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**大唐国际发电股份有限公司**  
**DATANG INTERNATIONAL POWER GENERATION CO., LTD.**

*(a sino-foreign joint stock limited company incorporated in the People's Republic of China)*

**(Stock Code: 00991)**

## **ANNOUNCEMENT OF 2015 ANNUAL RESULTS**

### **OPERATING AND FINANCIAL HIGHLIGHTS:**

- Operating revenue amounted to approximately RMB61,890 million, representing a decrease of approximately 11.83% over 2014.
- Total profit before tax amounted to RMB6,544 million, representing an increase of approximately 26.53% over 2014.
- Net profit attributable to equity holders of the Company amounted to approximately RMB2,788 million, representing an increase of approximately 57.73% over 2014.
- Basic earnings per share attributable to equity holders of the Company amounted to approximately RMB0.2094, representing an increase of RMB0.0766 per share over 2014.
- The Board recommends the distribution of cash dividend for 2015 of RMB0.17 per share (tax inclusive).

## **I. COMPANY RESULTS**

The board of directors (the “Board”) of Datang International Power Generation Co., Ltd. (the “Company”) hereby announces the audited consolidated operating results of the Company and its subsidiaries (the “Group”) prepared in conformity with International Financial Reporting Standards (“IFRS”) for the year ended 31 December 2015 (the “Year”), together with the audited consolidated operating results of 2014 (the “Previous Year”) for comparison. Such operating results have been reviewed and confirmed by the Company’s audit committee (the “Audit Committee”).

Operating revenue of the Group for the Year was approximately RMB61,890 million, representing a decrease of approximately 11.83% as compared to the Previous Year. Total profit before tax amounted to RMB6,544 million, representing an increase of approximately 26.53% as compared to the Previous Year. Net profit attributable to equity holders of the Company was approximately RMB2,788 million, representing an increase of approximately 57.73% as compared to the Previous Year. Net profit excluding extraordinary gains and losses was approximately RMB4,183 million, representing an increase of approximately 15.24% as compared to the Previous Year. Basic earnings per share attributable to equity holders of the Company amounted to approximately RMB0.2094, representing an increase of RMB0.0766 per share as compared to the Previous Year.

## **II. MANAGEMENT DISCUSSION AND ANALYSIS**

### **(I) Overview**

The Company is one of the largest independent power generation companies in the People’s Republic of China (the “PRC”) and primarily engages in power generation business with its main focus on coal-fired power generation. In 2015, the Company adhered to the value-focused and efficiency-oriented principles all along. By focusing on improving the quality and efficiency of development on a basis to upgrade the power generation business, the Company accelerates its structural adjustment. Meanwhile, the Company also places emphasis on the strengthening of governance by rules and thoroughly motivates innovation. Upon overcoming various unfavorable factors, the Company manages to maintain safe production with generally promising operational trend as well as continuous breakthrough of key projects, and achieved every target mission throughout the Year in a better manner.

## **(II) Review on the Operating Results of Various Businesses**

### ***1. Power Generation Business***

The power generation businesses of the Company and its subsidiaries are primarily distributed across Beijing, Tianjin, Hebei Province, the Inner Mongolia Autonomous Region, Shanxi Province, Liaoning Province, Gansu Province, Jiangsu Province, Zhejiang Province, Yunnan Province, Fujian Province, Guangdong Province, Chongqing, Jiangxi Province, the Ningxia Autonomous Region, Qinghai Province, Sichuan Province and the Tibet Autonomous Region. As at 31 December 2015, the Company managed an installed capacity of approximately 42,337.225 MW.

- (1) Power production. During the Year, total power generation of the Company and its subsidiaries amounted to approximately 169.7252 billion kWh, representing a decrease of approximately 10.12% as compared to the same period of last year. The accumulative on-grid power generation amounted to approximately 160.8296 billion kWh, representing a decrease of approximately 9.97% as compared to the same period of last year. Utilization hours of generating units accumulated to 4,240 hours, representing a year-on-year decrease of 462 hours. During the Year, no casualties or material damage to the facilities occurred to the Company and its subsidiaries during the course of power production. The equivalent availability coefficient of the operational generating units amounted to 92.89%.
- (2) Project construction. During the Year, the capacity of new units of the Company amounted to 2,195.88 MW. During the Year, generating unit No. 1 of Fuzhou Power Generation Company commenced operation on 29 December 2015, which became the only million generating unit during “Twelfth-Five Year Plan”; Sichuan Huangjinping hydropower project realized “Four Commencements A Year” and became the largest hydropower project of the Company for the “Twelfth-Five Year Plan”.

- (3) Preliminary works. During the Year, power generation projects of the Group amounting to 9,488.5 MW in aggregate were officially approved. Details are as follow:

**Coal-fired power projects:** Guangdong Datang International Leizhou Power Generation Plant “Replacing Small Units with Large Units” newly-constructed 2x1,000MW project, Datang International Tangshan Beijiao 2x350MWco-generation heat and power project, Datang Xilinhaote Power Generation Plant newly-constructed 2x660MW project, Liaoning Datang International Huludao thermal power plant “Replacing Small Units with Large Units” newly constructed 2x350MW project, 2x400MW class Jiangsu Datang International Jintan gas turbine co-generation project, Datang Pingluo power plant newly-constructed 2x660MW project, Phase II of Jiangxi Datang International Xinyu 2x1,000MW enlarging project, Jiangsu Datang Rugao ETDZ 2x12MW thermal power co-generation project.

**Wind power project:** Datang International Zhejiang Pinghu 32MW wind power field project, Ningxia Datang International Qingtongxia Shashi Dunliang 48MW wind power field project, Jiangxi Datang International Wuning Taiyangshan 50MW wind power field project, Jiangxi Datang International Shicheng Jinhushan 99.5MW wind power field project, Hebei Datang International Fengning Datan 200MW wind power field project, Shanxi Datang International Zuoyun Xiaojingzhuang 49.5MW wind power field project.

<b>Photovoltaic projects:</b>	Phase III of Qinghai Geermu 50MW photovoltaic power generation project, Phase III of Qinghai Gonghe 10MW photovoltaic power generation project, Phase I of Hebei Fengning 20MW photovoltaic power generation project, Phase IV of Qinghai Gonghe 20MW photovoltaic power generation project.
<b>Hydropower capacity expansion project:</b>	Chongqing Wujiang Yinpan 45MW hydropower capacity expansion.

- (4) Energy conservation and emission reduction. During the Year, total coal consumption for power supply was 305.72g/kWh, representing a year-on-year decrease of 3.55g/kWh. Electricity consumption rate of power plants was 3.90%, representing a year-on-year decrease of 0.29%. The total operation rate of desulfurisation facilities and the total overall desulfurisation efficiency rate amounted to 100.00% and 97.16%, respectively. The total operation rate of denitrification facilities and the total overall denitrification efficiency rate amounted to 99.44% and 81.12%, respectively. The emission rate of sulfur dioxide, nitrogen oxides, smoke ash and waste water were 0.17g/kWh, 0.24g/kWh, 0.046g/kWh and 0.032kg/kWh. During the Year, a total of 31 power generating units of certain power generation companies of the Company carried out ultra-low emission transformation projects.

As at the end of 2015, coal-fired power, hydropower, wind power and photovoltaic power accounted for 80.71%, 14.41%, 4.43% and 0.45% of the Company's installed power generation capacity, respectively. The proportion of clean energy increased by 2.27 percentage points as compared to the end of Previous Year, suggesting a further improvement in the power generation structure.

## 2. *Non-electricity Business*

During the Year, the Datang Inner Mongolia Duolun Coal Chemical Project (the “Duolun Coal Chemical Project”) with an annual output of 460,000 tonnes of polypropylene, the Inner Mongolia Datang International Keshiketeng Coal-based Natural Gas Project (the “Keqi Coal-based Natural Gas Project”) with an annual output of 4 billion cubic meters of natural gas, and the Liaoning Datang International Fuxin Coal-based Natural Gas Project (the “Fuxin Coal-based Natural Gas Project”) with annual production scale of 4 billion cubic meters of natural gas obtained initial progress, while Datang Hulunbeier Fertiliser Company Limited (“Hulunbeier Fertiliser Company”) and Inner Mongolia Datang Renewable Resource Development Company Limited (“Renewable Resource Company”) commenced construction or production as scheduled. Of these projects:

- (1) The Duolun Coal Chemical Project: During the Year, the health standard of equipment constantly increased and the Company realized 80% above oxygen-load normalized operation for gasifier while the consecutive operation time constantly breaking historical records. During the Year, 137 thousand tonnes of polypropylene was produced in aggregate.
- (2) The Keqi Coal-based Natural Gas Project: During the Year, A and B unit of the Series 1 of Phase 1 realized consecutive high-load operation and basically realized zero emission of waste water. During the Year, 552 million standard cubic meters of natural gas was produced in aggregate.
- (3) The Fuxin Coal-based Natural Gas Project: Construction commenced as scheduled during the Year.
- (4) Hulunbeier Fertiliser Company: During the Year, the company’s operation and production remained stable. It basically reached the designed production capacity and outperformed the annual target. During the Year, 285.6 thousand tonnes of urea was produced in aggregate.
- (5) Renewable Resource Company: The production technique was constantly optimized with a continuous decrease in energy consumption and the monthly production volume of alumina reached 92.2% of designed volume while the variable cost reduced to the advanced level in the industry.

### **(III) Major Financial Indicators and Analysis**

#### **1. *Operating Revenue***

During the Year, the Group realized a consolidated operating revenue of approximately RMB61,890 million, representing a decrease of approximately 11.83% over the Previous Year, among which, revenue from electricity sales decreased by approximately RMB7,033 million over the Previous Year.

#### **2. *Operating Costs***

During the Year, total operating costs of the Group amounted to approximately RMB48,575 million, representing a decrease of approximately RMB8,570 million or 15.00% over the Previous Year. Among which, fuel cost accounted for approximately 45.85% of the operating costs, and depreciation cost accounted for approximately 23.37% of the operating costs. Since the standard coal unit price of the Company for power generation decreased by RMB45.37/tonne over the Previous Year, the fuel cost for power generation of the Company decreased by RMB1,949 million as a result. In addition, the decrease in on-grid power generation decreased over the Previous Year, resulted in a decrease of RMB3,264 million in fuel cost.

#### **3. *Net Finance Costs***

During the Year, finance costs of the Group amounted to approximately RMB7,975 million, representing a decrease of approximately RMB729 million or approximately 8.38% over the Previous Year. The reason for the decrease was primarily due to the downward adjustment to the interest rate for loan by the central bank for three times in 2015.

#### **4. *Total Profit and Net Profit***

During the Year, the Group reported a total profit before tax amounting to approximately RMB6,544 million, representing an increase of approximately 26.53% over the Previous Year. Net profit attributable to equity holders of the Company amounted to approximately RMB2,788 million, representing an increase of 57.73% over the Previous Year. The increase in the Group's profit before tax is mainly due to the decrease in fuel costs and financial costs.

Power generation segment of the Company realized a total profit of RMB12,525 million, representing a year-on-year increase of RMB103 million. (Thermal power (including combustion engine) realized a total profit of RMB12,300 million, representing a year-on-year increase of RMB23 million.)



## **5. *Financial Position***

As at 31 December 2015, total assets of the Group amounted to approximately RMB308,495 million, representing an increase of approximately RMB967 million over the Previous Year. The increase in total assets was mainly due to the increase in construction in progress and investment in fixed assets as a result of the development strategy implemented by the Group.

Total liabilities of the Group amounted to approximately RMB244,911 million, representing an increase of approximately RMB841 million over the Previous Year. Of the total liabilities, non-current liabilities increased by approximately RMB1,541 million over the Previous Year. The increase in total liabilities was mainly due to the increase in borrowings and amount of debentures of the Group to support daily operation and infrastructure development.

Equity attributable to equity holders of the Company amounted to approximately RMB45,297 million, representing an increase of approximately RMB1,132 million over the Previous Year. Net asset value per share attributable to equity holders of the Company amounted to approximately RMB3.40, representing an increase of approximately RMB0.08 per share over the Previous Year.

## **6. *Liquidity***

As at 31 December 2015, the assets-to-liabilities ratio of the Group was 79.39%. The net debt-to-equity ratio (i.e. (loans + short-term bonds + long-term bonds – cash and cash equivalents)/total equity) was approximately 287.56%.

As at 31 December 2015, cash and cash equivalents of the Group amounted to approximately RMB5,199 million, among which deposits equivalent to approximately RMB44 million were foreign currency deposits. The Group had no entrusted deposits and overdue fixed deposits during the Year.

As at 31 December 2015, short-term loans of the Group amounted to approximately RMB14,786 million, bearing annual interest rates ranging from 2.00% to 6.15%. Long-term loans (excluding those repayable within one year) amounted to approximately RMB130,061 million and long-term loans repayable within one year amounted to approximately RMB12,644 million. Long-term loans (including those repayable within one year) were at annual interest rates ranging from 1.13% to 6.80%. Loans equivalent to approximately RMB755 million were denominated in US dollar. The Group paid close attention to foreign exchange market fluctuations and cautiously assessed risks.



## **7. *Welfare Policy***

As at 31 December 2015, the staff of the Group totaled 24,704. The Group has adopted the basic salary system focusing on the basis of position-points salary distribution and a variety of incentive mechanisms so as to actively strengthen the effective and positive incentive function of salary distribution. The Group is concerned about personal growth and occupational training of its staff. Led by the strategy of developing a strong corporation with talents, the Group relies on a three-tier management organizational structure and implements an all-staff training scheme for various levels. In 2015, 318,274 person-times attended trainings arranged by the Company, among which 84,496 person-times attended corporate manage and professional technique trainings, 227,610 person-times attended production technique trainings and 6,168 person-times attended other trainings.

### **(IV) Outlook for 2016**

In 2016, as the economic development of the PRC entered a new normal state, features of new norms also appeared in power generation and consumption with a constant optimization of power supply structure. The drivers of the growth in power consumption transformed from high consumption of energy to emerging industries, service industry and residents' domestic consumption, resulting in a slowdown of the growth in the demand of energy power. The demand and supply of power will continue to be oversupplied overall and will be more obvious in certain regions.

In 2016, utilization hours of the Company's coal-fired equipment are expected to be further reduced. Additionally, due to the downward adjustment of on-grid tariffs for coal-fired power generation and the relatively huge decrease in the price during the process of direct transactions conducted by large users in certain provinces, the overall profit of the Company for 2016 is expected to be affected. With the implementation of new standards of pollutant emissions and new environmental protection laws, enterprises will face more stringent requirements on pollutants emission and encounter increasingly significant risk on excessive emission, and subsequent modification on environmental protection facilities would possibly affect the normal production and operation for some enterprises.

In 2016, in the face of opportunities and challenges brought along by new norms, by continuously upholding its value and efficiency-oriented philosophy, adhering to the basis of safety and stability and insisting on the basis of quality and effectiveness enhancement, and driven by reformation and innovation, the Company will strive to push forward the upgrade of power generation business. Specific works are as follow:

**1. *Continue to step up safety management and control***

By strengthening the foundation of safety production and solidifying the development concept of safety development, the Company will adequately deploy the long-term effective mechanism of safety management with in-depth implementation of responsibility for safety production and establishment of comprehensive responsibility system for safety risk management and control. The Company will constantly upgrade the standard of production management and endeavor to obtain the title of national grade A reliability generating unit. The Company will establish a comprehensive technological management system and enhance the innovation of technology in order to promote the upgrade of inventory and increment of development and to push forward the establishment of innovative corporations.

**2. *Proactively upgrade the market competitiveness***

The Company will proactively study and carry out relevant documents of reformation of power system. The Company will adopt the new state of power reformation as soon as possible and closely keep up with the new movement of power reformation in order to accelerate the establishment of power sale system with the orientation of market and users' needs while striving to achieve the greatest effectiveness of power generation. The Company will continue to enhance the effort to achieve the planned power volume and proactively grasp the initiative of direct supply to large users. The Company will also enhance the effort on all kinds of markets for power generation and strive to achieve a breakthrough on power generation of 170 billion kWh.

The Company will continue to optimize the structure of electricity and coal and grasp the control on fuel cost; deepen the cost management standard, adopt effective measures and strive to achieve the gearing ratio of not more than 78.7%.

**3. *Promote the upgrade of power generation business with full effort***

The Company will facilitate the preliminary works for key projects with high quality and high efficiency in order to endure the completion of work commencement and production commencement plan of key projects. The Company will place full effort to accomplish approved power generation projects of 6,331 thousand kW and strive to realize the construction commencement of 6,475 thousand kW power generation projects and the production commencement and power generation of 2,029.7 thousand MW power generation project.

The Company will continue to promote a further optimization of regional structure, business structure and equity structure and constantly improve the quality of the Company's assets.

**4. *Enhance internal control and improve the capability of corporate governance***

The Company will enhance the effectiveness of internal control and strengthen the checking on risk management indicators while insisting on facilitating the development of internal control through risk evaluation and internal control assessment. The Company will also deepen the compliance of corporate governance from governance level in order to ensure every business is operating normally and in compliance with laws and regulations.

### **III. SHARE CAPITAL AND DIVIDENDS**

**1. Share Capital**

As at 31 December 2015, the total share capital of the Company amounted to 13,310,037,578 shares, divided into 13,310,037,578 shares of a nominal value of RMB1 each.

**2. Dividends**

The Board proposes that:

Based on the Company's total share capital (as at 31 December 2015, the Company's total share capital was 13,310,037,578 shares), distributing a cash dividend of RMB0.17 per share (tax inclusive) to all shareholders and the total amount of the proposed cash dividends to be distributed is approximately RMB2.263 billion.

The above proposal is subject to the consideration and approval by the shareholders at the general meeting of the Company.

### **3. Shareholding of the Directors and Supervisors**

As at 31 December 2015, Mr. Meng Fankui, a vice president of the Company, was interested in 5,000 A shares of the Company. Save as disclosed above, none of the directors, supervisors and chief executives of the Company nor their associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporation (as defined in Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“SFO”)) that were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) pursuant to Divisions 7 and 8 of Part XV of the SFO, or required to be recorded in the register mentioned in the SFO pursuant to section 352 of the SFO or otherwise required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Rules Governing the Listing of Securities (the “Model Code”) on the Hong Kong Stock Exchange (the “Listing Rules”).

## **IV. SIGNIFICANT EVENTS**

1. On 7 July 2014, the Company entered into a reorganization framework agreement with China Reform Holdings Corporation Ltd. (“Reform Corporation”) for the proposed reorganization of the Company’s coal-to-chemical business segment and related projects.

On 29 March 2016, the Company and Reform Corporation entered into termination agreement of the reorganization framework agreement. After the negotiation between both parties, stipulations under the reorganization framework agreement shall no longer be carried out. After negotiation with China Datang Corporation (“CDC”), CDC will take the lead in facilitating the reorganization in relation to the Company’s coal-to-chemical business segment and related projects.

2. The Company completed the issuance of “The First Tranche of Datang International Power Generation Co., Ltd.’s Super Short-term Debentures in 2015” (the “2015 First Tranche Super Short-term Debentures”) on 19 March 2015. The issuance amount for the 2015 First Tranche Super Short-term Debentures was RMB3 billion with a maturity of 160 days. The unit nominal value is RMB100 and the issuance interest rate is at 4.60%.

3. The Company completed the issuance of “The Second Tranche of Datang International Power Generation Co., Ltd.’s Super Short-term Debentures in 2015” (the “2015 Second Tranche Super Short-term Debentures”) on 21 May 2015. The issuance amount for the 2015 Second Tranche Super Short-term Debentures was RMB4 billion with a maturity of 270 days. The unit nominal value is RMB100 and the issuance interest rate is at 3.13%.
4. The Company completed the issuance of “The Third Tranche of Datang International Power Generation Co., Ltd.’s Super Short-term Debentures in 2015” (the “2015 Third Tranche Super Short-term Debentures”) on 15 June 2015. The issuance amount for the 2015 Third Tranche Super Short-term Debentures was RMB3 billion with a maturity of 270 days. The unit nominal value is RMB100 and the issuance interest rate is at 3.10%.
5. In accordance with the Resolution on the Change of Shareholders’ Representative Supervisor which was considered and approved at the 2014 annual general meeting of the Company convened on 25 June 2015, Mr. Liu Chuandong served as a shareholders’ representative supervisor of the eighth session of supervisory committee of the Company while Mr. Li Baoqing had ceased to serve as a supervisor of the eighth session of the supervisory committee of the Company.
6. The Company completed the issuance of “The Fourth Tranche of Datang International Power Generation Co., Ltd.’s Super Short-term Debentures in 2015” (the “2015 Fourth Tranche Super Short-term Debentures”) on 17 July 2015. The issuance amount for the 2015 Fourth Tranche Super Short-term Debentures was RMB3 billion with a maturity of 270 days. The unit nominal value is RMB100 and the issuance interest rate is at 3.00%.
7. In accordance with the Resolution on the Adjustments of Independent Directors of the Company which was considered and approved at the 2015 second extraordinary general meeting of the Company convened on 14 August 2015, Mr. Luo Zhongwei, Mr. Liu Huangsong and Mr. Jiang Fuxiu served as independent non-executive Directors of the eighth session of the Board of the Company while Mr. Dong Heyi, Mr. Ye Yansheng and Ms. Zhao Jie had ceased to serve as independent non-executive Directors of the eighth session of the Board of the Company.
8. In accordance with the 2014 annual profit distribution plan which was considered and approved at the 2014 annual general meeting of the Company convened on 25 June 2015, the Company completed the payment of dividends for the year of 2014 on 21 August 2015. The cash dividends per share paid was RMB0.13 (tax inclusive) and RMB0.117 after deduction of tax, and the cash dividends per 10 shares paid was RMB1.3 (tax inclusive) and RMB1.17 after deduction of tax.

9. The Company completed the issuance of “The Fifth Tranche of Datang International Power Generation Co. Ltd’s Super Short-term Debentures in 2015” (the “2015 Fifth Tranche Super Short-term Debentures”) on 21 August 2015. The issuance amount for the 2015 Fifth Tranche Super Short-term Debentures was RMB4 billion and a maturity of 270 days. The unit nominal value was RMB100 and the issuance interest rate was 3.15%.
10. In accordance with the Resolution on the Adjustment of Directors of the Company which was considered and approved at the 2015 third extraordinary general meeting of the Company convened on 29 October 2015, Mr. Ying Xuejun served as an executive Director of the eighth session of the Board of the Company while Mr. Zhou Gang had ceased to serve as a Director of the eighth session of the Board of the Company. In accordance with the Resolution on Appointment of the Board Secretary and Company Secretary of the Company which was considered and approved at the twenty-ninth meeting of the eighth session of the Board of the Company convened on 22 December 2015, Mr. Ying Xuejun was appointed as the Board Secretary of the Company.
11. In accordance with the Resolution on the Adjustment of Directors of the Company which was considered and approved at the 2016 first extraordinary general meeting of the Company convened on 26 February 2016, Mr. Zhu Shaowen served as a Director of the eighth session of the Board of the Company while Mr. Yang Wenchun had ceased to serve as a Director of the eighth session of the Board of the Company.
12. The Company completed the issuance of “The First Tranche of Datang International Power Generation Co., Ltd.’s Super Short-term Debentures in 2016” (the “2016 First Tranche Super Short-term Debentures”) on 25 February 2016. The issuance amount for the 2016 First Tranche Super Short-term Debentures was RMB3 billion and a maturity of 270 days. The unit nominal value was RMB100 and the issuance interest rate was 2.63%.
13. The Company completed the issuance of “The Second Tranche of Datang International Power Generation Co., Ltd.’s Super Short-term Debentures in 2016” (the “2016 Second Tranche Super Short-term Debentures”) on 15 March 2016. The issuance amount for the 2016 Second Tranche Super Short-term Debentures was RMB3 million and a maturity of 178 days. The unit nominal value was RMB100 and the issuance interest rate was 2.42%.
14. Pursuant to the “Resolution on the Proposal in Relation to the Adjustment in the General Manager of the Company” considered and approved by the thirty-second meeting of the eighth session of the Board of the Company on 21 March 2016, Mr. Wang Xin was appointed as the general manager of the Company.



## **V. PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

During the Year, the Group has not purchased, sold or redeemed any of its listed securities.

## **VI. COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES**

To the knowledge of the Board, the Company complied with all the code provisions under the Corporate Governance Code as set out in Appendix 14 to the Listing Rules ("CG Code") for the Year, except for the following:

During the Year, the legal action which the directors may face is covered in the internal risk management and control of the Company. As the Company considers that no additional risk exists, insurance arrangements for directors have not been made as required under code provision A.1.8 of the CG Code.

During the Year, the Nomination Committee, the Remuneration and Appraisal Committee, the Audit Committee and the Strategic Development and Risk Control Committee set up by the Company carried out their work in accordance with their respective terms of reference. Their terms of reference have covered the responsibilities to be performed as required by the code provisions A.5.2, B.1.2 and C.3.3 of the CG Code. Only differences in expressions or sequence exist between such terms of reference and the afore-said code provisions.

## **VII. COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS**

Upon specific enquiries made to all the directors of the Company and in accordance with the information provided, the Board confirmed that all directors of the Company have complied with the provisions under the Model Code.



## VIII. AUDIT COMMITTEE

The Audit Committee has reviewed the accounting standards adopted by the Group with the management of the Company. They have also discussed matters regarding internal controls and the financial statements, including the review of the financial statements of the Group for the Year.

The Audit Committee considers that the 2015 Annual Report of the Group has complied with the applicable accounting standards, and that the Group has made appropriate disclosures thereof.

By Order of the Board  
**Ying Xuejun**  
*Company Secretary*

Beijing, the PRC, 29 March 2016

*As at the date of this announcement, the Directors of the Company are:*

*Chen Jinhang, Hu Shengmu, Wu Jing, Liang Yongpan, Ying Xuejun, Cao Xin, Cai Shuwen, Liu Haixia, Guan Tiangang, Zhu Shaowen, Jiang Guohua\*, Feng Genfu\*, Luo Zhongwei\*, Liu Huangsong\*, Jiang Fuxiu\**

*\* Independent non-executive Directors*

**A. FINANCIAL INFORMATION EXTRACTED FROM FINANCIAL STATEMENTS PREPARED UNDER IFRS**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*FOR THE YEAR ENDED 31 DECEMBER 2015*

	<i>Note</i>	<u>2015</u>	<u>2014</u>
		<i>RMB'000</i>	<i>RMB'000</i>
<b>Operating revenue</b>	4	<b>61,890,285</b>	70,194,327
<b>Operating costs</b>			
Fuel for power and heat generation		<b>(21,901,632)</b>	(27,437,948)
Fuel for coal sales		<b>(372,034)</b>	(1,734,683)
Depreciation		<b>(11,354,266)</b>	(11,451,071)
Repairs and maintenance		<b>(1,620,914)</b>	(2,325,049)
Salaries and staff welfare		<b>(3,457,161)</b>	(3,256,951)
Local government surcharges		<b>(694,732)</b>	(683,340)
Others		<b>(9,174,250)</b>	(10,256,083)
<b>Total operating costs</b>		<b>(48,574,989)</b>	(57,145,125)
<b>Operating profit</b>		<b>13,315,296</b>	13,049,202
Shares of profits of associates		<b>515,041</b>	606,547
Shares of profits of joint ventures		<b>389,595</b>	112,703
Investment income		<b>160,865</b>	220,069
Other gains		<b>100,619</b>	8,391
Impairment losses on available-for-sale financial assets		<b>(38,672)</b>	(208,992)
Interest income		<b>76,585</b>	88,881
Finance costs	6	<b>(7,974,858)</b>	(8,704,485)
<b>Profit before tax</b>		<b>6,544,471</b>	5,172,316
Income tax expense	7	<b>(3,284,099)</b>	(3,283,822)
<b>Profit for the year</b>		<b>3,260,372</b>	1,888,494

	<i>Note</i>	<u>2015</u>	<u>2014</u>
		<i>RMB'000</i>	<i>RMB'000</i>
<b>Other comprehensive income:</b>			
<i>Items that may be reclassified to profit or loss:</i>			
Reclassification adjustments for amounts transferred to profit or loss upon disposals of available-for-sale financial assets		(52,901)	–
Reclassification adjustments for amounts transferred to profit or loss arising from impairment of available-for-sale financial assets		38,672	184,914
Fair value loss on available-for-sale financial assets		(37,653)	(72,429)
Shares of other comprehensive income of associates		19,760	34,004
Exchange differences on translating foreign operations		9,679	4,281
Income tax on items that may be reclassified to profit or loss		<u>12,970</u>	<u>(29,813)</u>
<b>Other comprehensive income for the year, net of tax</b>		<u>(9,473)</u>	<u>120,957</u>
<b>Total comprehensive income for the year</b>		<u><u>3,250,899</u></u>	<u><u>2,009,451</u></u>
<b>Profit for the year attributable to:</b>			
Owners of the Company		2,787,739	1,767,417
Non-controlling interests		<u>472,633</u>	<u>121,077</u>
		<u><u>3,260,372</u></u>	<u><u>1,888,494</u></u>
<b>Total comprehensive income for the year attributable to:</b>			
Owners of the Company		2,778,266	1,888,374
Non-controlling interests		<u>472,633</u>	<u>121,077</u>
		<u><u>3,250,899</u></u>	<u><u>2,009,451</u></u>
Proposed dividends	8	<u><u>2,262,706</u></u>	<u><u>1,730,305</u></u>
Dividends paid		<u><u>1,730,305</u></u>	<u><u>1,597,205</u></u>
		<i>RMB</i>	<i>RMB</i>
<b>Earnings per share</b>			
Basic and diluted	9	<u><u>0.21</u></u>	<u><u>0.13</u></u>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AT 31 DECEMBER 2015**

	<i>Note</i>	<u>2015</u>	<u>2014</u>
		<i>RMB'000</i>	<i>RMB'000</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		256,735,094	252,791,177
Investment properties		577,627	590,580
Intangible assets		4,378,081	4,372,138
Development costs		11	31
Investments in associates		7,981,871	7,596,175
Investments in joint ventures		5,575,810	5,653,654
Available-for-sale financial assets		4,978,596	5,022,210
Deferred housing benefits		3,360	24,289
Long-term entrusted loans to associates		121,778	100,183
Deferred tax assets		1,182,573	1,386,234
Other non-current assets		1,074,792	1,413,593
<b>Total non-current assets</b>		<u>282,609,593</u>	<u>278,950,264</u>
<b>Current assets</b>			
Inventories		3,857,781	3,744,420
Accounts and notes receivables	10	7,859,689	10,004,824
Prepayments and other receivables		8,517,913	8,329,124
Short-term entrusted loans to related parties		–	813,170
Tax recoverable		13,212	12,149
Current portion of long-term entrusted loans to associates		–	335,706
Current portion of other non-current assets		63,360	50,278
Cash and cash equivalents and restricted deposits		5,573,891	5,288,498
<b>Total current assets</b>		<u>25,885,846</u>	<u>28,578,169</u>
<b>TOTAL ASSETS</b>		<u><u>308,495,439</u></u>	<u><u>307,528,433</u></u>

	<i>Note</i>	<u>2015</u>	<u>2014</u>
		<i>RMB'000</i>	<i>RMB'000</i>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity attributable to owners of the Company			
Share capital		13,310,038	13,310,038
Reserves		29,320,653	27,925,977
Retained earnings			
Proposed dividends	8	2,262,706	1,730,305
Others		404,086	1,198,561
		<u>45,297,483</u>	<u>44,164,881</u>
Non-controlling interests		18,286,856	19,293,312
<b>Total equity</b>		<u>63,584,339</u>	<u>63,458,193</u>
<b>Non-current liabilities</b>			
Long-term loans		130,061,212	137,691,639
Long-term bonds		15,410,018	15,394,158
Deferred income		3,194,264	2,436,534
Deferred tax liabilities		606,985	644,226
Provisions		372,138	42,191
Other non-current liabilities		19,485,144	11,380,386
<b>Total non-current liabilities</b>		<u>169,129,761</u>	<u>167,589,134</u>
<b>Current liabilities</b>			
Accounts payables and accrued liabilities	11	27,603,263	28,627,496
Taxes payables		1,264,011	1,709,059
Dividends payables		316,706	100,595
Short-term loans		14,785,757	13,753,134
Short-term bonds		15,143,743	11,000,000
Current portion of non-current liabilities		16,667,859	21,290,822
<b>Total current liabilities</b>		<u>75,781,339</u>	<u>76,481,106</u>
<b>Total liabilities</b>		<u>244,911,100</u>	<u>244,070,240</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>308,495,439</u>	<u>307,528,433</u>
<b>NET CURRENT LIABILITIES</b>		<u>(49,895,493)</u>	<u>(47,902,937)</u>

Notes:

## **1. BASIS OF PREPARATION**

These consolidated financial statements of Datang International Power Generation Company Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) have been prepared in accordance with all applicable International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (the “IASB”). IFRSs comprise International Financial Reporting Standards (“IFRS”), International Accounting Standards (“IAS”) and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). These consolidated financial statements have been prepared under the historical cost convention, other than certain available-for-sale financial assets that are measured at fair value.

At 31 December 2015, a significant portion of the funding requirements of the Group for capital expenditures was satisfied by short-term borrowings. Consequently, at 31 December 2015, the Group had net current liabilities of approximately RMB49.90 billion. The Group had significant undrawn borrowing facilities, subject to certain conditions, amounting to approximately RMB262.54 billion and may refinance and/or adjust certain short-term borrowings into long-term borrowings and may also consider alternative sources of financing, where applicable. Directors of the Company are of the opinion that the Group will be able to meet its liabilities as and when they fall due within the next twelve months and have prepared these consolidated financial statements on a going concern basis.

## **2. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies have been consistently applied to all the years presented, unless otherwise stated.

### **(a) Application of new and revised IFRSs**

During the Year, the Group has adopted all the new and revised IFRSs issued by the IASB that are relevant to its operations and effective for its accounting year beginning on 1 January 2015:

#### **Amendment to IAS 40 (Annual Improvements to IFRSs 2011–2013 Cycle)**

The amendment clarifies the application of IFRS 3 and IAS 40 in respect of acquisition of investment properties. IAS 40 assists preparers to distinguish between investment properties and owner-occupied properties, then IFRS 3 helps them determine whether the acquisition of an investment property is a business combination. The amendment had no effect on the Group's consolidated financial statements.

#### **Amendment to IFRS 8 (Annual Improvements to IFRSs 2010–2012 Cycle)**

The amendment requires disclosure of the judgements made by management in applying the aggregation criteria to operating segments, and clarifies that reconciliations of the total of the reportable segments' assets to the entity's assets are required only if the segment assets are reported regularly. These clarifications had no effect on the Group's consolidated financial statements.



**(b) New and revised IFRSs in issue but not yet effective**

The Group has not early applied new and revised IFRSs that have been issued but are not yet effective for the financial year beginning on 1 January 2015. The directors anticipate that the new and revised IFRSs will be adopted in the Group's consolidated financial statements when they become effective. The Group is in the process of assessing, where applicable, the potential effect of all new and revised IFRSs that will be effective in future periods but is not yet in a position to state whether these new and revised IFRSs would have a material impact on its results of operations and financial position. List of new and revised IFRSs in issue but not yet effective that are relevant to the Group's operations is as follows:

IFRS 9	Financial Instruments <sup>1</sup>
IFRS 15	Revenue from Contracts with Customers <sup>1</sup>
IFRS 16	Leases <sup>2</sup>
Amendments to IAS 1	Disclosure Initiative <sup>3</sup>
Amendments to IAS 7	Disclosure Initiative <sup>4</sup>
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation <sup>3</sup>
Amendments to IAS 27	Equity Method in Separate Financial Statements <sup>3</sup>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>5</sup>
Amendments to IFRSs	Annual Improvements to IFRSs 2012–2014 Cycle <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2019, with earlier application permitted.

<sup>3</sup> Effective for first annual IFRS financial statements beginning on or after 1 January 2016, with earlier application permitted.

<sup>4</sup> Effective prospectively for annual periods beginning on or after 1 January 2017, with earlier application permitted.

<sup>5</sup> Effective for annual periods beginning on or after a date to be determined. Early adoption is permitted.

**(c) New Hong Kong Companies Ordinance (Cap. 622)**

The requirements of Part 9 “Accounts and Audit” of the new Hong Kong Companies Ordinance (Cap. 622) came into operation during the financial year. As a result, there are changes to presentation and disclosures of certain information in the consolidated financial statements.

**(d) Amendments to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited**

The Stock Exchange of Hong Kong Limited in April 2015 released revised Appendix XVI of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange in relation to disclosure of financial information in annual reports and will be valid during accounting periods for the year ended 31 December 2015 or after. The amendments led to in changes in the presentation and disclosures of certain information in the consolidated financial statements.

**3. DISPOSALS OF SUBSIDIARIES**

On 27 November 2011, the Group entered into an agreement with another shareholder of Ningxia Datang International Daba Power Generation Company Limited (“Daba Power Company”), which holds 50% equity interest in Daba Power Company. Pursuant to this agreement, prior to 1 January 2015, the Group and the another shareholder would nominate 4 directors and 3 directors respectively. Therefore, the Group obtained control over Daba Power Company and consolidated the financial statements of Daba Power Company. Starting from 1 January 2015, another shareholder and the Company would nominate 4 directors and 3 directors to Daba Power Company respectively. Accordingly, the Group lost control but maintains significant influence over Daba Power Company.

On 31 March 2015, the Group disposed of 69.78% interest in Chongqing Luozitang Hydropower Company Limited (“Luozitang Hydropower Company”).

Net assets at the date of disposals were as follows:

	Daba Power Company	Luozitang Hydropower Company	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Property, plant and equipment	3,534,114	82	3,534,196
Inventories	81,739	–	81,739
Accounts and notes receivables	287,090	–	287,090
Prepayments and other receivables	4,661	–	4,661
Cash and cash equivalents	26,985	90	27,075
Long-term loans	(2,565,500)	–	(2,565,500)
Other non-current liabilities	(99,138)	–	(99,138)
Accounts payables and accrued liabilities	(386,498)	(148)	(386,646)
Taxes payables	(5,901)	(2)	(5,903)
Short-term loans	(145,000)	–	(145,000)
Current portion of non-current liabilities	(397,208)	–	(397,208)
Net assets disposed of	335,344	22	335,366
Non-controlling interests	(167,672)	(7)	(167,679)
Fair value of investment in the subsidiary retained	(167,672)	–	(167,672)
Gain on disposal of a subsidiary	–	452	452
Total consideration – satisfied by cash	<u>–</u>	<u>467</u>	<u>467</u>
Net cash (outflow)/inflow arising on disposal:			
Cash consideration received	–	467	467
Cash and cash equivalents disposed of	(26,985)	(90)	(27,075)
	<u>(26,985)</u>	<u>377</u>	<u>(26,608)</u>

#### 4. OPERATING REVENUE

An analysis of the Group's operating revenue for the year is as follows:

	<u>2015</u>	<u>2014</u>
	<i>RMB'000</i>	<i>RMB'000</i>
Sales of electricity	<b>55,556,321</b>	62,589,174
Heat supply	<b>1,434,570</b>	1,306,685
Sales of coal	<b>267,649</b>	1,757,130
Sales of chemical products	<b>1,839,983</b>	1,916,735
Others	<b>2,791,762</b>	2,624,603
	<b><u>61,890,285</u></b>	<b><u>70,194,327</u></b>

#### 5. SEGMENT INFORMATION

Executive directors and certain senior management (including chief accountant) of the Company (collectively referred to as the "Senior Management") perform the function as chief operating decision makers. The Senior Management reviews the internal reporting of the Group in order to assess performance and allocate resources. Senior Management has determined the operating segments based on these reports.

Senior Management considers the business from a product perspective. Senior Management primarily assesses the performance of power generation, coal and chemical separately. Other operating activities primarily include sales of coal ash and aluminium smelting products, etc., and are included in "other segments".

Senior Management assesses the performance of the operating segments based on a measure of profit before tax prepared under China Accounting Standards for Business Enterprises ("PRC GAAP").

Segment profits or losses do not include dividend income from available-for-sale financial assets, gain or loss on disposals of available-for-sale financial assets and income tax expense. Segment assets do not include available-for-sale financial assets and deferred tax assets. Segment liabilities do not include current and deferred tax liabilities. Sales between operating segments are marked to market or contracted close to market price and have been eliminated at consolidation level. Unless otherwise noted below, all such financial information in the segment tables below is prepared under PRC GAAP.

## Information about reportable segment profit or loss, assets and liabilities:

	Power generation segment <i>RMB'000</i>	Coal segment <i>RMB'000</i>	Chemical segment <i>RMB'000</i>	Other segments <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Year ended 31 December 2015</b>					
Revenue from external customers	57,616,609	276,277	1,852,071	2,145,328	61,890,285
Intersegment revenue	109,953	13,480,800	18,183	1,042,373	14,651,309
Segment profit/(loss)	13,147,168	(1,523,440)	(4,305,017)	(826,331)	6,492,380
Depreciation and amortisation	9,658,705	306,417	1,304,715	310,460	11,580,297
Net (losses)/gains on disposals of property, plant and equipment	(629)	3	-	-	(626)
Gain on disposals of intangible assets	369	-	-	-	369
Gain on disposals of construction in progress	20,530	-	-	-	20,530
Gain on disposals of long-term investments	452	-	-	-	452
Impairment losses on assets	165,020	1,283,918	1,294,826	189,235	2,932,999
Interest income	54,366	11,383	4,121	6,715	76,585
Interest expense	6,420,383	304,268	988,492	70,292	7,783,435
Shares of profits of associates	161,403	42,181	-	333,079	536,663
Shares of profits/(losses) of joint ventures	593,000	(188,697)	-	-	404,303
Income tax expense	3,022,690	274,331	3,266	23,357	3,323,644
<b>Year ended 31 December 2014</b>					
Revenue from external customers	64,406,294	1,768,329	1,931,929	2,087,775	70,194,327
Intersegment revenue	132,517	20,094,671	20,722	1,057,463	21,305,373
Segment profit/(loss)	12,421,849	(1,515,930)	(5,164,994)	(515,873)	5,225,052
Depreciation and amortisation	9,616,816	257,715	1,345,770	413,046	11,633,347
Net gains on disposals of property, plant and equipment	935	-	111	3,301	4,347
Gain on disposals of long-term investments	7,633	-	-	758	8,391
Impairment losses/(reversal of impairment losses) on assets	11,270	1,468,344	1,765,567	(8,436)	3,236,745
Interest income	69,075	7,941	4,598	7,267	88,881
Interest expense	7,044,672	325,830	987,671	159,126	8,517,299
Shares of profits of associates	105,825	260,408	-	235,113	601,346
Shares of profits/(losses) of joint ventures	332,877	(195,199)	-	-	137,678
Income tax expense/(credit)	3,027,292	(6,077)	265,993	36,778	3,323,986

	<b>Power generation segment</b>	<b>Coal segment</b>	<b>Chemical segment</b>	<b>Other segments</b>	<b>Total</b>
	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>
<b>At 31 December 2015</b>					
Segment assets	211,867,418	25,571,602	68,655,276	10,951,061	317,045,357
Including:					
Investments in associates	1,085,341	2,067,004	1,404	4,632,010	7,785,759
Investments in joint ventures	4,678,202	762,850	-	-	5,441,052
Additions to non-current assets (other than financial assets and deferred tax assets)	<u>24,500,275</u>	<u>413,971</u>	<u>11,071,737</u>	<u>34,558</u>	<u>36,020,541</u>
Segment liabilities	<u>163,234,461</u>	<u>22,331,414</u>	<u>65,314,457</u>	<u>7,954,757</u>	<u>258,835,089</u>
<b>At 31 December 2014</b>					
Segment assets	212,922,389	28,508,324	66,532,848	14,896,155	322,859,716
Including:					
Investments in associates	828,678	1,984,833	1,405	4,492,778	7,307,694
Investments in joint ventures	4,631,552	883,855	-	-	5,515,407
Additions to non-current assets (other than financial assets and deferred tax assets)	<u>19,675,722</u>	<u>1,385,975</u>	<u>1,619,081</u>	<u>321,686</u>	<u>23,002,464</u>
Segment liabilities	<u>172,011,658</u>	<u>23,125,739</u>	<u>58,552,330</u>	<u>9,254,917</u>	<u>262,944,644</u>

**Reconciliations of reportable segment revenue, profit or loss, assets, liabilities and other material items:**

	2015	2014
	<i>RMB'000</i>	<i>RMB'000</i>
<b>Revenue</b>		
Total revenue of reportable segments	76,541,594	91,499,700
Elimination of intersegment revenue	<u>(14,651,309)</u>	<u>(21,305,373)</u>
Consolidated revenue	<u><u>61,890,285</u></u>	<u><u>70,194,327</u></u>
<b>Profit or loss</b>		
Total profit or loss of reportable segments	6,492,380	5,225,052
Dividend income from available-for-sale financial assets	129,507	143,363
Gain on disposals of available-for-sale financial assets	100,167	–
Elimination of intersegment profits	(153,947)	(156,742)
IFRS adjustment on reversal of general provision on mining funds	(2,707)	(14,619)
Other IFRS adjustments	<u>(20,929)</u>	<u>(24,738)</u>
Consolidated profit before tax	<u><u>6,544,471</u></u>	<u><u>5,172,316</u></u>
<b>Assets</b>		
Total assets of reportable segments	317,045,357	322,859,716
Available-for-sale financial assets	4,970,330	5,013,944
Deferred tax assets	1,150,903	1,355,564
Elimination of intersegment assets	(19,798,242)	(26,797,857)
Reclassification of non-income taxes recoverable	4,865,531	4,719,616
IFRS adjustment on reversal of general provision on mining funds	332,996	428,957
Other IFRS adjustments	<u>(71,436)</u>	<u>(51,507)</u>
Consolidated total assets	<u><u>308,495,439</u></u>	<u><u>307,528,433</u></u>
<b>Liabilities</b>		
Total liabilities of reportable segments	(258,835,089)	(262,944,644)
Current tax liabilities	(721,074)	(804,573)
Deferred tax liabilities	(579,632)	(617,218)
Elimination of intersegment liabilities	20,117,579	25,042,819
Reclassification of non-income taxes recoverable	(4,865,531)	(4,719,616)
Other IFRS adjustments	<u>(27,353)</u>	<u>(27,008)</u>
Consolidated total liabilities	<u><u>(244,911,100)</u></u>	<u><u>(244,070,240)</u></u>



## Other material items

	Total of reportable segments <i>RMB'000</i>	Elimination of intersegment <i>RMB'000</i>	IFRS adjustment on reversal of general provision on mining funds <i>RMB'000</i>	Other IFRS adjustments <i>RMB'000</i>	Total per consolidated statement of financial position/ statement of profit or loss and other comprehensive income <i>RMB'000</i>
<b>Year ended 31 December 2015</b>					
Shares of profits of associates	536,663	-	(21,622)	-	515,041
Shares of profits of joint ventures	404,303	-	(14,708)	-	389,595
Income tax expense	3,323,644	(38,890)	2,961	(3,616)	3,284,099
<b>Year ended 31 December 2014</b>					
Shares of profits of associates	601,346	-	5,201	-	606,547
Shares of profits of joint ventures	137,678	-	(24,975)	-	112,703
Income tax expense	3,323,986	(38,379)	1,289	(3,074)	3,283,822
<b>At 31 December 2015</b>					
Investments in associates	7,785,759	-	196,112	-	7,981,871
Investments in joint ventures	5,441,052	-	134,758	-	5,575,810
<b>At 31 December 2014</b>					
Investments in associates	7,307,694	-	288,481	-	7,596,175
Investments in joint ventures	5,515,407	-	138,247	-	5,653,654

### Geographical information (under IFRS):

For the years ended 31 December 2015 and 2014, all revenues from external customers are generated domestically. At 31 December 2015, non-current assets (excluding financial assets and deferred tax assets) amounted to RMB276,148,568 thousand (2014: RMB272,171,434 thousand) and RMB4,221 thousand (2014: RMB46,077 thousand) are located in the PRC and foreign countries, respectively.

In presenting the geographical information, revenue is based on the locations of the customers.

**Revenue from major customers:**

	<u>2015</u>	<u>2014</u>
	<i>RMB'000</i>	<i>RMB'000</i>
<b>Power generation segment</b>		
North China Branch of State Grid Corporation of China	<b>15,377,161</b>	19,512,315
State Grid Zhejiang Electric Power Company	<b>5,676,155</b>	6,045,793
State Grid Jibei Electric Power Company	<b>5,411,558</b>	4,757,402
Guangdong Power Grid Corporation	<b>4,941,097</b>	5,990,343
State Grid Beijing Electric Power Corporation	<b>3,874,988</b>	1,869,510

**6. FINANCE COSTS**

	<u>2015</u>	<u>2014</u>
	<i>RMB'000</i>	<i>RMB'000</i>
Interest expense on:		
Short-term loans	<b>631,340</b>	983,679
Long-term loans	<b>8,601,393</b>	9,235,105
Short-term bonds	<b>628,451</b>	452,783
Long-term bonds	<b>602,524</b>	883,914
Finance leases	<b>770,711</b>	698,129
Discounted notes receivables	<b>12,763</b>	30,317
Others	<b>33,731</b>	4,515
Total borrowing costs	<b>11,280,913</b>	12,288,442
Amount capitalised	<b>(3,497,478)</b>	(3,771,143)
	<b>7,783,435</b>	8,517,299
Exchange gain, net	<b>18,048</b>	3,927
Others	<b>173,375</b>	183,259
	<b>7,974,858</b>	8,704,485

Borrowing costs on funds borrowed generally are capitalised at a rate of 5.36% (2014: 6.14%) per annum.

## 7. INCOME TAX EXPENSE

	<u>2015</u>	<u>2014</u>
	<i>RMB'000</i>	<i>RMB'000</i>
Current tax – PRC Enterprise Income Tax		
Provision for the Year	<b>3,068,577</b>	2,930,818
Under-provision in prior years	<b>7,672</b>	79,514
	<u><b>3,076,249</b></u>	<u>3,010,332</u>
Deferred tax	<u><b>207,850</b></u>	<u>273,490</u>
	<u><b>3,284,099</b></u>	<u>3,283,822</u>

The Company and its subsidiaries, other than as stated below, are generally subject to PRC Enterprise Income Tax statutory rate of 25% (2014: 25%).

- (i) Pursuant to document Cai Shui Zi [2006]88 issued by the Ministry of Finance of the PRC (the “MOF”), a subsidiary of the Company, being a high and new technology industrial development enterprise set up in the high and new technology industrial development zone approved by the State Council, and as approved by Tax Bureau of Beijing Fengtai District, is exempted from PRC Enterprise Income Tax in the first two operating years and then applies 15% being the preferential rate from the third year, counting from the first year when this subsidiary starts to make profit.
- (ii) Pursuant to documents Cai Shui [2008]46 “Implementation of Catalogue of Preferential Enterprise Income Tax Treatment for Public Infrastructure Projects” and [2008]116 “Catalogue of Preferential Enterprise Income Tax Treatment for Public Infrastructure Projects” issued by the MOF and the State Administration of Taxation of the PRC, certain subsidiaries are exempted from PRC Enterprise Income Tax during the first three years of operation commencing from the year of assessment in which the first sale transaction is reported and have been granted a tax concession to pay PRC Enterprise Income Tax at 50% of the statutory rate of 25% from the fourth to sixth year of operation in respect of their operating profit derived from investments in new wind power generation and photovoltaic power generation projects approved by government investment task forces after 1 January 2008. This preferential tax treatment will expire from 31 December 2013 to 31 December 2020.

- (iii) Pursuant to document Cai Shui [2011]58 “Circular on the Issues Concerning Related Tax Policies for the In-depth Implementation of the Western China Development Strategy” issued by the MOF, the General Administration of Customs and the State Administration of Taxation of the PRC, certain subsidiaries set up in the western area of the PRC and engaged in a business encouraged by the State are eligible to pay PRC Enterprise Income Tax at a preferential rate of 15% from 1 January 2011 to 31 December 2020.

## 8. PROFIT APPROPRIATION

### Dividends

	<u>2015</u>	<u>2014</u>
	<i>RMB'000</i>	<i>RMB'000</i>
Proposed final of RMB0.17 (2014: RMB0.13) per share	<u>2,262,706</u>	<u>1,730,305</u>

Pursuant to the PRC Enterprise Income Tax Law, the Company is required to withhold 10% PRC Enterprise Income Tax when it distributes dividends to its non-PRC resident enterprise shareholders.

### Statutory surplus reserve

In accordance with the relevant laws and regulations of the PRC and the articles of association of the Company, it is required to appropriate 10% of its net profit under PRC GAAP, after offsetting any prior years' losses, to the statutory surplus reserve. When the balance of such reserve reaches 50% of the Company's share capital, any further appropriation is optional.

The statutory surplus reserve can be used to offset prior years' losses, if any, and may be converted into share capital by issuing new shares to shareholders in proportion to their existing shareholding or by increasing the par value of the shares currently held by them, provided that the remaining balance of the reserve after such an issue is not less than 25% of share capital. The statutory surplus reserve is non-distributable.

### Discretionary surplus reserve

Pursuant to the articles of association of the Company, the appropriation of profit to the discretionary surplus reserve and its utilisation are made in accordance with the recommendation of the Board of Directors and is subject to shareholders' approval at their general meeting.

The discretionary surplus reserve can be used to offset prior years' losses, if any, and may be converted into share capital by issuing new shares to shareholders in proportion to their existing shareholding or by increasing the par value of the shares currently held by them. The discretionary surplus reserve is distributable.

### **Restricted reserve**

Pursuant to relevant regulations and guidance issued by the MOF, certain deferred housing benefits are charged to equity directly when incurred under PRC GAAP. In order to reflect such undistributable retained earnings in these financial statements prepared under IFRS, a restricted reserve is set up to reduce the balance of retained earnings with an amount equals to the residual balance of deferred housing benefits, net of tax.

Pursuant to relevant PRC regulations, coal mining companies are required to set aside an amount to a fund for future development and work safety which they transferred certain amounts from retained earnings to restricted reserve. The fund can then be used for future development and work safety of the coal mining operations, and is not available for distribution to shareholders. When qualifying development expenditure and improvements of safety incurred, an equivalent amount is transferred from restricted reserve to retained earnings.

## **9. EARNINGS PER SHARE**

### **Basic earnings per share**

The calculation of basic earnings per share is based on the profit for the Year attributable to owners of the Company of RMB2,787,739 thousand (2014: RMB1,767,417 thousand) and the weighted average number of ordinary shares of 13,310,038,000 (2014: 13,310,038,000) in issue during the year.

### **Diluted earnings per share**

During the Years ended 31 December 2015 and 2014, the Company did not have any dilutive potential ordinary shares. Therefore, diluted earnings per share is equal to basic earnings per share.

## 10. ACCOUNTS AND NOTES RECEIVABLES

Accounts and notes receivables of the Group primarily represent receivables from regional or provincial grid companies for tariff revenue and coal sales customers and comprise the following:

	<u>2015</u>	<u>2014</u>
	<i>RMB'000</i>	<i>RMB'000</i>
Accounts receivables from third parties	<b>7,278,013</b>	9,468,926
Notes receivables from third parties	<b>516,622</b>	504,789
Accounts receivables from related parties	<b>65,054</b>	31,109
	<b><u>7,859,689</u></b>	<b><u>10,004,824</u></b>

The Group usually grants credit period of approximately one month to local power grid customers and coal purchase customers from the month end after sales and sale transactions made, respectively.

The ageing analysis of accounts and notes receivables is as follows:

	<u>2015</u>	<u>2014</u>
	<i>RMB'000</i>	<i>RMB'000</i>
Within one year	<b>7,165,522</b>	9,059,461
Between one to two years	<b>408,095</b>	682,669
Between two to three years	<b>134,081</b>	61,826
Over three years	<b>151,991</b>	200,868
	<b><u>7,859,689</u></b>	<b><u>10,004,824</u></b>

## 11. ACCOUNTS PAYABLES AND ACCRUED LIABILITIES

	<u>2015</u>	<u>2014</u>
	<i>RMB'000</i>	<i>RMB'000</i>
<b>Accounts and notes payables</b>		
Fuel and materials payables to third parties	<b>7,087,569</b>	10,006,589
Fuel and materials payables to related parties	<b>554,146</b>	170,332
Notes payables to third parties	<b>1,495,939</b>	2,109,388
Notes payables to related parties	<b>600,000</b>	200,000
	<b>9,737,654</b>	12,486,309
Construction payables to third parties	<b>11,281,741</b>	8,419,241
Construction payables to related parties	<b>507,312</b>	676,683
Acquisition considerations payables	<b>101,779</b>	101,779
Receipts in advance from third parties	<b>289,308</b>	298,985
Receipts in advance from related parties	<b>13,477</b>	15,027
Salaries and welfares payables	<b>117,919</b>	166,798
Interests payables	<b>609,980</b>	1,049,234
Other payables to related parties	<b>1,070,021</b>	586,262
Others	<b>3,874,072</b>	4,827,178
	<b>27,603,263</b>	28,627,496

The ageing analysis of the accounts and notes payables is as follows:

	<u>2015</u>	<u>2014</u>
	<i>RMB'000</i>	<i>RMB'000</i>
Within one year	<b>8,270,774</b>	10,375,066
Between one to two years	<b>575,759</b>	1,318,491
Between two to three years	<b>524,844</b>	349,168
Over three years	<b>366,277</b>	443,584
	<b>9,737,654</b>	12,486,309



## 12. EVENTS AFTER THE REPORTING PERIOD

The Company completed the issuance of “The First Tranche of Datang International Power Generation Co., Ltd’s Super Short-term Debentures in 2016” (the “First Tranche Super Short-term Debentures”) on 25 February 2016. The issuance amount for the First Tranche Super Short-term Debentures was RMB3 billion with a maturity of 180 days. The unit nominal value is RMB100 and the issuance interest rate is at 2.63%. Bank of China Limited acts as the underwriter and bookkeeper for the First Tranche Super Short-term Debentures and Shanghai Pudong Development Bank Co., Ltd. acts as the joint lead underwriter for the First Tranche Super Short-term Debentures. The proceeds from the First Tranche Super Short-term Debentures will be used to replace part of the loans of the Company, adjust its debt structure and lower its financing costs.

The Company completed the issuance of “The Second Tranche of Datang International Power Generation Co., Ltd’s Super Short-term Debentures in 2016” (the “Second Tranche Super Short-term Debentures”) on 15 March 2016. The issuance amount for the Second Tranche Super Short-term Debentures was RMB3 billion with a maturity of 178 days. The unit nominal value is RMB100 and the issuance interest rate is at 2.42%. China CITIC Bank Corporation Limited acts as the underwriter and bookkeeper for the Second Tranche Super Short-term Debentures and China Everbright Bank Company Limited acts as the joint lead underwriter for the Second Tranche Super Short-term Debentures. The proceeds from the Second Tranche Super Short-term Debentures will be used to replace part of the loans of the Company, adjust its debt structure and lower its financing costs.

On 7 July 2014, the Company entered into a reorganisation framework agreement with China Reform Holdings Corporation Limited for the proposed reorganisation of the Company’s coal-to-chemical business segment and related projects. On 29 March 2016, the Company and China Reform Holdings Corporation Limited entered into termination agreement of the reorganisation framework agreement. After the negotiation between both parties, stipulations under the reorganisation framework agreement shall no longer be carried out. After negotiation with China Datang Corporation, China Datang Corporation will take the lead in facilitating the reorganisation in relation to the Company’s coal-to-chemical business segment and related projects.

**B. FINANCIAL INFORMATION EXTRACTED FROM FINANCIAL STATEMENTS PREPARED UNDER PRC GAAP**

**1. FINANCIAL HIGHLIGHTS AND FINANCIAL RATIOS**

	<b>2015</b>	2014	Variance
	<b><i>RMB'000</i></b>	<i>RMB'000</i>	%
	<b><i>(unless otherwise stated)</i></b>	<i>(unless otherwise stated)</i>	
Revenue from operations	<b>61,890,285</b>	70,194,327	(11.83)
Net profit attributable to equity holders of the Company	<b>2,809,033</b>	1,798,358	56.20
Net profit attributable to equity holders of the Company and excluding non-recurring items	<b>4,204,140</b>	3,660,731	14.84
Net cash flows from operating activities	<b>25,049,573</b>	26,247,213	(4.56)
Net assets attributable to equity holders of the Company	<b>45,023,163</b>	43,803,449	2.78
Total assets	<b>303,368,348</b>	302,431,367	0.31
Basic earnings per share (RMB)	<b>0.2110</b>	0.1351	56.18
Diluted earnings per share (RMB)	<b>0.2110</b>	0.1351	56.18
Earnings per share excluding non-recurring items (RMB)	<b>0.3159</b>	0.2750	14.87
Return on net assets (weighted average) (%)	<b>6.32</b>	4.06	2.26
Return on net assets excluding non-recurring items (weighted average) (%)	<b>9.46</b>	8.27	1.19

## 2. PROFIT AND LOSS ACCOUNT

	<u>2015</u>	<u>2014</u>
	<i>RMB'000</i>	<i>RMB'000</i>
<b>Operating revenue</b>	<b>61,890,285</b>	70,194,327
Less: Operating costs	<b>(42,406,207)</b>	(49,099,128)
Sales tax and surcharges	<b>(694,732)</b>	(683,340)
Selling expenses	<b>(203,782)</b>	(523,435)
General and administration expenses	<b>(3,797,234)</b>	(4,569,606)
Financial expenses, net	<b>(7,898,273)</b>	(8,615,604)
Assets impairment losses	<b>(2,932,999)</b>	(3,236,745)
Add: Investment income	<b>1,202,450</b>	967,484
<b>Operating profit</b>	<b>5,159,508</b>	4,433,953
Add: Non-operating income	<b>1,741,376</b>	1,014,636
Less: Non-operating expenses	<b>(332,777)</b>	(236,916)
<b>Total profit</b>	<b>6,568,107</b>	5,211,673
Less: Income tax expense	<b>(3,284,754)</b>	(3,285,607)
<b>Net profit</b>	<b>3,283,353</b>	1,926,066
<b>Attributable to:</b>		
Equity holders of the Company	<b>2,809,033</b>	1,798,358
Minority interests	<b>474,320</b>	127,708
<b>Other comprehensive income</b>	<b>(9,473)</b>	120,957
<b>Total comprehensive income</b>	<b>3,273,880</b>	2,047,023
<b>Attributable to:</b>		
Equity holders of the Company	<b>2,799,560</b>	1,919,316
Minority interests	<b>474,320</b>	127,707
	<i>RMB</i>	<i>RMB</i>
<b>Earnings per share</b>		
Basic earnings per share	<b>0.2110</b>	0.1351
Diluted earnings per share	<b>0.2110</b>	0.1351

### 3. DIFFERENCES BETWEEN FINANCIAL STATEMENTS

The consolidated financial statements which are prepared by the Group in conformity with IFRS, differ in certain respects from PRC GAAP. Major differences between IFRS and PRC GAAP (“GAAP Differences”), which affect the net assets and net profit of the Group, are summarised as follows:

	<i>Note</i>	<b>Net assets</b>	
		<b>2015</b>	<b>2014</b>
		<u><i>RMB'000</i></u>	<u><i>RMB'000</i></u>
Net assets attributable to owners of the Company under IFRS		<b>45,297,483</b>	44,164,881
Impact of IFRS adjustments:			
Difference in the commencement of depreciation of property, plant and equipment	(a)	<b>106,466</b>	106,466
Difference in accounting treatment on monetary housing benefits	(b)	<b>(3,360)</b>	(24,289)
Difference in accounting treatment on mining funds	(c)	<b>(332,996)</b>	(428,957)
Applicable deferred tax impact of the above GAAP Differences		<b>(4,317)</b>	(3,662)
Non-controlling interests' impact of the above GAAP Differences after tax		<b>(40,113)</b>	(10,990)
Net assets attributable to owners of the Company under PRC GAAP		<b><u>45,023,163</u></b>	<b><u>43,803,449</u></b>
	<i>Note</i>	<b>Net profit</b>	
		<b>2015</b>	<b>2014</b>
		<u><i>RMB'000</i></u>	<u><i>RMB'000</i></u>
Profit for the Year attributable to owners of the Company under IFRS		<b>2,787,739</b>	1,767,417
Impact of IFRS adjustments:			
Difference in accounting treatment on monetary housing benefits	(b)	<b>20,929</b>	24,738
Difference in accounting treatment on mining funds	(c)	<b>2,707</b>	14,619
Applicable deferred tax impact of the above GAAP Differences		<b>(655)</b>	(1,785)
Non-controlling interests' impact of the above GAAP Differences after tax		<b>(1,687)</b>	(6,631)
Net profit for the year attributable to owners of the Company under PRC GAAP		<b><u>2,809,033</u></b>	<b><u>1,798,358</u></b>

*Notes:*

**(a) Difference in the commencement of depreciation of property, plant and equipment**

This represents the depreciation difference arose from the different timing of the start of depreciation charge in previous years.

**(b) Difference in accounting treatment on monetary housing benefits**

Under PRC GAAP, the monetary housing benefits provided to employees who started work before 31 December 1998 were directly deducted from the retained earnings and statutory public welfare fund after approval by the general meeting of the Company and its subsidiaries.

Under IFRS, these benefits are recorded as deferred assets and amortised on a straight-line basis over the estimated remaining average service lives of relevant employees.

**(c) Difference in accounting treatment on mining funds**

Under PRC GAAP, accrual of future development and work safety expenses are included in respective product cost or current period profit or loss and recorded in a specific reserve accordingly. When such future development and work safety expenses are applied and related to revenue expenditures, specific reserve is directly offset when expenses incurred. When capital expenditures are incurred, they are included in construction in progress and transferred to fixed assets when the related assets reach the expected use condition. They are then offset against specific reserve based on the amount included in fixed assets while corresponding amount is recognised in accumulated depreciation. Such fixed assets are not depreciated in subsequent periods.

Under IFRS, coal mining companies are required to set aside an amount to a fund for future development and work safety through transferring from retained earnings to restricted reserve. When qualifying revenue expenditures are incurred, such expenses are recorded in the profit or loss as incurred. When capital expenditures are incurred, an amount is transferred to property, plant and equipment and is depreciated in accordance with the depreciation policy of the Group. Internal equity items transfers take place based on the actual application amount of future development and work safety expenses whereas restricted reserve is offset against retained earnings to the extent of zero.