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 INTERIM 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.

I. COMPANY RESULTS

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.

II. MANAGEMENT DISCUSSION AND ANALYSIS

(I) Overview

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

In 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.

(II) 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 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.

(III) 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 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.

(IV) 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.

III. SHARE CAPITAL AND DIVIDENDS

1. Share Capital

As of 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 the Directors, Supervisors and Chief Executives

As of 30 June 2019, save as disclosed below and to the knowledge of the Board, none of the directors, supervisors and chief executives 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 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	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%

IV. 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 announcement, the Company issued two tranches of placement debt financing instruments in an aggregate amount of RMB12 billion.

4. As at the date of this announcement, 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.

V. 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.

VI. COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

To the knowledge of the Board, the Company complied with all the code provisions under the Corporate Governance Code (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 for 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 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 Period.

VIII. 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
Jiang Jinming
Company Secretary

Beijing, the PRC, 30 August 2019

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

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

* *Independent non-executive directors*

FINANCIAL INFORMATION EXTRACTED FROM FINANCIAL STATEMENTS PREPARED UNDER IFRS

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	3	**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	5	**(3,695,700)**	(3,768,865)
Profit before tax		**2,652,010**	2,869,421
Income tax expense	6	**(815,864)**	(771,175)
Profit for the period		**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)	8	**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	2018
	RMB'000	*RMB'000*
	(unaudited)	*(unaudited)*
Profit for the period	**1,836,146**	2,098,246
Other comprehensive income (expense):		
Items that may be reclassified to profit or loss:		
Share of other comprehensive loss of associates	**(72,210)**	(6,819)
Exchange differences on translating foreign operations	**1,792**	1,576
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	**(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

	Note	**30 June 2019**	31 December 2018
		RMB'000	*RMB'000*
		(unaudited)	*(audited)*
Non-current assets			
Right-of-use assets		**3,882,476**	–
Land use right		**–**	2,909,576
Property, plant and equipment		**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	*9*	**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

	Notes	**30 June 2019**	31 December 2018
		RMB'000	*RMB'000*
		(unaudited)	*(audited)*
Current liabilities			
Trade payables and accrued liabilities	*10*	**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	*11*	**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		**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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2019

1. 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.

2. 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.

2.1 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.

2.1.1 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 2.1.2. 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.

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.

	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 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:

(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 of approximately 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 I(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.

2.1.2 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.

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.

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.

3. 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	2018
	RMB'000	*RMB'000*
	(unaudited)	*(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

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 generation segment – operation of power plants through subsidiaries, generating electric power for sale to external power grid companies, investing in power plants through joint ventures and associates;

2. Coal segment – engaged in mining and sale of coal products; and

3. Others – engaged in aluminium smelting and others.

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

Segment revenues and results

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

For the six months ended 30 June 2019

	Power generation segment	**Coal segment**	**Other segments**	**Total**
	RMB'000	***RMB'000***	***RMB'000***	***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	Coal segment	Other segments	Total
	RMB'000	*RMB'000*	*RMB'000*	*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

Segment assets and liabilities

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

	30 June 2019	31 December 2018
	RMB'000	*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

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

5. 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

6. 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%.

7. DIVIDENDS

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 approximately RMB1,850,670,000 (30 June 2018: RMB1,665,604,000) was declared and paid to the owners of the Company.

8. 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.

9. TRADE AND NOTES RECEIVABLES

	30 June 2019	31 December 2018
	RMB'000	*RMB'000*
	(unaudited)	*(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	31 December 2018
	RMB'000	*RMB'000*
	(unaudited)	*(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

10. TRADE PAYABLES AND ACCRUED LIABILITIES/CONTRACT LIABILITIES

	30 June 2019	31 December 2018
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Trade and notes 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	31 December 2018
	RMB'000	*RMB'000*
	(unaudited)	*(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

11. SHARE CAPITAL

	Number of shares		Share capital	
	30 June 2019	31 December 2018	**30 June 2019**	31 December 2018
	'000	*'000*	***RMB'000***	*RMB'000*
	(unaudited)	*(audited)*	***(unaudited)***	*(audited)*
A share of RMB1 each:				
Registered, issued and fully paid:				
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:				
Registered, issued and fully paid:				
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-share at RMB3.47 per A-share and 2,794,943,820 H-share at HK$2.226 (equivalent to approximately RMB1.787) per H-share.