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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 2018 ANNUAL RESULTS

OPERATING AND FINANCIAL HIGHLIGHTS:

	For the year ended 31 December		
	2018	2017	Change
	RMB million **(unless otherwise stated)**	*RMB million* (unless otherwise stated)	% (unless otherwise stated)
Operating revenue	**93,390**	84,185	10.93
Profit before tax	**4,166**	2,858	45.77
Net profit attributable to equity holders of the Company	**1,232**	1,495	(17.59)
Basic earnings per share *(RMB)*	**0.0716**	0.1123	(36.24)

The Board recommends the distribution of cash dividend for 2018 of RMB0.1 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 2018 (the "**Year**"), together with the audited consolidated operating results of 2017 (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 RMB93,390 million, representing an increase of approximately 10.93% as compared to the Previous Year. Profit before tax amounted to approximately RMB4,166 million, representing an increase of approximately 45.77% as compared to the Previous Year. Basic earnings per share attributable to equity holders of the Company amounted to approximately RMB0.0716, while basic earnings per share attributable to equity holders of the Company amounted to approximately RMB0.1123 for the year 2017.

Net profit attributable to equity holders of the Company was approximately RMB1,232 million, while net profit attributable to equity holders of the Company for the year 2017 amounted to approximately RMB1,495 million.

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**"). The power generation businesses of the Company and its subsidiaries cover 20 provinces, municipalities and autonomous regions across the country, whereas coal-fired power generators of the Company are centralised in the Beijing-Tianjin-Hebei and southeast coastal regions. Most of the hydropower projects are located in the southwest region. Wind power and photovoltaic power projects are distributed across the country in areas with abundant resources.

In 2018, facing the grim production and operation situation, the Company nonetheless made remarkable achievements in various aspects, including production safety, development optimisation, capital operation, energy conservation and emission reduction, through comprehensive implementation of the general requirements of "Act with First Class Standard, be the World Class Energy Group".

(II) Review on the Operating Results of Principal Businesses

During the Year, the power generation of the Company accumulated to approximately 269.704 billion kWh, representing an increase of approximately 5.31% as compared to the restated power generation of corresponding period in 2017; the on-grid power generation of the Company accumulated to approximately 254.612 billion kWh, representing an increase of approximately 5.26% as compared to the restated on-grid power generation of corresponding period in 2017.

As of 31 December 2018, the total consolidated assets of the Group amounted to approximately RMB288,250 million, representing a year-on-year increase of RMB9,128 million; the total consolidated liabilities of the Group amounted to approximately RMB217,761 million, representing a year-on-year increase of RMB10,717 million.

1. Maintaining the stability of overall production safety. In 2018, the Company has fulfilled the significant power preservation tasks such as "Two Sessions" and "China-Africa Cooperation Forum" through constantly maintaining a intensive safety management and upholding the deep-rooted concept of safe development. The Company adheres to controlling minor matters to prevent the occurrence of material issues and strengthens accountability to further improve a dual-prevention mechanism, which features the identification and elimination of hidden dangers, as well as risk management and control. Through carrying out "Four Don'ts and Two Directs", it supervises the rectification of major safety matters and constantly tightens safety management responsibilities. It also continues to deepen reliability management, as well as energy conservation and environmental protection, and prepares a three-year action plan for energy consumption to continuously improve the energy consumption level of the generating units. A total of 21 generating units were awarded at the National Energy Efficiency Benchmarking Competition and a total of 10 generating units won the title of "National Reliable Power Generation Units – Gold Medal".

2. Optimising development to achieve breakthroughs. Based on the principle of "Act with First Class Standard, be the World Class Energy Group" and "Reserving, Increasing and Reducing Inventory", the Company focuses on developing the key projects. During the reporting period, the newly installed capacity of the Company was approximately 14,822.1MW, including thermal power projects with a capacity of 13,812.8MW, hydropower projects with a capacity of approximately 258.4MW, wind power projects with a capacity of 545MW, photovoltaic power projects with a capacity of 175.9MW and biomass power generation with a capacity of 30MW. During the Year, a total of 9 power supply projects of the Company with a total capacity of 2,308MW were approved, including thermal power projects (including coal-fire projects) with a capacity of 1,019MW, hydropower projects with a capacity of 525MW, wind power projects with a capacity of 764MW, and the installed capacity of clean energy accounted for 90.51%, which further optimised the power supply structure of the Company.

3. Steady advancement in capital operation. During the reporting period, the Company successfully completed the non-public issuance of A-Shares and H-Shares. The Company completed the issuance of H-Shares on 19 March 2018, issuing 2,794,943,820 H-Shares with gross proceeds of approximately HK$6,222 million raised; and completed the issuance of A-Shares on 23 March 2018, issuing 2,401,729,106 A-Shares with gross proceeds of approximately RMB8,334 million raised. In April 2018, the equity transfer of Datang Heilongjiang Power Generation Co., Ltd., Datang Anhui Power Generation Co., Ltd. and Datang Hebei Power Generation Co., Ltd. was completed by the Company and the installed capacity of the Company has been increased by 13,913MW after the completion.

4. Making solid progress towards energy conservation and emission reduction. During the reporting period, total coal consumption of the Company for power supply was 299.71g/kWh, representing a year-on-year decrease of 0.94g/kWh. Electricity consumption rate of power plants was 3.70%, representing a year-on-year increase of 0.1 percentage point. The operation rate of desulfurization amounted to 100%, while the operation rate of denitrification amounted to 99.76%. The performance of sulfur dioxide, nitrogen oxides, smoke ash and waste water were 0.11g/kWh, 0.16g/kWh, 0.025g/kWh and 0.035kg/kWh, respectively. The Company completed ultra-low emission environmental transformation projects on 68 thermal power generating units with capacity of 30,980MW in total, reaching a transformation rate of 97%.

(III) Major Financial Indicators and Analysis

As a result of the acquisition of subsidiaries under common control during the year, the following financial analysis was performed based on the restated comparative figures using the merger basis of accounting.

1. Operating Revenue

During the Year, the Group realized a consolidated operating revenue of approximately RMB93,390 million, representing an increase of approximately 10.93% compared with the Previous Year, which was mainly attributable to the year-on-year increase of 8.61% in revenue from power generation segment.

2. Operating Costs

During the Year, total operating costs of the Group amounted to approximately RMB84,021 million, representing an increase of approximately RMB7,450 million or approximately 9.73% compared with the Previous Year, which was mainly attributable to the year-on-year increase of 6.95% in the operating costs of power generation segment.

3. Net Finance Costs

During the Year, finance costs of the Group amounted to approximately RMB7,647 million, representing an increase of approximately RMB773 million or approximately 11.25% over the Previous Year. The increase was primarily due to the increase in the scale of financing and the commencement of operation of the new power generating units.

4. Total Profit

During the Year, the Group reported a total profit before tax from continuing operations amounting to approximately RMB4,166 million, representing an increase of approximately 45.77% compared with the Previous Year. Net profit attributable to equity holders of the Company amounted to approximately RMB1,232 million, while net profit attributable to equity holders of the Company for the year of 2017 amounted to approximately RMB1,495 million.

Power generation segment of the Company realized a total profit before tax from continuing operations of approximately RMB4,459 million, representing a year-on-year increase of approximately RMB1,106 million.

5. Financial Position

As of 31 December 2018, total assets of the Group amounted to approximately RMB288,250 million, representing an increase of approximately RMB9,128 million over the Previous Year. The increase in total assets was mainly due to an increase in cash balance by 78.00% as at the end of the reporting period compared with the beginning of the reporting period, which was mainly due to the fact that the proceeds of A-Shares raised were not yet used up and financing was secured as at the end of the year.

Total liabilities of the Group amounted to approximately RMB217,761 million, representing an increase of approximately RMB10,717 million compared with the Previous year. The increase in total liabilities was mainly due to an increase of 20.87% in current liabilities, which was mainly caused by the super short-term debentures issued by the Company with total financing amount of RMB16,000 million, closing balance of RMB11,000 million as at the end of the period and no closing balance of nil as at the end of the previous period.

Net profit attributable to equity holders of the Company amounted to approximately RMB1,232 million, representing a decrease of approximately RMB262 million compared with the Previous Year. Net asset value per share attributable to equity holders of the Company amounted to approximately RMB2.73, representing a decrease of approximately RMB1.19 per share compared with the Previous Year.

6. *Liquidity*

As at 31 December 2018, the assets-to-liabilities ratio of the Group was approximately 75.55%. The net debt-to-equity ratio (i.e. (loans + short-term bonds + long-term bonds – cash and cash equivalents)/total equity) was approximately 233.87%.

As at 31 December 2018, cash and cash equivalents of the Group amounted to approximately RMB11,542 million, among which deposits that were equivalent to approximately RMB22 million were foreign currency deposits. The Group had no entrusted deposits and overdue fixed deposits during the Year.

As at 31 December 2018, short-term loans of the Group amounted to approximately RMB24,772 million, bearing annual interest rates ranging from 3.4029% to 7.5%. Long-term loans (excluding those repayable within one year) amounted to approximately RMB105,649 million and long-term loans repayable within one year amounted to approximately RMB16,160 million. Long-term loans (including those repayable within one year) were at annual interest rates ranging from 1.2% to 6.2225%. Loans equivalent to approximately RMB107 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 2018, the staff of the Group totaled 33,483. The Company has adopted the basic salary system on the basis of position-points salary distribution, and implemented a variety of incentive mechanisms so as to attract and retain talents. By leveraging on implementing policies such as providing allowance for employees who work in remote and underdeveloped areas, plateau regions, high-temperature conditions, as well as allowance for team leaders, the Company persisted in distributing total salaries in favour of enterprises in underdeveloped, remote areas and plateau regions with good performance and high efficiency, while it also adhered to the value orientation in distribution of internal income in favour of employees in front-line production and key positions. By establishing and enhancing the performance assessment and appraisal system for employees, the Company strives to strengthen the performance-based salary system by fully utilising remuneration as incentives.

(IV) Outlook for 2019

In 2019, by insisting on the principle of seeking progress while maintaining stability and comprehensively implementing the general requirements of "Act with First Class Standard, be the World Class Energy Group", the Company will also reform and innovate, unite all work forces to continue to enhance safety management and control, competitive advantage, assets quality, governance capability and team quality, so as to step up its efforts in promoting high-quality development of the Company and building a world-class energy company.

1. Constantly solidifying the foundation of safety

Firmly establish a "macro-safety" concept, fully implement safety main responsibility, control minor matters to prevent the occurrence of material matters, and maintain intensive safe production. First, by improving a dual-prevention mechanism against risk, the Company will establish and improve the hierarchical control of risks system to realize the transfer of risk management and control from results management to prevention. Secondly, by making steady progress in energy consumption plan, the Company will continue to deepen "optimising operation, ensuring safety, reducing cost and increasing efficiency". Thirdly, through all fronts and determination to fight the battle of pollution prevention and treatment, the Company will strength bottom-line and red-line awareness of resource and environment with a focus on enhancing the environmental management standard of existing generating units, advancing the environmental transformation and governance of key projects in a steady pace and fully implementing the responsibility of ecological environmental protection. Fourthly, by improving the safety standard of equipment, the Company will strictly manage and control the process of inspection and repair, consolidate the foundation of equipment technical management and promote the reform of mechanism for system inspection and repair.

2. Making great efforts towards quality improvement and efficiency enhancement

Persisting in targeting at the market, the Company will spare no efforts to increase power generation, lower coal price and control costs, etc.. In respect of the increase in power generation, by proactively adapting to the new situation of national macroeconomic development and new requirements for power market reform, the Company will further improve the power marketing management system and control mechanism of enterprises at all levels of Datang International, and pay close attention to benchmarking and exploring market potentials, and actively seize all efficient power. In respect of costs control, the Company will further improve the level of dedicate management, tighten the control over costs and expenses, and strive for preferential policies. In respect of capital operation, the Company will put more efforts in research and analysis on the capital market and power industry for proactive exploration the potential of diversified and low cost financing models, and fully leverage the resource advantages of listed companies. The Company will also continue to promote the "leaner and healthier" and disposal of assets of "low or no efficiency", intensify the efforts to clean up and dispose of the equity investment that is of less relevance, no evident strategic significance, or not for the principal business.

3. ***Strive to promote high quality development***

Focusing on the coordinated development of Beijing-Tianjin-Hebei, Xiong'an New District, Guangdong-Hong Kong-Macao Greater Bay Area, the "Belt and Road Initiative" and other national strategies, the Company will seize opportunities to promote high-quality development with new ideas. It will further rationalize the bidding development model of new energy projects, strengthen the possession and reserves of offshore wind power resources, and advance the preliminary work of photovoltaic power generation projects in a steady pace. In accordance with the introduction of the policies of national warning, equal capacity replacement and coal and electricity production joint venture, the Company will accelerate the development and layout of millions of coal power generation units and H-class gas power generation projects, and promote the transformation and upgrading of coal power units. The Company will attach great importance to the sustainability and long-term efficiency of the new thermal power grid, and develop "the integration between grid and source" smart thermal power project with regard to local conditions and continuously create new profit growth points. Through strengthening the control over the quality of construction process, the Company will intensify the quality supervision and tighten the acceptance criteria, so as to further improve the quality of construction of projects.

4. ***Further enhance the corporate governance capability***

By adhering to General Secretary Xi Jinping's key deployment plan on three critical missions of "fend off and defuse material risks", the Company will further enhance the lawful corporate governance system "based on systematic management, adhering to the rules and implementing according to the process". Firstly, the Company will improve the efficiency of management and control, continue to promote reform and innovation, clarify management interface, straighten out the power and responsibility system and optimize business processes, so as to strengthen the system execution. Secondly, the Company will strengthen the internal control system, continue to optimize the risk prevention and control system, improve the prevention and mitigation measures, with a view to strengthening the annual assessment of major risks prevention and control. Thirdly, the Company will also reinforce its market value management to boost investors' confidence, build the "Datang Power" brand and continuously stimulate its vitality as a listed company.

III. SHARE CAPITAL AND DIVIDENDS

1. Share Capital

As of 31 December 2018, the total share capital of the Company amounted to 18,506,710,504 shares, of a nominal value of RMB1 per share.

2. Dividends

The Board proposes that based on the Company's total share capital (as at 31 December 2018, the Company's total share capital was 18,506,710,504 shares), it will distribute a cash dividend of RMB0.1 per share (tax inclusive) to all shareholders and the total amount of the proposed cash dividends to be distributed is approximately RMB1,851 million.

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

3. Shareholding of the Directors and Supervisors

As of 31 December 2018, save as disclosed below and to the knowledge of the Board, none of the directors ("**Directors**"), supervisors ("**Supervisors**") and chief executives of the Company nor their associates had any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporation (as defined in the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (the 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 complied with the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "**Listing Rules**").

Name of Director	Long Position/ Short Position	Identity/ Nature of equity	Number of A-Shares held	Approximate percentage to issued shares of the Company
Mr. Liu Jizhen	Long Position	Beneficial interest	9,100	0.000068%

IV. SIGNIFICANT EVENTS

1. Pursuant to the “Resolution on the Change of Directors of the Company” considered and approved at the 2018 first extraordinary general meeting held by the Company on 16 March 2018, Mr. Zhang Ping and Mr. Jin Shengxiang were appointed as Directors of the ninth session of the Board in replacement of Mr. Liu Haixia and Ms. Guan Tiangang.

2. The Company completed the non-public issuance of H-Shares on 19 March 2018, issuing 2,794,943,820 H-Shares with gross proceeds of approximately HK$6,222 million raised; and completed the non-public issuance of A-Shares on 23 March 2018, issuing 2,401,729,106 A-Shares with gross proceeds of approximately RMB8,334 million raised.

3. On 6 December 2017, the Company entered into the “Equity Transfer Agreement between China Datang Corporation Ltd. and Datang International Power Generation Co., Ltd. Regarding the Equity in Datang Heilongjiang Power Generation Co., Ltd., Datang Anhui Power Generation Co., Ltd. and Datang Hebei Power Generation Co., Ltd.” with China Datang Corporation Ltd. to acquire the entire equity interest of Datang Hebei Power Generation Co., Ltd., the entire equity interest of Datang Heilongjiang Power Generation Co., Ltd. and the entire equity interest of Datang Anhui Power Generation Co., Ltd. held by China Datang Corporation Ltd. at the aggregate consideration of RMB18,127.5115 million. The above transaction was considered and approved at the 2018 first extraordinary general meeting of the Company convened on 16 March 2018 and was completed on 1 April 2018.

4. As approved by the Board, Mr. Hong Shaobin, Mr. Meng Fankui and Mr. Duan Zhongmin ceased to be the deputy general managers of the Company with effect from 6 June 2018.

5. During the reporting period, the Company issued the perpetual bonds of RMB5 billion for debt investment scheme with Taikang Asset Management Co., Ltd. (泰康資產管理有限責任公司) and Pacific Asset Management Co., Ltd. respectively.

6. Pursuant to the “Resolution on the Changes of Directors of the Company” considered and approved at the 2019 first extraordinary general meeting held by the Company on 28 March 2019, Mr. Chen Feihu (陳飛虎) and Mr. Wang Sen (王森) were appointed as Directors of the ninth session of the Board in replacement of Mr. Chen Jinhang and Mr. Liu Chuandong.

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

During the Year, the Group did not purchase, sell or redeem any of the Company's listed securities.

VI. COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE CODE

To the knowledge of the Board, the Company complied with all the code provisions under the Corporate Governance Code (the "**Code**") as set out in Appendix 14 to the Listing Rules 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 Code.

During the Year, the Nomination Committee, the Remuneration and Appraisal Committee, the Audit Committee as well as 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 Code. The only discrepancies between such terms of reference and the afore-said code provisions were the expressions or sequence.

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

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code.

Upon specific enquiries made to all Directors and in accordance with information provided, the Board confirmed that all Directors and Supervisors have complied with the Model Code during the Year.

VIII. AUDIT COMMITTEE

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

The Audit Committee considers that the 2018 annual financial report of the Group has complied with the applicable accounting standards, and that the Group has made adequate disclosures thereof.

Announcement is hereby given.

By Order of the Board
Ying Xuejun
Company Secretary

Beijing, the PRC, 28 March 2019

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

Chen Feihu, Wang Sen, Wang Xin, Liang Yongpan, Ying Xuejun, Zhu Shaowen, Cao Xin, Zhao Xianguo, Zhang Ping, Jin Shengxiang, Liu Jizhen, Feng Genfu*, Luo Zhongwei*, Liu Huangsong* and Jiang Fuxiu*.*

* *Independent non-executive Directors*

A. FINANCIAL INFORMATION EXTRACTED FROM FINANCIAL STATEMENTS PREPARED UNDER IFRS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	**2018**	2017
		RMB'000	*RMB'000*
			(Restated)
Operating revenue	*3*	**93,389,625**	84,185,072
Operating costs			
Fuel for power and heat generation		**(48,997,302)**	(44,927,005)
Depreciation		**(13,805,078)**	(13,249,351)
Repairs and maintenance		**(2,786,687)**	(2,412,694)
Salaries and staff welfare		**(5,707,470)**	(5,158,990)
Local government surcharges		**(1,369,607)**	(1,151,783)
Others		**(11,355,042)**	(9,671,551)
Total operating costs		**(84,021,186)**	(76,571,374)
Operating profit		**9,368,439**	7,613,698
Shares of profits of associates		**1,754,780**	1,054,686
Shares of losses of joint ventures		**(397,315)**	(134,976)
Investment income		**162,476**	325,504
Other gains	*5*	**822,183**	804,693
Interest income		**102,262**	68,549
Finance costs	*6*	**(7,647,028)**	(6,873,777)
Profit before tax		**4,165,797**	2,858,377
Income tax expense	*7*	**(1,378,178)**	(677,859)
Profit for the year		**2,787,619**	2,180,518
Profit for the year attributable to:			
Owners of the Company		**1,232,240**	1,494,723
Non-controlling interests		**1,555,379**	685,795
		2,787,619	2,180,518
Earnings per share			
Basic and diluted (RMB cent)	*8*	**7.16**	11.23

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	RMB'000	*RMB'000* (Restated)
Profit for the year	**2,787,619**	2,180,518
Other comprehensive (expenses) income:		
Items that may be reclassified to profit or loss:		
Fair value gain on available-for-sale financial assets	**–**	88,885
Shares of other comprehensive income of associates	**–**	(19,948)
Exchange differences on translating foreign operations	**12,951**	(5,042)
Income tax on items that may be reclassified to profit or loss	**–**	158
Items that will not be reclassified to profit or loss:		
Fair value loss on investments in equity instruments at fair value through other comprehensive income	**(249,750)**	–
Other comprehensive (expenses) income for the year, net of tax	**(236,799)**	64,053
Total comprehensive income for the year	**2,550,820**	2,244,571
Total comprehensive income for the year attributable to:		
Owners of the Company	**994,601**	1,558,776
Non-controlling interests	**1,556,219**	685,795
	2,550,820	2,244,571

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2018

	Note	**31 December 2018**	31 December 2017	1 January 2017
		RMB'000	*RMB'000* (Restated)	RMB'000 (Restated)
Non-current assets				
Land use rights		**2,909,576**	2,789,497	3,040,349
Property, plant and equipment		**217,426,346**	215,859,037	215,876,791
Investment properties		**647,875**	621,793	561,595
Intangible assets		**2,044,863**	2,089,712	2,104,646
Interests in associates		**16,032,194**	14,471,540	8,968,990
Interests in joint ventures		**690,359**	1,312,160	6,629,938
Available-for-sale financial assets		**–**	4,910,913	5,407,866
Financial instruments at fair value through profit or loss		**4,311,248**	–	–
Equity instruments at fair value through other comprehensive income		**1,111,779**	–	–
Long-term entrusted loans to an associate		**122,451**	133,386	125,188
Deferred tax assets		**4,088,785**	4,087,865	3,493,948
Other non-current assets		**4,079,406**	5,037,838	4,357,448
		253,464,882	251,313,741	250,566,759
Current assets				
Inventories		**4,639,385**	4,202,383	3,814,358
Trade and notes receivables	*10*	**13,773,055**	12,785,760	10,296,252
Prepayments and other receivables		**4,660,941**	4,030,062	4,979,873
Tax recoverable		**163,805**	230,465	418,576
Current portion of other non-current assets		**6,509**	76,188	11,656
Cash and cash equivalents and restricted deposits		**11,541,749**	6,484,061	6,175,939
		34,785,444	27,808,919	25,696,654

	Note	**31 December 2018**	31 December 2017	1 January 2017
		RMB'000	*RMB'000* (Restated)	RMB'000 (Restated)
Current liabilities				
Trade payables and accrued liabilities	*11*	**26,021,443**	29,096,719	26,590,748
Contract liabilities		**1,048,738**	–	–
Consideration payable		**191,216**	–	–
Taxes payables		**1,392,003**	1,065,363	1,126,009
Dividends payables		**1,725,614**	357,207	633,461
Short-term loans		**24,771,641**	27,684,424	13,199,736
Short-term bonds		**11,000,000**	–	14,482,902
Current portion of non-current liabilities		**26,007,217**	18,044,525	12,285,068
		92,157,872	76,248,238	68,317,924
Net current liabilities		**(57,372,428)**	(48,439,319)	(42,621,270)
		196,092,454	202,874,422	207,945,489
Capital and reserves				
Share capital		**18,506,711**	13,310,038	13,310,038
Reserves		**26,968,351**	38,936,799	37,644,729
		45,475,062	52,246,837	50,954,767
Non-controlling interests		**20,014,759**	19,831,908	20,540,370
Perpetual bonds		**5,000,000**	–	–
Total equity		**70,489,821**	72,078,745	71,495,137
Non-current liabilities				
Long-term loans		**105,648,543**	103,816,613	105,945,587
Long-term bonds		**8,966,309**	15,743,253	16,721,352
Deferred income		**2,564,376**	2,763,104	2,834,039
Deferred tax liabilities		**731,253**	544,546	563,261
Other non-current liabilities		**7,692,152**	7,928,161	10,386,113
		125,602,633	130,795,677	136,450,352
		196,092,454	202,874,422	207,945,489

1. GENERAL INFORMATION AND BASIS OF PREPARATION

Datang International Power Generation Co., Ltd. (the "**Company**") was incorporated in the People's Republic of China (the "**PRC**") as a joint stock limited liability company. The shares of the Company were listed on the Main Board of the Stock Exchange of Hong Kong (the "**Hong Kong Stock Exchange**") ("**H shares**") on 21 March 1997, the London Stock Exchange on 21 March 1997, and the Shanghai Stock Exchange ("**A shares**") on 20 December 2006. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information to the annual report.

The principal activities of the Company and its subsidiaries (collectively referred to as the "**Group**") are power generation and power plant development in the PRC. The Group is also engaged in coal trading and other business.

In the opinion of the directors of the Company, China Datang Corporation Limited ("**China Datang**"), a company incorporated in the PRC, is the ultimate parent of the Company.

The consolidated financial statements are presented in Renminbi ("**RMB**"), which is the same as the functional currency of the Company.

The consolidated financial statements of the Company for the year ended 31 December 2018 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 Hong Kong Stock Exchange (the "**Listing Rules**") and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). Significant accounting policies adopted by the Group are disclosed below.

The IASB has issued certain new and revised IFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2 to the announcement provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in the consolidated financial statements.

During the year ended 31 December 2018, the Group acquired certain entities which were under common control of China Datang before and after the business combinations (the "**Combination**"). The Company applies the principles of merger accounting in preparing the consolidated financial statements of the Group.

At 31 December 2018, a significant portion of the funding requirements of the Group for capital expenditures was satisfied by short-term borrowings. Consequently, at 31 December 2018, the Group had net current liabilities of approximately RMB57,372,428,000. The Group has significant undrawn borrowing facilities, subject to certain conditions, of not less than RMB200 billion and may refinance and/or restructure certain short-term borrowings into long-term borrowings and will also consider alternative sources of financing, where applicable. The 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. APPLICATION OF NEW AND REVISED IFRS

In the current year, the Group has applied the following new and revised IFRSs, which include IFRSs, IASs, amendments and Interpretations issued by the IASB.

IFRS 9	Financial Instruments
IFRS 15	Revenue from Contracts with Customers and related Amendments
Amendments to IFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to IFRS 4	Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts
Amendments to IAS 28	As part of Annual Improvements to IFRSs 2014 – 2016 Cycle
Amendments to IAS 40	Transfers of Investment Property
IFRIC-Interpretation 22	Foreign Currency Transactions and Advance Consideration

Except as described below, the application of other new and amendments to IFRSs in the current year has had no material impact on the Group's financial performance and position for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 superseded IAS 11 Construction Contracts, IAS 18 Revenue and related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard established a five-step model for determining whether, how much and when revenue is recognised. The Group has elected to adopt the modified retrospective approach for contracts with customers that are not completed as at the date of initial application (i.e. 1 January 2018) with the cumulative effect of initially applying IFRS 15 as an adjustment to the opening balance of retained earnings and comparative information is not restated. Accordingly, certain comparative information may not be comparable as comparative information was prepared under IAS 18 Revenue.

Summary of effects arising from initial application of IFRS 15

At the date of initial application, the Group receives advances from customers upon signing the contracts. As such, at 1 January 2018, the carrying amount of advance payment from customers of approximately RMB928,328,000 was reclassified to contract liabilities. These items previously included in trade payables and accrued liabilities were reclassified to contract liabilities upon application of IFRS 15.

Disclosure of the estimated impact on the amounts reported in respect of the year ended 31 December 2018 as a result of the adoption of IFRS 15 on 1 January 2018

The following table summarises the estimated impact of applying IFRS 15 on the consolidated statement of financial position at 31 December 2018, by comparing the amounts reported under IAS 11, IAS 18 and related interpretations that were in effect before the change. Line items that were not affected by the adjustments have not been included. The adoption of IFRS 15 did not have material impact on the Group's operating, investing and financing cash flows.

Impact on the consolidated statement of financial position at 31 December 2018

	Trade payables and accrued liabilities *RMB'000*	Contract liabilities *RMB'000*
At 31 December 2018, as reported	26,021,443	1,048,738
Impact on adoption of IFRS 15	1,048,738	(1,048,738)
At 31 December 2018	27,070,181	–

IFRS 9 Financial instruments

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The Group has applied IFRS 9 retrospectively to financial instruments that have not been derecognised at the date of initial application (i.e. 1 January 2018) in accordance with the transition provisions under IFRS 9, and chosen not to restate comparative information. Differences in the carrying amounts of financial assets on initial application are recognised in retained earnings and other components of equity as at 1 January 2018.

Classification and measurement of financial instruments

The directors of the Company reviewed and assessed the Group's existing financial assets and liabilities as at 1 January 2018 based on the facts and circumstances that existed at that date and concluded that the initial application of IFRS 9 has had the following impact on the Group's financial assets as regards their classification and measurement:

Equity investments previously classified as available-for-sale investments carried at fair value

The Group elected to present in other comprehensive income for the fair value changes of its listed equity investments of RMB279,289,000 previously classified as available-for-sale investments and measured at fair value under IAS 39. These investments are not held for trading and not expected to be sold in the foreseeable future. At the date of initial application of IFRS 9, cumulative net fair value gain relating to these listed equity investments recognised in available-for-sale financial assets revaluation reserve of RMB118,351,000 were reclassified to FVTOCI reserve.

Equity investments previously classified as available-for-sale investments carried at cost less impairment

From available-for-sale equity investments to fair value through other comprehensive income "FVTOCI"

The Group elected to present in other comprehensive income for the fair value changes of its unquoted equity investments of RMB1,233,093,000 previously classified as available-for-sale investments and measured at cost less impairment under IAS 39. These investments are not held for trading and not expected to be sold in the foreseeable future. At the date of initial application of IFRS 9, fair value loss of RMB243,479,000 relating to these unquoted equity investments were adjusted to FVTOCI reserve and non-controlling interests as at 1 January 2018 as to RMB164,548,000 and RMB78,931,000, respectively.

From available-for-sale equity investments to fair value through profit or loss ("FVTPL")

At the date of initial application of IFRS 9, the Group's equity investments of RMB3,398,531,000 were reclassified from available-for-sale investments to financial assets at FVTPL. The fair value gain of RMB630,349,000 and resulted deferred tax liabilities of RMB122,758,000 relating to these equity investments were adjusted to retained earnings and non-controlling interests as at 1 January 2018 as to RMB462,975,000 and RMB44,616,000, respectively.

All financial liabilities measured at amortised cost under IAS 39 continued to be measured at amortised cost under IFRS 9.

Loss allowance for expected credit losses ("ECL")

The adoption of IFRS 9 has changed the Group's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss model with a forward-looking ECL model. As at 1 January 2018, the directors of the Company reviewed and assessed the Group's existing financial assets and other items subject to ECL for impairment using reasonable and supportable information that is available without undue cost or effort in accordance with the requirements of IFRS 9.

As at 1 January 2018, no additional allowance on the Group's financial assets have been recognised.

Summary of effects arising from initial application of IFRS 9

The table below summarises the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for certain class of the Group's financial assets and reconciles the carrying amounts of financial assets under IAS 39 to the carrying amounts under IFRS 9 on 1 January 2018.

	Available-for-sale investments	**Financial instruments at FVTPL**	**Equity instruments at FVTOCI**	**Deferred tax liabilities**	**Available for-sale financial assets revaluation reserve**	**FVTOCI reserve**	**Retained earnings**	**Non-controlling interest**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Closing balance at 31 December 2017 – IAS 39*	4,910,913	–	–	(544,546)	(118,351)	–	(6,964,383)	(19,831,908)
Effects arising from initial application of IFRS 9								
Reclassification:								
From available-for-sale	(4,910,913)	3,398,531	1,512,382	–	118,351	(118,351)	–	–
Remeasurement								
From cost less impairment to fair value	–	630,349	(243,479)	(122,758)	–	164,548	(462,975)	34,315
Opening balance at 1 January 2018	–	4,028,880	1,268,903	(667,304)	–	46,197	(7,427,358)	(19,797,593)

* The amounts had been restated to reflect the adoption of merger accounting in relation to the combination.

New and revised IFRSs issued but not yet effective

The Group has not early applied the following new and amendments to IFRSs and interpretation that have been issued but are not yet effective:

IFRS 16	Leases[1]
IFRS 17	Insurance Contracts[2]
Amendments to IFRS 3	Definition of a Business[4]
Amendments to IFRS 9	Prepayment Features with Negative Compensation[1]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
Amendments to IAS 1 and IAS 8	Definition of Material[5]
Amendments to IAS 19	Employee Benefits[1]
Amendments to IAS 28	Long-term Interests in Associates and Joint Ventures[1]
IFRIC – Interpretation 23	Uncertainty over Income Tax Treatments[1]
Amendments to IFRS	Annual Improvements to IFRSs 2015-2017 Cycle[1]

1 Effective for annual periods beginning on or after 1 January 2019.
2 Effective for annual periods beginning on or after 1 January 2021.
3 Effective date not yet been determined.
4 Effective for business combinations and assets acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.
5 Effective for annual periods beginning on or after 1 January 2020.

The directors of the Company anticipate that, except as described below, the application of the other new and revised IFRSs will have no material impact on the results and the financial position of the Group.

IFRS 16 Leases

IFRS 16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessors and lessees.

In respect of the lessee accounting, the standard introduces a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases with the lease term of more than 12 months, unless the underlying asset has a low value.

At the commencement date of the lease, the lessee is required to recognise a right-of-use asset at cost, which consists of the amount of the initial measurement of the lease liability, plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, the initial estimate of restoration costs and any initial direct costs incurred by the lessee. A lease liability is initially recognised at the present value of the lease payments that are not paid at that date.

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liability. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment made, and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. Depreciation and impairment expenses, if any, on the right-of-use asset will be charged to profit or loss following the requirements of IAS 16 Property, Plant and Equipment, while interest accrual on lease liability will be charged to profit or loss.

In respect of the lessor accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17 Leases. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

IFRS 16 will supersede the current lease standards including IAS 17 Leases and the related interpretations when it becomes effective.

As at 31 December 2018, the Group has non-cancellable operating lease commitments of approximately RMB605,871,000. A preliminary assessment indicates that these arrangements will meet the definition of a lease under IFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of IFRS 16. In addition, the application of new requirements may result changes in the measurement, presentation and disclosure as indicated above. The standard will affect primarily the accounting for the Group's operating leases. The directors of the Company are in the process to determine the amounts of right-of-use assets and lease liabilities to be recognised in the consolidated statement of financial position, after taking into account all practical expedients and recognition exemption under IFRS 16. The new standard will therefore result in an increase in right of use assets and an increase in payment obligation liabilities in the consolidated statement of financial position. In the statement of income, as a result, the operating lease expense under otherwise identical circumstances will decrease, while depreciation and amortisation and the interest expense will increase. However, the Group has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows. Some of the commitments may be covered by the exception for short-term and low value leases and some commitments may relate to arrangements that will not qualify as leases under IFRS 16.

3. OPERATING REVENUE

In 2018, the Group's operating revenue was generated from contracts with customers within the scope of IFRS 15. Revenue is recognised at a point in time. An analysis of the Group's operating revenue for the year is as follows:

	2018	2017*
	RMB'000	*RMB'000* (Restated)
Sales of electricity	**87,442,681**	80,770,531
Sales of coal	**2,300,638**	99,011
Others	**3,646,306**	3,315,530
Total	**93,389,625**	84,185,072

* The amounts are recognised under IAS 18.

4. 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 and coal separately. Other operating activities primarily include aluminium smelting products, etc., and are included in "other segments".

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

Sales between operating segments are marked to market or contracted close to market price and have been eliminated as internal transactions at consolidation level. Unless otherwise noted below, all such financial information in the segment tables below is prepared under PRC GAAP.

1. Power generation segment – operation of power plants through subsidiaries, generating electric power for sale to external power grid companies, investing in power plants through joint ventures and associates;
2. Coal segment – engaged in mining and sale of coal products; and
3. Others – engaged in aluminium smelting and others.

The "others" comprises a number of immaterial businesses and none of these units has ever individually met the quantitative thresholds for determining a reportable segment.

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable and operating segment:

Year ended 31 December 2018

	Power generation segment	**Coal segment**	**Other segments**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Revenue from external customers	87,442,681	2,300,638	3,646,306	93,389,625
Intersegment revenue	883,134	12,189,550	232,646	13,305,330
	88,325,815	14,490,188	3,878,952	106,694,955
Segment profit/(loss)	4,458,692	359,757	(650,183)	4,168,266

Year ended 31 December 2017 (Restated)

	Power generation segment *RMB'000*	**Coal segment** *RMB'000*	**Other segments** *RMB'000*	**Total** *RMB'000*
Revenue from external customers	80,770,531	99,011	3,315,530	84,185,072
Intersegment revenue	722,415	21,761,980	126,424	22,610,819
	81,492,946	21,860,991	3,441,954	106,795,891
Segment profit/(loss)	3,352,841	96,228	(588,850)	2,860,219

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

	31 December 2018 ***RMB'000***	31 December 2017 *RMB'000* (Restated)
SEGMENT ASSETS		
Power generation segment	**275,103,280**	266,144,639
Coal segment	**5,847,132**	5,830,765
Other segments	**6,965,976**	6,876,459
Segment assets	**287,916,388**	278,851,863
SEGMENT LIABILITIES		
Power generation segment	**207,513,497**	193,845,592
Coal segment	**4,505,365**	5,205,846
Other segments	**5,720,987**	7,971,822
Segment liabilities	**217,739,849**	207,023,260

Reconciliations of reportable segment, profit or loss, assets, liabilities and other material items from continuing operations:

	2018 *RMB'000*	2017 *RMB'000* (Restated)
Total profit or loss of reportable segments	**4,168,266**	2,860,219
IFRS adjustments	**(2,469)**	(1,842)
Consolidated profit before tax	**4,165,797**	2,858,377

	31 December 2018 *RMB'000*	31 December 2017 *RMB'000* (Restated)
Assets		
Total assets of reportable segments	**287,916,388**	278,851,863
IFRS adjustments	**333,938**	270,797
Consolidated total assets	**288,250,326**	279,122,660
Liabilities		
Total liabilities of reportable segments	**217,739,849**	207,023,260
IFRS adjustments	**20,656**	20,655
Consolidated total liabilities	**217,760,505**	207,043,915

Geographical information

No geographical information is presented as more than 90% of the Group's revenue during the years ended 31 December 2018 and 2017 and most of their customers and non-current assets as at 31 December 2018, 2017 and 1 January 2017 were located in the PRC.

5. OTHER GAINS

	2018	2017
	RMB'000	*RMB'000*
		(Restated)
Gain on disposals of subsidiaries, net	**–**	28,368
Gain on disposals of available-for-sale financial assets	**–**	238,257
Gain on change of fair value of financial instruments at FVTPL	**242,147**	–
Amortisation of deferred income	**546,809**	497,808
Others	**33,227**	40,260
	822,183	804,693

6. FINANCE COSTS

	2018	2017
	RMB'000	*RMB'000*
		(Restated)
Total interest expense on borrowings	**8,398,801**	7,866,402
Less: amount capitalised in property, plant and equipment	**(866,732)**	(1,023,749)
	7,532,069	6,842,653
Exchange loss, net	**80,495**	3,990
Others	**34,464**	27,134
	7,647,028	6,873,777

7. INCOME TAX EXPENSE

	2018	2017
	RMB'000	*RMB'000*
		(Restated)
Current tax – PRC Enterprise Income Tax:		
Provision for the year	**1,410,022**	1,297,045
Over-provision in prior years	**(94,874)**	–
	1,315,148	1,297,045
Deferred tax	**63,030**	(619,186)
	1,378,178	677,859

8. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following:

	2018	2017
	RMB'000	*RMB'000*
		(Restated)
Earnings		
Earnings for the purpose of calculating basic and diluted earnings per share	**1,232,240**	1,494,723
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted earnings per share	**17,207,542**	13,310,038

The dilutive earnings per share is equal to the basic earnings per share as there were no dilutive potential ordinary shares outstanding during the years ended 31 December 2018 and 2017.

9. DIVIDENDS

Pursuant to the board of directors' meeting on 28 March 2019, the directors recommended to declare the final dividends for the year ended 31 December 2018 of RMB0.1 per share totalling RMB1,850,670,000. Such recommendation is to be approved by the shareholders at the annual general meeting. Dividends declared after the end of the reporting period are not recognised as a liability at the end of the reporting period.

During the year ended 31 December 2018, a final dividend of RMB0.09 per share in respect of the year ended 31 December 2017 totalling RMB1,665,604,000 (2017: Nil) was declared and paid to the owners of the Company.

10. TRADE AND NOTES RECEIVABLES

	31 December 2018	31 December 2017	1 January 2017
	RMB'000	*RMB'000* (Restated)	*RMB'000* (Restated)
Trade receivables	**13,629,279**	12,654,242	10,358,895
Less: provision of impairment	**(906,948)**	(897,419)	(741,359)
	12,722,331	11,756,823	9,617,536
Notes receivables	**1,050,724**	1,028,937	678,716
	13,773,055	12,785,760	10,296,252

The following is an aged analysis of trade receivables, presented based on the invoice dates, which approximates the respective revenue recognition dates, at the end of the reporting period.

	31 December 2018	31 December 2017
	RMB'000	*RMB'000* (Restated)
Within one year	**11,610,168**	11,262,509
Between one to two years	**761,647**	229,597
Between two to three years	**105,765**	36,711
Over three years	**244,751**	228,006
	12,722,331	11,756,823

11. TRADE PAYABLES AND ACCRUED LIABILITIES

	31 December 2018	31 December 2017	1 January 2017
	RMB'000	*RMB'000* (Restated)	*RMB'000* (Restated)
Trade payables	**20,387,076**	23,225,162	19,769,059
Note payables	**1,248,315**	1,281,918	2,407,876
Receipt in advance	**–**	928,328	833,476
Accrued expenses	**1,009,468**	953,660	870,923
Other payables	**3,376,584**	2,707,651	2,709,414
	26,021,443	29,096,719	26,590,748

The ageing analysis of the trade payables is as follows:

	31 December 2018	31 December 2017
	RMB'000	*RMB'000* (Restated)
Within one year	**15,651,698**	17,031,413
Between one to two years	**1,939,108**	2,656,848
Between two to three years	**1,059,467**	1,597,052
Over three years	**1,736,803**	1,939,849
	20,387,076	23,225,162

12. FINANCIAL GUARANTEES AND CONTINGENT LIABILITIES

At the end of the reporting period, the Group has provided financial guarantees for loan facilities granted to the following parties:

	31 December 2018	31 December 2017	1 January 2017
	RMB'000	*RMB'000* (Restated)	*RMB'000* (Restated)
Associates	**865,251**	838,726	1,020,080
Joint ventures	**61,250**	102,410	214,405
Associates of China Datang	**14,030,000**	14,030,000	14,106,000
	14,956,501	14,971,136	15,340,485

No claims have been made against the Group since the date of granting of the above financial guarantees.

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

1. FINANCIAL HIGHLIGHTS AND FINANCIAL RATIOS

	2018	2017	Variance
	RMB'000	*RMB'000*	*%*
		(Restated)	
Revenue from operations	**93,389,625**	84,185,072	10.9
Net profit attributable to equity holders of the Company	**1,234,709**	1,496,690	(17.5)
Net cash flows from operating activities	**19,314,090**	20,044,706	(3.6)
Net assets attributable to equity holder of the Company	**45,126,658**	51,895,964	(13.0)
Total assets	**287,916,388**	278,851,863	3.3
Total share capital as at the end of the year	**18,506,711**	13,310,038	39.0
Basic earnings per share *(RMB)*	**0.0718**	0.1124	(36.1)
Diluted earnings per share *(RMB)*	**0.0718**	0.1124	(36.1)

2. PROFIT OR LOSS ACCOUNT

	2018	2017
	RMB'000	*RMB'000*
		(Restated)
Operating revenue	**93,389,625**	84,185,072
Less: Operating costs	**(78,755,952)**	(71,875,072)
Tax and surcharge	**(1,369,607)**	(1,151,782)
Selling expenses	**(57,429)**	(70,884)
General and administration expenses	**(3,079,938)**	(3,067,538)
Financial expenses	**(7,544,766)**	(6,805,228)
Others	**(656,172)**	(543,286)
Add: Investment income	**1,528,268**	1,515,866
Others	**631,619**	634,122
Operating profit	**4,085,648**	2,821,270
Add: Non-operating income	**333,536**	171,437
Less: Non-operating expenses	**(250,918)**	(132,488)
Total profit	**4,168,266**	2,860,219
Less: Income tax expenses	**(1,378,178)**	(677,859)
Net profit	**2,790,088**	2,182,360
Profit for the year attributable to:		
Equity holders of the Company	**1,234,709**	1,496,690
Minority interest	**1,555,379**	685,670
Other comprehensive income	**(236,798)**	64,053
Total comprehensive income	**2,553,290**	2,246,413
Total comprehensive income attributable to:		
Equity holders of the Company	**997,071**	1,560,743
Minority interest	**1,556,219**	685,670

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:

	Notes	**Net assets** **31 December 2018** ***RMB'000***	 31 December 2017 *RMB'000* (Restated)
Net assets attributable to owners of the Company under IFRS		**45,475,062**	52,246,837
Impact of IFRS adjustments:			
Difference in the commencement of depreciation of property, plant and equipment	*(a)*	**106,466**	106,466
Difference in accounting treatment on mining funds	*(b)*	**(401,046)**	(337,906)
Applicable deferred tax impact of the above GAAP Differences		**(18,702)**	(18,702)
Non-controlling interests' impact of the above GAAP Differences after tax		**(35,122)**	(100,731)
Net assets attributable to owners of the Company under PRC GAAP		**45,126,658**	51,895,964

	Note	Net profit 2018 RMB'000	2017 RMB'000 (Restated)
Profit for the year attributable to owners of the Company under IFRS		**1,232,240**	1,494,723
Impact of IFRS adjustments:			
Difference in accounting treatment on mining funds	*(b)*	**2,469**	1,842
Non-controlling interests' impact of the above GAAP Differences after tax		**–**	125
Net profit for the year attributable to owners of the Company under PRC GAAP		**1,234,709**	1,496,690

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 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.