



Innovative progress,
High quality development
2019 Interim Report



大唐国际发电股份有限公司
DATANG INTERNATIONAL POWER GENERATION CO., LTD.
Stock Code: 00991



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Company Results

OPERATING AND FINANCIAL HIGHLIGHTS:

- Operating revenue amounted to approximately RMB45,040 million, representing a decrease of approximately 1.10% as compared to the first half of 2018.
- Total profit before tax amounted to approximately RMB2,652 million, representing a decrease of approximately 7.58% as compared to the first half of 2018.
- Net profit attributable to equity holders of the Company amounted to approximately RMB767 million, representing a decrease of approximately 36.96% as compared to the first half of 2018.
- Basic earnings per share attributable to equity holders of the Company amounted to approximately RMB0.0414, representing a decrease of RMB0.0351 per share as compared to the first half of 2018.

The board of directors (the "Board") of Datang International Power Generation Co., Ltd. (the "Company") hereby announces the unaudited consolidated operating results of the Company and its subsidiaries (the "Group") prepared in conformity with International Financial Reporting Standards ("IFRS") for the six months ended 30 June 2019 (the "Period"), together with the unaudited consolidated operating results of the first half of 2018 (the "Corresponding Period Last 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 Period was approximately RMB45,040 million, representing a decrease of approximately 1.10% as compared to that of the Corresponding Period Last Year. Total profit before tax amounted to approximately RMB2,652 million, representing a decrease of approximately 7.58% as compared to that of the Corresponding Period Last Year. Net profit attributable to equity holders of the Company was approximately RMB767 million, representing a decrease of approximately 36.96% as compared to that of the Corresponding Period Last Year. Basic earnings per share attributable to equity holders of the Company amounted to approximately RMB0.0414, representing a decrease of RMB0.0351 per share as compared to that of the Corresponding Period Last Year.

Management Discussion and Analysis

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 the first half of 2019, the Company proactively adapted to power system reform, actively responded to the power market competition and the severe condition regarding coal power maintenance, supply and price control, always adhered to the general requirements of "Act with First Class Standard, be the World Class Energy Group", and continuously made efforts to achieve high quality development.

REVIEW ON THE OPERATING RESULTS OF PRINCIPAL BUSINESSES

1. Maintaining the stability of overall production safety. The Company has always accorded top priority to safety and stability, adhered to the concept of safe development and "macro-safety", stressed main responsibilities, implemented a dual-prevention mechanism, focused on the building of management culture, controlled minor matters to prevent the occurrence of material issues and strengthened accountability to build a safety culture. With overall stability in production safety, the Company fulfilled the power preservation and heat supply tasks during the "Two Festivals" and "Two Sessions".
2. Actively responding to market changes. The Company took the initiative to respond to the two markets of electricity and coal, tightened the "two lines of defense" of marketing and fuel to comprehensively improve the level of power generation, the maintenance of fuel supply and the control of fuel price deepened the pursuit of excellence and tapped potential, so as to drive profit-making enterprises to increase profits and improve efficiency. The Company enhanced the control over costs and capital, and firmly established the concept of "large cost" via thorough and all-round cost control to expand profitability potential. It continued to deepen benchmarking management, and adhere to continuous benchmarking, multi-dimensional benchmarking and deep benchmarking, so as to promote the continuous improvement of various indicators and achieve quality upgrade of existing assets.
3. Continuous breakthrough in high quality development. The Company insisted on regarding development as the mission with prime importance, adhered to the implementation of the new development concept of "innovation, green, coordination, openness and sharing", fully promoted the development of renewable energy projects, continuously promoted the optimisation and upgrading of thermal power industrial structure, and actively carried out industrial research and development layout of new business activities. The Company completed the parity photovoltaic projects in Zanhuang, Shijiazhuang, Hebei and Wangkuai, Quyang, Baoding with high quality, and obtained approval for one set of heat and power combined generating unit of Phase IX of the Baoding Thermal Power Plant. During the Period, power generation projects of the Company

Management Discussion and Analysis

with a total capacity of 450MW was approved, including coal-fired generator projects with a capacity of 350MW and photovoltaic projects with a capacity of 100MW.

4. Continuous deepening in energy conservation and emission reduction. During the Period, coal consumption of the Company for power supply accumulated to 296.35g/kWh, representing a period-to-period decrease of 2.48g/kWh. Electricity consumption rate of power plants of the Company was 3.62%, representing a period-to-period decrease of 0.16 percentage point. The operation rate of desulfurisation amounted to 100%, while the operation rate of denitrification amounted to 99.79%. The emission of sulfur dioxide, nitrogen oxides, smoke ash and waste water were 0.07g/kWh, 0.13g/kWh, 0.01g/kWh and 10.28kg/kWh, respectively. The Company completed ultra-low emission environmental transformation projects on 111 coal-fired power generating units with capacity of 48,124MW in total. The Company's ultra-low emission environmental transformation plan on coal-fired power generating units has been completed on schedule according to the relevant requirements of the government.

MAJOR FINANCIAL INDICATORS AND ANALYSIS

1. Operating Revenue

During the Period, the Group realised an operating revenue of approximately RMB45,040 million, representing a decrease of approximately 1.10% as compared to the Corresponding Period Last Year, among which revenue from electricity sales was approximately RMB38,673 million, representing a decrease of approximately RMB1,288 million or approximately 3.22% as compared to the Corresponding Period Last Year. The decrease in revenue from electricity sales was mainly due to

the decrease in power generation and on-grid power generation of the Company for the Period of approximately 5.22% and 5.24%, respectively, as compared to the Corresponding Period Last Year.

2. Operating Costs

During the Period, total operating costs of the Group amounted to approximately RMB40,649 million, representing an increase of approximately RMB1,020 million or approximately 2.57% as compared to the Corresponding Period Last Year. The main reason is that, due to the impact of the bankruptcy of Gansu Datang International Liancheng Power Generation Company Limited, provision is made for credit impairment loss of RMB331 million and estimated liabilities of RMB536 million are recognised.

3. Net Finance Costs

During the Period, finance costs of the Group amounted to approximately RMB3,696 million, representing a decrease of approximately RMB73 million or approximately 1.94% as compared to the Corresponding Period Last Year. The period-to-period decrease in finance costs was mainly due to the impact of repayment of principal, resulting in a period-to-period decrease in the scale of financing.

4. Profit and Net Profit

During the Period, the Group achieved a total profit before tax of approximately RMB2,652 million, representing a decrease of approximately 7.58% as compared to the Corresponding Period Last Year. The Company also achieved a net profit of RMB1,836 million, representing a decrease of approximately 12.49% as compared to the Corresponding Period Last Year.

5. Financial Position

As at 30 June 2019, the total assets of the Group amounted to approximately RMB282,154 million, representing a decrease of approximately RMB6,096 million as compared to that at the end of 2018. The decrease in total assets was primarily attributable to the impact of principal repayment of borrowings and the depreciation of fixed assets.

Total liabilities of the Group amounted to approximately RMB208,514 million, representing a decrease of approximately RMB9,247 million as compared to the end of 2018. The decrease in total liabilities was mainly due to the impact of principal repayment of borrowings.

6. Liquidity

As at 30 June 2019, the assets-to-liabilities ratio of the Group was 73.90%. The net debt-to-equity ratio was approximately 211.31%.

As at 30 June 2019, cash and cash equivalents and restricted deposits of the Group amounted to approximately RMB8,502 million, among which approximately RMB55 million were foreign currency deposits. The Group had no entrusted deposits and overdue fixed deposits during the Period.

As at 30 June 2019, short-term loans of the Group amounted to approximately RMB28,457 million, bearing annual interest rates ranging from 3.0718% to 5.85%. Long-term loans (excluding those repayable within one year) amounted to approximately RMB102,173 million and long-term loans repayable within one year amounted to approximately RMB13,339 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 RMB826 million were denominated in US dollars.

7. Welfare Policy

As at 30 June 2019, the number of staff of the Group was 33,217 in total. The Group adopted the basic salary system focusing on the basis of position-points salary distribution and a variety of incentive mechanisms based on employee performance appraisal, to fully motivate their working enthusiasm.

The Group attaches great importance to the cultivation of staff. The Group coordinated and promoted the multi-channel talent growth mechanism, vigorously promoted the construction of a talent team, and orderly promoted the career planning and development of employees to constantly stimulate the vitality of employees. Adhering to the principle of adaptation to local conditions and personal aptitudes, the Group made overall planning of training resources, and gave full play to the roles of the enterprises as training entities, to carry out various types of training for different levels. Up to present, a total of 97 training programs have been rolled out, including 52 programs on operation and management, and 45 programs on technical skills, attracting 5,208 participants in aggregate.

Management Discussion and Analysis

OUTLOOK FOR THE SECOND HALF OF 2019

Looking into the second half of 2019, the Company will, on the basis of the results achieved in the first half of 2019, continue to thoroughly implement its new development concept, consolidate good momentum for development, steadily promote successful completion of various goals, and strive to build a first-class listed company with sound governance, excellent performance and good image, and which is accountable to its shareholders, responsible for its employees and favoured by investors.

1. Ensuring safety and stability of production. Adhering to “systematic management and revealing ins and outs by style (制度管總、作風兜底)”, the Company will reinforce accountability towards safe production and seriously abide by production discipline to ensure production safety, infrastructure safety, environmental safety and network safety. The Company will make arrangements to prevent and control floods during the summit of summer precipitation, strengthen the investigation of latent hazards as well as strengthen the maintenance management to ensure the safe and stable operation of generating units.
2. Making efforts to increase profit and create benefits. The Company will plan overall production and operation and comprehensively improve economic efficiency by focusing on key enterprises in key regions. Holding on to key indicators, coordinating key tasks such as power generation, energy saving, coal blending, cost reduction and efficiency improvement and debt reduction, the Company will strive to secure government support on preferential policies such as tax cuts and fee reductions and adopt various measures to spare no effort in the critical task of increasing profits and creating benefits.
3. Striving to improve governance standard. The Company will further improve its management system, comprehensively strengthen its compliance with laws, strengthen its internal control, and prevent and defuse legal risks in advance. The Company will strictly abide by the laws and regulations in the capital market, standardize connected transactions and ensure operation as a listed company in accordance with laws and regulations. Relying on the platform function of the capital market, it will improve the deployment of resources, assets, capital and funds, maximise the energy of listed companies, increase market value and enhance market image.
4. Dedicated to promoting high-quality development. Adhering to the concept of new development, the Company will scientifically plan its strategic development, industrial positioning and regional positioning as well as accelerate the formation of a new pattern of high-quality development in which “wind, light, gas and service” projects go hand in hand with clean and efficient coal power by focusing on strategic opportunities such as the coordinated development of Beijing-Tianjin-Hebei region, the integration of Yangtze River Delta and Guangdong-Hong Kong-Macau Greater Bay Area. The Company will actively explore land-based centralised and decentralised wind power as well as large-scale photovoltaic project resources, actively participate in the competitive allocation of grid parity and ultra-high voltage base delivery projects, and fully develop various renewable energy project resources. The Company will also actively promote the approval of key coal-fired power projects and the construction of urban clean heating supply and heat network projects, fully implement the annual production plan, and continue to consolidate the Company’s competitiveness in the electricity market.

Share Capital and Dividends

1. SHARE CAPITAL

As at 30 June 2019, the total share capital of the Company amounted to 18,506,710,504 shares.

2. DIVIDENDS

The Board recommends that no interim dividend be distributed for 2019.

3. SHAREHOLDING OF SUBSTANTIAL SHAREHOLDERS

As at 30 June 2019, to the best knowledge of the Directors, the persons below held interests or short positions in the shares or underlying shares of the Company which were required to be disclosed pursuant to Section 336 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"):

Name of Shareholder	Class of Shares	No. of Shares Held	Approximate Percentage to Total Issued Share Capital of the Company (%)	Approximate Percentage to Total Issued A Shares of the Company (%)	Approximate Percentage to Total Issued H Shares of the Company (%)
China Datang Corporation Ltd. ("CDC") (Note 1)	A shares	6,540,706,520	35.34	52.76	/
	A shares	8,738,600	0.05	0.07	/
	H shares	3,275,623,820 (L)	17.70 (L)	/	53.61 (L)
Tianjin Jinneng Investment Co., Ltd. (Note 2)	A shares	1,296,012,600	7.00	10.46	/
Hebei Construction & Investment Group Co., Ltd. (Note 3)	A shares	1,281,872,927	6.93	10.34	/
Beijing Energy Investment Holding Co., Ltd.	A shares	1,260,988,672	6.81	10.17	/

(L) = Long Position

Notes:

- (1) Mr. Chen Feihu and Mr. Wang Sen, who are currently non-executive Directors, are employees of CDC.
- (2) Mr. Zhu Shaowen, a non-executive Director, is currently an employee of Tianjin Energy Investment Group Limited, the de facto controller of Tianjin Jinneng Investment Co., Ltd.
- (3) Mr. Cao Xin and Mr. Zhao Xiangguo, both non-executive Directors, are employees of Hebei Construction & Investment Group Co., Ltd.

Share Capital and Dividends

4. SHAREHOLDING OF THE DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE

As at 30 June 2019, save as disclosed below and to the knowledge of the Board, none of the directors, supervisors and chief executive of the Company nor their respective 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 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	Class of shares of the Company	Long Position/ Short Position	Capacity/ Nature of interest	Number of A shares held	Approximate percentage to issued shares of the Company
Mr. Liu Jizhen	A shares	Long Position	Beneficial interest	9,100	0.000049%

5. USE OF PROCEEDS FROM THE A-SHARE ISSUANCE AND THE H-SHARE ISSUANCE

The Company completed the non-public issuance of H shares (the "H-Share Issuance") 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 (the "A-Share Issuance") on 23 March 2018, issuing 2,401,729,106 A shares with gross proceeds of approximately RMB8,334 million raised.

As at 30 June 2019, the proceeds from the H-Share Issuance and the A-Share Issuance have not yet been fully utilised.

a) Use of Proceeds from the A-Share Issuance as at 30 June 2019

Details of the use of proceeds from the A-Share Issuance as at 30 June 2019 are as follows:

	Previous balance of un-utilised proceeds as at 1 January 2019 <i>Approximately RMB0'000</i>	Utilisation of proceeds for the six months ended 30 June 2019 <i>Approximately RMB0'000</i>	Remaining balance of un-utilised proceeds as at 30 June 2019 <i>Approximately RMB0'000</i>
Investments in power plant projects	122,715	30,938	91,777
(i) Investment in "Replacing Small Units with Larger Units" Newly-constructed Project of Liaoning Datang International Huludao Thermal Power Plant (遼寧大唐國際葫蘆島熱電廠「上大壓小」新建工程項目) (the "Huludao Project")	33,181	20,922	12,259
(ii) Investment in Jiangsu Datang International Jintan Gas Turbine Thermal Power Cogeneration Project (江蘇大唐國際金壇燃機熱電聯產項目) (the "Jiangsu Project")	63,596	4,971	58,625
(iii) Investment in Guangdong Datang International Gaoyao Jintao Heating, Power and Cooling Supply Co-generation Project (廣東大唐國際高要金陶熱電冷聯產項目) (the "Guangdong Project")	25,938	5,045	20,893
Repayment of borrowings for project infrastructure	–	–	–
Total	122,715	30,938	91,777

Share Capital and Dividends

The following table sets out the breakdown of the un-utilised proceeds from the A-Share Issuance as at 30 June 2019:

Intended use of the proceeds not yet utilised	Expected amount <i>Approximately RMB0'000</i>	Expected timeline
Further investments in power plant projects		
(i) Investment in the Huludao Project	12,259	Before end of December 2019
(ii) Investment in the Jiangsu Project	58,625	Before end of December 2021
(iii) Investment in the Guangdong Project	20,839	Before end of December 2021

During the six months ended 30 June 2019, the proceeds raised by the Company from the A-Share Issuance were utilised, or were proposed to be utilised, according to the intentions previously disclosed by the Company, and there was no material change or delay in the use of proceeds.

b) Use of Proceeds from the H-Share Issuance as at 30 June 2019

Details of the use of proceeds from the H-Share Issuance as at 30 June 2019 are as follows:

	Previous balance of un-utilised proceeds as at 1 January 2019 <i>Approximately RMB0'000</i>	Utilisation of proceeds for the six months ended 30 June 2019 <i>Approximately RMB0'000</i>	Remaining balance of un-utilised proceeds as at 30 June 2019 <i>Approximately RMB0'000</i>
General corporate purposes (including loan and bond payment)	374	2	372

The following table sets out the details of the un-utilised proceeds from the H-Share Issuance as at 30 June 2019:

Intended use of the proceeds not yet utilised	Expected amount <i>Approximately RMB0'000</i>	Expected timeline
General corporate purposes (including loan and bond payment)	372	Before end of December 2019

During the six months ended 30 June 2019, the proceeds raised by the Company from the H-Share Issuance were utilised, or were proposed to be utilised, according to the intentions previously disclosed by the Company, and there was no material change or delay in the use of proceeds.

6. PLEDGE OF H SHARES BY CONTROLLING SHAREHOLDER

As disclosed in the announcement of the Company dated 12 February 2018, China Datang Overseas (Hong Kong) Co., Limited (“CDOHKC”) (as borrower), an indirect wholly-owned subsidiary of CDC (the controlling shareholder of the Company), entered into a facility agreement with Wing Lung Bank, Limited (as mandated lead arranger and bookrunner, facility agent and security agent) in connection with a term loan facility of HK\$5,300 million which shall be applied by CDOHKC for the payment of part of the H-Share Issuance Proceeds (as defined in that announcement). As a condition precedent to the utilisation of the facility by CDOHKC, CDOHKC entered into a share charge with Wing Lung Bank, Limited, pursuant to which all the 480,680,000 H shares of the company held in the name of CDOHKC and the 2,794,943,820 H shares Subscription Shares (as defined in that announcement) to be subscribed by CDOHKC shall be pledged to Wing Lung Bank, Limited. In the event of default by CDOHKC, Wing Lung Bank, Limited shall be entitled to enforce the share charge which may result in a transfer of voting rights in respect of such pledged securities.

Significant Events

1. Pursuant to the “Resolution on the Adjustments of Directors of the Company” considered and approved at the 2019 first extraordinary general meeting of the Company held on 28 March 2019, Mr. Chen Feihu and Mr. Wang Sen were appointed as directors of the ninth session of the Board in replacement of Mr. Chen Jinhang and Mr. Liu Chuandong, respectively.
2. Pursuant to the review and approval at the thirty-fourth meeting of the ninth session of the Board held on 28 March 2019, Mr. Chen Feihu was elected as the chairman of the ninth session of the Board and Mr. Wang Sen was elected as the vice chairman of the ninth session of the Board.
3. As at the date of this report (i.e. 30 August 2019), the Company issued placement debt financing instruments in an aggregate amount of RMB12 billion.
4. As at the date of this report (i.e. 30 August 2019), the Company issued super short-term debentures of RMB14 billion in total.
5. The Company held the 2018 annual general meeting on 26 June 2019 for election of the Board and the supervisory committee of the Company. All directors and supervisors of the Company were re-elected. On the same day, the Company held the first meeting of the tenth session of the Board and the first meeting of the tenth session of the supervisory committee where it elected the chairman and vice chairman of the Board of the Company, and the chairman and vice chairman of the supervisory committee of the Company. Upon election, the members of the Board of the Company are Mr. Chen Feihu (Chairman), Mr. Wang Sen (Vice Chairman), Mr. Wang Xin, Mr. Liang Yongpan, Mr. Ying Xuejun, Mr. Zhu Shaowen, Mr. Cao Xin, Mr. Zhao Xianguo, Mr. Zhang Ping, Mr. Jin Shengxiang, Mr. Liu Jizhen, Mr. Feng Genfu, Mr. Luo Zhongwei, Mr. Liu Huangsong and Mr. Jiang Fuxiu; and the members of the supervisory committee are Ms. Yu Meiping (Chairlady of the supervisory committee), Mr. Zhang Xiaoxu (Vice Chairman of the supervisory committee), Mr. Liu Quancheng and Ms. Guo Hong.
6. Mr. Song Bo and Mr. Liu Genle were elected as staff representative supervisors of the tenth session of the supervisory committee of the Company at the staff representative meeting of the Company held on 16 August 2019. Ms. Yu Meiping and Ms. Guo Hong ceased to be staff representative supervisors of the tenth session of the supervisory committee of the Company. Ms. Yu Meiping also ceased to be the chairlady of the tenth session of the supervisory committee of the Company.
7. Pursuant to the “Resolution on the Appointment of the General Manager of the Company” considered and approved at the third meeting of the tenth session of the Board held on 30 August 2019, Mr. Liang Yongpan was appointed as the general manager of the Company, and Mr. Wang Xin ceased to be the general manager of the Company.
8. Pursuant to the “Resolution on the Appointment of the Deputy General Managers of the Company” considered and approved at the third meeting of the tenth session of the Board held on 30 August 2019, Ms. Guo Hong, Mr. Bai Fugui and Mr. Zhao Jianjun were appointed as the deputy general managers of the Company, and Mr. Ying Xuejun ceased to be the deputy general manager of the Company.

9. Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in the information of the Directors, supervisors and chief executive of the Company (as at the date of this report, i.e. 30 August 2019) are set out as follows:

Name of Directors, supervisor or chief executive	Details of change	Effective date
Mr. Wang Xin	Ceased to serve as the general manager of the Company	30 August 2019
Mr. Liang Yongpan	1) Re-designated from a non-executive director of the Company to an executive director of the Company 2) Appointed as the general manager of the Company	30 August 2019
Mr. Ying Xuejun	1) Re-designated from an executive director of the Company to a non-executive director of the Company 2) Ceased to serve as: (i) a deputy general manager of the Company; and (ii) the secretary to the Board and company secretary of the Company 3) Appointed as the general manager of Datang International Guangdong Branch Company (大唐國際廣東分公司)	30 August 2019
Mr. Zhang Ping	Ceased to serve as a director and the vice president of Beijing Jingneng Power Co., Ltd. (北京京能電力股份有限公司) (600578.SH)	28 June 2019
Mr. Jin Shengxiang	Ceased to serve as a director of Beijing Jingneng Clean Energy Co., Ltd. (北京京能清潔能源電力股份有限公司) (0579.HK)	20 June 2019
Mr. Liu Jizhen	1) Ceased to serve as the vice president of the China Electricity Council 2) Appointed as the vice president of the China Association for Public Safety	18 April 2019 June 2019
Mr. Feng Genfu	Appointed as an independent director of Huaren Pharmaceutical Co., Ltd. (華仁藥業股份有限公司) (300110.SZ)	28 August 2019
Ms. Yu Meiping	Ceased to serve as a staff representative supervisor and the chairperson of the supervisory committee of the Company	16 August 2019
Mr. Zhang Xiaoxu	Appointed as the general manager of Tianjin Energy Group Finance Company Limited (天津能源集團財務有限公司)	April 2019

Significant Events

Name of Directors, supervisor or chief executive	Details of change	Effective date
Ms. Guo Hong	1) Ceased to serve as a staff representative supervisor of the Company	16 August 2019
	2) Appointed as a deputy general manager of the Company	30 August 2019
Mr. Song Bo	1) Elected as a staff representative supervisor of the Company	16 August 2019
	2) Elected as the chairperson of the Supervisory Committee of the Company	30 August 2019
Mr. Liu Genle	Elected as a staff representative supervisor of the Company	16 August 2019

Saved as disclosed above, the Company is not aware of other changes in the information of the Directors, supervisors or chief executive of the Company that needs to be disclosed in accordance with Rule 13.51(B) of the Listing Rules.

Purchase, Sale and Redemption of the Company's Listed Securities

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

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 (the "Code") as set out in Appendix 14 to the Listing Rules during the Period, except for the following:

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

During the Period, 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 aforesaid code provisions were expressions or sequence.

Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers

The Company has adopted a code of conduct regarding the Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transaction by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules.

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 Period.

Public Float

Based on information that is publicly available to the Company and to the knowledge of the Directors, as at 30 June 2019 and as at the date of this report, the Company confirms that the public float of the Company's H shares and A shares has complied with the requirements of the Listing Rules.

Audit Committee

The Audit Committee is comprised of Mr. Jiang Fuxiu as convenor alongside Mr. Luo Zhongwei, Mr. Feng Genfu, Mr. Wang Sen and Mr. Jin Shengxiang as committee members. The Audit Committee has reviewed the interim results for the Period and they have discussed matters regarding internal control and the financial statements, including the review of the financial report of the Group for the Period. The Audit Committee considers that the financial report of the Group for the Period has complied with the applicable accounting standards, and that the Group has made appropriate disclosures thereof.

By Order of the Board
Chen Feihu
Chairman

Beijing, the PRC, 30 August 2019

Condensed Consolidated Statement of Profit or Loss

For the Six Months Ended 30 June 2019

	Notes	For the six months ended 30 June	
		2019 RMB'000 (unaudited)	2018 RMB'000 (unaudited)
Operating revenue	4	45,040,455	45,543,434
Operating costs			
Fuel for power and heat generation		(22,154,757)	(24,043,694)
Depreciation		(6,593,340)	(6,363,562)
Repairs and maintenance		(1,191,365)	(1,067,730)
Salaries and staff welfare		(2,816,417)	(2,331,530)
Local government surcharges		(656,739)	(682,702)
Others		(7,236,090)	(5,139,107)
Total operating costs		(40,648,708)	(39,628,325)
Operating profit		4,391,747	5,915,109
Shares of profits of associates		610,580	542,813
Shares of profits (losses) of joint ventures		21,747	(174,418)
Investment income		1,082,467	2,241
Other gains		197,439	302,922
Interest income		43,730	49,619
Finance costs	6	(3,695,700)	(3,768,865)
Profit before tax		2,652,010	2,869,421
Income tax expense	7	(815,864)	(771,175)
Profit for the period	8	1,836,146	2,098,246
Profit for the period attributable to:			
Owners of the Company		767,095	1,216,838
Holders of perpetual bonds		156,040	–
Non-controlling interests		913,011	881,408
		1,836,146	2,098,246
Earnings per share			
Basic and diluted (RMB cents)	10	4.14	7.65

Condensed Consolidated Statement of Profit or Loss And Other Comprehensive Income

For the Six Months Ended 30 June 2019

	For the six months ended 30 June	
	2019 RMB'000 (unaudited)	2018 RMB'000 (unaudited)
Profit for the period	1,836,146	2,098,246
Other comprehensive income (expense):		
<i>Items that may be reclassified to profit or loss:</i>		
Share of other comprehensive loss of associates	(72,210)	(6,819)
Exchange differences on translating foreign operations	1,792	1,576
<i>Items that will not be reclassified to profit or loss:</i>		
Fair value loss on investments in equity instruments at fair value through other comprehensive income	(56,949)	(7,978)
Other comprehensive expenses for the period, net of tax	(127,367)	(13,221)
Total comprehensive income for the period	1,708,779	2,085,025
Total comprehensive income for the period attributable to:		
Owners of the Company	639,728	1,202,778
Holders of perpetual bonds	156,040	–
Non-controlling interests	913,011	882,247
	1,708,779	2,085,025

Condensed Consolidated Statement of Financial Position

As at 30 June 2019

	Notes	30 June 2019 RMB'000 (unaudited)	31 December 2018 RMB'000 (audited)
Non-current assets			
Right-of-use assets	11	3,882,476	–
Land use right		–	2,909,576
Property, plant and equipment	12	211,767,459	217,426,346
Investment properties		602,679	647,875
Intangible assets		2,021,752	2,044,863
Interests in associates		15,644,407	16,032,194
Interests in joint ventures		639,640	690,359
Financial instruments at fair value through profit or loss		4,247,136	4,311,248
Equity instruments at fair value through other comprehensive income		1,145,942	1,111,779
Long-term entrusted loans to an associate		–	122,451
Deferred tax assets		4,059,249	4,088,785
Other non-current assets		4,728,280	4,079,406
		248,739,020	253,464,882
Current assets			
Inventories		4,388,248	4,639,385
Trade and notes receivables	13	15,001,603	13,773,055
Prepayments and other receivables		5,342,094	4,660,941
Tax recoverable		169,723	163,805
Current portion of other non-current assets		11,655	6,509
Cash and cash equivalents and restricted deposits		8,501,804	11,541,749
		33,415,127	34,785,444

Condensed Consolidated Statement of Financial Position

As at 30 June 2019

	Notes	30 June 2019 RMB'000 (unaudited)	31 December 2018 RMB'000 (audited)
Current liabilities			
Trade payables and accrued liabilities	15	24,920,464	26,021,443
Contract liability		424,352	1,048,738
Consideration payable		177,214	191,216
Taxes payables		1,299,371	1,392,003
Dividends payables		4,431,657	1,725,614
Short-term loans		28,456,777	24,771,641
Short-term bonds		4,000,000	11,000,000
Current portion of non-current liabilities		22,338,637	26,007,217
		86,048,472	92,157,872
Net current liabilities		(52,633,345)	(57,372,428)
		196,105,675	196,092,454
Capital and reserves			
Share capital	16	18,506,711	18,506,711
Reserves		25,695,004	26,968,351
		44,201,715	45,475,062
Non-controlling interests		20,438,901	20,014,759
Perpetual bonds	17	9,000,000	5,000,000
Total equity		73,640,616	70,489,821
Non-current liabilities			
Long-term loans		102,173,230	105,648,543
Long-term bonds		8,972,501	8,966,309
Deferred income		2,346,627	2,564,376
Deferred tax liabilities		709,153	731,253
Other non-current liabilities		8,263,548	7,692,152
		122,465,059	125,602,633
		196,105,675	196,092,454

Condensed Consolidated Statement of Change in Equity

For the Six Months Ended 30 June 2019

	Attributable to the owners of the Company													
	Share Capital	Capital reserve	Statutory surplus reserve	Merger reserve	Discretionary surplus reserve	Restricted reserve	Foreign currency translation reserve	FVTOCI reserve	Available- for-sale financial assets revaluation reserve	Other reserve	Retained earnings	Total	Non- controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2018 (audited)	13,310,038	9,970,460	5,163,860	9,551,324	6,839,386	12,679	42,481	(20,157)	-	648,977	6,982,218	52,501,266	19,867,631	72,368,897
Profit for the period	-	-	-	-	-	-	-	-	-	-	1,216,838	1,216,838	881,408	2,098,246
Other comprehensive loss for the period:														
Items that may be reclassified to profit or loss:														
- Share of other comprehensive loss of associates	-	-	-	-	-	-	-	(6,819)	-	-	-	(6,819)	-	(6,819)
- Exchange differences on translating foreign operations	-	-	-	-	-	-	1,576	-	-	-	-	1,576	-	1,576
Item that will not be reclassified to profit or loss:														
- Fair value loss on investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	(8,817)	-	-	-	(8,817)	839	(7,978)
Total comprehensive income for the period	-	-	-	-	-	-	1,576	(15,636)	-	-	1,216,838	1,202,778	882,247	2,085,025
Issue of ordinary shares	5,196,673	8,132,663	-	-	-	-	-	-	-	-	-	13,329,336	-	13,329,336
Capital injection from non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	130,594	130,594
Appropriation to discretionary surplus reserve	-	-	-	-	1,481,472	-	-	-	-	-	(1,481,472)	-	-	-
Effect of business combination under common control	-	-	-	(18,131,114)	-	-	-	-	-	-	-	(18,131,114)	-	(18,131,114)
Others	-	-	-	-	-	-	-	-	-	(531)	-	(531)	-	(531)
Dividends	-	-	-	-	-	-	-	-	-	-	(1,665,604)	(1,665,604)	(2,431,485)	(4,097,089)
At 30 June 2018 (unaudited)	18,506,711	18,103,123	5,163,860	(8,579,790)	8,320,858	12,679	44,057	(35,793)	-	648,446	5,051,980	47,236,131	18,448,987	65,685,118

Condensed Consolidated Statement of Change in Equity

For the Six Months Ended 30 June 2019

	Attributable to the owners of the Company													Total
	Share capital	Capital reserve	Statutory surplus reserve	Merger reserve	Discretionary surplus reserve	Restricted reserve	Foreign currency translation reserve	FVTOCI reserve	Other reserve	Retained earnings	Total	Perpetual bonds	Non-controlling interests	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2019 (audited)	18,506,711	16,422,787	5,894,278	(8,579,790)	7,967,487	12,290	54,592	(295,947)	642,188	4,850,466	45,475,062	5,000,000	20,014,759	70,489,821
Profit for the period	-	-	-	-	-	-	-	-	-	767,095	767,095	156,040	913,011	1,836,146
Other comprehensive loss for the period:														
Items that may be reclassified to profit or loss:														
- Share of other comprehensive loss of associates	-	-	-	-	-	-	-	(72,210)	-	-	(72,210)	-	-	(72,210)
- Exchange differences on translating foreign operations	-	-	-	-	-	-	1,792	-	-	-	1,792	-	-	1,792
Item that will not be reclassified to profit or loss:														
- Fair value loss on investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	(56,949)	-	-	(56,949)	-	-	(56,949)
Total comprehensive income for the period	-	-	-	-	-	-	1,792	(129,159)	-	767,095	639,728	156,040	913,011	1,708,779
Issue of perpetual bonds	-	-	-	-	-	-	-	-	-	-	-	4,000,000	-	4,000,000
Capital injection from non-controlling interests	-	(3,119)	-	-	-	-	-	-	-	-	(3,119)	-	125,720	122,601
Appropriation to discretionary surplus reserve	-	-	-	-	1,883,410	-	-	-	-	(1,883,410)	-	-	-	-
Others	-	9,110	-	-	-	-	-	-	(71,794)	3,398	(59,286)	-	537,251	477,965
Distribution to holders of perpetual bonds	-	-	-	-	-	-	-	-	-	-	-	(156,040)	-	(156,040)
Dividends	-	-	-	-	-	-	-	-	-	(1,850,670)	(1,850,670)	-	(1,151,840)	(3,002,510)
At 30 June 2019 (unaudited)	18,506,711	16,428,778	5,894,278	(8,579,790)	9,850,897	12,290	56,384	(425,106)	570,394	1,886,879	44,201,715	9,000,000	20,438,901	73,640,616

Condensed Consolidated Statement of Cash Flows

For the Six Months Ended 30 June 2019

	For the six months ended 30 June	
	2019 RMB'000 (unaudited)	2018 RMB'000 (unaudited)
NET CASH FROM OPERATING ACTIVITIES	9,982,204	8,182,223
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(3,199,151)	(4,276,926)
Payments for business combinations under common control	(14,002)	(10,438,341)
Other investing activities	1,500,531	612,144
NET CASH USED IN INVESTING ACTIVITIES	(1,712,622)	(14,103,123)
FINANCING ACTIVITIES		
Capital injections from non-controlling interests	122,601	130,594
Proceeds from issue of shares	–	13,329,336
Repayments of loans	(54,251,119)	(43,177,174)
New loans raised	43,943,489	47,694,127
Interest paid	(3,695,700)	(3,893,103)
Perpetual bonds raised	4,000,000	–
Other financing activities	(1,894,332)	(1,742,911)
NET CASH (USED IN) FROM FINANCING ACTIVITIES	(11,281,709)	12,340,869
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(3,012,127)	6,419,969
Effect of foreign exchange rate changes	206	(55,099)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	11,433,550	6,036,267
CASH AND CASH EQUIVALENTS AT 30 JUNE, represented by bank balances and cash	8,421,629	12,401,137
Analysis of components of cash and cash equivalents and restricted deposits		
Cash and cash equivalents	8,421,629	12,401,137
Restricted deposits	80,175	538,802
	8,501,804	12,939,939

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

1. GENERAL INFORMATION

Datang International Power Generation Company Limited (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 Limited (the "Hong Kong Stock Exchange") ("H shares") on 21 March 1997, the London Stock Exchange Limited 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 interim 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 condensed consolidated financial statements are presented in Renminbi ("RMB"), which is the same as the functional currency of the Company.

2. BASIS OF PREPARATION

These condensed consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting" issued by the International Accounting Standards Board (the "IASB") as well as with the applicable disclosures requirements of Appendix 16 to the Rule Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2018.

At 30 June 2019, a significant portion of the funding requirements of the Group for capital expenditures was satisfied by short-term borrowings. Consequently, at 30 June 2019, the Group had net current liabilities of approximately RMB52,633,345,000. The Group had 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 condensed consolidated financial statements on a going concern basis.

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value, as appropriate.

Other than changes in accounting policies resulting from application of new and amendments to International Financial Reporting Standards ("IFRSs"), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2019 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2018.

Application of new and amendments to IFRSs

In the current interim period, the Group has applied the following new and revised IFRSs, which included IFRSs, IASs, amendments and interpretations issued by the IASB.

IFRS 16	Leases
IFRIC-Interpretation 23	Uncertainty over Income Tax Treatments
Amendments to IFRS 9	Prepayment Features with Negative Compensation
Amendments to IAS 19	Plan Amendment, Curtailment or Settlement
Amendments to IAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to IFRSs	Annual Improvements to IFRSs 2015-2017 Cycle

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

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

The Group has applied IFRS 16 for the first time in the current interim period. IFRS 16 superseded IAS 17 Leases ("IAS 17") and the related interpretations.

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

IFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to the lessee accounting by removing the distinction between operating lease and finance lease and requiring the recognition of right-of-use asset and a lease liability for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. Details of these new accounting policies are described in note 3.1.2. The Group has applied IFRS 16 Leases retrospectively with the cumulative effect of initial application as an adjustment to the opening balance of equity, where appropriate, at 1 January 2019, and has not restated comparatives for the 2018 reporting period as permitted under the specific transitional provisions in the standard. Accordingly, certain comparative information may not be comparable as comparative information was prepared under IAS 17 Leases.

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

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

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

The Group as lessee

The Group leases a number of items of production equipment. These leases were classified as finance leases under HKAS 17. For these finance leases, the carrying amount of the right-of-use asset and the lease liability at 1 January 2019 were determined at the carrying amount of the lease asset and lease liability under HKAS 17 immediately before that date. Accordingly, the obligations under finance leases previously included in bank and other borrowings are now included within lease liabilities, and the carrying amount of the corresponding leased asset is identified as a right-of-use asset. There is no impact on the opening balance of equity.

On adoption of IFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases (except for lease of low value assets and lease with remaining lease term of twelve months or less). These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 5%.

The Group recognises right-of-use asset and measures them at an amount equal to the lease liability.

The following table summarises the impact of transition to IFRS 16 at 1 January 2019. Line items that were not affected by the adjustments have not been included.

		Carrying amount previously reported at 31 December 2018 RMB'000	Impact on adoption of IFRS 16 – Reclassification RMB'000	Impact on adoption of IFRS 16 – Remeasurement RMB'000	Carrying amount as restated at 1 January 2019 RMB'000
Asset:					
Property, plant and equipment	(b)	217,426,346	(872,705)	–	216,553,641
Land use right	(c)	2,909,576	(2,909,576)	–	–
Right-of-use assets	(a)	–	3,782,281	181,225	3,963,506
Liabilities:					
Other liabilities	(a), (b)	33,699,369	–	181,225	33,880,594

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

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

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

The Group as lessee (Continued)

Notes:

- (a) As at 1 January 2019, right-of-use assets in relation to lease under operating leases were measured at an amount equal to total of the lease liability approximately of RMB181,225,000, the carrying amount as if IFRS 16 had been applied since the commencement date.
- (b) The obligations under finance leases of approximately RMB426,189,000 previously included in other liabilities as at 31 December 2018 continue to be presented within other liabilities under adoption IFRS 16. However carrying amount of the related assets under finance leases amounting to approximately RMB872,705,000 is reclassified to right-of-use assets.
- (c) Land use right of approximately RMB2,909,576,000 which represent the upfront payments for leasehold lands in the PRC as at 31 December 2018 were reclassified to right-of-use assets.

Practical expedients applied

On the date of initial application of IFRS 16, the Group has used the following practical expedients permitted by the standard:

- not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying IAS 17 and IFRIC 4 Determining whether an Arrangement contains a Lease;
- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- reliance on previous assessments on whether leases are onerous by applying IAS 37 as an alternative to performing an impairment review;
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases;
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

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

3.1.2 Change in accounting policy

Definition of a lease

Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception or modification date. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For short-term leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

As a lessee

Lease liabilities

At the commencement date, the Group measures lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

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

3.1.2 Change in accounting policy (Continued)

As a lessee (Continued)

Lease liabilities (Continued)

Lease liability is remeasured (and with a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Right-of-use assets

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs, less lease incentives received.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, provision is recognised and measured under IAS 37 "Provision, Contingent Liabilities and Contingent Assets". The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

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

3.1.2 Change in accounting policy (Continued)

As a lessee (Continued)

Right-of-use assets (Continued)

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. They are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group presents right-of-use assets as a separate line item on the condensed consolidated statement of financial position, the same line item as that within which the corresponding underlying assets would be presented if they were owned.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the "Property, plant and equipment" policy as stated in the Group's annual consolidated financial statements for the year ended 31 December 2018.

Lease modification

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

4. OPERATING REVENUE

Revenue is recognised at a point in time. An analysis of the Group's operating revenue for the period is as follows:

	Six months ended 30 June	
	2019 RMB'000 (unaudited)	2018 RMB'000 (unaudited)
Sales of electricity and heat supply	40,684,197	41,844,688
Sales of coal	1,343,556	681,232
Others	3,012,702	3,017,514
Total	45,040,455	45,543,434

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 and coal separately. Other operating activities primarily include 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").

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.

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

5. SEGMENT INFORMATION (Continued)

Segment revenues and results

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

For the six months ended 30 June 2019

	Power generation segment RMB'000	Coal segment RMB'000	Other segments RMB'000	Segment total RMB'000
Revenue from external customers	40,684,197	1,343,556	3,012,702	45,040,455
Intersegment revenue	323,365	2,926,763	294,129	3,544,257
	41,007,562	4,270,319	3,306,831	48,584,712
Segment profit/(loss)	2,440,849	261,498	(113,213)	2,589,134

The accounting policies of the operating segments are the same as those described in note 3 to the consolidated financial statements. Segment profits or losses do not include income tax expense. This is the measure reported to the CODM of the Group for the purposes of resource allocation and performance assessment.

For the six months ended 30 June 2018

	Power generation segment RMB'000	Coal segment RMB'000	Other segments RMB'000	Segment total RMB'000
Revenue from external customers	41,844,688	681,232	3,017,514	45,543,434
Intersegment revenue	338,940	7,355,015	169,720	7,863,675
	42,183,628	8,036,247	3,187,234	53,407,109
Segment profit	2,680,190	199,743	135,768	3,015,701

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

5. SEGMENT INFORMATION (Continued)

Segment assets and liabilities

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

	30 June 2019 RMB'000	31 December 2018 RMB'000
SEGMENT ASSETS		
Power generation segment	268,750,449	275,103,280
Coal segment	6,192,703	5,847,132
Other segments	6,939,934	6,965,976
Segment assets	281,883,086	287,916,388
SEGMENT LIABILITIES		
Power generation segment	198,202,178	207,513,497
Coal segment	4,616,125	4,505,365
Other segments	5,674,573	5,720,987
Segment liabilities	208,492,876	217,739,849

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

	30 June 2019 RMB'000	31 December 2018 RMB'000
Total profit or loss of reportable segments	2,589,134	3,015,701
IFRS adjustments	62,876	(146,280)
Condensed consolidated profit before tax	2,652,010	2,869,421

	30 June 2019 RMB'000	31 December 2018 RMB'000
Assets		
Total assets of reportable segments	281,883,086	287,916,388
IFRS adjustments	271,061	333,938
Consolidated total assets	282,154,147	288,250,326
Liabilities		
Total liabilities of reportable segments	208,492,876	217,739,849
IFRS adjustments	20,655	20,656
Consolidated total liabilities	208,513,531	217,760,505

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

5. SEGMENT INFORMATION (Continued)

Information about major customers

Revenue from customers of the corresponding periods contributing over 10% of the total revenue of the Group is as follows:

	Six months ended 30 June	
	2019	2018
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Customer A ¹	7,708,099	7,612,347

¹ Revenue from power generation segment

6. FINANCE COSTS

	Six months ended 30 June	
	2019	2018
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Interest expense	4,056,043	4,031,967
Amount capitalised	(418,244)	(333,154)
	3,637,799	3,698,813
Lease liabilities	17,785	–
Others	40,116	70,052
	3,695,700	3,768,865

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

7. INCOME TAX EXPENSE

	Six months ended 30 June	
	2019	2018
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Current tax	808,428	681,682
Deferred tax	7,436	89,493
	815,864	771,175

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both periods. During the periods ended 30 June 2019 and 2018, certain subsidiaries of the Group were entitled to a preferential tax rate of 15%.

8. PROFIT FOR THE PERIOD

The Group's profit for the period is stated at after charging (crediting) the following:

	Six months ended 30 June	
	2019	2018
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Directors' emoluments:		
Fees	484	500
Salaries and other benefits	2,887	3,128
Contributions to retirement benefits scheme	310	362
	3,681	3,990
Interest income	(43,730)	(49,619)
Amortisation of intangible assets	22,978	19,683
Depreciation of property, plant and equipment	6,913,071	6,847,287
Depreciation of investment properties	12,522	12,708
Depreciation of right-of-use assets	93,976	–
Amortisation of land use right	–	41,804

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

9. DIVIDEND

During the six months ended 30 June 2019, a final dividend of RMB0.1 per share in respect of the year ended 31 December 2018, totalling RMB1,850,670,000 (30 June 2018: RMB1,665,604,000) was declared and paid to the owners of the Company.

10. EARNINGS PER SHARE

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

	Six months ended 30 June	
	2019	2018
	RMB'000	RMB'000
Earnings	(unaudited)	(unaudited)
Profit for the purpose of basic and diluted earnings per share	767,095	1,216,838
Number of shares	'000	'000
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	18,506,711	15,908,374

Note:

The dilutive earnings per share is equal to the basic earnings per share as there were no dilutive potential ordinary shares outstanding during the six months ended 30 June 2019 and 2018.

11. RIGHT-OF-USE ASSETS

The Group had right-of-use assets at the end of the reporting period. The carrying amounts of right-of-use assets are as follows:

	30 June 2019
	RMB'000
Earnings	(unaudited)
Carrying amount previously reported at 31 December 2018	–
Impact on adoption of IFRS 16 (Note 3.1.1)	3,963,506
Depreciation during the period	(93,976)
Others	12,946
	3,882,476

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

12. MOVEMENT IN PROPERTY, PLANT AND EQUIPMENT

During the current interim period, the Group paid approximately RMB3,199,151,000 (six months ended 30 June 2018: RMB4,276,926,000) on addition of property, plant and equipment.

13. TRADE AND NOTES RECEIVABLES

	30 June 2019 RMB'000 (unaudited)	31 December 2018 RMB'000 (audited)
Trade receivables	14,724,613	13,629,279
Less: provision of impairment loss	(906,315)	(906,948)
	13,818,298	12,722,331
Notes receivables	1,183,305	1,050,724
	15,001,603	13,773,055

As at 30 June 2019 and 31 December 2018, trade receivable from contracts with customers amounted to RMB13,818,298,000 and RMB12,722,331,000 respectively.

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

	30 June 2019 RMB'000 (unaudited)	31 December 2018 RMB'000 (audited)
Within one year	11,709,376	11,610,168
Between one to two years	1,447,794	761,647
Between two to three years	317,526	105,765
Over three years	343,602	244,751
	13,818,298	12,722,331

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

14. IMPAIRMENT ASSESSMENT ON FINANCIAL ASSETS SUBJECT TO EXPECTED CREDIT LOSS (“ECL”) MODEL

The movement in the impairment loss of trade and other receivables is as follows:

	Impairment loss of trade receivables RMB'000
Balance as at 1 January 2018	897,419
Allowance for the year	9,592
Reversal of allowance for the year	(63)
Balance as at 31 December 2018 and 1 January 2019	906,948
Reversal of allowance for the period	(633)
Balance as at 30 June 2019	906,315

The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 June 2019 are the same as those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2018.

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

15. TRADE PAYABLES AND ACCRUED LIABILITIES

	30 June 2019 RMB'000 (unaudited)	31 December 2018 RMB'000 (audited)
Trade payables	18,218,153	20,387,076
Notes payables	2,123,564	1,248,315
Accrued expenses	870,930	1,009,468
Other payables	3,707,817	3,376,584
	24,920,464	26,021,443

The ageing analysis of the trade and notes payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2019 RMB'000 (unaudited)	31 December 2018 RMB'000 (audited)
Within one year	11,054,224	15,651,698
Between one to two years	4,085,754	1,939,108
Between two to three years	1,069,315	1,059,467
Over three years	2,008,860	1,736,803
	18,218,153	20,387,076

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

16. SHARE CAPITAL

	Number of shares		Share capital	
	30 June 2019 '000 (unaudited)	31 December 2018 '000 (audited)	30 June 2019 RMB'000 (unaudited)	31 December 2018 RMB'000 (audited)
A share of RMB1 each:				
<i>Registered, issued and fully paid:</i>				
At beginning of the period/year	12,396,089	9,994,360	12,396,089	9,994,360
Issue of shares upon subscription	–	2,401,729	–	2,401,729
At end of the period/year	12,396,089	12,396,089	12,396,089	12,396,089
H share of RMB1 each:				
<i>Registered, issued and fully paid:</i>				
At beginning of the period/year	6,110,622	3,315,678	6,110,622	3,315,678
Issue of shares upon subscription	–	2,794,944	–	2,794,944
At end of the period/year	6,110,622	6,110,622	6,110,622	6,110,622
	18,506,711	18,506,711	18,506,711	18,506,711

As set out in the Company's announcements dated on 23 March 2018 and 19 March 2018, the Company completed the subscription and issued 2,401,729,106 A shares at RMB3.47 per A shares and 2,794,943,820 H shares at HK\$2.226 (equivalent to approximately RMB1.787) per H shares.

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

17. PERPETUAL BONDS

Perpetual 3

On 30 May 2019, the Company issued RMB4,000,000,000 perpetual bond at an initial interest rate of 4.71% per annum. The proceeds from issuance after the issuance cost were RMB4,000,000,000. Coupon payments of 4.71% are paid semi-annually in arrears and may be deferred at the discretion of the Company.

The perpetual bond has no fixed maturity and is callable at the Company's option at its principal amount together with any accrued, unpaid or deferred coupon interest payments. The coupon rate will be increased at a margin of 300 basis points per half year after three year of issuance. While any coupon interest payments are unpaid or deferred, the Group or Company cannot declare or pay dividends or reduce registered capital. Pursuant to the terms, the Company has no contractual obligations to repay its principal or to pay any coupon interest.

Perpetual 2

On 27 November 2018, the Company issued RMB3,000,000,000 perpetual bond at initial interest rate of 5.55% per annum ("Perpetual Bond 2"). The proceeds from issuance of the Perpetual Bond 2 after the issuance cost were RMB3,000,000,000. Coupon payments of 5.55% are paid semi-annually in arrears and may be deferred at the discretion of the Company. Perpetual Bond 2 has no maturity date and is callable at the Company's option at its principal amount together with any accrued, unpaid or deferred coupon interest payments. The coupon rate will be increased at a margin of 300 base points per seven years. While any coupon interest payments are unpaid or deferred, the Group cannot declare or pay dividends or reduce registered capital. Pursuant to the terms of Perpetual Bond 2, the Company has no contractual obligations to repay its principal or to pay any coupon interest.

Perpetual 1

On 5 November 2018, the Company issued RMB2,000,000,000 perpetual bond at an initial interest rate of 5.55% per annum ("Perpetual Bond 1"). The proceeds from issuance of the Perpetual Bond 1 after the issuance cost were RMB2,000,000,000. Coupon payments of 5.55% are paid semi-annually in arrears and may be deferred at the discretion of the Company.

Perpetual Bond 1 has no fixed maturity and is callable at the Company's option at its principal amount together with any accrued, unpaid or deferred coupon interest payments. The coupon rate will be increased at a margin of 300 base points per half year after five year of issuance. While any coupon interest payments are unpaid or deferred, the Group cannot declare or pay dividends or reduce registered capital. Pursuant to the terms of Perpetual Bond 1, the Company has no contractual obligations to repay its principal or to pay any coupon interest.

Accordingly, the perpetual bond does not meet the definition of financial liabilities in accordance with IAS 32 Financial Instruments: Presentation, and are classified as equity instruments of the Group.

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

18. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1

fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2

fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3

fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key inputs	Significant unobservable input(s) 30 June 2019 RMB'000
	30 June 2019 RMB'000 (unaudited)	31 December 2018 RMB'000 (audited)			
– Private equity instruments measured at fair value through profit or loss	4,247,136	4,311,248	Level 3	Market-comparable approach	Discount for lack of marketability 50%-65% (2018: 50%-65%)
– Private equity instruments measured at fair value through other comprehensive income	280,417	176,315	Level 1	Quoted bid prices in an active market	N/A
– Listed equity instruments measured at fair value through other comprehensive income	865,525	935,464	Level 3	Market-comparable approach	Discount for lack of marketability 50%-65% (2018: 50%-65%)

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

19. RELATED PARTY TRANSACTIONS

- (a) Significant transactions with China Datang and its subsidiaries other than the Group (collectively referred to as “China Datang Group”) and associates of the Group and their respective subsidiaries

Related company	Nature of transaction	Six months ended 30 June	
		2019 RMB'000 (unaudited)	2018 RMB'000 (unaudited)
China Datang Group:			
Datang (Beijing) Coal Industry Sales Co., Ltd.	Purchase of fuel	21,410	3,830
Datang Shanxi Power Fuel Co., Ltd.	Purchase of fuel and materials	130,178	59,078
Datang Northeast Electric Power Test Research Institute Co., Ltd.	Purchase of equipment	1,900	1,132
	Technical service fee	3,726	10,568
Datang Sichuan Electric Power Overhaul & Operation Co., Ltd.	Equipment and road maintenance fee	8,386	4,901
Datang Power Fuel Co., Ltd.	Purchase of fuel and materials	2,012,811	2,729,512
	Sale of coal	1,277,376	640,723
Datang Anhui Electric Power Equipment Co., Ltd.	Purchase of materials	15,810	–
	Office rental	171	–
Datang Environment Industry Group Co., Ltd.	Purchase of materials and equipments	32,322	127,948
	Franchise fee for desulfurization and denitrification, technical service fee	858,420	832,493
	Desulfurization electricity, sales of materials, franchise fee for denitrification	165,586	202,098
	Maintenance service fee	26,819	13,589
China Water Resources and Power Group Hebei Trading Co., Ltd.	Rental of ancillary houses for denitrification plant	25,405	23,196
China Datang Corporation Ltd.	Purchase of materials	–	71,519
China Datang Group International Trade Co., Ltd.	Technical service fee	43,015	–

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

19. RELATED PARTY TRANSACTIONS (Continued)

- (a) Significant transactions with China Datang and its subsidiaries other than the Group (collectively referred to as "China Datang Group") and associates of the Group and their respective subsidiaries (Continued)

Related company	Nature of transaction	Six months ended 30 June	
		2019 RMB'000 (unaudited)	2018 RMB'000 (unaudited)
China Datang Group Technology Engineering Co., Ltd.	Sale of coal, denitrification water, electricity fee	399	101,270
	Purchase of products	99,989	47,701
	Technical service fee	26,723	26,447
	Purchase of product	6,520	–
China Datang Corporation Science and Technology Research Institute Co., Ltd.	EPC construction of coal transportation fee, provision of franchise fee for desulfurization	8,671	1,695
	Denitrification water, electricity fee	39,771	22,988
	Maintenance service fee	1,557	–
China National Water Resources & Electric Power Materials & Equipment Group Co., Ltd.	Purchase of fuel, materials and properties	261,846	161,991
	Material management service	1,108	17,794
	Construction electricity fee	–	16
Beijing Zhongyou Guodian Petroleum Products Sales Co., Ltd.	Purchase of fuel and materials	6,685	22,090
Beijing Zhongtangdian Engineering Consulting Co., Ltd.	Purchase of fuel, materials and properties	2,225	605
	Equipment management fee, technical service fee	1,771	12,442
Jiangsu Xutang Power Generation Co., Ltd.	Substitute electricity fee	38,662	–
Hebei Datang Power Engineering Co., Ltd.	Maintenance service fee	11,103	1,359
Zhejiang Datang Tiandi Environmental Protection Technology Co., Ltd.	Purchase of materials and equipment	26,648	–

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2019

19. RELATED PARTY TRANSACTIONS (Continued)

- (b) Financial guarantees and financing facilities with China Datang Group and associates and joint ventures of the Group

	30 June 2019 RMB'000 (unaudited)	31 December 2018 RMB'000 (audited)
Financial guarantees and financing facilities with associates guaranteed by the Group		
Shanxi Datong International Yuncheng Power Generation Company Limited	666,000	670,000
Xiduo Railway Company	67,251	67,251
Liaoning Diaobingshan Coal Gangue Power Generation Co., Ltd.	128,000	153,600
Financial guarantees and financing facilities with joint ventures guaranteed by the Group		
Kailuan (Group) Limited Liability Corporation	61,250	102,410
Financial guarantees and financing facilities with associates of China Datang guaranteed by the Group		
Datang Inner Mongolia Dolun Coal Chemical Co., Ltd.	6,816,000	6,816,000
Datang Hulunbuir Chemical Fertilizer Co., Ltd.	964,000	964,000
Datang Energy Chemical Co., Ltd.	–	6,000,000
Inner Mongolia Datang International Xilin Hot Mining Co., Ltd.	250,000	250,000
Guaranteed by China Datang Group		
The Company	14,000,000	13,000,000

Notes to the Condensed Consolidated Financial Statements

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19. RELATED PARTY TRANSACTIONS (Continued)

(c) Significant transactions with government-related entities

Government-related entities, other than entities under China Datang which is a state-owned enterprise and its subsidiaries, directly or indirectly controlled by the Central People's Government of the PRC ("Government-Related Entities") are also regarded as related parties of the Group.

For the purpose of the related party transactions disclosure, the Group has established procedures for determination, to the extent possible, of the identification of the ownership structure of its customers and suppliers as to whether they are Government-Related Entities to ensure the adequacy of disclosure for all material related party transactions given that many Government-Related Entities have multi-layered corporate structures and the ownership structures change over time as a result of transfers and privatisation programs.

During the six months ended 30 June 2019 and 2018, the Group sold substantially all of its electricity to local government-related power grid companies. The Group maintained most of its bank deposits in government-related financial institutions while lenders of most of the Group's loans are also government-related financial institutions, associated with the respective interest income or interest expense incurred.

During the six months ended 30 June 2019 and 2018, other collectively significant transactions with Government-Related Entities also included purchases of fuel and property, plant and equipment.

(d) Compensation to key management personnel of the Group

	Six months ended 30 June	
	2019	2018
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Short-term benefits	3,371	3,628
Retirement benefits	310	362
	3,681	3,990

The remuneration of directors are determined by the remuneration committee having regard to the performance of the individuals and market trends.

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20. 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:

	30 June 2019 RMB'000 (unaudited)	31 December 2018 RMB'000 (audited)
Associates	861,251	865,251
Joints ventures	61,250	61,250
Associates of China Datang	8,030,000	14,030,000
Former subsidiary (Note)	869,355	-
	9,821,856	14,956,501

Note:

The balance of approximately RMB869 million for Gansu Datang International Liancheng Power Generation Company Limited and the provision of RMB536 million was recognised in other non-current liability for impairment.

21. CAPITAL COMMITMENTS

Capital commitments contracted for at the end of the reporting period but not yet settled are as follows:

	30 June 2019 RMB'000 (unaudited)	31 December 2018 RMB'000 (audited)
Property, plant and equipment	5,107,255	7,622,037

22. PLEDGE OF ASSETS

The Group had pledged the following assets to secure the long term loans of the Group at the end of the reporting period. The carrying amounts of the assets pledged are as follows:

	30 June 2019 RMB'000 (unaudited)	31 December 2018 RMB'000 (audited)
Trade receivables	6,935,647	4,828,406
Pledged bank deposit	80,175	108,199
Property, plant and equipment	11,998,735	12,594,133
Others	979,450	979,450
	19,994,007	18,510,188