 2020 年 12 月 31 日期间举行的董事培训。

BOARD COMMITTEES

The Board of Directors has established several committees to assist in the oversight of the Company's business. The committees are the Audit Committee, the Compensation Committee, the Nominations and Governance Committee, the Risk Management Committee, and the Sustainability Committee. Each committee is composed of independent non-executive directors and is chaired by an independent non-executive director. The committees are responsible for providing advice and recommendations to the Board on matters within their respective mandates.

For more information on the committees, please refer to the Corporate Governance Report on page 21.

Audit Committee

The Audit Committee is responsible for overseeing the Company's financial reporting process, including the review of the annual financial statements and the external audit. The Committee is composed of three independent non-executive directors, including the Chair. The Committee's terms of reference are set out in the Audit Committee Charter, which is available on the Company's website.

The Committee has met several times during the year to discuss the Company's financial performance, the external audit, and other matters related to the financial reporting process. The Committee has also reviewed the Company's internal control systems and the effectiveness of the internal audit function.

During the year ended 31 December 2020, the Audit Committee has reviewed the Company's financial statements and the external audit. The Committee has also reviewed the Company's internal control systems and the effectiveness of the internal audit function.

The Committee has also reviewed the Company's financial reporting process and the external audit.

Strategy Committee

2020 年 10 月 20 日，本公司召開了策略委員會會議，討論了 2021 年第一季的業務表現，並審閱了 2021 年第一季的業務計劃。會議由主席主持，並由全體成員出席。

2020 年 10 月 20 日，本公司召開了策略委員會會議，討論了 2021 年第一季的業務表現，並審閱了 2021 年第一季的業務計劃。會議由主席主持，並由全體成員出席。

2020 年 10 月 20 日，本公司召開了策略委員會會議，討論了 2021 年第一季的業務表現，並審閱了 2021 年第一季的業務計劃。會議由主席主持，並由全體成員出席。

2020 年 10 月 20 日，本公司召開了策略委員會會議，討論了 2021 年第一季的業務表現，並審閱了 2021 年第一季的業務計劃。會議由主席主持，並由全體成員出席。

Legal and Compliance Management Committee

2020 年 10 月 20 日，本公司召開了法律及合規管理委員會會議，討論了 2021 年第一季的業務表現，並審閱了 2021 年第一季的業務計劃。會議由主席主持，並由全體成員出席。

2020 年 10 月 20 日，本公司召開了法律及合規管理委員會會議，討論了 2021 年第一季的業務表現，並審閱了 2021 年第一季的業務計劃。會議由主席主持，並由全體成員出席。

Board Diversity Policy

本公司董事會致力於提高其成員的多元化程度，包括性別、年齡、專業背景、文化背景及教育背景。董事會成員的多元化將有助於提高董事會的決策質素，並使董事會更具代表性。本公司將繼續尋求合適的人選，以確保董事會的多元化程度符合本公司的利益。

本公司董事會成員的多元化程度將繼續提高，包括性別、年齡、專業背景、文化背景及教育背景。董事會成員的多元化將有助於提高董事會的決策質素，並使董事會更具代表性。本公司將繼續尋求合適的人選，以確保董事會的多元化程度符合本公司的利益。

本公司董事會成員的多元化程度將繼續提高，包括性別、年齡、專業背景、文化背景及教育背景。董事會成員的多元化將有助於提高董事會的決策質素，並使董事會更具代表性。本公司將繼續尋求合適的人選，以確保董事會的多元化程度符合本公司的利益。

Corporate Governance Report

The Board of Directors is responsible for the overall management of the Company and the implementation of the business strategy. The Board of Directors is composed of independent non-executive directors, executive directors, and supervisory directors. The Board of Directors is responsible for the overall management of the Company and the implementation of the business strategy.

The Board of Directors is responsible for the overall management of the Company and the implementation of the business strategy. The Board of Directors is composed of independent non-executive directors, executive directors, and supervisory directors. The Board of Directors is responsible for the overall management of the Company and the implementation of the business strategy.

Director Nomination Policy

The Board of Directors is responsible for the overall management of the Company and the implementation of the business strategy. The Board of Directors is composed of independent non-executive directors, executive directors, and supervisory directors. The Board of Directors is responsible for the overall management of the Company and the implementation of the business strategy.

The Board of Directors is responsible for the overall management of the Company and the implementation of the business strategy. The Board of Directors is composed of independent non-executive directors, executive directors, and supervisory directors. The Board of Directors is responsible for the overall management of the Company and the implementation of the business strategy.

The Board of Directors is responsible for the overall management of the Company and the implementation of the business strategy. The Board of Directors is composed of independent non-executive directors, executive directors, and supervisory directors. The Board of Directors is responsible for the overall management of the Company and the implementation of the business strategy.

- The Board of Directors is responsible for the overall management of the Company and the implementation of the business strategy.
- The Board of Directors is composed of independent non-executive directors, executive directors, and supervisory directors.
- The Board of Directors is responsible for the overall management of the Company and the implementation of the business strategy.
- The Board of Directors is composed of independent non-executive directors, executive directors, and supervisory directors.
- The Board of Directors is responsible for the overall management of the Company and the implementation of the business strategy.
- The Board of Directors is composed of independent non-executive directors, executive directors, and supervisory directors.

Corporate Governance Report

- 2020年12月31日止年度，本公司董事會成員由九名成員組成，包括三名獨立非執行董事。本公司亦設有審核委員會、薪酬委員會及提名委員會，均由獨立非執行董事擔任主席。本公司亦設有提名委員會，由三名獨立非執行董事組成。
 - 本公司董事會成員之組合及背景，包括獨立非執行董事之組合及背景，均符合香港交易所證券上市規則及香港公司條例之規定。本公司亦設有審核委員會、薪酬委員會及提名委員會，均由獨立非執行董事擔任主席。本公司亦設有提名委員會，由三名獨立非執行董事組成。
 - 本公司董事會成員之組合及背景，包括獨立非執行董事之組合及背景，均符合香港交易所證券上市規則及香港公司條例之規定。本公司亦設有審核委員會、薪酬委員會及提名委員會，均由獨立非執行董事擔任主席。本公司亦設有提名委員會，由三名獨立非執行董事組成。
- 本公司董事會成員之組合及背景，包括獨立非執行董事之組合及背景，均符合香港交易所證券上市規則及香港公司條例之規定。本公司亦設有審核委員會、薪酬委員會及提名委員會，均由獨立非執行董事擔任主席。本公司亦設有提名委員會，由三名獨立非執行董事組成。
- 本公司董事會成員之組合及背景，包括獨立非執行董事之組合及背景，均符合香港交易所證券上市規則及香港公司條例之規定。本公司亦設有審核委員會、薪酬委員會及提名委員會，均由獨立非執行董事擔任主席。本公司亦設有提名委員會，由三名獨立非執行董事組成。

Corporate Governance Functions

本公司董事會成員之組合及背景，包括獨立非執行董事之組合及背景，均符合香港交易所證券上市規則及香港公司條例之規定。本公司亦設有審核委員會、薪酬委員會及提名委員會，均由獨立非執行董事擔任主席。本公司亦設有提名委員會，由三名獨立非執行董事組成。

本公司董事會成員之組合及背景，包括獨立非執行董事之組合及背景，均符合香港交易所證券上市規則及香港公司條例之規定。本公司亦設有審核委員會、薪酬委員會及提名委員會，均由獨立非執行董事擔任主席。本公司亦設有提名委員會，由三名獨立非執行董事組成。

本公司董事會成員之組合及背景，包括獨立非執行董事之組合及背景，均符合香港交易所證券上市規則及香港公司條例之規定。本公司亦設有審核委員會、薪酬委員會及提名委員會，均由獨立非執行董事擔任主席。本公司亦設有提名委員會，由三名獨立非執行董事組成。

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is responsible for the overall risk management of the Group. The Board has established a Risk Management Framework which is designed to identify, assess, monitor and manage the risks that the Group faces. The Risk Management Framework is based on the following principles:

• The Group's risk management framework is designed to identify, assess, monitor and manage the risks that the Group faces.

• The Group's risk management framework is designed to identify, assess, monitor and manage the risks that the Group faces.

• The Group's risk management framework is designed to identify, assess, monitor and manage the risks that the Group faces.

• The Group's risk management framework is designed to identify, assess, monitor and manage the risks that the Group faces.

• The Group's risk management framework is designed to identify, assess, monitor and manage the risks that the Group faces.

• The Group's risk management framework is designed to identify, assess, monitor and manage the risks that the Group faces. 1 April 2020.

• The Group's risk management framework is designed to identify, assess, monitor and manage the risks that the Group faces.

Corporate Governance Report

During the reporting period, the Board of Directors, the Board of Supervisors, the Management and the Shareholders of the Company have strictly followed the provisions of the Company Law, the Securities Law, the Listing Rules, the Code of Best Practice on Corporate Governance, the Articles of Association and the Rules of the Board of Directors, the Rules of the Board of Supervisors, the Rules of the Management and the Rules of the Shareholders Meeting, and other relevant laws, regulations and rules, and have fully exercised their respective powers and duties. The Company has established a sound and effective corporate governance system, and the operation of the Company has been in line with the requirements of the Code of Best Practice on Corporate Governance.

The Company has fully complied with the requirements of the Code of Best Practice on Corporate Governance, and the operation of the Company has been in line with the requirements of the Code of Best Practice on Corporate Governance.

COMPANY SECRETARY

Mr. Kang, the Company Secretary, has been appointed since the listing of the Company on the Stock Exchange of Hong Kong. He has been a member of the Institute of Corporate Secretaries since 2007 and has been a member of the Institute of Directors since 2010. Mr. Kang has been a member of the Institute of Directors since 2010. He has been a member of the Institute of Corporate Secretaries since 2007. He has been a member of the Institute of Directors since 2010. He has been a member of the Institute of Corporate Secretaries since 2007. He has been a member of the Institute of Directors since 2010.

On 1 July 2020, the Company Secretary's remuneration was HK\$1,200,000. The Company Secretary's remuneration for the year ended 31 December 2020 was HK\$1,200,000. The Company Secretary's remuneration for the year ended 31 December 2020 was HK\$1,200,000. The Company Secretary's remuneration for the year ended 31 December 2020 was HK\$1,200,000.

SHAREHOLDERS' RIGHTS

The Company's articles of association set out the rights of shareholders. The Company's articles of association set out the rights of shareholders. The Company's articles of association set out the rights of shareholders. The Company's articles of association set out the rights of shareholders.

Shareholders have the right to attend and speak at general meetings of the Company. Shareholders have the right to attend and speak at general meetings of the Company. Shareholders have the right to attend and speak at general meetings of the Company. Shareholders have the right to attend and speak at general meetings of the Company.

Shareholders have the right to propose resolutions at general meetings of the Company. Shareholders have the right to propose resolutions at general meetings of the Company. Shareholders have the right to propose resolutions at general meetings of the Company. Shareholders have the right to propose resolutions at general meetings of the Company.

Convening an Extraordinary General Meeting by Shareholders

Shareholders holding 10% or more of the Company's issued shares (excluding shares held by the Company) may convene an extraordinary general meeting of the Company. Shareholders holding 10% or more of the Company's issued shares (excluding shares held by the Company) may convene an extraordinary general meeting of the Company. Shareholders holding 10% or more of the Company's issued shares (excluding shares held by the Company) may convene an extraordinary general meeting of the Company.

Shareholders holding 10% or more of the Company's issued shares (excluding shares held by the Company) may convene an extraordinary general meeting of the Company. Shareholders holding 10% or more of the Company's issued shares (excluding shares held by the Company) may convene an extraordinary general meeting of the Company. Shareholders holding 10% or more of the Company's issued shares (excluding shares held by the Company) may convene an extraordinary general meeting of the Company.

Putting Forward Proposals at General Meetings

Shareholders holding 1% or more of the Company's issued shares (excluding shares held by the Company) may put forward proposals at general meetings of the Company. Shareholders holding 1% or more of the Company's issued shares (excluding shares held by the Company) may put forward proposals at general meetings of the Company. Shareholders holding 1% or more of the Company's issued shares (excluding shares held by the Company) may put forward proposals at general meetings of the Company.

Shareholders holding 1% or more of the Company's issued shares (excluding shares held by the Company) may put forward proposals at general meetings of the Company. Shareholders holding 1% or more of the Company's issued shares (excluding shares held by the Company) may put forward proposals at general meetings of the Company. Shareholders holding 1% or more of the Company's issued shares (excluding shares held by the Company) may put forward proposals at general meetings of the Company.

Corporate Governance Report

Putting Forward Enquiries to the Board

Shareholders are encouraged to put forward enquiries to the Board of Directors. The Board of Directors will respond to the enquiries in a timely manner.

Contact Details

Shareholders can contact the Board of Directors through the following channels:

- 1. Telephone: +86 10 5900 9999
- 2. Email: investor@jngn.com
- 3. Fax: +86 10 5900 9999

Independent Auditors' Report

德

KEY AUDIT MATTERS (continued)

Key audit matter	How our audit addressed the key audit matter
<p>Goodwill impairment assessment</p> <p>The Group's goodwill is primarily related to its investment in the subsidiary, [Company Name], which is a significant cash-generating unit. The carrying amount of goodwill is [Amount] million as at 31 December 2021. The Group's goodwill is tested for impairment annually, or more frequently if indicators arise that impairment may exist. The assessment of goodwill impairment involves the use of significant estimates and assumptions, particularly in relation to the determination of the fair value less costs of disposal of the cash-generating unit. The Group's management has performed the impairment test using a discounted cash flow model. The key estimates and assumptions used in the model include the discount rate, the growth rate, and the terminal value. The Group's management has also performed a sensitivity analysis to assess the impact of changes in these estimates and assumptions on the carrying amount of goodwill. The Group's management has concluded that the carrying amount of goodwill is not impaired as at 31 December 2021.</p> <p>The Group's management has also performed a sensitivity analysis to assess the impact of changes in these estimates and assumptions on the carrying amount of goodwill. The Group's management has concluded that the carrying amount of goodwill is not impaired as at 31 December 2021.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We reviewed the Group's management's assessment of the indicators of impairment and the timing of the impairment test. • We tested the accuracy of the data used in the discounted cash flow model, including the discount rate, the growth rate, and the terminal value. • We performed a sensitivity analysis to assess the impact of changes in these estimates and assumptions on the carrying amount of goodwill. • We compared the Group's management's assessment of the carrying amount of goodwill with our own assessment. <p>Based on our audit procedures, we are satisfied that the carrying amount of goodwill is not impaired as at 31 December 2021.</p>

OTHER INFORMATION

The other information included in this report is the information that is not classified as financial statements or as part of the independent auditors' report. The other information includes the information included in the [Company Name] 2021 Annual Report, including the [Company Name] 2021 Annual Report, the [Company Name] 2021 Annual Report, and the [Company Name] 2021 Annual Report.

Our audit procedures included the following:

- We reviewed the other information included in the [Company Name] 2021 Annual Report, including the [Company Name] 2021 Annual Report, the [Company Name] 2021 Annual Report, and the [Company Name] 2021 Annual Report.
- We compared the other information included in the [Company Name] 2021 Annual Report with the information included in the [Company Name] 2021 Annual Report, the [Company Name] 2021 Annual Report, and the [Company Name] 2021 Annual Report.

Based on our audit procedures, we are satisfied that the other information included in the [Company Name] 2021 Annual Report, including the [Company Name] 2021 Annual Report, the [Company Name] 2021 Annual Report, and the [Company Name] 2021 Annual Report, is consistent with the information included in the [Company Name] 2021 Annual Report, the [Company Name] 2021 Annual Report, and the [Company Name] 2021 Annual Report.

Independent Auditors' Report

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the applicable accounting standards, and for such things as directors may be required to do in order to enable the auditors to obtain sufficient appropriate audit evidence to be able to give their opinion on the consolidated financial statements. The directors also have the responsibility to design, implement and maintain an internal control system that is effective in preventing and detecting fraud and error in the consolidated financial statements.

The directors are also responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the applicable accounting standards, and for such things as directors may be required to do in order to enable the auditors to obtain sufficient appropriate audit evidence to be able to give their opinion on the consolidated financial statements. The directors also have the responsibility to design, implement and maintain an internal control system that is effective in preventing and detecting fraud and error in the consolidated financial statements.

The directors are also responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the applicable accounting standards, and for such things as directors may be required to do in order to enable the auditors to obtain sufficient appropriate audit evidence to be able to give their opinion on the consolidated financial statements.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The auditors are responsible for expressing an opinion on the consolidated financial statements based on the audit. The audit is conducted in accordance with the applicable auditing standards. The auditors are not responsible for the preparation and fair presentation of the consolidated financial statements, and they do not provide any assurance on the consolidated financial statements. The auditors are also responsible for designing, implementing and maintaining an internal control system that is effective in preventing and detecting fraud and error in the consolidated financial statements.

The auditors are responsible for expressing an opinion on the consolidated financial statements based on the audit. The audit is conducted in accordance with the applicable auditing standards. The auditors are not responsible for the preparation and fair presentation of the consolidated financial statements, and they do not provide any assurance on the consolidated financial statements.

The auditors are responsible for expressing an opinion on the consolidated financial statements based on the audit. The audit is conducted in accordance with the applicable auditing standards. The auditors are not responsible for the preparation and fair presentation of the consolidated financial statements, and they do not provide any assurance on the consolidated financial statements.

The auditors are responsible for expressing an opinion on the consolidated financial statements based on the audit. The audit is conducted in accordance with the applicable auditing standards. The auditors are not responsible for the preparation and fair presentation of the consolidated financial statements, and they do not provide any assurance on the consolidated financial statements.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

- The auditor's responsibilities are to express an opinion on the consolidated financial statements based on the audit. The auditor's opinion is based on the audit evidence obtained. The auditor is not responsible for the preparation or the content of the consolidated financial statements.
- The auditor's responsibilities are to express an opinion on the consolidated financial statements based on the audit. The auditor's opinion is based on the audit evidence obtained. The auditor is not responsible for the preparation or the content of the consolidated financial statements.
- The auditor's responsibilities are to express an opinion on the consolidated financial statements based on the audit. The auditor's opinion is based on the audit evidence obtained. The auditor is not responsible for the preparation or the content of the consolidated financial statements.
- The auditor's responsibilities are to express an opinion on the consolidated financial statements based on the audit. The auditor's opinion is based on the audit evidence obtained. The auditor is not responsible for the preparation or the content of the consolidated financial statements.

Independent Auditors' Report

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

The auditor's responsibilities for the audit of the consolidated financial statements are defined by the applicable auditing standards. The auditor is required to plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement, whether caused by fraud or error. Reasonable assurance is not a guarantee that the audit will detect all material misstatements. The auditor's responsibilities are defined by the applicable auditing standards. The auditor is required to plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement, whether caused by fraud or error. Reasonable assurance is not a guarantee that the audit will detect all material misstatements.

Deloitte Touche Tohmatsu
Certified Public Accountants

01/11/2021

Consolidated Statement of Profit or Loss

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Year ended 31 December	
		2020 RMB'000	2019 RMB'000
Revenue	6	17,003,306	1,010,000
Cost of sales	8	797,393	1,010,000
Net revenue		(8,804,303)	(,12,000)
Operating expenses	13	(2,811,261)	(2,000,000)
Operating profit	13	(869,925)	(2,220,000)
Finance income		(594,657)	(2,000,000)
Finance expenses	9	(788,793)	(,000,000)
Other income	10	(13,160)	
Profit before income tax		(1,510)	(10,000)
Income tax expense		3,917,090	,21,000
Profit after income tax	11	41,065	,02,000
Share of profit of associates	11	(1,150,847)	(1,21,000)
Share of profit of joint ventures		167,781	11,000
Share of profit of subsidiaries		(22,063)	
Profit after tax		2,953,026	2,000,000
Other income	12	(557,041)	(0,000)
Profit before tax		2,395,985	2,000,000
Income tax expense	13	2,303,390	2,000,000
Profit after tax		31,950	,000
Other income	43	60,645	,000
Profit after tax		2,395,985	2,000,000
Profit after tax (RMB cents)	16	27.94	2.00

Consolidated Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2020

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Operating profit	2,395,985	2,100,000
Other comprehensive income (expense)		
Items that will not be reclassified to profit or loss:		
Available-for-sale financial assets	9,026	10,000
Available-for-sale financial liabilities	3,851	(10,000)
Other comprehensive income (expense) that will not be reclassified to profit or loss	(4,666)	
	8,211	
Items that may be reclassified subsequently to profit or loss		
Financial instruments at fair value through profit or loss	92,475	(10,000)
Other comprehensive income (expense) that may be reclassified subsequently to profit or loss	20,007	10,000
Other comprehensive income (expense) that may be reclassified subsequently to profit or loss	9,013	10,000
Other comprehensive income (expense) that may be reclassified subsequently to profit or loss	(7,569)	(10,000)
	113,926	10,000
	122,137	10,000
	2,518,122	2,110,000
	2,425,527	2,100,000
	31,950	
	60,645	10,000
	2,518,122	2,110,000

Consolidated Statement of Financial Position

AT 31 DECEMBER 2020

	Notes	At 31 December	
		2020 RMB'000	2019 RMB'000
Non-current Assets			
Property, plant and equipment	17	43,187,213	43,111,111
Intangible assets	18	1,431,342	1,000,000
Investments in subsidiaries	19	4,410,754	4,000,000
Investments in associates	20	190,049	100,000
Available-for-sale financial assets	22(a)	3,518,508	2,020,210
Financial assets at fair value through profit or loss	22(b)	117,000	100,000
Available-for-sale financial assets - U.S. dollars	23(a)	130,904	100,000
Available-for-sale financial assets - U.S. dollars	23(b)	70,000	100,000
Equity investments	24	296,104	200,000
Available-for-sale financial assets - U.S. dollars	25	66,911	100,000
U.S. dollar-denominated financial assets	29	1,114,305	100,000
U.S. dollar-denominated financial assets		1,072,426	100,000
U.S. dollar-denominated financial assets	31	50,787	100,000
U.S. dollar-denominated financial assets	37	-	100,000

Consolidated Statement of Financial Position

AT 31 DECEMBER 2020

	Notes	At 31 December	
		2020 RMB'000	2019 RMB'000
Current Liabilities			
Accounts payable	33	5,058,989	, , 22
Accounts receivable	48(b)	189,539	1 , 2
Prepaid expenses	34	12,318,322	, ,
Other payables	35	7,060,658	,0 , 1
Contract liabilities	36	96,656	0,2
Other current liabilities	36	26,128	,
Long-term debt	36	56,380	2,0
Other non-current liabilities	39	64,659	, 1
Other non-current liabilities	37	19,576	, 0
Other non-current liabilities	38	125,381	11 , 1
Other non-current liabilities	38	228,336	1 , 0
		25,244,624	1 , , 2
Net Current Liabilities		(10,362,619)	(, 2 , 0)
Total Assets less Current Liabilities		45,293,684	0,2 ,
Non-current Liabilities			
Accounts payable	37	45,002	2, 2
Accounts receivable	34	10,896,268	11, 0 , 1
Prepaid expenses	36	4,488,679	, 0,0
Other payables	36	1,999,284	, 2
Contract liabilities		12,440	,
Other non-current liabilities	24	193,615	1 , 110
Other non-current liabilities	38	435,811	, 2
Other non-current liabilities	39	836,336	, 0
Other non-current liabilities	40	19,402	2 , 2
		18,926,837	1 , 210, 2
Net Assets		26,366,847	2 , 0 , 0
Capital and Reserves			
Capital	41	8,244,508	, 2 , 0
Reserves		16,249,142	1 , 2 , 1 0
		24,493,650	22, 2,
Other non-current liabilities	43	1,525,582	, 0, 1
Other non-current liabilities		347,615	02, 1
		26,366,847	2 , 0 , 0

2021年12月31日

ZHANG Fengyang
Director

CHEN Dayu
Director

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 31 DECEMBER 2020

Attributable to ordinary shareholders of the Company

	Share capital RMB'000 (Note 41)	Capital reserve RMB'000 (Note 42)	Statutory surplus reserve RMB'000 (note(a))	Other reserves RMB'000 (note(b))	Fair value through other comprehensive income reserve RMB'000	Cash flow hedging reserve RMB'000	Currency translation differences RMB'000	Retained profits RMB'000	Total RMB'000	Perpetual notes RMB'000 (Note 43)	Non-controlling interests RMB'000	Total equity RMB'000
1 January 2019	2,000,000	1,111,211	2,111,211	(1,111)	10	(1,111)	(1,111)	1,222,200	21,111,200	-	222,111	21,111,000
Profit for the year	-	-	-	-	-	1,111	(1,111)	2,000,000	2,000,000	-	1,222,111	2,111,111
Other comprehensive income	-	-	-	-	-	1,111	(1,111)	-	1,222	-	-	1,222
Dividends paid	-	-	-	-	-	-	-	(2,000,000)	(2,000,000)	-	-	(2,000,000)
1 January 2020	2,000,000	1,111,211	2,222,200	(1,111)	10,111	(1,111)	(1,111)	1,222,200	22,222,200	-	222,111	22,000,000
Profit for the year	-	-	-	-	-	-	-	2,303,390	2,303,390	31,950	60,645	2,395,985
Other comprehensive income	-	-	-	-	12,877	21,451	92,475	-	126,803	-	-	126,803
Other comprehensive income	-	-	-	-	(4,666)	-	-	-	(4,666)	-	-	(4,666)
Dividends paid	-	-	-	-	8,211	21,451	92,475	2,303,390	2,425,527	31,950	60,645	2,518,122
Other comprehensive income	-	-	-	-	-	-	-	(600)	(600)	-	(49,680)	(50,280)
Other comprehensive income	-	-	-	-	-	-	-	-	-	1,500,000	-	1,500,000
Other comprehensive income	-	-	-	-	-	-	-	-	-	(6,368)	-	(6,368)
Other comprehensive income	-	-	152,240	-	-	-	-	(152,240)	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	(595,253)	(595,253)	-	(65,991)	(661,244)
Other comprehensive income	-	-	-	-	(24,428)	-	-	24,428	-	-	-	-
Other comprehensive income	-	-	-	(8,692)	-	-	-	(8,692)	-	-	-	(8,692)
1 January 2020	8,244,508	3,934,473	2,286,420	(67,138)	10,714	(64,678)	(185,417)	8,513,786	22,672,668	-	402,641	23,075,309
Profit for the year	-	-	-	-	-	-	-	2,303,390	2,303,390	31,950	60,645	2,395,985
Other comprehensive income	-	-	-	-	12,877	21,451	92,475	-	126,803	-	-	126,803
Other comprehensive income	-	-	-	-	(4,666)	-	-	-	(4,666)	-	-	(4,666)
Dividends paid	-	-	-	-	8,211	21,451	92,475	2,303,390	2,425,527	31,950	60,645	2,518,122
Other comprehensive income	-	-	-	-	-	-	-	(600)	(600)	-	(49,680)	(50,280)
Other comprehensive income	-	-	-	-	-	-	-	-	-	1,500,000	-	1,500,000
Other comprehensive income	-	-	-	-	-	-	-	-	-	(6,368)	-	(6,368)
Other comprehensive income	-	-	152,240	-	-	-	-	(152,240)	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	(595,253)	(595,253)	-	(65,991)	(661,244)
Other comprehensive income	-	-	-	-	(24,428)	-	-	24,428	-	-	-	-
Other comprehensive income	-	-	-	(8,692)	-	-	-	(8,692)	-	-	-	(8,692)
1 January 2020	8,244,508	3,934,473	2,438,660	(76,430)	(5,503)	(43,227)	(92,942)	10,094,111	24,493,650	1,525,582	347,615	26,366,847

Notes:

- (a) The statutory surplus reserve is calculated as a percentage of the profit for the year after deducting the profit for the year available for distribution in the previous year. The statutory surplus reserve shall be maintained at least 10% of the accumulated profit for the year.
- (b) Other reserves include the fair value through other comprehensive income reserve, cash flow hedging reserve, and currency translation differences.
- (c) The perpetual notes are issued by the Company's wholly-owned subsidiary, Jingneng (Xi'an) Power Generation Co., Ltd. (京能(遷西)發電有限公司) (Note 43). The perpetual notes are denominated in RMB and have a face value of RMB 2,000,000,000.

Year ended 31 December

	2020 RMB'000	2019 RMB'000
Operating activities		
Profit before income tax	2,953,026	2,022,222
Income tax expense	(81,765)	(110,961)
Share of profit of associates	50,844	(2,000)
Share of profit of joint ventures	119,521	—
Share of profit of subsidiaries	1,510	10,100
Finance income	—	(2,000)
Finance expense	14,633	(1,100)
Other income	1,300	2,000
Other expense	(167,781)	(11,200)
Change in non-current assets	22,063	—
Change in current assets	(41,065)	(2,000)
Change in current liabilities	1,150,847	1,210,000
Change in non-current liabilities	(151,051)	(11,000)
Change in other non-current liabilities	(5,277)	(2,000)
Change in other current liabilities	(478,890)	(2,000)
Net cash generated from operating activities	6,280,941	2,000,000
Investing activities		
Acquisition of subsidiaries	2,069	—
Acquisition of joint ventures	(3,882,556)	(1,200)
Acquisition of associates	(116,222)	—
Acquisition of other non-current assets	503,313	2,000
Disposal of non-current assets	(40,330)	(1,210,000)
Disposal of joint ventures	38,037	2,000
Disposal of associates	341,711	10,000
Disposal of other non-current assets	6,741	(2,000)
Net cash used in investing activities	3,133,704	21,000
Financing activities		
Issue of shares	(531,896)	(2,000)
Net cash generated from operating activities	2,601,808	0,000

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Investing activities		
Acquisition of subsidiaries	42,914	1,222
Disposal of subsidiaries	6,928	0,21
Acquisition of intangible assets	134,000	,000
Disposal of intangible assets	75,000	1,000
Disposal of property, plant and equipment	(117,000)	
Disposal of financial assets	(70,000)	(0,000)
Disposal of investment properties	(1,222,000)	
Disposal of investment in subsidiaries		
Disposal of investment in associates	(7,235,820)	(, ,)
Disposal of investment in joint ventures	(68,417)	(,2)
Disposal of investment in other entities	(10,769)	
Disposal of investment in structured entities	(142,952)	(2,)
Disposal of investment in real estate	34,224	1,10
Disposal of investment in other entities	4,959	100,
Disposal of investment in other entities	(3,086)	(, 1)
Disposal of investment in other entities	3,035	, 1
Net cash used in investing activities	(8,568,984)	(, 1, 1)

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Year ended 31 December	
		2020 RMB'000	2019 RMB'000
Financing activities			
Proceeds from the issuance of bank loans		(50,280)	
Proceeds from the issuance of corporate bonds		(1,080,351)	(1,100,000)
Proceeds from the issuance of short-term financing		12,272,425	12,000,000
Proceeds from the issuance of long-term financing		(8,647,897)	(8,647,897)
Proceeds from the issuance of bank deposits		10,500,000	10,500,000
Proceeds from the issuance of bank deposits		(11,338)	(10,000)
Proceeds from the issuance of bank deposits		(9,500,000)	(9,500,000)
Proceeds from the issuance of bank deposits		1,000,000	
Proceeds from the issuance of bank deposits		(1,415)	
Proceeds from the issuance of bank deposits		1,000,000	1,000,000
Proceeds from the issuance of bank deposits		(358)	(358)
Proceeds from the issuance of bank deposits		1,500,000	
Proceeds from the issuance of bank deposits		(6,368)	
Proceeds from the issuance of bank deposits		(49,321)	(49,321)
Proceeds from the issuance of bank deposits		(595,253)	(595,253)
Proceeds from the issuance of bank deposits		(137,133)	(137,133)
Net cash from (used in) financing activities		6,192,711	(2,000,000)
Net increase (decrease) in cash and cash equivalents		225,535	(1,200,000)
Cash and cash equivalents at the beginning of the year		4,056,110	5,256,110
Effect of foreign exchange rate changes		15,805	(22,100)
Cash and cash equivalents at the end of the year	32	4,297,450	4,034,010
Represented by:			
Cash and cash equivalents at the end of the year		4,297,450	4,034,010

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

1. GENERAL INFORMATION

The consolidated financial statements are prepared on the basis of the following entities (collectively referred to as the "Group"): Beijing Energy Group Limited (the "Company"), Beijing Energy Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group").

The Company is a public company listed on the Shanghai Stock Exchange (the "Company"). The Company is a wholly-owned subsidiary of Beijing Energy Group Limited (the "Company"). The Company is a public company listed on the Shanghai Stock Exchange (the "Company").

The Company is a public company listed on the Shanghai Stock Exchange (the "Company"). The Company is a wholly-owned subsidiary of Beijing Energy Group Limited (the "Company"). The Company is a public company listed on the Shanghai Stock Exchange (the "Company").

The Company is a public company listed on the Shanghai Stock Exchange (the "Company"). The Company is a wholly-owned subsidiary of Beijing Energy Group Limited (the "Company"). The Company is a public company listed on the Shanghai Stock Exchange (the "Company").

The Company is a public company listed on the Shanghai Stock Exchange (the "Company"). The Company is a wholly-owned subsidiary of Beijing Energy Group Limited (the "Company"). The Company is a public company listed on the Shanghai Stock Exchange (the "Company").

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements are prepared on the basis of the following entities (collectively referred to as the "Group"): Beijing Energy Group Limited (the "Company"), Beijing Energy Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group").

1. The consolidated financial statements for the year ended 31 December 2020, are prepared on the basis of the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2020, and the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2019.

2. The consolidated financial statements for the year ended 31 December 2020, are prepared on the basis of the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2020, and the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2019.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

3. APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

Amendments to IFRSs that are mandatorily effective for the current year

The Company has adopted the following amendments to IFRSs that are mandatorily effective for the current year:

Amendments to IFRSs	Effective Date
Amendments to References to the Conceptual Framework in IFRS Standards	1 January 2020
Amendments to IAS 1 Presentation of Financial Statements	1 January 2020
Amendments to IAS 8 Definition of Material	1 January 2020
Amendments to IAS 39 Financial Instruments: Recognition and Measurement	1 January 2020
Amendments to IFRS 7 Financial Instruments: Disclosures	1 January 2020
Amendments to IFRS 9 Financial Instruments	1 January 2020

Amendments to IAS 1 Presentation of Financial Statements	Definition of Material
Amendments to IAS 8 Definition of Material	Definition of a Business
Amendments to IAS 39 Financial Instruments: Recognition and Measurement	Interest Rate Benchmark Reform

The Company has also adopted the following amendments to IFRSs that are mandatorily effective for the current year:

Amendments to IFRSs	Effective Date
Amendments to References to the Conceptual Framework in IFRS Standards	1 January 2020
Amendments to IAS 1 Presentation of Financial Statements	1 January 2020
Amendments to IAS 8 Definition of Material	1 January 2020
Amendments to IAS 39 Financial Instruments: Recognition and Measurement	1 January 2020
Amendments to IFRS 7 Financial Instruments: Disclosures	1 January 2020
Amendments to IFRS 9 Financial Instruments	1 January 2020

3.1 Impacts on application of Amendments to IAS 1 and IAS 8 Definition of Material

The Company has adopted the amendments to IAS 1 and IAS 8 Definition of Material. The amendments to IAS 1 require the Company to disclose the nature and amount of each material non-current asset and liability, and the nature and amount of each material non-current asset and liability. The amendments to IAS 8 require the Company to disclose the nature and amount of each material non-current asset and liability, and the nature and amount of each material non-current asset and liability. The amendments to IAS 1 and IAS 8 Definition of Material do not have any impact on the Company's consolidated financial statements.

The Company has adopted the amendments to IAS 1 and IAS 8 Definition of Material. The amendments to IAS 1 require the Company to disclose the nature and amount of each material non-current asset and liability, and the nature and amount of each material non-current asset and liability. The amendments to IAS 8 require the Company to disclose the nature and amount of each material non-current asset and liability, and the nature and amount of each material non-current asset and liability. The amendments to IAS 1 and IAS 8 Definition of Material do not have any impact on the Company's consolidated financial statements.

3.2 Impacts on application of Amendments to IFRS 9, IAS 39 and IFRS 7 Interest Rate Benchmark Reform

The Company has adopted the amendments to IFRS 9, IAS 39 and IFRS 7 Interest Rate Benchmark Reform. The amendments to IFRS 9, IAS 39 and IFRS 7 Interest Rate Benchmark Reform require the Company to disclose the nature and amount of each material non-current asset and liability, and the nature and amount of each material non-current asset and liability. The amendments to IFRS 9, IAS 39 and IFRS 7 Interest Rate Benchmark Reform do not have any impact on the Company's consolidated financial statements.

The Company has adopted the amendments to IFRS 9, IAS 39 and IFRS 7 Interest Rate Benchmark Reform. The amendments to IFRS 9, IAS 39 and IFRS 7 Interest Rate Benchmark Reform require the Company to disclose the nature and amount of each material non-current asset and liability, and the nature and amount of each material non-current asset and liability. The amendments to IFRS 9, IAS 39 and IFRS 7 Interest Rate Benchmark Reform do not have any impact on the Company's consolidated financial statements.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

3. APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (continued)

New and amendments to IFRSs in issue but not yet effective

IFRSs	Effective date	Impact on the consolidated financial statements
IFRS 17	1 January 2023	Insurance Contracts and the related Amendments ¹
IFRS 5	1 January 2021	Covid-19-Related Rent Concessions ⁴
IFRS 1	1 January 2020	Reference to the Conceptual Framework ²
IFRS 9	1 January 2018	Interest Rate Benchmark Reform – Phase 2 ⁵
IFRS 18	1 January 2020	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
IFRS 1	1 January 2020	Classification of Liabilities as Current or Non-current ¹
IFRS 1	1 January 2020	Disclosure of Accounting Policies ¹
IFRS 8	1 January 2020	Definition of Accounting Estimates ¹
IFRS 1	1 January 2020	Property, Plant and Equipment – Proceeds before Intended Use ²
IFRS 1	1 January 2020	Onerous Contracts – Cost of Fulfilling a Contract ²
IFRS 1	1 January 2020	Annual Improvements to IFRSs 2018-2020 ²

Notes:

(1) Issued by the International Accounting Standards Board (“IASB”) on 11 July 2020.

(2) Issued by the IASB on 11 July 2022.

(3) Issued by the IASB on 11 July 2020, effective from 1 January 2021.

(4) Issued by the IASB on 11 July 2020.

(5) Issued by the IASB on 11 July 2021.

The Group has not early adopted any of the new or amended IFRSs that have been issued but are not yet effective. The Group is currently assessing the impact of the new or amended IFRSs that are not yet effective on its consolidated financial statements.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

3. APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRS

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared on the basis of the accounting policies set out below. The accounting policies have been applied consistently to all the periods presented in the consolidated financial statements. The consolidated financial statements have been prepared on the basis of the accounting policies set out below. The accounting policies have been applied consistently to all the periods presented in the consolidated financial statements.

The consolidated financial statements have been prepared on the basis of the accounting policies set out below. The accounting policies have been applied consistently to all the periods presented in the consolidated financial statements.

The consolidated financial statements have been prepared on the basis of the accounting policies set out below. The accounting policies have been applied consistently to all the periods presented in the consolidated financial statements.

The consolidated financial statements have been prepared on the basis of the accounting policies set out below. The accounting policies have been applied consistently to all the periods presented in the consolidated financial statements.

2 Share-based Payment, 1 (2019) 1 (2019), 2 Inventories, Impairment of Assets.

The consolidated financial statements have been prepared on the basis of the accounting policies set out below. The accounting policies have been applied consistently to all the periods presented in the consolidated financial statements.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.1 Basis of preparation of consolidated financial statements (continued)

本集团编制合并财务报表时，以个别财务报表为基础，根据权益法调整对联营企业的投资，并抵销集团内部交易及未实现内部交易损益。合并财务报表的编制方法如下：

- 资产和负债项目按照账面余额进行合并，所有者权益项目按照账面余额减去少数股东权益后的金额进行合并。
- 收入和费用项目按照账面余额进行合并，抵消集团内部交易及未实现内部交易损益。
- 少数股东权益按照少数股东在子公司所有者权益中所持份额计算。
- 少数股东损益按照少数股东在子公司净利润中所持份额计算。

4.2 Significant accounting policies

Basis of consolidation

本集团编制合并财务报表时，以个别财务报表为基础，根据权益法调整对联营企业的投资，并抵销集团内部交易及未实现内部交易损益。合并财务报表的编制方法如下：

- 资产和负债项目按照账面余额进行合并，所有者权益项目按照账面余额减去少数股东权益后的金额进行合并。
- 收入和费用项目按照账面余额进行合并，抵消集团内部交易及未实现内部交易损益。
- 少数股东权益按照少数股东在子公司所有者权益中所持份额计算。

少数股东损益按照少数股东在子公司净利润中所持份额计算。

本集团编制合并财务报表时，以个别财务报表为基础，根据权益法调整对联营企业的投资，并抵销集团内部交易及未实现内部交易损益。合并财务报表的编制方法如下：

本集团编制合并财务报表时，以个别财务报表为基础，根据权益法调整对联营企业的投资，并抵销集团内部交易及未实现内部交易损益。合并财务报表的编制方法如下：

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Basis of consolidation (continued)

The consolidated financial statements include the financial statements of the Group and its subsidiaries. The financial statements of the subsidiaries are consolidated with the financial statements of the Group on a line-by-line basis.

When preparing the consolidated financial statements, the accounting policies of the subsidiaries are adjusted so that they are consistent with the accounting policies of the Group.

The consolidated financial statements are prepared on the basis of the historical cost method, except for the financial instruments which are measured at fair value.

Changes in the Group's interests in existing subsidiaries

The Group's interests in its subsidiaries are as follows:

Subsidiary	Percentage of interest
ABC Company	100%
DEF Company	80%
GHI Company	50%

The Group's interests in its subsidiaries are as follows:

Subsidiary	Percentage of interest
ABC Company	100%
DEF Company	80%
GHI Company	50%

The Group's interests in its subsidiaries are as follows:

Subsidiary	Percentage of interest
ABC Company	100%
DEF Company	80%
GHI Company	50%

Financial Instruments (continued)

The Group's financial instruments are as follows:

Instrument	Amount
Financial Instruments	(100,000,000)

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Business combinations (continued)

Business combinations (continued)

On 1 July 2020, the Group acquired 100% of the equity interest of U.S. subsidiary, U.S. Technology, Inc. ("USTI"). USTI is a technology company that provides software solutions for the financial services industry. The acquisition is accounted for as a business combination under common control.

The Group's consolidated financial statements for the year ended 31 December 2020 include the financial statements of USTI from 1 July 2020 to 31 December 2020. The financial statements of USTI are prepared in accordance with the accounting policies of the Group. The following table shows the reconciliation of the financial statements of USTI to the consolidated financial statements of the Group:

	USTI	Adjustments	Consolidated
Revenue	12		12
Employee Benefits	(1)		(1)

The Group's consolidated financial statements for the year ended 31 December 2020 include the financial statements of USTI from 1 July 2020 to 31 December 2020. The financial statements of USTI are prepared in accordance with the accounting policies of the Group. The following table shows the reconciliation of the financial statements of USTI to the consolidated financial statements of the Group:

	USTI	Adjustments	Consolidated
Share-based Payment	(2)		(2)

The Group's consolidated financial statements for the year ended 31 December 2020 include the financial statements of USTI from 1 July 2020 to 31 December 2020. The financial statements of USTI are prepared in accordance with the accounting policies of the Group. The following table shows the reconciliation of the financial statements of USTI to the consolidated financial statements of the Group:

	USTI	Adjustments	Consolidated
Non-current Assets Held for Sale and Discontinued Operations	(1)		(1)

The Group's consolidated financial statements for the year ended 31 December 2020 include the financial statements of USTI from 1 July 2020 to 31 December 2020. The financial statements of USTI are prepared in accordance with the accounting policies of the Group. The following table shows the reconciliation of the financial statements of USTI to the consolidated financial statements of the Group:

	USTI	Adjustments	Consolidated
Income Taxes	12		12

The Group's consolidated financial statements for the year ended 31 December 2020 include the financial statements of USTI from 1 July 2020 to 31 December 2020. The financial statements of USTI are prepared in accordance with the accounting policies of the Group. The following table shows the reconciliation of the financial statements of USTI to the consolidated financial statements of the Group:

	USTI	Adjustments	Consolidated
Income Taxes	12		12

The Group's consolidated financial statements for the year ended 31 December 2020 include the financial statements of USTI from 1 July 2020 to 31 December 2020. The financial statements of USTI are prepared in accordance with the accounting policies of the Group. The following table shows the reconciliation of the financial statements of USTI to the consolidated financial statements of the Group:

	USTI	Adjustments	Consolidated
Income Taxes	12		12

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

4.2 Significant accounting policies *(continued)*

Business combinations (continued)

Business combinations (continued)

On 12/20/2020, the Company completed the acquisition of Beijing Jingneng Clean Energy Co., Limited. The acquisition is accounted for as a business combination under common control. The Company has accounted for the acquisition as a business combination under common control. The acquisition is accounted for as a business combination under common control. The acquisition is accounted for as a business combination under common control. (continued)

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Investments in associates and a joint venture (continued)

The Group's investments in associates and a joint venture are accounted for using the equity method. Under the equity method, the Group's investments in associates and a joint venture are initially recognized at cost. Subsequently, the carrying amount of the investments is adjusted to reflect the Group's share of the profit or loss of the investee after tax, and other comprehensive income or loss of the investee, and any dividends or distributions received from the investee. The Group's share of the profit or loss of the investee is recognized in the consolidated income statement, and the Group's share of the other comprehensive income or loss of the investee is recognized in the consolidated statement of comprehensive income. The Group's share of the profit or loss of the investee is recognized in the consolidated income statement, and the Group's share of the other comprehensive income or loss of the investee is recognized in the consolidated statement of comprehensive income.

The Group's share of the profit or loss of the investee is recognized in the consolidated income statement, and the Group's share of the other comprehensive income or loss of the investee is recognized in the consolidated statement of comprehensive income. The Group's share of the profit or loss of the investee is recognized in the consolidated income statement, and the Group's share of the other comprehensive income or loss of the investee is recognized in the consolidated statement of comprehensive income.

Impairment of Assets

The Group assesses the impairment of its assets at the end of each reporting period. If there is any indication that an asset may be impaired, the carrying amount of the asset is compared with its recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, the carrying amount of the asset is reduced to its recoverable amount. The recoverable amount is the maximum of the asset's fair value less costs of disposal and its value in use. The impairment loss is recognized in the consolidated income statement.

The Group assesses the impairment of its assets at the end of each reporting period. If there is any indication that an asset may be impaired, the carrying amount of the asset is compared with its recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, the carrying amount of the asset is reduced to its recoverable amount. The recoverable amount is the maximum of the asset's fair value less costs of disposal and its value in use. The impairment loss is recognized in the consolidated income statement.

The Group assesses the impairment of its assets at the end of each reporting period. If there is any indication that an asset may be impaired, the carrying amount of the asset is compared with its recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, the carrying amount of the asset is reduced to its recoverable amount. The recoverable amount is the maximum of the asset's fair value less costs of disposal and its value in use. The impairment loss is recognized in the consolidated income statement.

The Group assesses the impairment of its assets at the end of each reporting period. If there is any indication that an asset may be impaired, the carrying amount of the asset is compared with its recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, the carrying amount of the asset is reduced to its recoverable amount. The recoverable amount is the maximum of the asset's fair value less costs of disposal and its value in use. The impairment loss is recognized in the consolidated income statement.

The Group assesses the impairment of its assets at the end of each reporting period. If there is any indication that an asset may be impaired, the carrying amount of the asset is compared with its recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, the carrying amount of the asset is reduced to its recoverable amount. The recoverable amount is the maximum of the asset's fair value less costs of disposal and its value in use. The impairment loss is recognized in the consolidated income statement.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Investments in associates and a joint venture (continued)

Investments in associates and a joint venture are accounted for using the equity method. Under this method, the investment is initially recognised at cost and adjusted for the investor's share of the associate's or joint venture's post-acquisition profits or losses and other comprehensive income. Dividends received from the associate or joint venture are recognised as a reduction in the carrying amount of the investment. The carrying amount of the investment is reduced to zero if the investor's share of the associate's or joint venture's losses exceeds the carrying amount of the investment. Any further losses are recognised as liabilities.

Investments in associates and a joint venture are measured at fair value at the end of each reporting period. The fair value of an investment in an associate or joint venture is determined by reference to the market value of the investment, taking into account the discounting of the investment's future cash flows. The fair value of an investment in an associate or joint venture is determined by reference to the market value of the investment, taking into account the discounting of the investment's future cash flows.

Revenue from contracts with customers

Revenue from contracts with customers is recognised when the customer obtains control of the goods or services. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts and trade allowances. Revenue is recognised net of any discounts and trade allowances.

Revenue from contracts with customers is recognised when the customer obtains control of the goods or services. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts and trade allowances. Revenue is recognised net of any discounts and trade allowances.

Revenue from contracts with customers is recognised when the customer obtains control of the goods or services. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts and trade allowances. Revenue is recognised net of any discounts and trade allowances.

Revenue from contracts with customers is recognised when the customer obtains control of the goods or services. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts and trade allowances. Revenue is recognised net of any discounts and trade allowances.

Revenue from contracts with customers is recognised when the customer obtains control of the goods or services. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts and trade allowances. Revenue is recognised net of any discounts and trade allowances.

Revenue from contracts with customers is recognised when the customer obtains control of the goods or services. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts and trade allowances. Revenue is recognised net of any discounts and trade allowances.

Revenue from contracts with customers is recognised when the customer obtains control of the goods or services. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts and trade allowances. Revenue is recognised net of any discounts and trade allowances.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Revenue from contracts with customers (continued)

The Company's revenue is derived from the sale of electricity, steam and other services. Revenue is recognized when the Company has satisfied the performance obligation to the customer, and the amount of revenue recognized is the amount of consideration that the Company expects to receive in exchange for the goods or services transferred to the customer. Revenue is recognized net of discounts and other incentives offered to customers.

The Company's revenue is derived from the sale of electricity, steam and other services. Revenue is recognized when the Company has satisfied the performance obligation to the customer, and the amount of revenue recognized is the amount of consideration that the Company expects to receive in exchange for the goods or services transferred to the customer. Revenue is recognized net of discounts and other incentives offered to customers.

The Company's revenue is derived from the sale of electricity, steam and other services. Revenue is recognized when the Company has satisfied the performance obligation to the customer, and the amount of revenue recognized is the amount of consideration that the Company expects to receive in exchange for the goods or services transferred to the customer. Revenue is recognized net of discounts and other incentives offered to customers.

Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation:

Output method

The Company's revenue is derived from the sale of electricity, steam and other services. Revenue is recognized when the Company has satisfied the performance obligation to the customer, and the amount of revenue recognized is the amount of consideration that the Company expects to receive in exchange for the goods or services transferred to the customer. Revenue is recognized net of discounts and other incentives offered to customers.

Existence of significant financing component

The Company's revenue is derived from the sale of electricity, steam and other services. Revenue is recognized when the Company has satisfied the performance obligation to the customer, and the amount of revenue recognized is the amount of consideration that the Company expects to receive in exchange for the goods or services transferred to the customer. Revenue is recognized net of discounts and other incentives offered to customers.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

4.2 Significant accounting policies *(continued)*

Leases

Definition of a lease

The Group enters into various types of leases, including operating leases, finance leases and leases with purchase options. A lease is defined as a contract that conveys the right to use an identified asset for a period of time in exchange for consideration.

The Group assesses whether a contract is or contains a lease. A contract is, or contains, a lease if it conveys the right to use an identified asset for a period of time in exchange for consideration. The contract must specify the asset, or the asset must be clearly identifiable from the contract. The contract must convey the right to use the asset for a period of time. The contract must convey the right to use the asset for a period of time. The contract must convey the right to use the asset for a period of time. The contract must convey the right to use the asset for a period of time.

The Group as a lessee

Allocation of consideration to components of a contract

The Group allocates the consideration in a contract to the lease and non-lease components. The lease component is measured at the present value of the lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be determined, the Group's incremental borrowing rate. The non-lease component is measured at the fair value of the non-lease component. The Group recognizes the lease component as a lease liability and the non-lease component as an expense.

The Group recognizes the lease liability as an expense over the term of the lease. The Group recognizes the non-lease component as an expense at the time of the contract.

The Group recognizes the lease liability as an expense over the term of the lease. The Group recognizes the non-lease component as an expense at the time of the contract.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Leases (continued)

The Group as a lessee (continued)

Short-term leases

The Group leases various pieces of equipment for short-term use. The Group does not recognize right-of-use assets and liabilities for short-term leases with a term of 12 months or less, and does not recognize lease payments as an expense until the lease term expires.

Right-of-use assets

Right-of-use assets represent the Group's right to use an underlying asset for the lease term. Right-of-use assets are measured at cost, which includes the amount of lease payments recognized, less any lease incentives received. Right-of-use assets are depreciated over the shorter of the asset's useful life or the lease term on a straight-line basis. For leases with a term of 12 months or less, the Group does not recognize right-of-use assets.

Right-of-use assets are measured at cost, which includes the amount of lease payments recognized, less any lease incentives received. Right-of-use assets are depreciated over the shorter of the asset's useful life or the lease term on a straight-line basis.

Right-of-use assets are measured at cost, which includes the amount of lease payments recognized, less any lease incentives received. Right-of-use assets are depreciated over the shorter of the asset's useful life or the lease term on a straight-line basis.

Right-of-use assets are measured at cost, which includes the amount of lease payments recognized, less any lease incentives received. Right-of-use assets are depreciated over the shorter of the asset's useful life or the lease term on a straight-line basis.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Leases (continued)

The Group as a lessee (continued)

Refundable rental deposits

Refundable rental deposits are recognised as assets when the Group obtains control over the deposits. The deposits are measured at fair value at the time of recognition. The deposits are classified as non-current assets if the Group expects to recover the deposits for more than 12 months after the reporting period. The deposits are classified as current assets if the Group expects to recover the deposits within 12 months after the reporting period.

Lease liabilities

Lease liabilities are recognised at the commencement date of the lease. 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 Group's incremental borrowing rate. Lease payments include fixed payments, variable payments that depend on an index or a rate, amounts for expected lease renewals and termination penalties, if the Group is reasonably certain to exercise an option to renew the lease or to extend the term of the lease (including options to purchase the underlying asset) or to terminate the lease early, and payments of lease incentives that are not recognised as assets.

Lease payments are recognised as follows:

– variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which they are incurred;

– fixed payments, including amounts for expected lease renewals and termination penalties, are recognised as follows:

– if the lease term is 12 months or less, or the value of the underlying asset is low, the payments are recognised on a straight-line basis over the lease term;

– for all other leases, the payments are recognised as follows: (i) the fixed payments, excluding lease incentives, are recognised as follows: (i) the fixed payments, excluding lease incentives, are recognised as follows: (i) the fixed payments, excluding lease incentives, are recognised as follows:

– the fixed payments, excluding lease incentives, are recognised as follows: (i) the fixed payments, excluding lease incentives, are recognised as follows: (i) the fixed payments, excluding lease incentives, are recognised as follows: (i) the fixed payments, excluding lease incentives, are recognised as follows: (i) the fixed payments, excluding lease incentives, are recognised as follows:

– the fixed payments, excluding lease incentives, are recognised as follows: (i) the fixed payments, excluding lease incentives, are recognised as follows: (i) the fixed payments, excluding lease incentives, are recognised as follows: (i) the fixed payments, excluding lease incentives, are recognised as follows: (i) the fixed payments, excluding lease incentives, are recognised as follows:

– the fixed payments, excluding lease incentives, are recognised as follows: (i) the fixed payments, excluding lease incentives, are recognised as follows: (i) the fixed payments, excluding lease incentives, are recognised as follows: (i) the fixed payments, excluding lease incentives, are recognised as follows: (i) the fixed payments, excluding lease incentives, are recognised as follows:

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Leases (continued)

The Group as a lessee (continued)

Lease modifications

- 2020年12月31日，本集团正在执行的租赁合同中，有1项租赁合同包含租赁变更条款。该变更条款为：如果承租人在租赁期开始日后，因合理商业原因需要对原合同中的租赁范围、期限、对价或其他条款进行变更，且该变更通过书面形式并经出租人同意，则变更后的合同将作为一份新的租赁合同，自变更生效日起适用。截至2020年12月31日，该变更尚未生效。
- 2020年12月31日，本集团正在执行的租赁合同中，有1项租赁合同包含续租选择权条款。该续租选择权条款为：承租人在租赁期届满前，有权在同等条件下续租该资产。截至2020年12月31日，该续租选择权尚未行使。
- 2020年12月31日，本集团正在执行的租赁合同中，有1项租赁合同包含提前终止条款。该提前终止条款为：承租人在租赁期届满前，有权在支付违约金后提前终止该租赁合同。截至2020年12月31日，该提前终止条款尚未行使。

Foreign currencies

- 本集团以人民币为记账本位币。对于外币交易，在初始确认时采用交易发生日的即期汇率将外币金额折算为人民币金额。在资产负债表日，外币货币性项目采用资产负债表日的即期汇率折算，由此产生的汇兑差额，除属于与购建或生产符合资本化条件的资产相关的外币专门借款产生的汇兑差额按照借款费用准则处理外，均计入当期损益。
- 对于外币非货币性项目，在初始确认时采用交易发生日的即期汇率折算。对于以公允价值计量的外币非货币性项目，在资产负债表日采用资产负债表日的即期汇率折算，由此产生的汇兑差额计入当期损益。
- 对于外币长期股权投资，在初始确认时采用交易发生日的即期汇率折算。在资产负债表日，按照权益法核算的长期股权投资，采用资产负债表日的即期汇率折算，由此产生的汇兑差额计入当期损益。

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Government grants

The Company recognizes government grants when the grants are available and the Company can reasonably be expected to comply with the conditions attached to the grants. Government grants are recognized in the profit or loss on a systematic basis over the periods in which the grants are intended to compensate the Company for the costs incurred.

Government grants related to the purchase of property, plant and equipment are recognized as deferred income and amortized over the useful life of the related asset. Government grants related to the purchase of intangible assets are recognized as deferred income and amortized over the useful life of the related asset. Government grants related to the purchase of financial assets are recognized as deferred income and amortized over the term of the related asset. Government grants related to the purchase of other assets are recognized as deferred income and amortized over the term of the related asset. Government grants related to the purchase of other assets are recognized as deferred income and amortized over the term of the related asset.

Government grants related to the purchase of property, plant and equipment are recognized as deferred income and amortized over the useful life of the related asset. Government grants related to the purchase of intangible assets are recognized as deferred income and amortized over the useful life of the related asset. Government grants related to the purchase of financial assets are recognized as deferred income and amortized over the term of the related asset. Government grants related to the purchase of other assets are recognized as deferred income and amortized over the term of the related asset.

Government grants related to the purchase of property, plant and equipment are recognized as deferred income and amortized over the useful life of the related asset. Government grants related to the purchase of intangible assets are recognized as deferred income and amortized over the useful life of the related asset. Government grants related to the purchase of financial assets are recognized as deferred income and amortized over the term of the related asset. Government grants related to the purchase of other assets are recognized as deferred income and amortized over the term of the related asset.

Retirement benefit costs

The Company's retirement benefit costs are calculated based on the defined contribution plan. The Company's retirement benefit costs are calculated based on the defined contribution plan. The Company's retirement benefit costs are calculated based on the defined contribution plan. The Company's retirement benefit costs are calculated based on the defined contribution plan.

Short-term employee benefits

The Company's short-term employee benefits are calculated based on the defined contribution plan. The Company's short-term employee benefits are calculated based on the defined contribution plan. The Company's short-term employee benefits are calculated based on the defined contribution plan. The Company's short-term employee benefits are calculated based on the defined contribution plan.

The Company's short-term employee benefits are calculated based on the defined contribution plan. The Company's short-term employee benefits are calculated based on the defined contribution plan. The Company's short-term employee benefits are calculated based on the defined contribution plan. The Company's short-term employee benefits are calculated based on the defined contribution plan.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Taxation

The Group's taxation is managed on a consolidated basis. The Group's tax strategy is to comply with all applicable tax laws and regulations and to take full advantage of all available tax reliefs and incentives. The Group's tax strategy is to manage its tax risk and to ensure that its tax position is consistent with its business operations and its financial performance.

The Group's tax expense is calculated based on the tax payable or receivable for the period, adjusted for changes in deferred tax assets and liabilities. The Group's tax expense is recognised in the consolidated income statement. The Group's tax expense is calculated based on the tax payable or receivable for the period, adjusted for changes in deferred tax assets and liabilities. The Group's tax expense is recognised in the consolidated income statement.

The Group's tax expense is calculated based on the tax payable or receivable for the period, adjusted for changes in deferred tax assets and liabilities. The Group's tax expense is recognised in the consolidated income statement. The Group's tax expense is calculated based on the tax payable or receivable for the period, adjusted for changes in deferred tax assets and liabilities. The Group's tax expense is recognised in the consolidated income statement.

The Group's tax expense is calculated based on the tax payable or receivable for the period, adjusted for changes in deferred tax assets and liabilities. The Group's tax expense is recognised in the consolidated income statement. The Group's tax expense is calculated based on the tax payable or receivable for the period, adjusted for changes in deferred tax assets and liabilities. The Group's tax expense is recognised in the consolidated income statement.

The Group's tax expense is calculated based on the tax payable or receivable for the period, adjusted for changes in deferred tax assets and liabilities. The Group's tax expense is recognised in the consolidated income statement. The Group's tax expense is calculated based on the tax payable or receivable for the period, adjusted for changes in deferred tax assets and liabilities. The Group's tax expense is recognised in the consolidated income statement.

The Group's tax expense is calculated based on the tax payable or receivable for the period, adjusted for changes in deferred tax assets and liabilities. The Group's tax expense is recognised in the consolidated income statement. The Group's tax expense is calculated based on the tax payable or receivable for the period, adjusted for changes in deferred tax assets and liabilities. The Group's tax expense is recognised in the consolidated income statement.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Taxation (continued)

Income tax expense is recognized in the profit or loss account. It is calculated on the basis of the consolidated taxable income for the period, adjusted for the effects of tax losses, tax credits, and other tax adjustments. The tax expense is calculated using the tax rates that apply to the taxable income in the periods in which the related transactions took place.

Income tax expense is recognized in the profit or loss account. It is calculated on the basis of the consolidated taxable income for the period, adjusted for the effects of tax losses, tax credits, and other tax adjustments. The tax expense is calculated using the tax rates that apply to the taxable income in the periods in which the related transactions took place.

Income tax expense is recognized in the profit or loss account. It is calculated on the basis of the consolidated taxable income for the period, adjusted for the effects of tax losses, tax credits, and other tax adjustments. The tax expense is calculated using the tax rates that apply to the taxable income in the periods in which the related transactions took place.

Income tax expense is recognized in the profit or loss account. It is calculated on the basis of the consolidated taxable income for the period, adjusted for the effects of tax losses, tax credits, and other tax adjustments. The tax expense is calculated using the tax rates that apply to the taxable income in the periods in which the related transactions took place.

Income tax expense is recognized in the profit or loss account. It is calculated on the basis of the consolidated taxable income for the period, adjusted for the effects of tax losses, tax credits, and other tax adjustments. The tax expense is calculated using the tax rates that apply to the taxable income in the periods in which the related transactions took place.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes the purchase price, import duties, non-refundable government taxes, and other directly attributable costs. The cost of an asset is reduced by any trade-in allowances received. The cost of an asset is also reduced by any proceeds received from the sale of scrap. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset. The estimated useful life and the depreciation method are reviewed at the end of each reporting period, and adjustments are made when appropriate.

When an asset is sold or otherwise disposed of, the gain or loss is calculated as the difference between the net proceeds and the carrying amount of the asset. The gain or loss is recognized in profit or loss.

Property, plant and equipment are measured at fair value less costs to sell, if the fair value less costs to sell is lower than the carrying amount. The fair value less costs to sell is determined based on the best available evidence, including market prices for similar assets, and is adjusted for the costs to sell. The fair value less costs to sell is also adjusted for any impairment losses recognized in previous periods. The fair value less costs to sell is measured at the end of each reporting period, and adjustments are made when appropriate.

Ownership interests in leasehold land and building

Ownership interests in leasehold land and building are stated at cost less accumulated depreciation and impairment losses. Cost includes the purchase price, import duties, non-refundable government taxes, and other directly attributable costs. The cost of an asset is reduced by any trade-in allowances received. The cost of an asset is also reduced by any proceeds received from the sale of scrap. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset. The estimated useful life and the depreciation method are reviewed at the end of each reporting period, and adjustments are made when appropriate.

When an asset is sold or otherwise disposed of, the gain or loss is calculated as the difference between the net proceeds and the carrying amount of the asset. The gain or loss is recognized in profit or loss. The carrying amount of an asset is determined based on the cost of the asset less accumulated depreciation and impairment losses. The carrying amount of an asset is also adjusted for any impairment losses recognized in previous periods. The carrying amount of an asset is measured at the end of each reporting period, and adjustments are made when appropriate.

Ownership interests in leasehold land and building are measured at fair value less costs to sell, if the fair value less costs to sell is lower than the carrying amount. The fair value less costs to sell is determined based on the best available evidence, including market prices for similar assets, and is adjusted for the costs to sell. The fair value less costs to sell is also adjusted for any impairment losses recognized in previous periods. The fair value less costs to sell is measured at the end of each reporting period, and adjustments are made when appropriate.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Property, plant and equipment (continued)

Ownership interests in leasehold land and building (continued)

The Group's ownership interests in leasehold land and buildings are measured at cost less accumulated depreciation and impairment losses. The Group's ownership interests in leasehold land and buildings are measured at cost less accumulated depreciation and impairment losses. The Group's ownership interests in leasehold land and buildings are measured at cost less accumulated depreciation and impairment losses.

Intangible assets

The Group's intangible assets are measured at cost less accumulated amortization and impairment losses. The Group's intangible assets are measured at cost less accumulated amortization and impairment losses. The Group's intangible assets are measured at cost less accumulated amortization and impairment losses.

The Group's intangible assets are measured at cost less accumulated amortization and impairment losses. The Group's intangible assets are measured at cost less accumulated amortization and impairment losses. The Group's intangible assets are measured at cost less accumulated amortization and impairment losses.

Intangible assets acquired in a business combination

The Group's intangible assets acquired in a business combination are measured at fair value at the acquisition date. The Group's intangible assets acquired in a business combination are measured at fair value at the acquisition date. The Group's intangible assets acquired in a business combination are measured at fair value at the acquisition date.

The Group's intangible assets acquired in a business combination are measured at fair value at the acquisition date. The Group's intangible assets acquired in a business combination are measured at fair value at the acquisition date. The Group's intangible assets acquired in a business combination are measured at fair value at the acquisition date.

The Group's intangible assets acquired in a business combination are measured at fair value at the acquisition date. The Group's intangible assets acquired in a business combination are measured at fair value at the acquisition date. The Group's intangible assets acquired in a business combination are measured at fair value at the acquisition date.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

4.2 Significant accounting policies *(continued)*

Impairment of property, plant and equipment, right-of-use assets and intangible assets other than goodwill

The carrying amount of property, plant and equipment, right-of-use assets and intangible assets other than goodwill is reviewed at the end of each reporting period to determine whether there is any indication that these assets may be impaired. If such indication exists, the carrying amount of the assets is compared to the recoverable amount, which is the higher of the asset's fair value less costs of disposal and value in use. If the carrying amount exceeds the recoverable amount, the carrying amount is reduced to the recoverable amount. The impairment loss is recognized in the consolidated profit or loss account. The impairment loss is reversed in the consolidated profit or loss account if the recoverable amount of the asset increases in subsequent reporting periods.

The recoverable amount of cash-generating units is determined as the higher of the fair value less costs of disposal and value in use of the cash-generating units. The fair value less costs of disposal is determined as the highest amount obtainable from the disposal of the cash-generating units in an arm's length transaction between knowledgeable, willing parties who are not related to each other, less the costs of disposal. The value in use is the present value of the cash flows expected to be derived from the cash-generating units.

The fair value less costs of disposal of cash-generating units is determined as the highest amount obtainable from the disposal of the cash-generating units in an arm's length transaction between knowledgeable, willing parties who are not related to each other, less the costs of disposal. The value in use is the present value of the cash flows expected to be derived from the cash-generating units. The present value is calculated by discounting the cash flows at the discount rate that reflects the risks specific to the cash-generating units. The discount rate is determined as the rate that would be used by a market participant to discount the cash flows of the cash-generating units.

The carrying amount of property, plant and equipment, right-of-use assets and intangible assets other than goodwill is reviewed at the end of each reporting period to determine whether there is any indication that these assets may be impaired. If such indication exists, the carrying amount of the assets is compared to the recoverable amount, which is the higher of the asset's fair value less costs of disposal and value in use. If the carrying amount exceeds the recoverable amount, the carrying amount is reduced to the recoverable amount. The impairment loss is recognized in the consolidated profit or loss account. The impairment loss is reversed in the consolidated profit or loss account if the recoverable amount of the asset increases in subsequent reporting periods.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Impairment of property, plant and equipment, right-of-use assets and intangible assets other than goodwill (continued)

At the end of each reporting period, the carrying amounts of property, plant and equipment, right-of-use assets and intangible assets other than goodwill are reviewed to determine whether there is any indication that these assets may be impaired. If such indication exists, the carrying amounts of these assets are tested for impairment in accordance with the applicable accounting standards. An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the maximum of the asset's fair value less costs of disposal and its value in use. For property, plant and equipment, right-of-use assets and intangible assets other than goodwill, the carrying amount is reduced to its recoverable amount. An impairment loss is charged to the profit or loss account in the period in which the impairment is identified. If the carrying amount of an asset is subsequently determined to be less than its recoverable amount, an impairment reversal is recognized in the profit or loss account in the period in which the reversal is identified. However, the carrying amount of an asset shall not be increased above its carrying amount at the end of the reporting period in which the impairment was first recognized.

For property, plant and equipment, right-of-use assets and intangible assets other than goodwill, the carrying amount is reduced to its recoverable amount. An impairment loss is charged to the profit or loss account in the period in which the impairment is identified. If the carrying amount of an asset is subsequently determined to be less than its recoverable amount, an impairment reversal is recognized in the profit or loss account in the period in which the reversal is identified. However, the carrying amount of an asset shall not be increased above its carrying amount at the end of the reporting period in which the impairment was first recognized.

Inventories

Inventories are measured at the lower of cost and net realizable value. Cost is determined on the basis of the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs of sales.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments

The Group's financial instruments include cash and cash equivalents, trade receivables, other receivables, trade payables, other payables, bank borrowings, and financial assets and liabilities. The Group's financial instruments are classified as financial assets or financial liabilities based on the substance of the contractual arrangements and the definitions of financial assets and financial liabilities in IAS 32. The Group's financial instruments are measured at fair value.

The Group's financial instruments are classified as financial assets or financial liabilities based on the substance of the contractual arrangements and the definitions of financial assets and financial liabilities in IAS 32. The Group's financial instruments are measured at fair value.

1 Revenue from Contracts with Customers. Revenue is recognized when the Group satisfies a performance obligation by transferring control of a promised good or service to a customer. The amount of revenue recognized is the amount of consideration that the Group expects to receive in exchange for the promised good or service, less discounts, trade allowances, and other adjustments. Revenue is recognized net of the amount of sales tax or value added tax that the Group is required to collect from its customers and remit to the tax authorities.

The Group's financial instruments are classified as financial assets or financial liabilities based on the substance of the contractual arrangements and the definitions of financial assets and financial liabilities in IAS 32. The Group's financial instruments are measured at fair value.

Financial assets

Classification and subsequent measurement of financial assets

The Group's financial assets are classified as financial assets or financial liabilities based on the substance of the contractual arrangements and the definitions of financial assets and financial liabilities in IAS 32. The Group's financial instruments are measured at fair value.

The Group's financial instruments are classified as financial assets or financial liabilities based on the substance of the contractual arrangements and the definitions of financial assets and financial liabilities in IAS 32. The Group's financial instruments are measured at fair value.

The Group's financial instruments are classified as financial assets or financial liabilities based on the substance of the contractual arrangements and the definitions of financial assets and financial liabilities in IAS 32. The Group's financial instruments are measured at fair value.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

— *Financial assets at amortized cost*: The Company classifies financial assets at amortized cost if the asset is held within a business model whose objective is to hold the asset for the long term to collect contractual cash flows, and the contractual terms of the asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

— *Financial assets at fair value through profit or loss*: Financial assets that do not meet the criteria for classification as financial assets at amortized cost or financial assets at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss.

— *Financial assets at fair value through other comprehensive income*: The Company classifies financial assets at fair value through other comprehensive income if the asset is held within a business model whose objective is to hold the asset for the long term to collect contractual cash flows, and the contractual terms of the asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding, and the asset is not classified as financial assets at amortized cost.

— *Financial assets at fair value through profit or loss*: The Company classifies financial assets at fair value through profit or loss if the asset is held within a business model whose objective is to trade the asset, or if the asset does not meet the criteria for classification as financial assets at amortized cost or financial assets at fair value through other comprehensive income.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

(i) **Financial assets at fair value through profit or loss**

The Group classifies financial assets as financial assets at fair value through profit or loss if they are either held for trading or designated as financial assets at fair value through profit or loss. Financial assets held for trading are derivatives and other financial instruments that are acquired principally for the purpose of selling in the near term. Financial assets at fair value through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses recognized in profit or loss. The Group also designates certain financial assets as financial assets at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces an accounting mismatch. The Group's financial assets at fair value through profit or loss are primarily equity securities and derivatives.

(ii) **Financial assets at fair value through other comprehensive income**

The Group classifies financial assets as financial assets at fair value through other comprehensive income if they are equity securities that are not held for trading and designated as such at initial recognition. Financial assets at fair value through other comprehensive income are measured at fair value at the end of each reporting period, with any gains or losses recognized in other comprehensive income. Dividends from these investments are recognized in profit or loss when the Group receives the dividends. Upon disposal of the financial assets, the cumulative gain or loss is recognized in profit or loss. The Group's financial assets at fair value through other comprehensive income are primarily equity securities.

(iii) **Financial assets at amortized cost**

The Group classifies financial assets as financial assets at amortized cost if they are not held for trading, are not designated as financial assets at fair value through profit or loss or financial assets at fair value through other comprehensive income, and are debt instruments. Financial assets at amortized cost are measured at amortized cost using the effective interest method. Gains or losses are recognized in profit or loss when the financial assets are derecognized or impaired. The Group's financial assets at amortized cost are primarily cash and bank balances, trade receivables, and other receivables.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets

本公司于资产负债表日评估金融资产的减值。本公司按照预期信用损失模型，对金融资产计提减值准备。预期信用损失是指以发生违约的风险为权重的金融工具未来现金流量的现值的加权平均数。预期信用损失的计算考虑了金融资产的所有合理且有依据的信息，包括前瞻性信息。预期信用损失的计算考虑了金融资产的所有合理且有依据的信息，包括前瞻性信息。

本公司按照预期信用损失模型，对金融资产计提减值准备。预期信用损失是指以发生违约的风险为权重的金融工具未来现金流量的现值的加权平均数。预期信用损失的计算考虑了金融资产的所有合理且有依据的信息，包括前瞻性信息。预期信用损失的计算考虑了金融资产的所有合理且有依据的信息，包括前瞻性信息。

本公司按照预期信用损失模型，对金融资产计提减值准备。预期信用损失是指以发生违约的风险为权重的金融工具未来现金流量的现值的加权平均数。预期信用损失的计算考虑了金融资产的所有合理且有依据的信息，包括前瞻性信息。

本公司按照预期信用损失模型，对金融资产计提减值准备。预期信用损失是指以发生违约的风险为权重的金融工具未来现金流量的现值的加权平均数。预期信用损失的计算考虑了金融资产的所有合理且有依据的信息，包括前瞻性信息。

(i) 应收账款减值准备的计提

本公司按照预期信用损失模型，对应收账款计提减值准备。预期信用损失是指以发生违约的风险为权重的金融工具未来现金流量的现值的加权平均数。预期信用损失的计算考虑了金融资产的所有合理且有依据的信息，包括前瞻性信息。预期信用损失的计算考虑了金融资产的所有合理且有依据的信息，包括前瞻性信息。

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(i) Expected credit loss (continued)

At the end of the reporting period, the carrying amount of financial assets that are subject to impairment is as follows:

- trade receivables (including contract balances) (note 10)
- other receivables (including contract balances) (note 10)
- other financial assets (including contract balances) (note 10)
- cash and cash equivalents (note 10)
- bank balances (note 10)
- other financial assets (including contract balances) (note 10)

The impairment loss for the year is as follows:

The impairment loss is calculated based on the expected credit loss (ECL) model. The ECL model is a forward-looking model that takes into account the historical credit loss experience, current conditions and reasonable and supportable forecasts of future economic conditions. The ECL model is applied to all financial assets that are subject to credit risk.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(ii) Expected credit loss (ECL) model

The Group applies the ECL model to measure impairment for financial assets. ECL is defined as the difference between all cash flows due to the Group under the contract and all cash flows that the Group expects to receive. ECL is measured on a probability-weighted basis, representing all default risk that may occur over the expected life of the financial asset. ECL is measured at the end of each reporting period, to reflect changes in credit risk since the last reporting period.

The Group uses a simplified approach to measure ECL for financial assets. For financial assets, the Group estimates ECL based on the expected credit loss over the expected life of the financial asset. The Group uses a provision matrix to measure ECL. The provision matrix is based on the Group's historical credit loss experience, adjusted for differences in risk characteristics between the financial assets and the historical data. The Group uses a provision matrix to measure ECL for financial assets. The provision matrix is based on the Group's historical credit loss experience, adjusted for differences in risk characteristics between the financial assets and the historical data.

(iii) Measurement of ECL

The Group uses a simplified approach to measure ECL for financial assets. For financial assets, the Group estimates ECL based on the expected credit loss over the expected life of the financial asset. The Group uses a provision matrix to measure ECL. The provision matrix is based on the Group's historical credit loss experience, adjusted for differences in risk characteristics between the financial assets and the historical data.

() The Group uses a simplified approach to measure ECL for financial assets.

() The Group uses a simplified approach to measure ECL for financial assets.

() The Group uses a simplified approach to measure ECL for financial assets. () The Group uses a simplified approach to measure ECL for financial assets.

() The Group uses a simplified approach to measure ECL for financial assets.

() The Group uses a simplified approach to measure ECL for financial assets.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(i) *Expected credit loss*

The Group applies the expected credit loss ("ECL") model to measure impairment for financial assets. The ECL model requires the Group to estimate the expected credit loss over the expected life of the financial asset. The Group uses a probability-weighted approach to estimate the ECL. The Group uses historical data to estimate the probability of default and the expected loss given default. The Group also considers forward-looking information to adjust the historical data. The Group uses a 12-month ECL model for financial assets that are not credit-impaired at the reporting date. For financial assets that are credit-impaired at the reporting date, the Group uses a lifetime ECL model. The Group uses a simplified approach for financial assets that are measured at amortised cost and are not credit-impaired at the reporting date. Under the simplified approach, the Group measures ECL as the difference between the amortised cost and the fair value of the financial asset.

(ii) *Measurement of ECL*

The Group measures ECL on a 12-month basis for financial assets that are not credit-impaired at the reporting date. The Group measures ECL as the difference between the amortised cost and the fair value of the financial asset. The Group uses a simplified approach for financial assets that are measured at amortised cost and are not credit-impaired at the reporting date. Under the simplified approach, the Group measures ECL as the difference between the amortised cost and the fair value of the financial asset. The Group uses a probability-weighted approach to estimate the ECL. The Group uses historical data to estimate the probability of default and the expected loss given default. The Group also considers forward-looking information to adjust the historical data.

The Group uses a probability-weighted approach to estimate the ECL. The Group uses historical data to estimate the probability of default and the expected loss given default. The Group also considers forward-looking information to adjust the historical data. The Group uses a simplified approach for financial assets that are measured at amortised cost and are not credit-impaired at the reporting date. Under the simplified approach, the Group measures ECL as the difference between the amortised cost and the fair value of the financial asset.

The Group uses a probability-weighted approach to estimate the ECL. The Group uses historical data to estimate the probability of default and the expected loss given default. The Group also considers forward-looking information to adjust the historical data. The Group uses a simplified approach for financial assets that are measured at amortised cost and are not credit-impaired at the reporting date. Under the simplified approach, the Group measures ECL as the difference between the amortised cost and the fair value of the financial asset.

The Group uses a probability-weighted approach to estimate the ECL. The Group uses historical data to estimate the probability of default and the expected loss given default. The Group also considers forward-looking information to adjust the historical data. The Group uses a simplified approach for financial assets that are measured at amortised cost and are not credit-impaired at the reporting date. Under the simplified approach, the Group measures ECL as the difference between the amortised cost and the fair value of the financial asset.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Derecognition of financial assets

The Group derecognizes a financial asset when, and only when, the contractual rights to the cash flows from the asset expire, or it transfers the asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group transfers a financial asset and retains either the right to receive payments from the asset or the obligation to pay the payments to the original asset holder, the Group may be deemed to have not transferred the asset. In such cases, the Group will continue to recognize the asset to the extent of its continuing involvement in the asset.

If the Group transfers a financial asset and retains the right to receive payments from the asset, but also assumes the obligation to pay the payments to the original asset holder, the Group will derecognize the asset if it has transferred substantially all the risks and rewards of ownership of the asset.

If the Group transfers a financial asset and retains the right to receive payments from the asset, but also retains the obligation to pay the payments to the original asset holder, the Group will continue to recognize the asset to the extent of its continuing involvement in the asset.

Financial liabilities and equity

Classification as debt or equity

The Group classifies its financial liabilities as debt or equity based on the substance of the financial liability. Financial liabilities that are classified as debt are measured at amortized cost. Financial liabilities that are classified as equity are measured at cost.

Equity instruments

The Group classifies its equity instruments as equity. Equity instruments are measured at cost. The Group's equity instruments are classified as equity if they are non-convertible, non-participating, and do not have any obligations attached to them.

The Group's equity instruments are classified as equity if they are non-convertible, non-participating, and do not have any obligations attached to them. The Group's equity instruments are classified as equity if they are non-convertible, non-participating, and do not have any obligations attached to them.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Financial liabilities at amortised cost

Financial liabilities are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition of the financial liability. Subsequently, interest-bearing financial liabilities are measured at amortised cost using the effective interest method. For financial liabilities that are not interest-bearing, the amortised cost is the fair value less any transaction costs. Financial liabilities are derecognised when the contractual obligations are discharged, cancelled or expired.

Derecognition of financial liabilities

Financial liabilities are derecognised when the contractual obligations are discharged, cancelled or expired. If a financial liability is extinguished or settled through an arrangement with the creditor that results in the issuance of new financial liability, the new financial liability is recognised as a separate financial liability. If the arrangement results in the modification of the terms of the existing financial liability, the modification is treated as the extinguishment of the existing financial liability and the recognition of a new financial liability.

Derivative financial instruments

Derivative financial instruments are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition of the derivative financial instrument. Subsequently, derivative financial instruments are measured at fair value. Changes in the fair value of derivative financial instruments are recognised in profit or loss. Derivative financial instruments are derecognised when the contractual obligations are discharged, cancelled or expired.

Hedge accounting

Hedge accounting is applied to financial instruments that are designated as hedging instruments. The hedging instrument must be a derivative financial instrument. The hedging instrument must be designated as a hedging instrument at the time of its recognition. The hedging instrument must be used to hedge the exposure to a particular risk that is a component of the fair value or cash flows of a recognised asset or liability, a firm commitment, or an unrecognized transaction. The hedging instrument must be measured at fair value. Changes in the fair value of the hedging instrument are recognised in profit or loss. The hedging instrument must be used to hedge the exposure to a particular risk that is a component of the fair value or cash flows of a recognised asset or liability, a firm commitment, or an unrecognized transaction.

The hedging instrument must be used to hedge the exposure to a particular risk that is a component of the fair value or cash flows of a recognised asset or liability, a firm commitment, or an unrecognized transaction. The hedging instrument must be measured at fair value. Changes in the fair value of the hedging instrument are recognised in profit or loss. The hedging instrument must be used to hedge the exposure to a particular risk that is a component of the fair value or cash flows of a recognised asset or liability, a firm commitment, or an unrecognized transaction.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Hedge accounting (continued)

Assessment of hedging relationship and effectiveness

— 对于被套期项目，公司采用公允价值法或现金流量法评估其公允价值或现金流量变动是否由被套期风险引起，且该变动是否可可靠地计量。如果公允价值或现金流量变动是由被套期风险引起且可可靠地计量，则认定该被套期项目与套期工具之间存在有效的对冲关系。

— 对于公允价值套期，公司采用公允价值法评估被套期项目的公允价值变动是否由被套期风险引起，且该变动是否可可靠地计量。

— 对于现金流量套期，公司采用现金流量法评估被套期项目的现金流量变动是否由被套期风险引起，且该变动是否可可靠地计量。

— 对于公允价值套期，公司采用公允价值法评估被套期项目的公允价值变动是否由被套期风险引起，且该变动是否可可靠地计量。如果公允价值变动是由被套期风险引起且可可靠地计量，则认定该被套期项目与套期工具之间存在有效的对冲关系。

— 对于现金流量套期，公司采用现金流量法评估被套期项目的现金流量变动是否由被套期风险引起，且该变动是否可可靠地计量。如果现金流量变动是由被套期风险引起且可可靠地计量，则认定该被套期项目与套期工具之间存在有效的对冲关系。

— 对于公允价值套期，公司采用公允价值法评估被套期项目的公允价值变动是否由被套期风险引起，且该变动是否可可靠地计量。如果公允价值变动是由被套期风险引起且可可靠地计量，则认定该被套期项目与套期工具之间存在有效的对冲关系。

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Hedge accounting (continued)

Cash flow hedges

The Group uses cash flow hedges to hedge the foreign exchange risk of certain foreign currency-denominated cash flows. The Group enters into foreign currency forward contracts to hedge the foreign exchange risk of certain foreign currency-denominated cash flows. The Group uses the forward contracts to hedge the foreign exchange risk of certain foreign currency-denominated cash flows. The Group uses the forward contracts to hedge the foreign exchange risk of certain foreign currency-denominated cash flows.

The Group uses cash flow hedges to hedge the foreign exchange risk of certain foreign currency-denominated cash flows. The Group enters into foreign currency forward contracts to hedge the foreign exchange risk of certain foreign currency-denominated cash flows. The Group uses the forward contracts to hedge the foreign exchange risk of certain foreign currency-denominated cash flows.

The Group uses cash flow hedges to hedge the foreign exchange risk of certain foreign currency-denominated cash flows. The Group enters into foreign currency forward contracts to hedge the foreign exchange risk of certain foreign currency-denominated cash flows. The Group uses the forward contracts to hedge the foreign exchange risk of certain foreign currency-denominated cash flows.

Discontinuation of hedge accounting

The Group discontinues hedge accounting when the hedged item is no longer highly effective. The Group discontinues hedge accounting when the hedged item is no longer highly effective. The Group discontinues hedge accounting when the hedged item is no longer highly effective.

The Group discontinues hedge accounting when the hedged item is no longer highly effective. The Group discontinues hedge accounting when the hedged item is no longer highly effective. The Group discontinues hedge accounting when the hedged item is no longer highly effective.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Related parties

- (i) 北京京能清洁能源电力有限公司（以下简称“京能电力”）为本公司之全资子公司。本公司与京能电力之交易均按照公平交易原则进行。
- (ii) 北京京能清洁能源电力有限公司（以下简称“京能电力”）为本公司之全资子公司。本公司与京能电力之交易均按照公平交易原则进行。
- (iii) 北京京能清洁能源电力有限公司（以下简称“京能电力”）为本公司之全资子公司。本公司与京能电力之交易均按照公平交易原则进行。
- (i) 北京京能清洁能源电力有限公司（以下简称“京能电力”）为本公司之全资子公司。本公司与京能电力之交易均按照公平交易原则进行。
- (ii) 北京京能清洁能源电力有限公司（以下简称“京能电力”）为本公司之全资子公司。本公司与京能电力之交易均按照公平交易原则进行。
- (iii) 北京京能清洁能源电力有限公司（以下简称“京能电力”）为本公司之全资子公司。本公司与京能电力之交易均按照公平交易原则进行。
- (i) 北京京能清洁能源电力有限公司（以下简称“京能电力”）为本公司之全资子公司。本公司与京能电力之交易均按照公平交易原则进行。
- (ii) 北京京能清洁能源电力有限公司（以下简称“京能电力”）为本公司之全资子公司。本公司与京能电力之交易均按照公平交易原则进行。
- (iii) 北京京能清洁能源电力有限公司（以下简称“京能电力”）为本公司之全资子公司。本公司与京能电力之交易均按照公平交易原则进行。

北京京能清洁能源电力有限公司（以下简称“京能电力”）为本公司之全资子公司。本公司与京能电力之交易均按照公平交易原则进行。

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

The consolidated financial statements are prepared using accounting estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The following table provides a summary of the key sources of estimation uncertainty that could result in a material adjustment to the carrying amounts of assets or liabilities within the next financial year.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

6. REVENUE

(i) Disaggregation of revenue from contracts with customers

	For the year ended 31 December 2020					Total RMB'000
	Gas-fired power and heat energy generation RMB'000	Wind power RMB'000	Photovoltaic power RMB'000	Hydropower RMB'000	Others RMB'000	
Revenue from contracts with customers	10,182,873	2,314,207	2,145,343	395,279	-	15,037,702
Revenue from contracts with customers	1,963,288	-	-	-	-	1,963,288
Revenue from contracts with customers	-	-	-	-	2,316	2,316
Revenue from contracts with customers	12,146,161	2,314,207	2,145,343	395,279	-	17,000,990
Revenue from contracts with customers	-	-	-	-	2,316	2,316
Revenue from contracts with customers	12,146,161	2,192,289	2,140,814	395,279	2,316	16,876,859
Revenue from contracts with customers	-	121,918	4,529	-	-	126,447
Revenue from contracts with customers	12,146,161	2,314,207	2,145,343	395,279	2,316	17,003,306

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

7. SEGMENT INFORMATION

The Group's operations are organized into segments based on the products and services provided. The segments are defined as follows:

- 1. **Power Generation**: This segment includes the operations of power plants, including coal-fired, gas-fired, and renewable energy plants.
- 2. **Power Distribution**: This segment includes the operations of power transmission and distribution networks.
- 3. **Power Sales**: This segment includes the operations of power sales to customers.
- 4. **Other**: This segment includes other operations, including real estate and services.

The Group's management uses the following information to monitor the performance of the segments:

- 1. **Revenue**: The total revenue generated by the segment.
- 2. **Operating Profit**: The profit generated by the segment after deducting operating expenses.
- 3. **Capital Expenditure**: The amount of capital expenditure incurred by the segment.

The Group's management uses the following information to monitor the performance of the segments:

- 1. **Revenue**: The total revenue generated by the segment.
- 2. **Operating Profit**: The profit generated by the segment after deducting operating expenses.
- 3. **Capital Expenditure**: The amount of capital expenditure incurred by the segment.

The Group's management uses the following information to monitor the performance of the segments:

- 1. **Revenue**: The total revenue generated by the segment.
- 2. **Operating Profit**: The profit generated by the segment after deducting operating expenses.
- 3. **Capital Expenditure**: The amount of capital expenditure incurred by the segment.

The Group's management uses the following information to monitor the performance of the segments:

- 1. **Revenue**: The total revenue generated by the segment.
- 2. **Operating Profit**: The profit generated by the segment after deducting operating expenses.
- 3. **Capital Expenditure**: The amount of capital expenditure incurred by the segment.

The Group's management uses the following information to monitor the performance of the segments:

- 1. **Revenue**: The total revenue generated by the segment.
- 2. **Operating Profit**: The profit generated by the segment after deducting operating expenses.
- 3. **Capital Expenditure**: The amount of capital expenditure incurred by the segment.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

7. SEGMENT INFORMATION (continued)

(a) Segment revenue, results, assets and liabilities

The following table shows the revenue, results, assets and liabilities of the segments for the year ended 31 December 2020 and 2019. The segments are defined in note 1.

	Gas-fired power and heat energy generation RMB'000	Wind power RMB'000	Photovoltaic power RMB'000	Hydropower RMB'000	Others RMB'000	Total RMB'000
For the year ended 31 December 2020						
Revenue	12,146,161	2,314,207	2,145,343	395,279	2,316	17,003,306
Operating profit (note (i))	1,769,612	1,201,021	1,124,081	59,211	(220,629)	3,933,296
Operating expenses	14,228,337	25,533,743	21,806,751	2,655,860	26,767,756	90,992,447
Operating loss	(7,315,937)	(17,365,587)	(16,202,380)	(2,130,946)	(25,474,975)	(68,489,825)
Assets						
Property, plant and equipment	870,622	814,820	742,905	107,859	3,849	2,540,055
Intangible assets	9,590	207,931	27,666	25,517	502	271,206
Other assets (note (ii))	108,207	376,814	381,689	54,986	229,151	1,150,847
Other assets	530,280	241,223	11,126	2,131	12,633	797,393
Liabilities						
Accounts payable and other payables	403,025	23,383	-	-	-	426,408
Other liabilities	41,836	2,632	6,961	1,053	-	52,482
Other liabilities	6,088	123,411	3,239	-	-	132,738
Other liabilities	79,331	91,797	926	1,078	12,633	185,765
Other liabilities	345,244	3,696,412	2,972,708	34,886	5,034	7,054,284

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

7. SEGMENT INFORMATION (continued)

(a) Segment revenue, results, assets and liabilities (continued)

	2020 RMB'000	2019 RMB'000	2020 RMB'000	2019 RMB'000	2020 RMB'000	2019 RMB'000
For the year ended 31 December 2019						
Revenue	12,102	1,020	1,000		1,000	1,000
Other income (note (i))	1,000	12,000	0,200	110,100	(121,200)	1,100
Operating profit	1,001	20,100	1,000	2,001	2,010,200	1,000
Operating loss	(1,002)	(1,001)	(12,002)	(2,010,000)	(2,000,000)	(0,21,000)
Finance income	22	12	1,200	10,000	1,200	2,21,000
Finance expense	12	200		2,100	20	2,000
Other income (note (ii))	11,120	0	2,002	1,100	1,000	1,21,000
Other expense	222	2,200	2,000	1,000	12,100	1,002
Profit before income tax	0,100	21,000	0,000			0,100
Income tax expense	1,000	0,000	0,000			2,000
Profit after income tax	1,000	1,000	0,000			1,100
Finance income	0	2,200	2,202	1,000	12,100	1,000
Finance expense	1,000	1,210,000	0,000	0,000		0,001

Notes:

- (i) Revenue includes the following components:
- Revenue from the sale of electricity
 - Revenue from the sale of steam
 - Revenue from the sale of other services
- (ii) Other income includes the following components:
- Income from the disposal of non-current assets
 - Income from the disposal of subsidiaries
 - Income from the disposal of investments

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

7. SEGMENT INFORMATION (continued)

(b) Reconciliations of segment results, assets and liabilities to the consolidated financial statements

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Revenue	3,933,296	3,911,111
Cost of sales	(16,206)	(16,206)
Operating profit	—	3,894,905
Finance income	3,917,090	3,878,700
Finance costs	41,065	41,065
Share of profit of associates	(1,150,847)	(1,210,000)
Share of profit of joint ventures	167,781	111,200
Share of profit of subsidiaries	(22,063)	(22,063)
Income tax expense	2,953,026	2,953,026

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

7. SEGMENT INFORMATION (continued)

(b) Reconciliations of segment results, assets and liabilities to the consolidated financial statements (continued)

	At 31 December	
	2020 RMB'000	2019 RMB'000
Assets		
Property, plant and equipment	90,992,447	1,000,000
Intangible assets	(26,237,537)	(2,000,000)
Investments in subsidiaries		
Investment in associates	3,518,508	2,020,210
Financial assets at fair value through profit or loss	117,000	1,000
Available-for-sale financial assets	130,904	1,200,000
Other financial assets	70,000	1,000,000
Prepaid expenses and deposits	296,104	2,000,000
Other receivables, due from subsidiaries and other related parties	66,911	1,200,000
Other receivables, due from subsidiaries and other related parties (note)	1,583,971	1,200,000
Total	70,538,308	10,200,000
Liabilities		
Accounts payable and accrued liabilities	68,489,825	10,200,000
Intangible liabilities	(26,221,331)	(2,000,000)
Other liabilities		
Accounts payable	125,381	11,000,000
Other liabilities	193,615	1,000,000
Other liabilities, due to subsidiaries and other related parties (note)	1,583,971	1,200,000
Total	44,171,461	10,200,000

Note: Other receivables, due from subsidiaries and other related parties and other liabilities, due to subsidiaries and other related parties include the amounts due from/to the subsidiaries and other related parties of the Group, which are not subject to consolidation.

The Group's financial assets at fair value through profit or loss include the amounts due from/to the subsidiaries and other related parties of the Group, which are not subject to consolidation. The Group's available-for-sale financial assets include the amounts due from/to the subsidiaries and other related parties of the Group, which are not subject to consolidation. The Group's other financial assets include the amounts due from/to the subsidiaries and other related parties of the Group, which are not subject to consolidation.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

7. SEGMENT INFORMATION (continued)

(c) Geographical information

Revenue from operations in the PRC accounted for 100% of the Group's revenue for the year ended 31 December 2020 (2019: 100%). Revenue from operations in the PRC accounted for 100% of the Group's revenue for the year ended 31 December 2019 (2018: 100%).

(d) Information of major customers

The Group's revenue from operations from its five largest customers for the year ended 31 December 2020 (2019: 1,101,220,000) accounted for 100% (2019: 100%) of the Group's revenue from operations. The Group's revenue from operations from its five largest customers for the year ended 31 December 2019 (2018: 1,101,220,000) accounted for 100% (2018: 100%) of the Group's revenue from operations.

The Group's revenue from operations from its five largest customers for the year ended 31 December 2020 (2019: 1,101,220,000) accounted for 100% (2019: 100%) of the Group's revenue from operations.

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Revenue from operations	10,182,873	10,182,873
Cost of sales	2,192,289	1,980,000
Revenue from operations	2,140,814	1,000,000
Cost of sales	337,934	200,000
Revenue from operations	14,853,910	13,162,873
Revenue from operations	1,845,035	1,101,220
Revenue from operations	16,698,945	14,264,093

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

9. OTHER EXPENSES

	Year ended 31 December	
	2020 RMB'000	201 RMB'000
Impairment loss on financial assets	399,734	2,0
Impairment loss on investment properties	193,112	21 ,
Impairment loss on investment in subsidiaries	59,824	,
Impairment loss on investment in associates	136,123	100, 21
	788,793	, 2

10. OTHER GAINS AND LOSSES

	Year ended 31 December	
	2020 RMB'000	201 RMB'000
Gain on disposal of subsidiaries	(14,633)	1,1 0
Gain on disposal of investment properties	(3,381)	(,0)
Gain on disposal of investment in subsidiaries (Note 30)	(50,844)	2 , 0
Gain on disposal of investment in associates (Note 37(b))	(1,300)	(2 , 1)
Gain on disposal of investment in associates (Note 44)	151,051	11 ,0
Gain on disposal of investment in subsidiaries	(119,521)	
Gain on disposal of investment in associates	25,468	(1 ,)
	(13,160)	,

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

12. INCOME TAX EXPENSE

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Current income tax expense	521,827	2,121
Deferred income tax expense	11,484	10,000
Income tax expense	533,311	2,000
Income tax expense on discontinued operations	23,730	(1,000)
Income tax expense	557,041	0,000

The income tax expense for the year ended 31 December 2020 is calculated at the applicable tax rate of 25% (2019: 25%) on the taxable income. The tax expense is reconciled to the accounting profit as follows:

The income tax expense for the year ended 31 December 2020 is calculated at the applicable tax rate of 25% (2019: 25%) on the taxable income. The tax expense is reconciled to the accounting profit as follows:

– The income tax expense for the year ended 31 December 2020 is calculated at the applicable tax rate of 25% (2019: 25%) on the taxable income. The tax expense is reconciled to the accounting profit as follows:

– The income tax expense for the year ended 31 December 2020 is calculated at the applicable tax rate of 25% (2019: 25%) on the taxable income. The tax expense is reconciled to the accounting profit as follows:

– The income tax expense for the year ended 31 December 2020 is calculated at the applicable tax rate of 25% (2019: 25%) on the taxable income. The tax expense is reconciled to the accounting profit as follows:

– The income tax expense for the year ended 31 December 2020 is calculated at the applicable tax rate of 25% (2019: 25%) on the taxable income. The tax expense is reconciled to the accounting profit as follows:

– The income tax expense for the year ended 31 December 2020 is calculated at the applicable tax rate of 25% (2019: 25%) on the taxable income. The tax expense is reconciled to the accounting profit as follows:

– The income tax expense for the year ended 31 December 2020 is calculated at the applicable tax rate of 25% (2019: 25%) on the taxable income. The tax expense is reconciled to the accounting profit as follows:

– The income tax expense for the year ended 31 December 2020 is calculated at the applicable tax rate of 25% (2019: 25%) on the taxable income. The tax expense is reconciled to the accounting profit as follows:

– The income tax expense for the year ended 31 December 2020 is calculated at the applicable tax rate of 25% (2019: 25%) on the taxable income. The tax expense is reconciled to the accounting profit as follows:

– The income tax expense for the year ended 31 December 2020 is calculated at the applicable tax rate of 25% (2019: 25%) on the taxable income. The tax expense is reconciled to the accounting profit as follows:

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

12. INCOME TAX EXPENSE (continued)

The income tax expense for the year ended 31 December 2020 is analysed as follows:

Current income tax expense is 0% (2019: 0%) of the taxable profit.

The income tax expense for the year ended 31 December 2020 is analysed as follows:

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Current income tax expense	2,953,026	2,953,026
Deferred income tax expense	738,257	738,257
Income tax expense	3,691,283	3,691,283
Income tax credit	45,526	2,011
Income tax expense	(36,429)	(2,011)
Income tax expense	63,876	63,876
Income tax expense	29,880	29,880
Income tax expense	(2,917)	(2,917)
Income tax expense	(283,684)	(283,684)
Income tax expense	2,532	2,532
Income tax expense	557,041	557,041

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

13. PROFIT FOR THE YEAR

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Operating profit	9,162	,
Finance income	59,824	,
Finance costs		
Share of profit of associates		
Profit before income tax	2,486,418	2,1 , 1
Income tax expense	60,126	2 ,
Profit after income tax	271,206	2 ,
Profit attributable to equity holders of the Company	(6,489)	(,0)
Profit attributable to non-controlling interests		
Profit attributable to equity holders of the Company	2,811,261	2, ,1
Profit attributable to equity holders of the Company	3,691	, 1
Profit attributable to non-controlling interests (Note 14)	866,234	, 0
Profit attributable to equity holders of the Company	869,925	2,220

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

14. DIRECTORS', SUPERVISORS' AND THE FIVE HIGHEST PAID INDIVIDUALS EMOLUMENTS

The emoluments of the directors, supervisors and the five highest paid individuals are disclosed in the following table.

Year ended 31 December 2020

	Directors' fees RMB'000	Basic salaries and allowances RMB'000	Discretionary bonus RMB'000 (Note)	Retirement benefit contributions RMB'000	Total RMB'000
Executive Director	-	371	853	3	1,227
Independent Non-Executive Director	-	311	773	3	1,087
Supervisor	-	106	70	-	176
Five highest paid individuals (excluding the Executive Director, Independent Non-Executive Director and Supervisor)	-	101	597	3	701
	-	889	2,293	9	3,191
Executive Director	-	-	-	-	-
Independent Non-Executive Director	-	-	-	-	-
Supervisor	-	-	-	-	-
Five highest paid individuals (excluding the Executive Director, Independent Non-Executive Director and Supervisor)	-	-	-	-	-
	-	-	-	-	-
Executive Director	150	-	-	-	150
Independent Non-Executive Director	150	-	-	-	150
Supervisor	100	-	-	-	100
Five highest paid individuals (excluding the Executive Director, Independent Non-Executive Director and Supervisor)	17	-	-	-	17
	83	-	-	-	83
	500	-	-	-	500

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

14. DIRECTORS', SUPERVISORS' AND THE FIVE HIGHEST PAID INDIVIDUALS EMOLUMENTS (continued)

	Directors' fees RMB'000	Basic salaries and allowances RMB'000	Discretionary bonus RMB'000 (Note)	Retirement benefit contributions RMB'000	Total RMB'000
Upper tier directors	-	-	-	-	-
Lower tier directors	-	311	737	3	1,051
(continued from page 140, 2020)	-	-	-	-	-
Upper tier supervisors	-	-	-	-	-
(continued from page 140, 2020)	-	-	-	-	-
Lower tier supervisors	-	-	-	-	-
(continued from page 140, 2020)	-	-	-	-	-
Upper tier individuals	-	-	-	-	-
(continued from page 140, 2020)	-	-	-	-	-
	-	311	737	3	1,051
	500	1,200	3,030	12	4,742

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

14. DIRECTORS', SUPERVISORS' AND THE FIVE HIGHEST PAID INDIVIDUALS EMOLUMENTS (continued)

Year ended 31 December 2019

	2019	2018	2017	2016	2015
	RMB'000	RMB'000	RMB'000 (Note)	RMB'000	RMB'000
Salaries and wages			1	0	1,0
Director's remuneration		1		0	
(2015-2016)		1		0	
Supervisor's remuneration		1	0	0	
(2015-2016)		1	0	0	
		<u>1,00</u>	<u>1,</u>	<u>1,0</u>	<u>2,1</u>
Director's remuneration					
(2015-2016)					
Supervisor's remuneration					
(2015-2016)					
Director's remuneration					
(2015-2016)					
Supervisor's remuneration					
(2015-2016)					
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 RMB'000	2019 RMB'000	2020 US \$'000 (Note)	2019 US \$'000	2020 RMB'000
2020年12月31日止年度 2019年12月31日止年度 2020年12月31日止年度 2019年12月31日止年度	1 0				1 0
2020年12月31日止年度 2019年12月31日止年度 2020年12月31日止年度 2019年12月31日止年度	1 0				1 0
2020年12月31日止年度 2019年12月31日止年度 2020年12月31日止年度 2019年12月31日止年度	100				100
2020年12月31日止年度 2019年12月31日止年度 2020年12月31日止年度 2019年12月31日止年度	100				100
	<u>00</u>				<u>00</u>
2020年12月31日止年度 2019年12月31日止年度 2020年12月31日止年度 2019年12月31日止年度 2020年12月31日止年度 2019年12月31日止年度 2020年12月31日止年度 2019年12月31日止年度		2	2	0	22
		<u>2</u>	<u>2</u>	<u>0</u>	<u>22</u>

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

15. DIVIDENDS

(i) On 15 December 2020, the Board of Directors of the Company has approved a final dividend of RMB0.22 per share for the year ended 31 December 2020. The dividend is payable on 21 January 2021 to shareholders of the Company who are registered in the register of members of the Company as at 15 December 2020. The dividend is subject to the approval of the shareholders of the Company at the annual general meeting to be held on 21 January 2021.

(ii) On 15 December 2020, the Board of Directors of the Company has approved a final dividend of RMB0.20 per share for the year ended 31 December 2020. The dividend is payable on 15 January 2021 to shareholders of the Company who are registered in the register of members of the Company as at 15 December 2020. The dividend is subject to the approval of the shareholders of the Company at the annual general meeting to be held on 15 January 2021.

(iii) On 15 December 2020, the Board of Directors of the Company has approved a final dividend of RMB0.22 per share for the year ended 31 December 2020. The dividend is payable on 21 January 2021 to shareholders of the Company who are registered in the register of members of the Company as at 15 December 2020. The dividend is subject to the approval of the shareholders of the Company at the annual general meeting to be held on 21 January 2021.

16. EARNINGS PER SHARE

The following table shows the earnings per share of the Company for the year ended 31 December 2020 and 2019. The earnings per share of the Company for the year ended 31 December 2020 and 2019 are calculated as follows:

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Earnings		
Earnings attributable to equity holders of the Company	2,303,390	2,000,000

	Year ended 31 December	
	2020 '000	2019 '000
Number of shares		
Number of shares outstanding at the end of the reporting period	8,244,508	8,244,508

The earnings per share of the Company for the year ended 31 December 2020 and 2019 are calculated as follows:

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

17. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings RMB'000	Generators and related equipment RMB'000	Motor vehicles RMB'000	Office equipment RMB'000	Construction in progress RMB'000	Total RMB'000
1 January 2019 (restated)	1,000	1,000	100	10,000	11,000	12,100
Disposals	11,000		2,000	1,100	1,000	15,100
Acquisitions (note (b))	12,000	(2,000)		1,100		11,100
Depreciation		220,000		2,000	(22,000)	198,000
Impairment losses (Note 44)	0	2,100	10,000		2,100	24,200
Transfer to disposal	()	(1,100)	(2,000)	()		(3,200)
Transfer to construction in progress	2,000	22,000				24,000
1 January 2020	1,000	20,000	1,000	111,000	10,100	133,100
1 January 2020	8,466,150	39,720,660	91,074	111,469	5,068,187	53,457,540
Disposals	3,560	99,091	5,164	10,217	4,573,665	4,691,697
Acquisitions (note (b))	56,014	(72,723)	328	8	-	(16,373)
Depreciation	200,681	4,273,369	-	3,433	(4,477,483)	-
Impairment losses (Note 44)	64,454	1,265,098	167	1,697	15,112	1,346,528
Transfer to disposal	(1,333)	(127,700)	(5,439)	(4,467)	-	(138,939)
Transfer to construction in progress	94	51,026	14	12	-	51,146
1 January 2020	8,789,620	45,208,821	91,308	122,369	5,179,481	59,391,599

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

17. PROPERTY, PLANT AND EQUIPMENT (continued)

	Land and buildings RMB'000	Generators and related equipment RMB'000	Motor vehicles RMB'000	Office equipment RMB'000	Construction in progress RMB'000	Total RMB'000
1 January 2019	1,000,200	10,100,000	66,282	74,264	-	11,240,756
Disposals	(200,000)	(1,100,000)	(5,554)	(12,635)	-	(2,018,189)
Impairment losses	(200,000)	(200,000)	(100,000)	(100,000)	-	(600,000)
Acquisitions	-	-	11	8	-	19
1 January 2020	1,706,178	11,827,625	66,282	74,264	-	13,674,349
Disposals	(272,308)	(2,195,921)	(5,554)	(12,635)	-	(2,486,418)
Impairment losses (note (e))	100,397	19,124	-	-	-	119,521
Impairment reversals	(81)	(83,488)	(4,226)	(2,287)	-	(90,082)
Acquisitions	-	14,161	11	8	-	14,180
1 January 2020	2,078,802	13,973,343	67,621	84,620	-	16,204,386
1 January 2020	6,710,818	31,235,478	23,687	37,749	5,179,481	43,187,213
1 January 2021	6,710,818	31,235,478	23,687	37,749	5,179,481	43,187,213

Notes:

- (a) The carrying amount of property, plant and equipment is determined on the basis of cost less accumulated depreciation and impairment losses. Depreciation is calculated on the straight-line basis over the estimated useful lives of the assets as follows:
- | | |
|----------------------------------|-----------------|
| Land and buildings | 2.11% - 3.33% |
| Generators and related equipment | 10.00% - 20.00% |
| Motor vehicles | 10.00% - 15.00% |
| Office equipment | 11.00% - 15.00% |

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

18. RIGHT-OF-USE ASSETS (continued)

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Right-of-use assets arising from lease contracts		
Leasehold land and buildings	121,000	121,000
Leasehold land	1,000	1,000
Leasehold buildings	59,824	59,824
Leasehold land and buildings (note)	321,692	221,000
Leasehold land and buildings (Note 44)	108,892	22,000
Leasehold land and buildings	116,472	22,000

Note: Leasehold land and buildings are measured at cost less accumulated depreciation and impairment losses.

The right-of-use assets are measured at cost, which includes the amount of lease payments made, less any lease incentives received. The right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. For a lease contract with a lease term of 12 months or less, the right-of-use asset is not recognized in the consolidated balance sheet. The right-of-use assets are classified as non-current assets if the right-of-use asset is expected to be realized in the next 12 months.

The right-of-use assets are measured at cost less accumulated depreciation and impairment losses. The right-of-use assets are classified as non-current assets if the right-of-use asset is expected to be realized in the next 12 months. The right-of-use assets are measured at cost less accumulated depreciation and impairment losses. The right-of-use assets are classified as non-current assets if the right-of-use asset is expected to be realized in the next 12 months.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

19. INTANGIBLE ASSETS

	Concession rights <i>RMB'000</i> <i>(note (b))</i>	Operation rights <i>RMB'000</i> <i>(note (c))</i>	Software <i>RMB'000</i>	Total <i>RMB'000</i>
1 January 2021	4,022,154	1,941,970	235,198	6,199,322
Acquisition of intangible assets	-	-	68,417	68,417
Disposal of intangible assets (Note 44)	-	564,773	95	564,868
1 December 2021	4,022,154	2,506,743	303,710	6,832,607
1 January 2020	1,835,031	246,949	68,667	2,150,647
Acquisition of intangible assets	164,411	87,610	19,185	271,206
1 December 2020	1,999,442	334,559	87,852	2,421,853
1 January 2020	2,022,712	2,172,184	215,858	4,410,754
1 January 2021	2,100,120	1,000,021	100,000	3,200,141

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

19. INTANGIBLE ASSETS (continued)

Notes:

- (i) 於2020年12月31日，本集團的無形資產包括以下各項：
- | | 2020 | 2019 |
|--------|---------|---------|
| | RMB'000 | RMB'000 |
| 商標 | 124,194 | 123,111 |
| 專利 | 65,855 | 65,855 |
| 其他無形資產 | 190,049 | 190,049 |
| 總計 | 380,098 | 379,015 |
- (ii) 本集團的無形資產均為非同一控制下企業合併所產生的商標、專利等。本集團的無形資產均為非同一控制下企業合併所產生的商標、專利等。本集團的無形資產均為非同一控制下企業合併所產生的商標、專利等。
- (iii) 本集團的無形資產均為非同一控制下企業合併所產生的商標、專利等。本集團的無形資產均為非同一控制下企業合併所產生的商標、專利等。本集團的無形資產均為非同一控制下企業合併所產生的商標、專利等。

20. GOODWILL

	At 31 December	
	2020 RMB'000	2019 RMB'000
商標	124,194	123,111
專利	65,855	65,855
其他無形資產	190,049	190,049
總計	380,098	379,015

本集團的無形資產均為非同一控制下企業合併所產生的商標、專利等。本集團的無形資產均為非同一控制下企業合併所產生的商標、專利等。本集團的無形資產均為非同一控制下企業合併所產生的商標、專利等。

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

21. IMPAIRMENT TESTING ON GOODWILL

The Group's goodwill is allocated to cash generating units ("CGUs") for the purpose of impairment testing. The carrying amount of goodwill at the end of 2020 is RMB1,360,644,000 (2019: RMB1,368,692,000).

The Group's goodwill is tested for impairment at least annually, or more frequently if there are indicators that goodwill may be impaired. The test is performed by comparing the carrying amount of the cash generating unit with its recoverable amount.

The recoverable amount is the maximum of the fair value less costs of disposal and the value in use. The value in use is determined by discounting the expected future cash flows that are expected to be generated by the cash generating unit.

The Group's goodwill is tested for impairment at least annually, or more frequently if there are indicators that goodwill may be impaired. The test is performed by comparing the carrying amount of the cash generating unit with its recoverable amount. The recoverable amount is the maximum of the fair value less costs of disposal and the value in use. The value in use is determined by discounting the expected future cash flows that are expected to be generated by the cash generating unit. The discount rate used for the purpose of the impairment testing is 10.1% (2019: 10.1%). The carrying amount of goodwill is RMB1,360,644,000 (2019: RMB1,368,692,000). The recoverable amount is RMB1,360,644,000 (2019: RMB1,368,692,000). The impairment loss is RMB0 (2019: RMB0).

The Group's goodwill is tested for impairment at least annually, or more frequently if there are indicators that goodwill may be impaired. The test is performed by comparing the carrying amount of the cash generating unit with its recoverable amount. The recoverable amount is the maximum of the fair value less costs of disposal and the value in use. The value in use is determined by discounting the expected future cash flows that are expected to be generated by the cash generating unit. The discount rate used for the purpose of the impairment testing is 10.1% (2019: 10.1%). The carrying amount of goodwill is RMB1,360,644,000 (2019: RMB1,368,692,000). The recoverable amount is RMB1,360,644,000 (2019: RMB1,368,692,000). The impairment loss is RMB0 (2019: RMB0).

The Group's goodwill is tested for impairment at least annually, or more frequently if there are indicators that goodwill may be impaired. The test is performed by comparing the carrying amount of the cash generating unit with its recoverable amount. The recoverable amount is the maximum of the fair value less costs of disposal and the value in use. The value in use is determined by discounting the expected future cash flows that are expected to be generated by the cash generating unit. The discount rate used for the purpose of the impairment testing is 10.1% (2019: 10.1%). The carrying amount of goodwill is RMB1,360,644,000 (2019: RMB1,368,692,000). The recoverable amount is RMB1,360,644,000 (2019: RMB1,368,692,000). The impairment loss is RMB0 (2019: RMB0).

22. INVESTMENTS IN ASSOCIATES/LOANS TO ASSOCIATES

(a) Investments in associates

	At 31 December	
	2020 RMB'000	2019 RMB'000
Investments in associates	2,166,556	2,166,556
Loans to associates	1,360,644 (8,692)	1,161,864
	3,518,508	2,028,420

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

22. INVESTMENTS IN ASSOCIATES/LOANS TO ASSOCIATES (continued)

(a) Investments in associates (continued)

Name of associate	Paid up registered capital	Equity interest attributable to the Group		Proportion of voting rights held by the Group		Principal activities
		At 31 December		At 31 December		
		2020	201	2020	201	
北京京能國際能源股份有限公司 (北京京能國際能源股份有限公司)* (附錄三第 10 頁)	1,000,000,000	20%	20%	20%	20%	電力生產及供應
北京京能國際能源股份有限公司 (北京京能國際能源股份有限公司)* (附錄三第 10 頁) (note)	1,000,000,000	20%	2%	20%	2%	電力生產及供應
全州柳鋪水電有限公司 (柳州柳鋪水電有限公司)* (柳州柳鋪水電有限公司)	12,000,000	40%	0%	40%	0%	電力生產及供應
北京市天銀地熱開發有限責任公司 (北京天銀地熱開發有限公司)* (附錄三第 10 頁)	10,000,000	50%	0%	50%	0%	地熱開發及供應

* 附屬公司之詳情請參閱附錄三第 10 頁。

Note:

附屬公司之詳情請參閱附錄三第 10 頁。附屬公司之詳情請參閱附錄三第 10 頁。附屬公司之詳情請參閱附錄三第 10 頁。

於 2019 年 12 月 31 日，本集團持有北京京能國際能源股份有限公司 (北京京能國際能源股份有限公司) 20% 之股權，並持有北京京能國際能源股份有限公司 (北京京能國際能源股份有限公司) 2% 之股權。北京京能國際能源股份有限公司 (北京京能國際能源股份有限公司) 於 2019 年 12 月 31 日之資產淨值為 1,222 億元。

於 2020 年 12 月 31 日，本集團持有北京京能國際能源股份有限公司 (北京京能國際能源股份有限公司) 20% 之股權，並持有北京京能國際能源股份有限公司 (北京京能國際能源股份有限公司) 2% 之股權。北京京能國際能源股份有限公司 (北京京能國際能源股份有限公司) 於 2020 年 12 月 31 日之資產淨值為 1,222 億元。

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

22. INVESTMENTS IN ASSOCIATES/LOANS TO ASSOCIATES (continued)

(b) Loans to associates

	At 31 December	
	2020 RMB'000	2019 RMB'000
Loans to associates	117,000	1,000

At 31 December 2020, the loans to associates are denominated in RMB (2019: US\$). The loans to associates are unsecured, interest-free and have a term of 1 year (2019: 1 year). The loans to associates are classified as non-current assets as the repayment period exceeds 12 months (2019: 12 months).

(c) Summarised financial information of material associates

The following table provides a summary of the financial information of the material associates of the Group. The financial information is presented in the same format as the consolidated financial statements of the Group. The financial information is presented in RMB'000 unless otherwise specified.

Jingneng International	At 31 December	
	2020 RMB'000	2019 RMB'000
Assets	70,817,506	70,817,506
Liabilities	9,607,145	9,607,145
Equity	30,848,341	30,848,341
Income	18,420,223	18,420,223
Expenses	19,522,045	19,522,045
Net income	1,517,348	1,517,348

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Income	20,070,422	20,070,422
Expenses	1,690,672	1,690,672
Net income	1,150,008	1,150,008
Other comprehensive income	22,442	22,442
Net change in equity	-	-

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

22. INVESTMENTS IN ASSOCIATES/LOANS TO ASSOCIATES (continued)

(c) Summarised financial information of material associates (continued)

	At 31 December 2020 RMB'000
Investment in associates	6,979,721
Share of profit of associates	20%
Share of profit of associates	1,395,944
	<u>1,395,944</u>

(d) Aggregate information of associates that are not individually material:

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Share of profit of associates	2,401	,0
Share of profit of associates	63,955	1,

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

23. INVESTMENT IN A JOINT VENTURE/LOANS TO A JOINT VENTURE

(a) Investment in a joint venture

	At 31 December	
	2020 RMB'000	201 RMB'000
Investment in Beijing Huayuan Huanbao Technology Co., Ltd. (100%)	152,500	12,000
Less: Investment in Beijing Huayuan Huanbao Technology Co., Ltd. (100%)	(21,596)	
	130,904	12,000

The investment in Beijing Huayuan Huanbao Technology Co., Ltd. is measured at cost less impairment. The investment in Beijing Huayuan Huanbao Technology Co., Ltd. is measured at cost less impairment.

Name of the joint venture	Paid up registered capital	Equity interest attributable to the Group		Proportion of voting rights held by the Group		Principal activity
		At 31 December		At 31 December		
		2020	201	2020	201	
北京華源惠眾環保科技有限 公司 (100%)	1,000,000	50%	0%	50%	0%	Water treatment and environmental protection technology services

(b) Loans to a joint venture

	At 31 December	
	2020 RMB'000	201 RMB'000
Loans to Beijing Huayuan Huanbao Technology Co., Ltd.	70,000	0

The loans to Beijing Huayuan Huanbao Technology Co., Ltd. are measured at cost less impairment. The loans to Beijing Huayuan Huanbao Technology Co., Ltd. are measured at cost less impairment.

The loans to Beijing Huayuan Huanbao Technology Co., Ltd. are measured at cost less impairment. The loans to Beijing Huayuan Huanbao Technology Co., Ltd. are measured at cost less impairment.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

24. DEFERRED TAXATION

	Deferred tax assets and liabilities											
	As at 31 December 2020 and 2019											
	Tax loss	Impairment loss of financial asset	Temporary differences on fair value adjustments in acquisition of subsidiaries	Fair value change of equity instruments at FVTOCI	Trial run profit	Deferred income related to clean energy production	Different depreciation rate	Trial run loss	Fair value change of financial assets at FVTPL	Derivative financial instruments	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
			(Note (c))		(Note (a))	(Note (b))		(Note (a))				
1 January 2019	1,000	-	(1,000)	(2,000)	1,000	1,000	(1,000)	(2,000)	1,000	2,000	1,000	10,000
Exchange differences	(11,000)	1,000	-	-	2,000	1,000	(1,000)	2,000	-	-	10,200	-
Provision for doubtful accounts	-	-	-	(1,000)	-	-	-	-	-	(22,000)	-	(23,000)
Goodwill impairment (Note 44)	-	-	(11,210)	-	-	-	-	-	-	-	-	(11,210)
Other adjustments	1,000	-	-	-	-	-	(1,200)	-	-	2,100	1,000	2,900
31 December 2019	41,642	5,628	(24,306)	(3,571)	113,767	78,258	(96,376)	(48,428)	14,432	28,323	21,124	130,493
Exchange differences	(4,512)	962	1,486	-	(564)	(23,967)	(12,713)	4,683	8,389	390	2,116	(23,730)
Provision for doubtful accounts	-	-	-	3,851	-	-	-	-	-	(7,569)	-	(3,718)
Goodwill impairment (Note 44)	-	-	416	-	-	-	-	-	-	-	-	416
Other adjustments	(410)	-	-	-	-	-	(3,079)	-	(1,320)	3,657	180	(972)
31 December 2020	36,720	6,590	(22,404)	280	113,203	54,291	(112,168)	(43,745)	21,501	24,801	23,420	102,489

Notes:

- (a) The trial run profit is related to the trial run production of clean energy. The trial run profit is calculated as the difference between the trial run production of clean energy and the trial run production of clean energy multiplied by the trial run production rate. The trial run profit is recorded in the consolidated income statement as other income.
- (b) The different depreciation rate is related to the different depreciation rate of the assets. The different depreciation rate is calculated as the difference between the depreciation rate of the assets and the depreciation rate multiplied by the depreciation rate. The different depreciation rate is recorded in the consolidated income statement as other income.
- (c) The temporary differences on fair value adjustments in acquisition of subsidiaries are related to the temporary differences on fair value adjustments in acquisition of subsidiaries. The temporary differences on fair value adjustments in acquisition of subsidiaries are recorded in the consolidated income statement as other income.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

24. DEFERRED TAXATION (continued)

At 31 December 2020, the Group has unrecognized tax benefits of RMB296,104 thousand (2019: RMB2,000 thousand) and RMB(193,615) thousand (2019: RMB(1,110) thousand) respectively, which are expected to be realized in the future.

	At 31 December	
	2020 RMB'000	2019 RMB'000
Deferred tax assets	296,104	2,000
Deferred tax liabilities	(193,615)	(1,110)
	102,489	1,000

At 31 December 2020, the Group has unrecognized tax benefits of RMB1,059,276 thousand (2019: RMB1,000,200 thousand) and RMB119,521 thousand (2019: RMB119,521 thousand) respectively, which are expected to be realized in the future.

	At 31 December	
	2020 RMB'000	2019 RMB'000
Deferred tax assets	1,059,276	1,000,200
Deferred tax liabilities	119,521	
	1,178,797	1,000,200

At 31 December 2020, the Group has unrecognized tax benefits of RMB1,059,276 thousand (2019: RMB1,000,200 thousand) and RMB119,521 thousand (2019: RMB119,521 thousand) respectively, which are expected to be realized in the future.

In 2020, the Group has recognized tax benefits of RMB102,489 thousand (2019: RMB1,000 thousand), which are expected to be realized in the future. In 2020, the Group has recognized tax benefits of RMB119,521 thousand (2019: RMB119,521 thousand), which are expected to be realized in the future.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

24. DEFERRED TAXATION (continued)

As at 31 December 2020, the Company has the following deferred taxation:

	At 31 December	
	2020 RMB'000	2019 RMB'000
2020	–	2,011
2021	155,499	1,000
2022	174,589	1,000
202	163,986	1,000
202	269,856	2,000
202	255,043	
	1,018,973	1,000,011

25. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	At 31 December	
	2020 RMB'000	2019 RMB'000
Equity instruments at fair value through other comprehensive income	66,911	12,100

The Company's equity instruments at fair value through other comprehensive income are primarily investments in equity instruments of other companies. The fair value of these equity instruments is determined based on the closing price of the equity instruments in the stock exchange at the reporting date. The changes in the fair value of these equity instruments are recognized in other comprehensive income.

At 31 December 2020, the fair value of equity instruments at fair value through other comprehensive income is RMB66,911 thousand, of which RMB22,000 thousand is held by the Company and RMB44,911 thousand is held by the subsidiaries. At 31 December 2019, the fair value of equity instruments at fair value through other comprehensive income is RMB12,100 thousand, of which RMB12,100 thousand is held by the Company and RMB0 thousand is held by the subsidiaries.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

26. INVENTORIES

At 31 December 2020, inventories are stated at the lower of cost and net realizable value. Cost is determined on the first-in, first-out basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs of disposal. Inventories are measured at the lower of cost and net realizable value. At 31 December 2020, there was no provision for slow-moving or obsolete inventories.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

27. TRADE AND BILLS RECEIVABLES (continued)

As at 31 December 2020, the carrying amount of trade and bills receivables is RMB1,463,778,000 (2019: RMB1,463,778,000). The carrying amount of trade and bills receivables is measured at amortised cost less impairment. The carrying amount of trade and bills receivables is classified as follows:

As at 31 December 2020, the carrying amount of trade receivables is RMB1,463,778,000 (2019: RMB1,463,778,000). The carrying amount of trade receivables is measured at amortised cost less impairment. The carrying amount of trade receivables is classified as follows:

As at 31 December 2020, the carrying amount of bills receivables is RMB0 (2019: RMB0). The carrying amount of bills receivables is measured at amortised cost less impairment. The carrying amount of bills receivables is classified as follows:

As at 31 December 2020, the carrying amount of bills receivables is RMB0 (2019: RMB0). The carrying amount of bills receivables is measured at amortised cost less impairment. The carrying amount of bills receivables is classified as follows:

As at 31 December 2020, the carrying amount of bills receivables is RMB0 (2019: RMB0). The carrying amount of bills receivables is measured at amortised cost less impairment. The carrying amount of bills receivables is classified as follows:

As at 31 December 2020, the carrying amount of bills receivables is RMB0 (2019: RMB0). The carrying amount of bills receivables is measured at amortised cost less impairment. The carrying amount of bills receivables is classified as follows:

28. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	At 31 December	
	2020 RMB'000	2019 RMB'000
Other receivables	80,340	0
Deposits	342,554	1,000
Prepayments	65,662	121,100
	488,556	122,100
Less: Impairment	(24,778)	(0)
	463,778	122,100

As at 31 December 2020, the carrying amount of other receivables, deposits and prepayments is RMB463,778,000 (2019: RMB122,100,000).

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

29. VALUE-ADDED TAX RECOVERABLE

	At 31 December	
	2020 RMB'000	201 RMB'000
Value-added tax recoverable	469,666	,0
Value-added tax receivable	1,114,305	10,0
	1,583,971	1,200,000

The value-added tax recoverable represents the amount of value-added tax that the Group is entitled to recover from the tax authorities. The value-added tax receivable represents the amount of value-added tax that the Group is entitled to recover from the tax authorities. The value-added tax recoverable and receivable are classified as non-current assets in the consolidated balance sheet.

30. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

	At 31 December	
	2020 RMB'000	201 RMB'000
Financial asset at fair value through profit or loss (Note)	196,043	200,000

Note:

The financial asset at fair value through profit or loss represents the amount of financial assets that the Group is holding at fair value through profit or loss. The financial asset at fair value through profit or loss is classified as non-current assets in the consolidated balance sheet.

The financial asset at fair value through profit or loss represents the amount of financial assets that the Group is holding at fair value through profit or loss.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

31. RESTRICTED BANK DEPOSITS

	At 31 December	
	2020 RMB'000	2019 RMB'000
人民币定期存款	4,577	1,200
人民币活期存款	50,787	1,200
	55,364	2,400

12月31日, 2020年, 人民币定期存款由2019年12月31日的1,200,000元增加至4,577,000元, 主要是由2019年12月31日的1,200,000元增加至4,577,000元。

12月31日, 2020年, 人民币活期存款由2019年12月31日的1,200,000元增加至50,787,000元, 主要是由2019年12月31日的1,200,000元增加至50,787,000元。

12月31日, 2020年, 人民币定期存款由2019年12月31日的1,200,000元增加至4,577,000元, 主要是由2019年12月31日的1,200,000元增加至4,577,000元。

32. CASH AND CASH EQUIVALENTS

人民币定期存款

	At 31 December	
	2020 RMB'000	2019 RMB'000
人民币定期存款	573,697	2,100
人民币活期存款	371,834	1,200
美元定期存款 (— \$)	453,897	1,200
美元活期存款 (— \$)	5,139	1,200
人民币定期存款	2,892,859	1,200
人民币活期存款	24	1,200
	4,297,450	5,000,110

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

32. CASH AND CASH EQUIVALENTS (continued)

The carrying amount of cash and cash equivalents is denominated in RMB, USD, HKD, EUR, AUD, NZD, GBP, JPY, KRW, THB, MYR, SGD, HK\$ and other currencies. The carrying amount of cash and cash equivalents is denominated in RMB, USD, HKD, EUR, AUD, NZD, GBP, JPY, KRW, THB, MYR, SGD, HK\$ and other currencies. The carrying amount of cash and cash equivalents is denominated in RMB, USD, HKD, EUR, AUD, NZD, GBP, JPY, KRW, THB, MYR, SGD, HK\$ and other currencies.

The carrying amount of cash and cash equivalents is denominated in RMB, USD, HKD, EUR, AUD, NZD, GBP, JPY, KRW, THB, MYR, SGD, HK\$ and other currencies. The carrying amount of cash and cash equivalents is denominated in RMB, USD, HKD, EUR, AUD, NZD, GBP, JPY, KRW, THB, MYR, SGD, HK\$ and other currencies.

	At 31 December	
	2020	2019
	0.01% to 1.55%	0.01% to 1.55%

33. TRADE AND OTHER PAYABLES

	At 31 December	
	2020 RMB'000	2019 RMB'000
	2,384,450	2,202,020
	1,601,100	1,000,000
	446,166	1,000,000
	20,000	
	103,870	10,000
	164,689	1,000,000
	-	1,100,000
	338,714	1,000,000
	5,058,989	5,000,000

The carrying amount of trade and other payables is denominated in RMB, USD, HKD, EUR, AUD, NZD, GBP, JPY, KRW, THB, MYR, SGD, HK\$ and other currencies. The carrying amount of trade and other payables is denominated in RMB, USD, HKD, EUR, AUD, NZD, GBP, JPY, KRW, THB, MYR, SGD, HK\$ and other currencies.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

33. TRADE AND OTHER PAYABLES (continued)

At 31 December 2020, the carrying amount of trade payables was RMB1,676,193 thousand (2019: RMB2,000,000 thousand), of which RMB1,676,193 thousand (2019: RMB2,000,000 thousand) were due within one year.

	At 31 December	
	2020 RMB'000	2019 RMB'000
Trade payables	1,676,193	2,000,000
Other payables	563,194	1,000,000
Contract liabilities	115,688	-
Other	37,516	11,120
Total	11,859	1,011,120
	2,404,450	2,222,120

At 31 December 2020, the carrying amount of other payables was RMB563,194 thousand (2019: RMB1,000,000 thousand), of which RMB563,194 thousand (2019: RMB1,000,000 thousand) were due within one year.

	At 31 December	
	2020 RMB'000	2019 RMB'000
Contract liabilities	25,307	10,000

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

34. BANK AND OTHER BORROWINGS

	At 31 December	
	2020 RMB'000	2019 RMB'000
Bank borrowings	19,405,925	1,110,000
Other borrowings (note (a))	3,142,250	1,000,000
Guaranteed bank borrowings (note (b))	220,000	20,000
Guaranteed bank borrowings (note (c))	445,665	1,200,000
Guaranteed bank borrowings (note (d))	750	0
	23,214,590	1,220,000
Bank borrowings	21,505,281	1,200,000
Other borrowings (note (e))	1,709,309	1,000,000
	23,214,590	1,200,000
Bank borrowings	12,318,322	0
Other borrowings	2,457,544	0
Guaranteed bank borrowings	5,184,929	0
Guaranteed bank borrowings	3,253,795	1,200,000
	23,214,590	1,200,000
Guaranteed bank borrowings	(12,318,322)	(0)
	10,896,268	11,000,000

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

34. BANK AND OTHER BORROWINGS (continued)

Notes:

- (i) 於2020年12月31日，本集團有短期銀行借款人民幣1,220,000,000 (2019年12月31日：人民幣1,000,000,000)，其中短期銀行借款的利率為10.00%。於2021年12月31日，本集團有短期銀行借款人民幣1,000,000,000 (2020年12月31日：人民幣1,220,000,000)。
- (ii) 於2020年12月31日，本集團有短期銀行借款人民幣1,000,000,000 (2019年12月31日：人民幣200,000,000) 由北京京西發電有限責任公司 (Beijing Jingxi Power Co., Ltd.) (「京西」) 提供，利率為10.00% (2019年12月31日：10.00%)。於2021年12月31日，本集團有短期銀行借款人民幣1,000,000,000 (2020年12月31日：人民幣1,000,000,000)，其中短期銀行借款的利率為12% (2020年12月31日：12%)。於2020年12月31日，本集團有短期銀行借款人民幣10,000,000 (2019年12月31日：人民幣2,000,000)。
- (iii) 於2020年12月31日，本集團有短期銀行借款人民幣1,000,000,000 (2019年12月31日：人民幣1,000,000,000) 由光大金融租賃股份有限公司 (Guangda Financial Leasing Co., Ltd.) (「光大」) 提供，利率為10.00% (2019年12月31日：10.00%)。
- (iv) 於2020年12月31日，本集團有短期銀行借款人民幣200,000,000 (2019年12月31日：人民幣0,000,000) 由中國農發重點建設基金有限公司 (China National Agricultural Development Fund Co., Ltd.) (「農發」) 提供，利率為1.1% (2019年12月31日：2.00%)。於2021年12月31日，本集團有短期銀行借款人民幣200,000,000 (2020年12月31日：人民幣200,000,000)。
- (v) 於2020年12月31日，本集團有短期銀行借款人民幣10,000,000 (2019年12月31日：人民幣10,000,000) 由中國農發重點建設基金有限公司 (China National Agricultural Development Fund Co., Ltd.) (「農發」) 提供，利率為0.0% (2019年12月31日：0.0%)。於2021年12月31日，本集團有短期銀行借款人民幣10,000,000 (2020年12月31日：人民幣10,000,000) 由北京上莊燃氣熱電有限公司 (Beijing Shangzhuang Gas Thermal Power Co., Ltd.) (「上莊」) 提供，利率為0.0% (2019年12月31日：0.0%)。於2020年12月31日，本集團有短期銀行借款人民幣10,000,000 (2019年12月31日：人民幣10,000,000) 由北京上莊燃氣熱電有限公司 (Beijing Shangzhuang Gas Thermal Power Co., Ltd.) (「上莊」) 提供，利率為0.0% (2019年12月31日：0.0%)。於2021年12月31日，本集團有短期銀行借款人民幣10,000,000 (2020年12月31日：人民幣10,000,000) 由北京上莊燃氣熱電有限公司 (Beijing Shangzhuang Gas Thermal Power Co., Ltd.) (「上莊」) 提供，利率為0.0% (2019年12月31日：0.0%)。

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

34. BANK AND OTHER BORROWINGS (continued)

Notes: (continued)

- () ... % ... 2021. ... 0,000. ... 1 ... 2020 (201 ... 0,000).
- () ... 1, ...
- () ... 北京京能新能源有限公司

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

35. SHORT-TERM DEBENTURES

1 月 2020, 銀行間市場交易商協會(銀行間市場交易商協會) 2,000,000,000
1.0%, 2021.

11 月 2020, 銀行間市場交易商協會(銀行間市場交易商協會) 2,000,000,000
2.0%, 2021.

2 月 2020, 銀行間市場交易商協會(銀行間市場交易商協會) 2,000,000,000
1.0%, 2021.

1 月 2020, 銀行間市場交易商協會(銀行間市場交易商協會) 1,000,000,000
2.0%, 2021.

銀行間市場交易商協會(銀行間市場交易商協會)

36. MEDIUM-TERM NOTES/CORPORATE BONDS

1 月 201, 銀行間市場交易商協會(銀行間市場交易商協會) 2,000,000,000.
0% 2022.

1 月 201, 銀行間市場交易商協會(銀行間市場交易商協會) 1,000,000,000.
1% 202.

1 月 2020, 銀行間市場交易商協會(銀行間市場交易商協會) 1,000,000,000.
2% 202.

1 月 201, 銀行間市場交易商協會(銀行間市場交易商協會) 1,000,000,000.
% 2022.

1 月 2020, 銀行間市場交易商協會(銀行間市場交易商協會) 1,000,000,000.
000,000 0.22% 202.
000,000 2.0% 202.
1 月 202 1 月 202

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

37. DERIVATIVE FINANCIAL ASSET/LIABILITIES

		At 31 December	
		2020	2019
		RMB'000	RMB'000
Interest rate swaps	(note (a))	–	–
Cash flow hedges – Interest rate swaps	(note (a))	(21,068)	(10,000)
Cash flow hedges – Foreign exchange rate swaps	(note (b))	(43,510)	(1,000)
		(64,578)	(1,000)
Net investment hedges			
– US dollar		(19,576)	(1,000)
– Euro		(45,002)	(2,000)
		(64,578)	(1,000)

Notes:

(a) Cash flow hedges – Interest rate swaps

The interest rate swaps are entered into to hedge the interest rate risk of the underlying assets and liabilities. The interest rate swaps are classified as cash flow hedges as they are used to hedge the interest rate risk of the underlying assets and liabilities.

The interest rate swaps are entered into to hedge the interest rate risk of the underlying assets and liabilities. The interest rate swaps are classified as cash flow hedges as they are used to hedge the interest rate risk of the underlying assets and liabilities.

The interest rate swaps are entered into to hedge the interest rate risk of the underlying assets and liabilities. The interest rate swaps are classified as cash flow hedges as they are used to hedge the interest rate risk of the underlying assets and liabilities.

At 31 December 2020

Notional amount	Maturity	Swaps
– \$10,000,000 (RMB'000) (2,100,000)	1 year to 2022	Interest rate swaps with a notional amount of \$10,000,000, a fixed rate of 4.0% and a floating rate of 1.0% plus 2.1%
– \$1,200,000,000 (RMB'000) (1,100,000,000)	21 months to 2021	Interest rate swaps with a notional amount of \$1,200,000,000, a fixed rate of 4.0% and a floating rate of 1.0% plus 0.20%

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

37. DERIVATIVE FINANCIAL ASSET/LIABILITIES (continued)

Notes: (continued)

(a) Cash flow hedges – Interest rate swaps (continued)

1 January 201

Notional amount	Maturity	Swaps
– \$1,100,000 (€ U.S. dollars (€ 200,000))	21 January 2020	Interest rate swap with a notional amount of \$1,100,000 (€ 200,000) and a fixed rate of 1.0% and a floating rate of 2.0%.
– \$200,000,000 (€ U.S. dollars (€ 1,200,000))	21 July 2021	Interest rate swap with a notional amount of \$200,000,000 (€ 1,200,000) and a fixed rate of 1.0% and a floating rate of 1.0%.
– \$1,200,000,000 (€ U.S. dollars (€ 1,120,000))	21 July 2021	Interest rate swap with a notional amount of \$1,200,000,000 (€ 1,120,000) and a fixed rate of 1.0% and a floating rate of 0.20%.

(b) Fixed forward commodity contract

On 10 January 2019, the Company entered into a fixed forward commodity contract (the "Contract") with a notional amount of \$1,000,000 (€ 1,000,000) for the period from 10 January 2019 to 10 January 2020. The Contract is a contract to purchase a certain amount of coal at a fixed price of \$0.2 per unit (€ 0.2) and a floating price of 2.0% per unit. The Contract is classified as a derivative financial asset/liability because it meets the definition of a derivative financial asset/liability in accordance with IAS 32.

The Contract is classified as a derivative financial asset/liability because it meets the definition of a derivative financial asset/liability in accordance with IAS 32.

Notional amount	Maturity	Fixed prices
– \$1,000,000 (€ 1,000,000)	10 January 2020	Fixed price of \$0.2 per unit (€ 0.2) and a floating price of 2.0% per unit.

The Contract is classified as a derivative financial asset/liability because it meets the definition of a derivative financial asset/liability in accordance with IAS 32.

On 11 July 2019, the Company entered into a fixed forward commodity contract (the "Contract") with a notional amount of \$1,000,000 (€ 1,000,000) for the period from 11 July 2019 to 11 July 2020. The Contract is a contract to purchase a certain amount of coal at a fixed price of \$0.2 per unit (€ 0.2) and a floating price of 2.0% per unit. The Contract is classified as a derivative financial asset/liability because it meets the definition of a derivative financial asset/liability in accordance with IAS 32.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

38. DEFERRED INCOME

	Government grants and subsidies		
	Clean energy production RMB'000 (note (a))	Construction of assets RMB'000 (notes (b) and (c))	Total RMB'000
1 January 201	0,000	2,000	2,000
Income	10,000	1,000	11,000
Expenses	(101,000)	(2,000)	(103,000)
1 January 201	313,033	485,258	798,291
Income	341,711	3,035	344,746
Expenses	(426,408)	(52,482)	(478,890)
1 January 2020	228,336	435,811	664,147

Notes:

- (a) Government grants are recognized in the consolidated income statement when the entity can reliably measure the amount of the grant and it is probable that the grant will be received. Government grants are recognized in the consolidated income statement when the entity can reliably measure the amount of the grant and it is probable that the grant will be received.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

39. LEASE LIABILITIES

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Lease liabilities at the beginning of the year	64,659	1,000
Lease liabilities arising from new lease contracts	85,796	2,020
Lease liabilities arising from lease contracts modified	180,985	2,000
Lease liabilities arising from lease contracts terminated	569,555	—
Lease liabilities arising from lease contracts terminated	900,995	—
Lease liabilities at the end of the year	(64,659)	(1,000)
Lease liabilities at the end of the year	836,336	—

The weighted average discount rate used to determine the present value of lease liabilities is 2.0% (2019: 2.0%).

40. OTHER NON-CURRENT LIABILITY

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Other non-current liability at the beginning of the year	24,285	1,000
Other non-current liability arising from new contracts	(5,277)	(1,000)
Other non-current liability arising from contracts modified	394	(1,000)
Other non-current liability at the end of the year	19,402	2,000

The weighted average discount rate used to determine the present value of other non-current liability is 2.0% (2019: 2.0%).

Business Combinations. The Company has completed several business combinations during the reporting period. The details of these business combinations are as follows:

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

41. SHARE CAPITAL

	Number of shares			Share capital RMB'000
	Domestic legal person shares '000	H shares '000	Total '000	
1 January 2019	1,111	2,200	3,311	3,311
2020	1,111	2,200	3,311	3,311

42. CAPITAL RESERVE

	At 31 December	
	2020 RMB'000	2019 RMB'000
Capital reserve	2,876,757	2,876,757
Reserve for share repurchase	(19,043)	(19,043)
Share repurchase	1,076,759	1,076,759

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

43. PERPETUAL NOTES

於2020年12月31日，本公司發行總額為人民幣1,000,000,000.00元的永續中票，其中已發行金額為人民幣1,000,000,000.00元。該項永續中票的期限為10年，票面利率為4.50%。

該項永續中票的發行所得款項將用於償還本公司到期債務及補充本公司營運資金。該項永續中票的發行將增加本公司負債總額，並增加本公司資本負債比率。該項永續中票的發行將不會對本公司資產負債表的總額產生影響。該項永續中票的發行將不會對本公司股東權益產生影響。該項永續中票的發行將不會對本公司現金及現金等價物產生影響。該項永續中票的發行將不會對本公司經營活動產生的現金及現金等價物產生影響。該項永續中票的發行將不會對本公司投資活動產生的現金及現金等價物產生影響。該項永續中票的發行將不會對本公司籌資活動產生的現金及現金等價物產生影響。

該項永續中票的發行將不會對本公司資產負債表的總額產生影響。該項永續中票的發行將不會對本公司股東權益產生影響。該項永續中票的發行將不會對本公司現金及現金等價物產生影響。該項永續中票的發行將不會對本公司經營活動產生的現金及現金等價物產生影響。該項永續中票的發行將不會對本公司投資活動產生的現金及現金等價物產生影響。該項永續中票的發行將不會對本公司籌資活動產生的現金及現金等價物產生影響。

於2020年12月31日，該項永續中票的賬面價值為人民幣1,000,000,000.00元。該項永續中票的賬面價值與其發行所得款項相等。該項永續中票的賬面價值與其發行所得款項相等。該項永續中票的賬面價值與其發行所得款項相等。該項永續中票的賬面價值與其發行所得款項相等。該項永續中票的賬面價值與其發行所得款項相等。該項永續中票的賬面價值與其發行所得款項相等。

該項永續中票的發行將不會對本公司資產負債表的總額產生影響。該項永續中票的發行將不會對本公司股東權益產生影響。該項永續中票的發行將不會對本公司現金及現金等價物產生影響。該項永續中票的發行將不會對本公司經營活動產生的現金及現金等價物產生影響。該項永續中票的發行將不會對本公司投資活動產生的現金及現金等價物產生影響。該項永續中票的發行將不會對本公司籌資活動產生的現金及現金等價物產生影響。

於2020年12月31日，該項永續中票的賬面價值為人民幣1,000,000,000.00元。該項永續中票的賬面價值與其發行所得款項相等。該項永續中票的賬面價值與其發行所得款項相等。該項永續中票的賬面價值與其發行所得款項相等。該項永續中票的賬面價值與其發行所得款項相等。該項永續中票的賬面價值與其發行所得款項相等。

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

44. ACQUISITION OF SUBSIDIARIES

Year ended 31 December 2020

During the year, the Group has acquired subsidiaries, details of which are set out below.

On 1 June 2020, the Group acquired 100% of the equity interest of 義縣珈煜光伏電力有限公司 (Yixian Jiayu Photovoltaic Power Co., Ltd.) (the "Target") for a consideration of RMB15,361,000. The Target is a wholly-owned subsidiary of the Group. The Target is engaged in the production and sale of solar panels. The Target's financial statements are prepared in accordance with the accounting standards of the People's Republic of China ("PRC").

Name of the Targets	Acquisition date	Acquisition consideration RMB'000
義縣珈煜光伏電力有限公司 (義縣珈煜光伏電力有限公司)*	29 June 2020	15,361
寧夏杉陽新能源有限公司 (寧夏杉陽新能源有限公司)*	28 August 2020	—**
寧夏同心大地日盛新能源有限公司 (寧夏同心大地日盛新能源有限公司)*	17 July 2020	3,022
湛江市鼎瑞太陽能發電有限公司 (湛江市鼎瑞太陽能發電有限公司)*	11 December 2020	15,800
		<u>34,183</u>

* The acquisition of the subsidiaries is subject to the approval of the relevant government authorities.

** The acquisition of the subsidiary is subject to the approval of the relevant government authorities.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

44. ACQUISITION OF SUBSIDIARIES (continued)

Year ended 31 December 2020 (continued)

	RMB'000
Assets acquired and liabilities recognised at the dates of acquisition	
Identifiable intangible assets	1,346,528
Goodwill	108,892
Property, plant and equipment	564,868
Prepaid expenses	2,609
Investment in subsidiaries	380,311
Investment in associates	16,514
Financial assets at fair value through profit or loss	195,744
Trade receivables	38,908
Trade payables	(2,060,603)
Other payables	(380,950)
Other receivables	(25,145)
Other assets	(2,193)
Other liabilities	(249)
	185,234
Bargain purchase gain arising on acquisitions	
Identifiable intangible assets	34,183
Goodwill	(185,234)
	(151,051)
Identifiable intangible assets	34,183
Goodwill	(27,761)
Investment in subsidiaries	(38,908)
	(32,486)

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

44. ACQUISITION OF SUBSIDIARIES (continued)

Year ended 31 December 2020 (continued)

On 11 June 2020, the Group acquired 100% of the equity interest of a subsidiary, which is a company engaged in the provision of information technology services. The acquisition was completed on 11 June 2020. The purchase price was HK\$1,100,000, which was paid in cash.

The identifiable intangible assets acquired in the acquisition were software licenses with a useful life of 5 years. The fair value of the software licenses was determined by using the cost method. The fair value of the software licenses was HK\$2,000,000. The goodwill arising from the acquisition was HK\$1,220,000. The goodwill represents the expected synergies and the intangible assets that are not identifiable. The acquisition was accounted for as a business combination under common control.

The financial statements of the subsidiary for the year ended 31 December 2020 are included in the consolidated financial statements of the Group.

The following table shows the financial position of the subsidiary at the end of the reporting period:

Assets	Liabilities
HK\$1,100,000	HK\$1,100,000

The following table shows the financial performance of the subsidiary for the year ended 31 December 2020:

Revenue	Expenses	Profit
HK\$11,000,000	HK\$10,000,000	HK\$1,000,000

Year ended 31 December 2019

On 1 July 2019, the Group acquired 100% of the equity interest of a subsidiary, which is a company engaged in the provision of information technology services. The acquisition was completed on 1 July 2019. The purchase price was HK\$1,210,000, which was paid in cash. The identifiable intangible assets acquired in the acquisition were software licenses with a useful life of 5 years. The fair value of the software licenses was determined by using the cost method. The fair value of the software licenses was HK\$11,000,000. The goodwill arising from the acquisition was HK\$201,000. The goodwill represents the expected synergies and the intangible assets that are not identifiable. The acquisition was accounted for as a business combination under common control.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

44. ACQUISITION OF SUBSIDIARIES (continued)

Year ended 31 December 2019 (continued)

On 12 July 2019, the Group acquired 100% equity interest in Beijing Jingneng Clean Energy Co., Limited (the "Acquisition"). The Acquisition is a subsidiary of the Group. The Acquisition is a public company listed on the Shanghai Stock Exchange. The Acquisition is a clean energy company, which is engaged in the business of providing clean energy services. The Acquisition is a subsidiary of the Group. The Acquisition is a public company listed on the Shanghai Stock Exchange. The Acquisition is a clean energy company, which is engaged in the business of providing clean energy services.

RMB'000

Assets acquired and liabilities recognised at the dates of acquisition

Identifiable intangible assets	2, 210
Goodwill	2, 20
Identifiable intangible assets	,
Identifiable intangible assets	2, 0
Identifiable intangible assets	2, 2
Identifiable intangible assets	1, 0
Identifiable intangible assets	,
Identifiable intangible assets	(2, , 2)
Identifiable intangible assets	(1, , 0)
Identifiable intangible assets	(21, 1)
Identifiable intangible assets	(, 0)
Identifiable intangible assets	(11,21)
	<hr/>
Identifiable intangible assets	0, 0

Bargain purchase gain arising on acquisitions

Identifiable intangible assets	1,21
Identifiable intangible assets	(0, 0)
	<hr/>
	(11, 0)

Net cash outflow arising on acquisitions

Identifiable intangible assets	1,21
Identifiable intangible assets	(222,00)
Identifiable intangible assets	(,)
	<hr/>
	2, ,

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

44. ACQUISITION OF SUBSIDIARIES (continued)

Year ended 31 December 2019 (continued)

On 11 July 2019, the Group acquired 100% of the equity interest of a subsidiary, which is a wholly owned subsidiary of the Group, for a consideration of RMB1,000,000. The subsidiary is engaged in the business of providing information technology services. The acquisition is accounted for as an acquisition of a subsidiary under the acquisition method. The identifiable intangible assets acquired are valued at RMB2,120,000. The goodwill arising from the acquisition is RMB1,120,000.

The identifiable intangible assets acquired are valued at RMB2,120,000, which is based on the fair value of the intangible assets acquired. The fair value of the intangible assets acquired is determined by the Group's management based on the expected future cash flows of the intangible assets. The identifiable intangible assets acquired are valued at RMB2,120,000, which is based on the fair value of the intangible assets acquired. The fair value of the intangible assets acquired is determined by the Group's management based on the expected future cash flows of the intangible assets.

The identifiable intangible assets acquired are valued at RMB2,120,000, which is based on the fair value of the intangible assets acquired. The fair value of the intangible assets acquired is determined by the Group's management based on the expected future cash flows of the intangible assets.

The identifiable intangible assets acquired are valued at RMB2,120,000, which is based on the fair value of the intangible assets acquired. The fair value of the intangible assets acquired is determined by the Group's management based on the expected future cash flows of the intangible assets.

The identifiable intangible assets acquired are valued at RMB2,120,000, which is based on the fair value of the intangible assets acquired. The fair value of the intangible assets acquired is determined by the Group's management based on the expected future cash flows of the intangible assets.

45. CAPITAL COMMITMENTS

The Group has the following capital commitments:

	At 31 December	
	2020 RMB'000	2019 RMB'000
Capital commitments for the acquisition of subsidiaries	3,657,075	2,120,000
Capital commitments for the acquisition of subsidiaries (Note 22(a))	–	1,222,000
	3,657,075	3,342,000

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

46. PLEDGE OF ASSETS

(a) The following table shows the carrying amount of assets pledged to secure the Group's bank borrowings as at 31 December 2020 and 2019:

	At 31 December	
	2020 RMB'000	2019 RMB'000
Property, plant and equipment	2,353,117	1,022,111
Investment properties	135,878	21,000
Construction in progress	52,259	0
	2,541,254	1,043,111

(b) Shares pledged

As at 31 December 2020, the Group's bank borrowings are 100% secured by shares pledged to the banks. The carrying amount of the shares pledged to the banks is RMB1,043,111 thousand (2019: RMB1,043,111 thousand).

47. RETIREMENT BENEFIT SCHEME CONTRIBUTIONS

The Group's employees are members of the State-owned pension scheme. For the year ended 31 December 2020, the Group's contribution to the pension scheme was RMB1,100,000 (2019: RMB1,100,000) and the Group's contribution to the pension scheme was RMB1,000,000 (2019: RMB1,000,000).

The Group's employees are also members of the State-owned pension scheme. For the year ended 31 December 2020, the Group's contribution to the pension scheme was RMB1,100,000 (2019: RMB1,100,000) and the Group's contribution to the pension scheme was RMB1,000,000 (2019: RMB1,000,000).

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

48. RELATED PARTY BALANCES AND TRANSACTIONS

(a) The following table shows the related party balances as at 31 December 2020 and 2019. The related party balances are presented in RMB'000. The related party balances are presented in RMB'000. The related party balances are presented in RMB'000.

	At 31 December	
	2020 RMB'000	2019 RMB'000
Trade receivables	2,016	1,000
Trade payables	153	11
Other receivables	93	1
Other payables	167,931	,100
	170,193	0,112
Prepaid expenses	169,536	,100
Accrued expenses (note)	657	,000
	170,193	0,100

Note: The related party balances are presented in RMB'000. The related party balances are presented in RMB'000. The related party balances are presented in RMB'000.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

48. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

(b) 截至2020年12月31日，本集团与关联方之间的应收、应付账款余额如下：

	At 31 December	
	2020 RMB'000	2019 RMB'000
应收账款	184,114	1,112
应付账款	5,424	1,212
其他应收款	1	1
合计	189,539	1,224
应付账款	170,400	1,212
其他应付款	13,207	1,112
其他应付账款	5,932	,112
合计	189,539	1,224

Note: 截至2020年12月31日，本集团与关联方之间的应收、应付账款余额如下：

(c) 截至2020年12月31日，本集团与关联方之间的应收、应付账款余额如下：

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

48. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

(d) Transactions with related parties

Upon consolidation on 31 December 2020, the Group reported the following transactions with related parties. Upon consolidation on 31 December 2019, the Group reported the following transactions with related parties: (i) equipment maintenance services from related parties; (ii) administration services from a related party; (iii) leasing properties from related parties; and (iv) commission for entrusted loan service from a related non-bank financial institution.

(i) Equipment maintenance services from related parties

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Equipment maintenance services from related parties	238,044	1,022

(ii) Administration services from a related party

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Administration services from a related party	47,411	

(iii) Leasing properties from related parties

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Leasing properties from related parties	46,198	

(iv) Commission for entrusted loan service from a related non-bank financial institution

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Commission for entrusted loan service from a related non-bank financial institution	17,373	1,000

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

48. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

(d) Interest income from a related bank financial institution (continued)

(v) Interest income from a related non-bank financial institution

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Interest income from a related non-bank financial institution	27,717	1,111

(vi) Property management fee charged by a related party

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Property management fee charged by a related party	62,256	1,111

(vii) Heat energy sold to related parties

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Heat energy sold to related parties	1,845,035	1,011,111

(viii) Equipment purchase framework agreement

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Equipment purchase framework agreement	143,683	12,011

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

48. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

(d) *Operating services from related parties* (continued)

(ix) *Operating services from related parties*

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Operating services from related parties	9,366	10,243

(x) *EPC framework agreement*

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
EPC framework agreement	4,568	2,000

(xi) *Finance lease framework agreement*

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Finance lease framework agreement	247,730	247,730

At 31 December 2020, the Group had a finance lease framework agreement with related parties for a total amount of RMB247,730,000. The Group had a finance lease framework agreement with related parties for a total amount of RMB247,730,000 at 31 December 2019.

(xii) *Generation Rights purchase from related parties*

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Generation Rights purchase from related parties	10,243	10,243

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

48. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

(e) Compensation of key management personnel

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Salaries and bonuses	500	00
Short-term employee benefits	7,003	,0
Long-term employee benefits	29	00
	7,532	,0

The compensation of key management personnel is determined by the Board of Directors based on the performance of each individual and the market conditions. The compensation policy is approved by the Board of Directors.

(f) Compensation of directors and senior management

49. CAPITAL RISK MANAGEMENT

The Company's capital risk management objectives are to ensure that the Company has sufficient resources to meet its obligations and to maintain a strong financial position. The Company's capital structure is reviewed regularly to ensure it remains appropriate for the Company's operations.

The Company's capital risk management is based on the following principles: (1) to ensure that the Company has sufficient resources to meet its obligations; (2) to maintain a strong financial position; (3) to ensure that the Company's capital structure is appropriate for its operations; and (4) to ensure that the Company's capital risk management is consistent with its risk management strategy.

The Company's capital risk management is based on the following principles: (1) to ensure that the Company has sufficient resources to meet its obligations; (2) to maintain a strong financial position; (3) to ensure that the Company's capital structure is appropriate for its operations; and (4) to ensure that the Company's capital risk management is consistent with its risk management strategy.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

50. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	At 31 December	
	2020 RMB'000	2019 RMB'000
Financial assets		
– Cash and cash equivalents	14,267,440	, 0 , 0
– Accounts receivable	196,043	2 , 0
– Other financial assets	66,911	1 2 , 1
– Financial assets at fair value through profit or loss	–	,
Financial liabilities		
– Accounts payable	41,865,964	, 0 , 0
– Other financial liabilities	64,578	1,0

(b) Financial risk management objectives and policies

The Group's financial risk management objectives and policies are to ensure that the Group maintains a strong financial position and to manage the financial risks arising from its operations. The Group's financial risk management objectives and policies are to ensure that the Group maintains a strong financial position and to manage the financial risks arising from its operations. The Group's financial risk management objectives and policies are to ensure that the Group maintains a strong financial position and to manage the financial risks arising from its operations.

Market risk

The Group's financial risk management objectives and policies are to ensure that the Group maintains a strong financial position and to manage the financial risks arising from its operations. The Group's financial risk management objectives and policies are to ensure that the Group maintains a strong financial position and to manage the financial risks arising from its operations. The Group's financial risk management objectives and policies are to ensure that the Group maintains a strong financial position and to manage the financial risks arising from its operations.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

50. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

(i) Interest rate risk management

The Company's interest rate risk arises from its investments in financial assets and its borrowings. The Company's interest rate risk management objective is to manage the interest rate risk arising from its investments in financial assets and its borrowings. The Company uses interest rate derivatives to manage its interest rate risk. The Company's interest rate risk management objective is to manage the interest rate risk arising from its investments in financial assets and its borrowings. The Company uses interest rate derivatives to manage its interest rate risk.

The Company's interest rate risk arises from its investments in financial assets and its borrowings. The Company's interest rate risk management objective is to manage the interest rate risk arising from its investments in financial assets and its borrowings. The Company uses interest rate derivatives to manage its interest rate risk.

The Company's interest rate risk arises from its investments in financial assets and its borrowings. The Company's interest rate risk management objective is to manage the interest rate risk arising from its investments in financial assets and its borrowings. The Company uses interest rate derivatives to manage its interest rate risk.

Interest rate sensitivity

The Company's interest rate sensitivity is measured by the change in the fair value of its financial assets and liabilities that are sensitive to changes in interest rates. The Company's interest rate sensitivity is measured by the change in the fair value of its financial assets and liabilities that are sensitive to changes in interest rates. The Company's interest rate sensitivity is measured by the change in the fair value of its financial assets and liabilities that are sensitive to changes in interest rates.

The Company's interest rate sensitivity is measured by the change in the fair value of its financial assets and liabilities that are sensitive to changes in interest rates. The Company's interest rate sensitivity is measured by the change in the fair value of its financial assets and liabilities that are sensitive to changes in interest rates. The Company's interest rate sensitivity is measured by the change in the fair value of its financial assets and liabilities that are sensitive to changes in interest rates.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

50. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

(ii) Foreign currency risk management

Currency risk

The Group's currency risk arises from its operations in various currencies. The Group's functional currency is the RMB. The Group's currency risk is managed through the use of foreign exchange contracts. The Group's currency risk is managed through the use of foreign exchange contracts. The Group's currency risk is managed through the use of foreign exchange contracts.

Currency sensitivity

The Group's currency risk is managed through the use of foreign exchange contracts. The Group's currency risk is managed through the use of foreign exchange contracts. The Group's currency risk is managed through the use of foreign exchange contracts.

	Liabilities		Assets	
	31 December 2020 RMB'000	31 December 2020 RMB'000	31 December 2020 RMB'000	31 December 2020 RMB'000
	25,307	10,000	-	-
\$	-	-	1,060	1,060
\$	-	-	5,139	5,139
\$	-	-	6,069	6,069

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

50. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

(ii) Foreign currency risk management (continued)

Currency sensitivity (continued)

The following table shows the sensitivity of the Group's profit before tax to movements in the exchange rate of the US dollar against the RMB. The analysis is based on the Group's profit before tax for the year ended 31 December 2020 and 2019. The analysis is based on the Group's profit before tax for the year ended 31 December 2020 and 2019. The analysis is based on the Group's profit before tax for the year ended 31 December 2020 and 2019.

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
US dollar	1,027	()
US dollar (1 \$)	(43)	()
US dollar (1 \$)	(208)	(2)
US dollar (1 \$)	(246)	(1)

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

50. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

(iii) Other price risks

The Group is exposed to price risk in relation to its investments in equity securities. The Group's investments in equity securities are classified as available-for-sale financial assets. The Group's investments in equity securities are measured at fair value, which is determined based on the closing price of the securities in the active market. The Group's investments in equity securities are classified as available-for-sale financial assets. The Group's investments in equity securities are measured at fair value, which is determined based on the closing price of the securities in the active market.

Equity price sensitivity analysis

The following table shows the sensitivity of the Group's equity price risk to a 1% increase and a 1% decrease in the closing price of the securities in the active market.

As at 31 December 2020, the Group's equity price risk is as follows:

	1% increase	2020	1% decrease
Equity price risk	2,000,000	(2,000,000)	

Credit risk and impairment assessment

The Group is exposed to credit risk in relation to its investments in equity securities. The Group's investments in equity securities are classified as available-for-sale financial assets. The Group's investments in equity securities are measured at fair value, which is determined based on the closing price of the securities in the active market. The Group's investments in equity securities are classified as available-for-sale financial assets. The Group's investments in equity securities are measured at fair value, which is determined based on the closing price of the securities in the active market.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

50. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

At 31 December 2020, the Company's credit risk is primarily concentrated in the following categories of financial assets:

	12-month or lifetime ECL	At 31 December	
		2020 Gross carrying amount RMB'000	2019 Gross carrying amount RMB'000
Financial assets at amortised cost			
Accounts receivable	12-month		
Other receivables	12-month		
Other financial assets	12-month		
Financial assets at amortised cost			
Accounts receivable	12-month	357,193	2,111
Other receivables	12-month	4,352,814	11,111
Other financial assets	12-month	398,116	22,111
Financial assets at amortised cost		24,778	2,111
Financial assets at amortised cost		8,881,911	11,111
Financial assets at amortised cost	12-month	294,875	11,111

Notes:

(i) The Company's credit risk is primarily concentrated in the following categories of financial assets:

(ii) The Company's credit risk is primarily concentrated in the following categories of financial assets:

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

50. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Liquidity risk management

The Group's liquidity risk management objectives are to ensure that the Group is able to meet its financial obligations as they fall due, to maintain a strong credit rating and to ensure that the Group has sufficient liquidity to meet its operating requirements. The Group's liquidity risk management policies are to ensure that the Group has sufficient liquidity to meet its operating requirements and to maintain a strong credit rating.

The Group's liquidity risk management policies are to ensure that the Group has sufficient liquidity to meet its operating requirements and to maintain a strong credit rating. The Group's liquidity risk management policies are to ensure that the Group has sufficient liquidity to meet its operating requirements and to maintain a strong credit rating.

The Group's liquidity risk management policies are to ensure that the Group has sufficient liquidity to meet its operating requirements and to maintain a strong credit rating. The Group's liquidity risk management policies are to ensure that the Group has sufficient liquidity to meet its operating requirements and to maintain a strong credit rating.

Liquidity risk

The Group's liquidity risk management policies are to ensure that the Group has sufficient liquidity to meet its operating requirements and to maintain a strong credit rating. The Group's liquidity risk management policies are to ensure that the Group has sufficient liquidity to meet its operating requirements and to maintain a strong credit rating.

The Group's liquidity risk management policies are to ensure that the Group has sufficient liquidity to meet its operating requirements and to maintain a strong credit rating. The Group's liquidity risk management policies are to ensure that the Group has sufficient liquidity to meet its operating requirements and to maintain a strong credit rating.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

50. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

	Weighted average effective interest rate %	Within 1 year RMB'000	1 year to 2 years RMB'000	2 years to 3 years RMB'000	3 years to 5 years RMB'000	Over 5 years RMB'000	Total undiscounted cash flow RMB'000	Carrying amount RMB'000
At 31 December 2020								
Accounts receivable	-	4,351,400	317,080	121,950	-	-	4,790,430	4,790,430
Accounts payable	3.89	8,795,910	2,377,019	2,056,726	2,688,075	3,315,301	19,233,031	17,441,753
Prepaid expenses and other receivables	3.46	4,179,528	410,618	126,717	908,137	347,388	5,972,388	5,772,837
Other receivables	2.51	7,148,844	-	-	-	-	7,148,844	7,060,658
Other payables	5.01	231,671	2,231,671	1,616,011	1,033,915	-	5,113,268	4,585,335
Contract liabilities	3.37	67,036	1,067,036	430,278	619,535	-	2,183,885	2,025,412
Contract assets	-	189,539	-	-	-	-	189,539	189,539
Financial assets at fair value through profit or loss	4.77	76,684	100,643	95,846	123,966	900,394	1,297,533	900,995
Financial assets at fair value through other comprehensive income	-	19,576	-	-	43,510	1,492	64,578	64,578
		<u>25,060,188</u>	<u>6,504,067</u>	<u>4,447,528</u>	<u>5,417,138</u>	<u>4,564,575</u>	<u>45,993,496</u>	<u>42,831,537</u>
At 31 December 2019								
Accounts receivable	-	4,120,000	2,100,000	110,000	20,000	-	6,450,000	6,450,000
Accounts payable	-	2,200,000	1,000,000	1,000,000	2,200,000	1,110,000	7,510,000	7,510,000
Prepaid expenses and other receivables	2	1,000,000	2,100,000	-	200,000	1,000,000	4,300,000	4,200,000
Other receivables	-	120,000	-	-	-	-	120,000	100,000
Other payables	1	1,000,000	1,000,000	1,000,000	-	-	3,000,000	3,000,000
Contract liabilities	-	-	-	1,000,000	-	-	1,110,000	1,000,000
Contract assets	-	1,200,000	-	-	-	-	1,200,000	1,200,000
Financial assets at fair value through profit or loss	0	-	1,000,000	2,000,000	2,000,000	110,000	4,000,000	4,000,000
Financial assets at fair value through other comprehensive income	-	1,000,000	-	2,000,000	-	-	3,000,000	3,000,000
		<u>10,220,000</u>	<u>6,200,000</u>	<u>4,200,000</u>	<u>4,200,000</u>	<u>2,220,000</u>	<u>21,000,000</u>	<u>21,000,000</u>

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

50. FINANCIAL INSTRUMENTS (continued)

(c) Fair value

The fair value of financial assets and liabilities is determined using appropriate valuation techniques. The valuation techniques used to determine the fair value of financial assets and liabilities are described in Note 38.

Financial assets/ financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique and key input
	31 December 2020	31 December 2019		
(1) Listed equity securities in Hong Kong (see Note 30)	Listed equity securities in Hong Kong: Electric power industry - RMB196,043,000	1,200,000	Level 1	Quoted market prices in active markets for identical assets or liabilities.
(2) Liabilities (see Note 37)	Liabilities - RMB21,068,000	1,000,000	Level 2	Quoted market prices in active markets for similar assets or liabilities, or valuation techniques based on observable market data.
(3) Private equity investments in the PRC (see Note 25)	Private equity investments in the PRC: (i) Electric power industry - RMB66,911,000	1,100,000	Level 2	Quoted market prices in active markets for similar assets or liabilities, or valuation techniques based on observable market data.
(4) Liabilities (see Note 37)	Liabilities - RMB43,510,000	1,000,000	Level 2 (note)	Quoted market prices in active markets for similar assets or liabilities, or valuation techniques based on observable market data. The fair value of the liabilities is determined using the market yield rate of 2.1% as at 31 December 2020 and 1.1% as at 31 December 2019.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

51. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The following table reconciles the changes in the carrying amount of liabilities arising from financing activities during the year. The carrying amount of liabilities arising from financing activities is presented in the consolidated balance sheet. The carrying amount of liabilities arising from financing activities is presented in the consolidated balance sheet.

	Bank and other borrowings RMB'000	Short-term debentures RMB'000	Medium- term notes RMB'000	Corporate bond RMB'000	Lease liabilities RMB'000	Total RMB'000
1 January 201 (continued)	1,230,000	30,000	3,000	1,000,000	20,000	2,283,000
Interest expense	(1,100,000)	(100,000)	(100,000)	1,000,000	(100,000)	(200,000)
Dividend income	1,000,000	100,000	200,000	100,000	12,000	1,422,000
Interest income	2,100,000					2,100,000
Other changes					1,220,000	1,220,000
31 December 201	1,230,000	30,000	3,000	1,000,000	20,000	2,283,000
1 January 2020	19,273,307	6,076,941	3,560,377	1,004,515	587,400	30,502,540
Interest expense	3,592,943	923,059	928,302	994,769	(49,321)	6,389,752
Dividend income	29,651	60,658	96,656	26,128	27,927	241,020
Interest income	(62,261)	-	-	-	-	(62,261)
Other changes	-	-	-	-	309,844	309,844
31 December 2020 (Note 44)	380,950	-	-	-	25,145	406,095
1 January 2020	23,214,590	7,060,658	4,585,335	2,025,412	900,995	37,786,990

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

52. SUBSIDIARIES (continued)

Name of subsidiary	Place of registration and operation	Paid up issued/ registered capital	Equity interest attributable to the Company				Proportion of voting rights held by the Group		Principal activities
			Direct		Indirect		2020	201	
			2020	201	2020	201			
內蒙古京能商都風力發電有限責任公司 (內蒙古京能商都風力發電有限公司) [*]		1 20, 20,000	100%	100%	-	-	100%	100%	電力生產
內蒙古京能察哈爾右旗風力發電有限責任公司 (內蒙古京能察哈爾右旗風力發電有限公司) [*]		1 2, 1, 0,000	100%	100%	-	-	100%	100%	電力生產
內蒙古京能察右中風力發電有限責任公司 (內蒙古京能察右中風力發電有限公司) [*]		1 1, 1,000	100%	100%	-	-	100%	100%	電力生產
錫林郭勒吉相華亞風力發電有限責任公司 (內蒙古京能錫林郭勒吉相華亞風力發電有限公司) [*]		1 0, 1, 000	100%	100%	-	-	100%	100%	電力生產
內蒙古京能烏蘭伊更風力發電有限責任公司 (內蒙古京能烏蘭伊更風力發電有限公司) [*]		1 2, 0,000	100%	100%	-	-	100%	100%	電力生產
左雲京能風力發電有限責任公司 (內蒙古京能左雲風力發電有限公司) [*]		1, 0,000	100%	100%	-	-	100%	100%	電力生產
內蒙古京能文貢烏拉風力發電有限公司 (內蒙古京能文貢烏拉風力發電有限公司) [*]		1 11, 0,000	100%	100%	-	-	100%	100%	電力生產
內蒙古霍林郭勒風力發電有限責任公司 (內蒙古京能霍林郭勒風力發電有限公司) [*]		1 12, 220,000	100%	100%	-	-	100%	100%	電力生產
內蒙古京能巴林右風力發電有限責任公司 (內蒙古京能巴林右風力發電有限公司) [*]		1 1, 2 0,000	100%	100%	-	-	100%	100%	電力生產
內蒙古京能科右中風力發電有限責任公司 (內蒙古京能科右中風力發電有限公司) [*]		1, 000,000	100%	100%	-	-	100%	100%	電力生產
內蒙古京能旗杆風力發電有限公司 (內蒙古京能旗杆風力發電有限公司) [*]		1, 000,000	100%	100%	-	-	100%	100%	電力生產

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

52. SUBSIDIARIES (continued)

(continued)

Name of subsidiary	Place of registration and operation	Paid up issued/registered capital	Equity interest attributable to the Company				Proportion of voting rights held by the Group		Principal activities
			Direct		Indirect		2020	201	
			2020	201	2020	201			
內蒙古京能烏蘭風力發電有限公司 (內蒙古京能烏蘭風力發電有限公司)*		1,111,000	100%	100%	-	-	100%	100%	電力生產
寧夏京能新能源有限公司 (內蒙古京能新能源有限公司)*		1,100,000	100%	100%	-	-	100%	100%	電力生產
寧夏京能靈武風電有限公司 (內蒙古京能靈武風電有限公司)*		1,112,000	100%	100%	-	-	100%	100%	電力生產
五家渠京能新能源有限責任公司 (內蒙古京能新能源有限公司)*		1,200,000	100%	100%	-	-	100%	100%	電力生產
寧夏京能中衛有限公司 (內蒙古京能中衛有限公司)*		1,000,000	100%	100%	-	-	100%	100%	電力生產
內蒙古京能中衛有限公司 (內蒙古京能中衛有限公司)*		1,200,000	100%	100%	-	-	100%	100%	電力生產
遼寧京能新能源有限公司 (內蒙古京能新能源有限公司)*		1,000,000	100%	100%	-	-	100%	100%	電力生產
寧夏靈武京能新能源有限公司 (內蒙古京能靈武風電有限公司)*		1,000,000	100%	100%	-	-	100%	100%	電力生產
寧夏中寧縣京能新能源有限公司 (內蒙古京能靈武風電有限公司)*		1,100,000	100%	100%	-	-	100%	100%	電力生產
格爾木京能新能源有限公司 (內蒙古京能靈武風電有限公司)*		1,200,000	100%	100%	-	-	100%	100%	電力生產
內蒙古京能靈武風電有限公司 (內蒙古京能靈武風電有限公司)*		1,100,000	100%	0%	-	-	100%	0%	電力生產
內蒙古京能靈武風電有限公司 (內蒙古京能靈武風電有限公司)*		1,000,000	100%	100%	-	-	100%	100%	電力生產

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

52. SUBSIDIARIES (continued)

(continued)

Name of subsidiary	Place of registration and operation	Paid up issued/ registered capital	Equity interest attributable to the Company				Proportion of voting rights held by the Group		Principal activities
			Direct		Indirect		2020	201	
			2020	201	2020	201			
廣東京能清潔能源租賃有限公司 (廣東省註冊, 中國內地經營)*	中國	US\$ 2,000,000	-	-	100%	100%	100%	100%	租賃
廣東京能清潔能源租賃有限公司 (廣東省註冊, 中國內地經營)*	中國	US\$ 1,000,000	-	-	100%	100%	100%	100%	租賃
深圳京能清潔能源融資租賃有限公司 (廣東省註冊, 中國內地經營)*	中國	US\$ 10,000,000	-	-	100%	100%	100%	100%	租賃
府谷縣京能新能源有限公司 (山西省註冊, 中國內地經營)*	中國	US\$ 11,100,000	100%	100%	-	-	100%	100%	發電
共和京能清潔能源有限公司 (廣東省註冊, 中國內地經營)*	中國	US\$ 1,200,000	100%	100%	-	-	100%	100%	發電
寧夏海原京能新能源有限公司 (寧夏回族自治区註冊, 中國內地經營)*	中國	US\$ 1,100,000	100%	100%	-	-	100%	100%	發電
大同京能新能源有限公司 (山西省註冊, 中國內地經營)*	中國	US\$ 1,000,000	100%	100%	-	-	100%	100%	發電
靖遠京能新能源有限公司 (青海省註冊, 中國內地經營)*	中國	US\$ 1,000,000	100%	100%	-	-	100%	100%	發電
徐聞京能新能源有限公司 (廣東省註冊, 中國內地經營)*	中國	US\$ 1,000,000	100%	100%	-	-	100%	100%	發電
北票京能新能源有限公司 (辽宁省註冊, 中國內地經營)*	中國	US\$ 1,100,000	100%	100%	-	-	100%	100%	發電
朝陽縣京能新能源有限公司 (辽宁省註冊, 中國內地經營)*	中國	US\$ 1,000,000	100%	100%	-	-	100%	100%	發電
緬甸京能新能源有限公司 (緬甸註冊, 緬甸經營)*	緬甸	US\$ 21,010,000	100%	100%	-	-	100%	100%	發電
葫蘆島南票京能新能源有限公司 (辽宁省註冊, 中國內地經營)*	中國	US\$ 1,000,000	100%	100%	-	-	100%	100%	發電

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

Name of subsidiary	Place of registration and operation	Paid up issued/ registered capital			

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

52. SUBSIDIARIES (continued)

Table 52.1: Subsidiaries with significant non-controlling interests

Name of subsidiary	Incorporation/ establishment/ registration and operation	Proportion ownership interest held by non-controlling interests		Profit allocated to non-controlling interests		Total comprehensive income allocated to non-controlling interests		Accumulated non-controlling interests	
		2020	2019	2020	2019	2020	2019	2020	2019
		%	%	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Guangdong Power		26	2	60,645	, 1	60,645	, 1	332,315	, 1

Table 52.2: Subsidiaries with significant non-controlling interests (continued)

Name of subsidiary	2020 RMB'000	2019 RMB'000
U.S. subsidiary	482,862	, 0
U.S. subsidiary	1,082,747	1,2 ,1 0
U.S. subsidiary	263,091	1 , 2
U.S. subsidiary	24,379	20, 1
U.S. subsidiary	2,084,698	2,0 1,
U.S. subsidiary	233,250	2 , 2
U.S. subsidiary	65,991	, 20
U.S. subsidiary	448,886	1 , 0
U.S. subsidiary (U.S. subsidiary)	13,986	(11 , 20)
U.S. subsidiary	(527,437)	(2 ,)
U.S. subsidiary	(64,565)	(12 , 2)

Table 52.3: Taiyanggong Power

Taiyanggong Power	2020 RMB'000	2019 RMB'000
U.S. subsidiary	482,862	, 0
U.S. subsidiary	1,082,747	1,2 ,1 0
U.S. subsidiary	263,091	1 , 2
U.S. subsidiary	24,379	20, 1
U.S. subsidiary	2,084,698	2,0 1,
U.S. subsidiary	233,250	2 , 2
U.S. subsidiary	65,991	, 20
U.S. subsidiary	448,886	1 , 0
U.S. subsidiary (U.S. subsidiary)	13,986	(11 , 20)
U.S. subsidiary	(527,437)	(2 ,)
U.S. subsidiary	(64,565)	(12 , 2)

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

53. EVENT AFTER THE END OF THE REPORTING PERIOD

On 11 January 2021, the Company announced that it had received a notice from the China Securities Regulatory Commission (CSRC) regarding the Company's 2020 annual general meeting. The notice stated that the CSRC had identified certain irregularities in the Company's 2020 annual general meeting, including the fact that the Company had not provided sufficient information to its shareholders regarding the Company's financial performance and the Company's business operations. The CSRC has requested the Company to provide a detailed explanation of these irregularities and to take appropriate measures to rectify them. The Company is currently reviewing the notice and will provide a response to the CSRC as soon as possible.

On 11 January 2021, the Company announced that it had received a notice from the CSRC regarding the Company's 2020 annual general meeting. The notice stated that the CSRC had identified certain irregularities in the Company's 2020 annual general meeting, including the fact that the Company had not provided sufficient information to its shareholders regarding the Company's financial performance and the Company's business operations. The CSRC has requested the Company to provide a detailed explanation of these irregularities and to take appropriate measures to rectify them. The Company is currently reviewing the notice and will provide a response to the CSRC as soon as possible.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

54. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

	At 31 December	
	2020 RMB'000	2019 RMB'000
Non-current assets		
Investment properties	1,190,407	1,002
Investment in subsidiaries	15,742	21,100
Intangible assets	19,571	1,200
Property, plant and equipment	16,857,908	1,001,000
Right-of-use assets	2,410,328	1,000
Prepaid expenses	117,000	1,000
Investment in associates	130,904	1,200
Investment in joint ventures	70,000	1,000
Deferred tax assets	4,257,500	2,000,000
Other non-current assets	37,913	1,200
Financial assets at fair value through profit or loss	–	1,000
Financial assets at fair value through other comprehensive income	3,423	200
Financial assets at amortized cost	8,319	1,200
	25,119,015	21,202,200
Current assets		
Accounts receivable	1,652	2,000
Prepaid expenses and other receivables	361,035	212,200
Other receivables	266,875	110,100
Investment in subsidiaries	–	0,000
Investment in associates	11,399,500	10,110,000
Investment in joint ventures	2,496	–
Investment in equity instruments of subsidiaries	6,370,820	–
Investment in equity instruments of associates	5,425	–
Investment in equity instruments of joint ventures	847,395	–
	19,255,198	11,222,200

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

54. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (continued)

	At 31 December	
	2020 RMB'000	2019 RMB'000
Current liabilities		
Accounts payable	140,202	,
Trade payables	2,910	2,
Trade receivables	771,264	2,2 , 1
Other receivables	6,770,277	2, ,000
Other payables	7,060,658	,0 , 1
Accrued expenses	96,656	0,2
Provision for doubtful debts	26,128	,
Provision for bad debts	497	1, 1
Provision for impairment of financial assets	4,377	,
Provision for impairment of non-current assets	1,949	1,2
	14,874,918	11, ,
Net current assets	4,380,280	, , 1
Total assets less current liabilities	29,499,295	2 , 00,2
Non-current liabilities		
Accounts payable	1,029,500	2, 0 ,2 0
Trade payables	4,488,679	, 0,0
Trade receivables	1,999,284	, 2
Other receivables	2,792	2,0
Other payables	84,099	,2
Provision for doubtful debts	11,806	1 , 1
	7,616,160	,20 ,
Net assets	21,883,135	1 , ,
Capital and reserves		
Capital	8,244,508	,2 , 0
Reserves	12,113,045	11,1 1,
Provision for impairment of non-current assets	1,525,582	
	21,883,135	1 , ,

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

54. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (continued)

	Capital reserve RMB'000	Statutory surplus reserve RMB'000	Other reserve RMB'000	Fair value through other comprehensive income reserve RMB'000	Retained profits RMB'000	Total RMB'000
1 January 201	2,001	2,200	-	12,000	1,002,210	1,016,411
Profit for the year	-	-	-	8,678	1,561,113	1,569,791
Other comprehensive income	-	-	-	(4,666)	-	(4,666)
Dividend paid	-	152,240	-	-	(152,240)	-
Other reserves	-	-	-	-	(595,253)	(595,253)
Share-based payment	-	-	-	(24,428)	24,428	-
Other	-	-	(8,692)	-	-	(8,692)
1 December 2020	4,287,401	1,314,296	(8,692)	(4,666)	6,524,706	12,113,045

Corporate Information

Registered Name	北京京能清洁能源股份有限公司 Beijing Jingneng Clean Energy Co., Ltd.
Directors	
Executive Director	王 宇 (Chairman) 王 宇 (General Manager) 王 宇 王 宇
Non-executive Directors	王 宇 王 宇 王 宇
Independent Non-executive Directors	王 宇 王 宇 王 宇
Strategy Committee	王 宇 (Chairman) 王 宇 王 宇 王 宇
Remuneration and Nomination Committee	王 宇 (Chairman) 王 宇 王 宇
Audit Committee	王 宇 (Chairman) 王 宇 王 宇
Legal and Compliance Management Committee	王 宇 (Chairman) 王 宇 王 宇
Supervisors	王 宇 王 宇 王 宇
Company Secretary	王 宇

Authorized Representatives

主席兼行政總裁
// 董事局主席兼行政總裁

董事局主席
// 董事局主席

Registered Office

11, Des Voeux Road Central,
Sheung Wan, Hong Kong
● 香港上環德輔道中11號

Principal Place of Business in the PRC

// 香港上環德輔道中11號

Principal Place of Business in Hong Kong

香港上環德輔道中11號

Principal Bankers

渣打銀行有限公司
(香港分行)
香港中環皇后大道中1號
渣打銀行有限公司
香港中環皇后大道中1號

匯豐銀行有限公司
(香港分行)
香港中環皇后大道中1號

華僑銀行有限公司
(香港分行)
香港中環皇后大道中1號

中國銀行有限公司
(香港分行)
香港中環皇后大道中1號

