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 2019 ANNUAL RESULTS

OPERATING AND FINANCIAL HIGHLIGHTS:

	For the year ended 31 December		
	2019	2018	Change
	RMB million **(unless otherwise stated)**	*RMB million* (unless otherwise stated)	% (unless otherwise stated)
Operating revenue	**95,453**	93,390	2.21
Profit before tax	**4,619**	4,166	10.87
Net profit attributable to holders of equity instruments of the Company	**986**	1,232	(20.01)
Basic earnings per share *(RMB)*	**0.0211**	0.0716	(70.53)

The Board recommends the distribution of cash dividend for 2019 of RMB0.065 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 2019 (the "**Year**"), together with the audited consolidated operating results of 2018 (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 RMB95,453 million, representing an increase of approximately 2.21% as compared to the Previous Year. Profit before tax amounted to approximately RMB4,619 million, representing an increase of approximately 10.87% as compared to the Previous Year. Basic earnings per share attributable to equity holders of the Company amounted to approximately RMB0.0211, while basic earnings per share attributable to equity holders of the Company amounted to approximately RMB0.0716 for the year 2018.

Net profit attributable to holders of equity instruments of the Company was approximately RMB986 million, while net profit attributable to holders of equity instruments of the Company for the year 2018 amounted to approximately RMB1,232 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 19 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 2019, always adhering to the general requirements of "Act with First Class Standard, be the World Class Energy Group", the Company took proactive measures to seize every opportunity and cope with all challenges, continuously pushed forward comprehensive reform and accelerated the promotion of high-quality development, successfully accomplishing all objective tasks for the year.

(II) Review on the Operating Results of Principal Businesses

During the Year, the power generation of the Company accumulated to approximately 265.2895 billion kWh, representing a year-on-year decrease of approximately 1.64%; the on-grid power generation of the Company accumulated to approximately 250.5367 billion kWh, representing a year-on-year decrease of approximately 1.60%.

As of 31 December 2019, the total consolidated assets of the Group amounted to approximately RMB282,415 million, representing a year-on-year decrease of RMB5,835 million; the total consolidated liabilities of the Group amounted to approximately RMB200,386 million, representing a year-on-year decrease of RMB17,374 million.

1. Maintaining the stability of production safety. The Company fulfilled the tasks of power preservation, stable power supply, air quality preservation and heating supply for people's livelihood for significant events such as the 70th anniversary of the founding of the PRC and the "Belt and Road" Summit by continuously optimising its safety management system and paying close attention to safety and stability of the Company. Through carrying out the 100-day Tackling Special Action Plan, we strengthened overall safety risk prevention and control for key areas. Efforts were made to enhance comprehensive management of equipment and facilities, achieving continuous optimisation in the operation condition and energy consumption of the generating units as well as the operation of the environmental protection facilities.

2. Continuous improvement in management and control capability. The Company took the initiative to respond to changes in the markets of electricity and coal, strengthened its benchmarking upgrade, and made great effort to maintain stable coal supply and price, aiming to benchmark against best practices in terms of unit price of standard coal. The Company continued to broaden income source and reduce expenditures, and adopted more scientific and effective cost control measures, resulting in constant decrease in all operation costs. The Company effectively pushed forward the governance of zombie enterprises and loss-making entities, accomplishing its basic governance task as scheduled and achieving overall improvement in asset quality.

3. Achieving breakthroughs in high-quality development. The Company adhered to the implementation of the new development concept, and accelerated and upgraded the development of new energy by strengthening strategic guidance and fully focusing on "wind, light, gas and service" projects. During the year, new energy projects with a capacity of 1,077.8MW were implemented, among which projects with a capacity of 620.5MW have commenced operation. The Company accelerated the implementation of clean and efficient coal-fired power projects, with Leizhou No.1 Generator, Weixian No.2 Generator and Beijiao No.1 Generator being put into operation. In active response to the "Belt and Road" initiative, the Company set up overseas business department to accelerate the implementation of its internationalisation strategy and comprehensively start a new journey to tap into the overseas market. During the reporting period, power generation projects of the Company with a total capacity of 1,569.1MW were approved, including coal power projects with a capacity of 350MW, wind power projects with a capacity of 801.1MW and photovoltaic projects with a capacity of 418MW.

4. Continuous optimisation in energy conservation and emission reduction. During the reporting period, coal consumption of the Company for power supply accumulated to 296.23g/kWh, representing a decrease of 3.48g/kWh as compared to 2018. The combined electricity consumption rate of power plants of the Company was 5.61%. In 2019, the accumulated emission performance of sulfur dioxide, nitrogen oxides, smoke ash and waste water were 0.07g/kWh, 0.13g/kWh, 0.01g/kWh and 23.69g/kWh respectively, representing a decrease of 0.04g/kWh, 0.03g/kWh, 0.015g/kWh and 11.31g/kWh as compared to those recorded in 2018, respectively. The Company completed ultra-low emission transformation projects on 107 coal-fired power generating units with capacity of 46,854MW in total.

(III) Major Financial Indicators and Analysis

1. Operating Revenue

During the Year, the Group realized a consolidated operating revenue of approximately RMB95,453 million, representing an increase of approximately 2.21% compared with the Previous Year, which was mainly attributable to the year-on-year increase of 1.14% in revenue from power generation segment.

2. Operating Costs

During the Year, total operating costs of the Group amounted to approximately RMB85,914 million, representing an increase of approximately RMB1,893 million or approximately 2.25% compared with the Previous Year, which was mainly attributable to provision for fixed-asset impairment of RMB1,293 million for the shutdown of alumina workshop of Inner Mongolia Datang International

Renewable Energy Resource Development Company Limited and the year-on-year increase in operating costs due to the impact of the newly commissioned generating units.

3. *Net Finance Costs*

During the Year, finance costs of the Group amounted to approximately RMB7,215 million, representing a decrease of approximately RMB432 million or approximately 5.65% over the Previous Year. The decrease was primarily due to the narrowing of the scale of financing resulting in the reduced interest expense.

4. *Total Profit*

During the Year, the Group reported a total profit before tax from continuing operations amounting to approximately RMB4,619 million, representing a year-on-year increase of approximately 10.87% compared with the Previous Year. Net profit attributable to holders of equity instruments of the Company amounted to approximately RMB986 million, while net profit attributable to holders of equity instruments of the Company for the year of 2018 amounted to approximately RMB1,232 million.

Power generation segment of the Company realized a total profit before tax from continuing operations of approximately RMB5,262 million, representing a year-on-year increase of approximately RMB803 million.

5. *Financial Position*

As of 31 December 2019, total assets of the Group amounted to approximately RMB282,415 million, representing a decrease of approximately RMB5,835 million over the Previous Year. The decrease in total assets was mainly due to the impact of principal repayment of borrowings and the depreciation of fixed assets.

Total liabilities of the Group amounted to approximately RMB200,386 million, representing a decrease of approximately RMB17,374 million compared with the Previous Year. The decrease in total liabilities was mainly due to the impact of principal repayment of borrowings.

Net profit attributable to holders of equity instruments of the Company amounted to approximately RMB986 million, representing a decrease of approximately RMB246 million compared with the Previous Year. Net asset value per share attributable to equity holders of the Company amounted to approximately RMB2.28, representing a decrease of approximately RMB0.45 per share compared with the Previous Year.

6. *Liquidity*

As at 31 December 2019, the assets-to-liabilities ratio of the Group was approximately 70.95%. The net debt-to-equity ratio (i.e. (loans + short-term bonds + long-term bonds – cash and cash equivalents)/total equity) was approximately 182.83%.

As at 31 December 2019, cash and cash equivalents of the Group amounted to approximately RMB8,136 million, among which deposits that were equivalent to approximately RMB94 million were foreign currency deposits. The Group had no entrusted deposits and overdue fixed deposits during the Year.

As at 31 December 2019, short-term loans of the Group amounted to approximately RMB34,855 million, bearing annual interest rates ranging from 3.05% to 7%. Long-term loans (excluding those repayable within one year) amounted to approximately RMB99,491 million and long-term loans repayable within one year amounted to approximately RMB14,331 million. Long-term loans (including those repayable within one year) were at annual interest rates ranging from 1.20% to 6.8%. The Group paid close attention to foreign exchange market fluctuations and cautiously assessed risks.

7. *Welfare Policy*

As at 31 December 2019, the staff of the Group totaled 32,976. 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 2020

In 2020, the Company will thoroughly implement its new development concept with determination. Focusing on its goal to promote high-quality development, the Company will accelerate the development of new energy, speed up the process of "Going Global" and expedite quality upgrade of existing assets, with an aim to achieve major breakthrough in exploration of new energy and new breakthrough in overseas business, so as to ensure the fulfillment of the "13th Five-Year Plan" and develop itself into an outstanding listed company.

1. Striving to ensure safety. Upholding the people-oriented principle and the deep-rooted concept of "macro-safety", the Company will reinforce accountability towards safe production at all levels to ensure production safety. Adhering to "systematic management and revealing ins and outs by style (制度管總、作風兜底)", the Company will always maintain an intensive safety production by focusing on the improvement and execution of safety management mechanism and system and strengthening overall safety management of production sites. In addition, the Company will continue to improve production quality, increase efforts in facility management, enhance technical supervision and promote quality of repair and maintenance and technological transformation, so as to fully improve the level of safety and reliability of generating units.

2. Making efforts to improve profitability. The Company will coordinate and plan overall production and operation, and strengthen and optimise its power marketing system so as to improve its comprehensive competitiveness in the electricity market. The Company will step up efforts in the development of fuel supply chain and market research and judgement work, so as to timely adjust inventory procurement and fully improve fuel management. The Company will carry out benchmarking for key indicators, explore new equity financing approaches and conduct in-depth study on preferential policies, with an aim to enhance cost control and strive for policy support.

3. Dedicated to promoting business development. The Company will accelerate the development of construction of new energy by focusing on key regions and seizing strategic opportunities. The Company will adopt an active and prudent approach to develop clean and effective coal-fired power, thermal power and thermal power grid projects with regard to local conditions. In addition, the Company will make strenuous efforts to expand its overseas business, strive to make breakthrough in the development of overseas business and actively explore overseas business modes, so as to expand its existing business.

4. Improving governance through compliance with laws and regulations. The Company will continue to enhance the compliance awareness of all employees and strengthen its internal control, so as to improve corporate governance capability. Furthermore, the Company will further improve its compliance system, strengthen its compliance with laws, and prevent and defuse legal risks in advance, with an aim to improve its corporate governance in accordance with laws and regulations. Continuing to leverage 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.

III. SHARE CAPITAL AND DIVIDENDS

1. Share Capital

As of 31 December 2019, 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 2019, the Company's total share capital was 18,506,710,504 shares), it will distribute a cash dividend of RMB0.065 per share (tax inclusive) to all shareholders and the total amount of the proposed cash dividends to be distributed is approximately RMB1,203 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 2019, 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	Class of shares of the Company	Long position/ Short position	Identity/ 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%

IV. SIGNIFICANT EVENTS

1. Pursuant to the "Resolution on the Changes 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.

2. Pursuant to the consideration and approval at the thirty-fourth meeting of the ninth session of the Board of the Company 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 announcement, the Company issued placement debt financing instruments in an aggregate amount of RMB18 billion.

4. As at the date of this announcement, the Company issued super short-term debentures of RMB16 billion in total.

5. The Company convened 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 convened 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 the "Resolution on the Election of the Chairman of the Tenth Session of the Supervisory Committee" considered and approved at the second meeting of the tenth session of the supervisory committee of the Company held on 30 August 2019, Mr. Song Bo was elected as the chairman of the tenth session of the supervisory committee of the Company.

10. Pursuant to the "Resolution on the Appointment of the Deputy General Manager of the Company" considered and approved at the fourth meeting of the tenth session of the Board of the Company held on 30 October 2019, Mr. Wang Qiying was appointed as the deputy general manager of the Company.

11. Pursuant to the "Resolution on the Change of Senior Management of Datang International" considered and approved at the sixth meeting of the tenth session of the Board of the Company held on 20 December 2019, Mr. Chang Zheng was appointed as the deputy general manager of the Company and Mr. Zhao Jianjun ceased to be the deputy general manager of the Company.

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 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 aforesaid code provisions were the expressions or sequence.

VII. COMPLIANCE WITH 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 2019 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
Jiang Jinming
Company Secretary

Beijing, the PRC, 30 March 2020

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*, 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 2019

	Notes	2019 RMB'000	2018 RMB'000
Operating revenue	3	**95,453,055**	93,389,625
Operating costs			
Fuel for power and heat generation		**(47,229,574)**	(48,997,302)
Depreciation		**(13,983,474)**	(13,805,078)
Repairs and maintenance		**(2,914,673)**	(2,786,687)
Salaries and staff welfare		**(7,476,549)**	(5,707,470)
Local government surcharges		**(1,304,634)**	(1,369,607)
Others		**(13,005,073)**	(11,355,042)
Total operating costs		**(85,913,977)**	(84,021,186)
Operating profit		**9,539,078**	9,368,439
Shares of profits of associates		**1,621,931**	1,754,780
Shares of losses of joint ventures		**(64,555)**	(397,315)
Investment income		**221,383**	162,476
Other gains, net	5	**419,018**	822,183
Interest income		**96,637**	102,262
Finance costs	6	**(7,214,883)**	(7,647,028)
Profit before tax		**4,618,609**	4,165,797
Income tax expenses	7	**(1,721,486)**	(1,378,178)
Profit for the year		**2,897,123**	2,787,619
Profit for the year attributable to:			
Holders of equity instruments of the Company			
– Ordinary shares		**390,639**	1,232,240
– Other equity instruments		**595,024**	–
		985,663	1,232,240
– Non-controlling interests		**1,911,460**	1,555,379
		2,897,123	2,787,619
Earnings per share			
Basic and diluted (RMB cent)	8	**2.11**	7.16

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	RMB'000	*RMB'000*
Profit for the year	**2,897,123**	2,787,619
Other comprehensive income (expenses):		
Items that may be reclassified to profit or loss:		
Exchange differences on translating foreign operations	**6,908**	12,951
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	**(81,858)**	(249,750)
Other comprehensive expenses for the year, net of tax	**(74,950)**	(236,799)
Total comprehensive income for the year	**2,822,173**	2,550,820
Total comprehensive income for the year attributable to:		
Holders of equity instruments of the Company		
– Ordinary shares	**346,556**	994,601
– Other equity instruments	**595,024**	–
	941,580	994,601
– Non-controlling interests	**1,880,593**	1,556,219
	2,822,173	2,550,820

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

	Notes	2019 RMB'000	2018 RMB'000
Non-current assets			
Right-of-use assets		**4,255,606**	–
Land use rights		**–**	2,909,576
Property, plant and equipment		**211,471,481**	217,426,346
Investment properties		**620,612**	647,875
Intangible assets		**1,950,663**	2,044,863
Interests in associates		**16,866,007**	16,032,194
Interests in joint ventures		**673,265**	690,359
Financial instruments at fair value through profit or loss		**4,203,692**	4,311,248
Equity instruments at fair value through other comprehensive income		**1,096,638**	1,111,779
Long-term entrusted loans to an associate		**–**	122,451
Deferred tax assets		**4,059,693**	4,088,785
Other non-current assets		**3,643,632**	4,079,406
		248,841,289	253,464,882
Current assets			
Inventories		**4,062,916**	4,639,385
Trade and notes receivables	*10*	**15,895,914**	13,773,055
Prepayments and other receivables		**5,347,914**	4,660,941
Tax recoverable		**119,425**	163,805
Current portion of other non-current assets		**11,660**	6,509
Cash and cash equivalents and restricted deposits		**8,136,055**	11,541,749
		33,573,884	34,785,444
Current liabilities			
Trade payables and accrued liabilities	*11*	**23,529,082**	26,021,443
Contract liabilities	*11*	**1,022,615**	1,048,738
Consideration payable		**169,216**	191,216
Taxes payables		**1,518,340**	1,392,003
Dividends payables		**1,497,360**	1,725,614
Short-term loans		**34,854,678**	24,771,641
Short-term bonds		**–**	11,000,000
Current portion of non-current liabilities		**17,590,719**	26,007,217
Current portion of lease liabilities		**171,833**	–
		80,353,843	92,157,872
Net current liabilities		**(46,779,959)**	(57,372,428)
		202,061,330	196,092,454

	2019	2018
	RMB'000	*RMB'000*
Capital and reserves		
Share capital	**18,506,711**	18,506,711
Reserves	**23,684,669**	26,968,351
	42,191,380	45,475,062
Non-controlling interests	**16,902,527**	20,014,759
Other equity instruments	**22,935,045**	5,000,000
Total equity	**82,028,952**	70,489,821
Non-current liabilities		
Long-term loans	**99,490,886**	105,648,543
Long-term bonds	**8,973,801**	8,966,309
Deferred income	**2,280,161**	2,564,376
Deferred tax liabilities	**715,957**	731,253
Lease liabilities	**734,944**	–
Other non-current liabilities	**7,836,629**	7,692,152
	120,032,378	125,602,633
	202,061,330	196,092,454

1. GENERAL INFORMATION

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 Limited (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.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

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 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

The adoption of IFRS 16 resulted in changes in the Groups accounting policies and adjustments to the amounts recognised in the consolidated financial statements as summarised 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.

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 year. IFRS 16 superseded IAS 17 Leases ("**IAS 17**") and the related interpretations.

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. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. Details of these new accounting policies are described in annual report. 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.

The Group as lessee

On transition to IFRS 16, the Group had not elected to apply the practical expedient to grandfather the assessment of which arrangements are, or contain, leases.

Transactions accounted for as finance leases under IAS 17 Leases

As at 31 December 2018, the Group's financing in relation to a number of items of transportation facilities were classified as finance leases under IAS 17. On adoption of IFRS 16, the Group recategorised RMB9,661,569,000 of such financing that were previously included in "finance lease payables" under other non-current liabilities as "other pledged financing" that remained under "other non-current liabilities" as these financing arrangements did not contain a "lease". The remaining finance leases payable of RMB545,459,000 and the carrying amounts of the corresponding leased assets of RMB872,705,000 are reclassified to "lease liabilities" and "right-of-use assets" respectively. There is no material impact on the opening balance of equity.

Other leases

On adoption of IFRS 16, the Group recognised lease liabilities (except for lease of low value assets and lease with remaining lease term of twelve months or less) 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.

	Notes	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 rights	*(c)*	2,909,576	(2,909,576)	–	–
Right-of-use assets	*(a)-(c)*	–	3,782,281	181,225	3,963,506
Liabilities:					
Current portion of non-current liabilities	*(b)*	26,007,217	(119,270)	–	25,887,947
Other non-current liabilities	*(b)*	7,692,152	(426,189)	–	7,265,963
Current portion of lease liabilities	*(a) & (b)*	–	119,270	38,727	157,997
Lease liabilities	*(a) & (b)*	–	426,189	142,498	568,687

Notes:

(a) As at 1 January 2019, right-of-use assets were measured at an amount equal to the lease liability of approximately RMB181,225 thousand.

(b) The finance lease payables of approximately RMB545,459 thousand as at 31 December 2018 are reclassified to lease liabilities under adoption of IFRS 16. The carrying amount of the related assets under finance leases amounting to approximately RMB872,705 thousand is reclassified to right-of-use assets.

(c) Land use rights of approximately RMB2,909,576 thousand which represent the upfront payments for leasehold lands in the PRC as at 31 December 2018 were reclassified to right-of-use assets.

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 17	Insurance Contracts[3]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]
Amendments to IFRS 3	Definition of a Business[5]
Amendments to IAS 1 and IAS 8	Definition of Material[1]
Amendments to IAS 1	Classification of Liabilities as Current or Non-current[2]
Amendments to IFRS 9, IAS 39 and IFRS 7	Interest Rate Benchmark Reform[1]
Conceptual Framework for Financial Reporting 2018	Revised Conceptual Framework for Financial Reporting[1]

1 Effective for annual periods beginning on or after 1 January 2020
2 Effective for annual periods beginning on or after 1 January 2022
3 Effective for annual periods beginning on or after 1 January 2023
4 Effective for annual periods beginning on or after a date to be determined
5 Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020

The directors of the Company anticipate that the application of the new and amendments IFRSs will have no material impact on the results and the financial position of the Group.

3. OPERATING REVENUE

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:

	2019	2018
	RMB'000	*RMB'000*
Sales of electricity and heat supply	**88,442,906**	87,442,681
Sales of coal	**3,222,207**	2,300,638
Others	**3,787,942**	3,646,306
Total	**95,453,055**	93,389,625

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 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 and heat generation segment – operation of power plants through subsidiaries, generating electric power and heat generation 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.

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

Segment revenues and results

Year ended 31 December 2019

	Power and heat generation segment	**Coal segment**	**Other segments**	**Segment Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Revenue from external customers	**88,442,906**	**3,222,207**	**3,787,942**	**95,453,055**
Intersegment revenue	**1,402,246**	**7,627,034**	**128,377**	**9,157,657**
	89,845,152	**10,849,241**	**3,916,319**	**104,610,712**
Segment profit/(loss)	**5,261,968**	**876,315**	**(1,450,289)**	**4,687,994**

Year ended 31 December 2018

	Power and heat generation segment	**Coal segment**	**Other segments**	**Segment 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

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.

Segment assets and liabilities

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

	2019	2018
	RMB'000	*RMB'000*
SEGMENT ASSETS		
Power and heat generation segment	**270,635,319**	275,103,280
Coal segment	**5,139,742**	5,847,132
Other segments	**6,345,267**	6,965,976
Segment assets	**282,120,328**	287,916,388
SEGMENT LIABILITIES		
Power and heat generation segment	**189,261,672**	207,513,497
Coal segment	**3,571,155**	4,505,365
Other segments	**7,534,721**	5,720,987
Segment liabilities	**200,367,548**	217,739,849

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

	2019	2018
	RMB'000	*RMB'000*
Total profit or loss of reportable segments	**4,687,994**	4,168,266
IFRS adjustments	**(69,385)**	(2,469)
Consolidated profit before tax	**4,618,609**	4,165,797

	2019	2018
	RMB'000	*RMB'000*
Assets		
Total assets of reportable segments	**282,120,328**	287,916,388
IFRS adjustments	**294,845**	333,938
Consolidated total assets	**282,415,173**	288,250,326
Liabilities		
Total liabilities of reportable segments	**200,367,548**	217,739,849
IFRS adjustments	**18,673**	20,656
Consolidated total liabilities	**200,386,221**	217,760,505

Geographical information

No geographical information is presented as more than 90% of the Group's revenue during the years ended 31 December 2019 and 2018 and most of their customers and non-current assets as at 31 December 2019 and 2018 were located in the PRC.

5. OTHER GAINS, NET

	2019	2018
	RMB'000	*RMB'000*
(Loss) gain on change of fair value of financial instruments at FVTPL	**(54,066)**	242,147
Amortisation of deferred income	**467,595**	546,809
Others	**5,489**	33,227
	419,018	822,183

6. FINANCE COSTS

	2019	2018
	RMB'000	*RMB'000*
Total interest expense on borrowings	**8,066,691**	8,398,801
Less: amount capitalised in property, plant and equipment	**(938,185)**	(866,732)
	7,128,506	7,532,069
Exchange loss, net	**15,558**	80,495
Others	**70,819**	34,464
	7,214,883	7,647,028

7. INCOME TAX EXPENSES

Income tax has been recognised in profit or loss as follows:

	2019	2018
	RMB'000	*RMB'000*
Current tax – PRC Enterprise Income Tax		
Provision for the year	**1,679,421**	1,410,022
Under (over) provision in prior years	**21,358**	(94,874)
	1,700,779	1,315,148
Deferred tax	**20,707**	63,030
	1,721,486	1,378,178

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:

	2019	2018
	RMB'000	*RMB'000*
Earnings		
Earnings for the purpose of calculating basic and diluted earnings per share		
Profit for the year attributed to owners of the Company	**390,639**	1,232,240
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted earnings per share	**18,506,711**	17,207,542

Note:

The diluted 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 2019 and 2018.

9. DIVIDENDS

Pursuant to the board of Directors' meeting on 30 March 2020, the Directors recommended to declare the final dividends for the year ended 31 December 2019 of RMB0.065 per share totaling approximately RMB1,202,936,000. 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 2019, a final dividend of RMB0.1 per share in respect of the year ended 31 December 2018 totalling RMB1,850,670,000 (2018: RMB1,665,604,000) was declared and paid to the owners of the Company.

10. TRADE AND NOTES RECEIVABLES

	2019	2018
	RMB'000	*RMB'000*
Trade receivables	**15,640,645**	13,629,279
Less: provision of impairment	**(855,731)**	(906,948)
	14,784,914	12,722,331
Notes receivables	**1,111,000**	1,050,724
	15,895,914	13,773,055

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.

	2019	2018
	RMB'000	*RMB'000*
Within one year	**12,951,639**	11,610,168
Between one to two years	**1,390,091**	761,647
Between two to three years	**223,930**	105,765
Over three years	**219,254**	244,751
	14,784,914	12,722,331

11. TRADE PAYABLES AND ACCRUED LIABILITIES/CONTRACT LIABILITIES

	2019	2018
	RMB'000	*RMB'000*
Trade payables	**17,671,666**	20,387,076
Notes payables	**1,903,844**	1,248,315
Accrued expenses	**638,421**	1,009,468
Other payables	**3,315,151**	3,376,584
	23,529,082	26,021,443

	2019	2018
	RMB'000	*RMB'000*
Contract liabilities	**1,022,615**	1,048,738

The ageing analysis of the trade payables is as follows:

	2019	2018
	RMB'000	*RMB'000*
Within one year	**12,074,832**	15,651,698
Between one to two years	**2,847,886**	1,939,108
Between two to three years	**733,446**	1,059,467
Over three years	**2,015,502**	1,736,803
	17,671,666	20,387,076

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:

	2019	2018
	RMB'000	*RMB'000*
Associates	**800,300**	865,251
Joint ventures	**41,650**	61,250
Associates of China Datang	**5,654,464**	14,030,000
	6,496,414	14,956,501

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

FINANCIAL HIGHLIGHTS AND FINANCIAL RATIOS

	2019	2018	Variance
	RMB'000	*RMB'000*	*%*
Revenue from operations	**95,453,055**	93,389,625	2.2
Net profit attributable to equity holders of the Company	**1,065,806**	1,234,709	(13.7)
Net cash flows from operating activities	**21,669,762**	19,314,090	12.2
Total assets	**282,120,328**	287,916,388	(2.0)
Total share capital as at the end of the year	**18,506,711**	18,506,711	0.0
Net asset value per share (RMB)	**2.26**	2.44	(7.4)
Basic earnings per share (RMB)	**0.0254**	0.0718	(64.6)
Diluted earnings per share (RMB)	**0.0254**	0.0718	(64.6)

4. 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:

		Net assets	
		31 December 2019	31 December 2018
	Notes	***RMB'000***	*RMB'000*
Net assets attributable to holders of equity instruments of the Company under IFRS		**65,126,425**	50,475,062
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)*	**(374,695)**	(401,046)
Applicable deferred tax impact of the above GAAP Differences		**(7,944)**	(18,702)
Non-controlling interests' impact of the above GAAP Differences after tax		**(35,122)**	(35,122)
Net assets attributable to equity holders of the Company under PRC GAAP		**64,815,130**	50,126,658

	Note	Net profit 2019 RMB'000	2018 RMB'000
Profit for the year attributable to holders of equity instruments of the Company under IFRS		**985,663**	1,232,240
Impact of IFRS adjustments:			
Difference in accounting treatment on mining funds	*(a)*	**69,385**	2,469
Non-controlling interests' impact of the above GAAP Differences after tax	*(b)*	**10,758**	–
Net profit for the year attributable to equity holders of the Company under PRC GAAP		**1,065,806**	1,234,709

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.