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## **Beijing Jingneng Clean Energy Co., Limited**

## **北京京能清潔能源電力股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 00579)**

### **INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2021**

#### **FINANCIAL HIGHLIGHTS**

- Revenue for the six months ended 30 June 2021 was RMB9,339.8 million, representing an increase of 12.81% as compared with the corresponding period of 2020.
- Profit before taxation for the six months ended 30 June 2021 was RMB1,884.3 million, representing an increase of 13.90% as compared with the corresponding period of 2020.
- Profit attributable to equity holders of the Company for the six months ended 30 June 2021 was RMB1,488.2 million, representing an increase of 14.90% as compared with the corresponding period of 2020.
- Basic and diluted earnings per share for the six months ended 30 June 2021 was RMB18.05 cents.

#### **RESULTS HIGHLIGHTS**

The board of directors (the “**Board**”) of Beijing Jingneng Clean Energy Co., Limited (the “**Company**”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**” or “**we**” or “**us**”) for the six months ended 30 June 2021 (the “**Reporting Period**”), prepared under International Financial Reporting Standards (the “**IFRSs**”).

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*For the six months ended 30 June 2021*

	<i>Notes</i>	<b>For the six-month period</b>	
		<b>ended 30 June</b>	
		<b>2021</b>	2020
		<b>RMB'000</b>	<b>RMB'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue	3	<b>9,339,794</b>	8,278,996
Other income	4	<b>453,502</b>	357,646
Gas consumption		<b>(4,653,477)</b>	(4,249,576)
Depreciation and amortization expenses	8	<b>(1,510,952)</b>	(1,325,439)
Personnel costs		<b>(412,971)</b>	(338,735)
Repairs and maintenance		<b>(283,027)</b>	(271,259)
Other expenses		<b>(434,928)</b>	(331,179)
Other gains and losses	5	<b>(6,206)</b>	(3,694)
		<hr/>	<hr/>
Profit from operations		<b>2,491,735</b>	2,116,760
Interest income	6	<b>16,479</b>	22,857
Finance costs	6	<b>(637,882)</b>	(574,537)
Share of results of associates		<b>25,725</b>	89,202
Share of result of a joint venture		<b>(11,802)</b>	–
		<hr/>	<hr/>
Profit before taxation		<b>1,884,255</b>	1,654,282
Income tax expense	7	<b>(327,831)</b>	(318,373)
		<hr/>	<hr/>
Profit for the period	8	<b>1,556,424</b>	1,335,909
		<hr/>	<hr/>
Profit for the period attributable to:			
– Equity holders of the Company		<b>1,488,178</b>	1,295,215
– Holders of perpetual notes		<b>25,588</b>	6,079
– Non-controlling interests		<b>42,658</b>	34,615
		<hr/>	<hr/>
		<b>1,556,424</b>	1,335,909
		<hr/>	<hr/>
Earnings per share			
Basic and diluted ( <i>RMB cents</i> )	10	<b>18.05</b>	15.71
		<hr/> <hr/>	<hr/> <hr/>

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

*For the six months ended 30 June 2021*

		<b>For the six-month period ended 30 June</b>	
		<b>2021</b>	2020
	<i>Notes</i>	<b>RMB'000</b>	<b>RMB'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
Profit for the period	8	<u><b>1,556,424</b></u>	<u>1,335,909</u>
<b>Items that will not be reclassified to profit or loss:</b>			
Gain on fair value changes of equity instruments at fair value through other comprehensive income (FVTOCI)		–	3,428
Reversal of income tax relating to items that will not be reclassified to profit or loss		<u>–</u>	<u>5,250</u>
		<u>–</u>	<u>8,678</u>
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange differences on translating foreign operations		<b>(30,276)</b>	(16,736)
Cash flow hedges:			
Profit (loss) during the period		<b>14,999</b>	(7,075)
Reclassification to reserves in relation with power purchase agreement		<b>6,003</b>	4,769
Income tax relating to items that may be reclassified subsequently to profit or loss		<u><b>(4,518)</b></u>	<u>(1,001)</u>
		<u><b>(13,792)</b></u>	<u>(20,043)</u>
Other comprehensive expense for the period, net of income tax		<u><b>(13,792)</b></u>	<u>(11,365)</u>
Total comprehensive income for the period		<u><b>1,542,632</b></u>	<u>1,324,544</u>
Total comprehensive income attributable to:			
– Equity holders of the Company		<b>1,474,386</b>	1,283,850
– Holders of perpetual notes		<b>25,588</b>	6,079
– Non-controlling interests		<u><b>42,658</b></u>	<u>34,615</u>
		<u><b>1,542,632</b></u>	<u>1,324,544</u>

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	<i>Notes</i>	As at <b>30 June 2021</b> <i>RMB'000</i> <b>(Unaudited)</b>	As at 31 December 2020 <i>RMB'000</i> <b>(Audited)</b>
<b>Non-current Assets</b>			
Property, plant and equipment		44,274,832	43,187,213
Right-of-use assets		1,406,351	1,431,342
Intangible assets		4,301,875	4,410,754
Goodwill		190,049	190,049
Investments in associates		3,413,806	3,518,508
Loans to associates		108,000	117,000
Investment in a joint venture		119,102	130,904
Loans to a joint venture		70,000	70,000
Deferred tax assets		231,289	296,104
Equity investments at FVTOCI		66,911	66,911
Value-added tax recoverable		1,245,504	1,114,305
Deposit paid for acquisition of property, plant and equipment		1,779,300	1,072,426
Restricted bank deposits		46,211	50,787
Derivative financial asset		4,340	–
		<b>57,257,570</b>	<b>55,656,303</b>
<b>Current Assets</b>			
Inventories		121,310	104,416
Trade and bills receivable	11	9,178,645	9,159,317
Other receivables, deposits and prepayments		540,683	463,778
Current tax assets		17,168	16,565
Amounts due from related parties		87,830	170,193
Value-added tax recoverable		433,688	469,666
Financial assets at fair value through profit or loss (FVTPL)		200,780	196,043
Restricted bank deposits		4,533	4,577
Cash and cash equivalents		6,592,508	4,297,450
		<b>17,177,145</b>	<b>14,882,005</b>

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	<i>Notes</i>	As at <b>30 June 2021</b> <i>RMB'000</i> <b>(Unaudited)</b>	As at 31 December 2020 <i>RMB'000</i> <b>(Audited)</b>
<b>Current Liabilities</b>			
Trade and other payables	12	5,186,954	5,058,989
Amounts due to related parties		475,927	189,539
Bank and other borrowings – due within one year		9,269,260	12,318,322
Short-term financing debentures		9,068,797	7,060,658
Medium-term notes		95,249	96,656
Corporate bond		26,281	26,128
Contract liabilities		56,571	56,380
Lease liabilities		42,110	64,659
Derivative financial liabilities		–	19,576
Income tax payable		24,662	125,381
Deferred income		107,887	228,336
		<b>24,353,698</b>	25,244,624
<b>Net Current Liabilities</b>		<b>(7,176,553)</b>	<b>(10,362,619)</b>
<b>Total Assets less Current Liabilities</b>		<b>50,081,017</b>	45,293,684
<b>Non-current Liabilities</b>			
Derivative financial liabilities		41,908	45,002
Bank and other borrowings – due after one year		14,785,426	10,896,268
Medium-term notes		4,488,679	4,488,679
Corporate bond		1,999,284	1,999,284
Contract liabilities		5,100	12,440
Deferred tax liabilities		188,235	193,615
Deferred income		437,138	435,811
Lease liabilities		827,378	836,336
Other non-current liabilities		16,037	19,402
		<b>22,789,185</b>	18,926,837
<b>Net Assets</b>		<b>27,291,832</b>	26,366,847
<b>Capital and Reserves</b>			
Share capital		8,244,508	8,244,508
Reserves		17,156,306	16,249,142
Equity attributable to equity holders of the Company		<b>25,400,814</b>	24,493,650
Non-controlling interests		<b>391,448</b>	347,615
Perpetual notes		<b>1,499,570</b>	1,525,582
		<b>27,291,832</b>	26,366,847

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2021 (Unaudited)

### 1. GENERAL AND BASIS OF PRESENTATION

In preparing the condensed consolidated financial statements, the directors of the Company (the “**Directors**”) have given careful consideration of the Group’s net current liabilities of RMB7,176,553,000 as at 30 June 2021. The Group met its day-to-day working capital requirements through cash flows from operating activities and available banking facilities. Based on assessment, the Directors are of the view that the Group will be able to meet in full its financial obligations as they fall due in the foreseeable future. Accordingly, the condensed consolidated financial statements have been prepared on a going concern basis.

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard (“**IAS**”) 34 Interim Financial Reporting issued by the International Accounting Standards Committee as well as with the applicable disclosure requirements of Appendix 16 to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Such condensed consolidated financial statements have not been audited.

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

### 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 values as appropriate.

Other than additional accounting policies resulting from application of amendments to International Financial Reporting Standards (“**IFRSs**”), and application of certain accounting policies which became relevant to the Group, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2021 are the same as those followed in the preparation of the Group’s consolidated financial statements for the year ended 31 December 2020.

#### Application of amendments to IFRSs

In the current interim period, the Group has applied, the following amendments to IFRSs issued by the International Accounting Standards Board (the “**IASB**”) for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2021 for the preparation of the Group’s condensed consolidated financial statements:

Amendment to IFRS 16	Covid-19-Related Rent Concessions
Amendments to IFRS 9, IAS 39 IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform – Phase 2

The application of the 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.

### 3A. REVENUE FROM CONTRACTS WITH CUSTOMERS

#### (i) Disaggregation of revenue from contracts with customers:

##### For the six months ended 30 June 2021 (Unaudited)

	Gas-fired power and heat energy generation RMB'000	Wind power RMB'000	Photovoltaic power RMB'000	Hydropower RMB'000	Others RMB'000	Total RMB'000
Types of goods and services						
Sales of electricity	5,296,968	1,541,058	1,255,347	146,616	-	8,239,989
Sales of heat energy	1,097,710	-	-	-	-	1,097,710
Repairs and maintenance and other services	-	-	-	-	2,095	2,095
Timing of revenue recognition						
A point in time	6,394,678	1,541,058	1,255,347	146,616	-	9,337,699
Over time	-	-	-	-	2,095	2,095
Geographical market						
Mainland China	6,394,678	1,484,196	1,253,563	146,616	2,095	9,281,148
Overseas	-	56,862	1,784	-	-	58,646
Revenue from contracts with customers	<u>6,394,678</u>	<u>1,541,058</u>	<u>1,255,347</u>	<u>146,616</u>	<u>2,095</u>	<u>9,339,794</u>

##### For the six months ended 30 June 2020 (Unaudited)

	Gas-fired power and heat energy generation RMB'000	Wind power RMB'000	Photovoltaic power RMB'000	Hydropower RMB'000	Others RMB'000	Total RMB'000
Types of goods and services						
Sales of electricity	4,868,711	1,109,536	1,028,642	143,215	-	7,150,104
Sales of heat energy	1,127,393	-	-	-	-	1,127,393
Repairs and maintenance and other services	-	-	-	-	1,499	1,499
Timing of revenue recognition						
A point in time	5,996,104	1,109,536	1,028,642	143,215	-	8,277,497
Over time	-	-	-	-	1,499	1,499
Geographical market						
Mainland China	5,996,104	1,057,468	1,026,435	143,215	1,499	8,224,721
Overseas	-	52,068	2,207	-	-	54,275
Revenue from contracts with customers	<u>5,996,104</u>	<u>1,109,536</u>	<u>1,028,642</u>	<u>143,215</u>	<u>1,499</u>	<u>8,278,996</u>

(ii) **Geographical information**

The basis for attributing the revenue is based on the location of customers from which the revenue is generated, which are located in/out of the PRC and the sales activities are made in/out of the PRC.

**3B. SEGMENT INFORMATION**

(a) **Segment revenue and results**

The Group manages its businesses by divisions, such as performing the monthly revenue analysis by segments which are organized by types of business. Information is reported internally to the Group's chief operating decision maker ("CODM"), including general manager, deputy general managers and chief accountant, for the purposes of resource allocation and performance assessment. The Group has presented the following operating and reportable segments.

- Gas-fired power and heat energy generation: managing and operating natural gas-fired power plants and generating electric power and heat energy for sale to external customers.
- Wind power: constructing, managing and operating wind power plants and generating electric power for sale to external customers.
- Photovoltaic power: constructing, managing and operating photovoltaic power plants and generating electric power for sale to external customers.
- Hydropower: managing and operating hydropower plants and sales of electricity generated to external customers.

Operating segments of business activities other than "Gas-fired power and heat energy generation", "Wind power", "Photovoltaic power" and "Hydropower" did not meet the quantitative thresholds for reportable segments in both current and prior year. Accordingly, these are grouped and presented as "Others" in the segment information.

An analysis of the Group's reportable segment revenue and results for the six months ended 30 June 2021 by operating and reportable segment is as follows:

	<b>Gas-fired power and heat energy generation</b>	<b>Wind power</b>	<b>Photovoltaic power</b>	<b>Hydropower</b>	<b>Others</b>	<b>Total</b>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
For the six months ended 30 June 2021 (unaudited)						
Reportable segment revenue from external customers/consolidated revenue	<u>6,394,678</u>	<u>1,541,058</u>	<u>1,255,347</u>	<u>146,616</u>	<u>2,095</u>	<u>9,339,794</u>
Reportable segment results before depreciation and amortization	<u>1,484,959</u>	<u>1,418,492</u>	<u>1,121,089</u>	<u>105,257</u>	<u>(127,110)</u>	<u>4,002,687</u>
Depreciation	447,710	426,477	443,452	52,406	7,390	1,377,435
Amortization	<u>7,532</u>	<u>84,728</u>	<u>27,704</u>	<u>12,992</u>	<u>561</u>	<u>133,517</u>
Reportable segment results ( <i>Note (i)</i> )	<u><u>1,029,717</u></u>	<u><u>907,287</u></u>	<u><u>649,933</u></u>	<u><u>39,859</u></u>	<u><u>(135,061)</u></u>	<u><u>2,491,735</u></u>



An analysis of the Group's reportable segment revenue, results for the six months ended 30 June 2020 by operating segment is as follows:

	Gas-fired power and heat energy generation <i>RMB'000</i>	Wind power <i>RMB'000</i>	Photovoltaic power <i>RMB'000</i>	Hydropower <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
For the six months ended 30 June 2020 (Unaudited)						
Reportable segment revenue from external customers/consolidated revenue	<u>5,996,104</u>	<u>1,109,536</u>	<u>1,028,642</u>	<u>143,215</u>	<u>1,499</u>	<u>8,278,996</u>
Reportable segment results before depreciation and amortization	<u>1,425,653</u>	<u>1,048,704</u>	<u>967,842</u>	<u>106,931</u>	<u>(106,931)</u>	<u>3,442,199</u>
Depreciation	432,280	358,656	358,011	54,994	2,435	1,206,376
Amortization	<u>5,129</u>	<u>84,341</u>	<u>16,730</u>	<u>12,322</u>	<u>541</u>	<u>119,063</u>
Reportable segment results ( <i>Note (i)</i> )	<u><u>988,244</u></u>	<u><u>605,707</u></u>	<u><u>593,101</u></u>	<u><u>39,615</u></u>	<u><u>(109,907)</u></u>	<u><u>2,116,760</u></u>

*Note:*

- (i) The segment results are arrived at after the deduction from revenue of gas consumption, depreciation and amortization, personnel costs, repair and maintenance, other expenses, and including other gains and losses and other income (excluding dividend from equity instruments at fair value through other comprehensive income).

#### 4. OTHER INCOME

	For the six-month period ended 30 June	
	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Government grants and subsidies related to:		
– Clean energy production ( <i>Note (a)</i> )	279,419	199,907
– Construction of assets ( <i>Note (b)</i> )	14,824	10,377
Income from carbon credits	66,435	60,007
Value-added tax refunds or exemptions ( <i>Note (c)</i> )	64,726	48,650
Others	<u>28,098</u>	<u>38,705</u>
	<u><u>453,502</u></u>	<u><u>357,646</u></u>

Notes:

- (a) The Group's gas and wind power facilities located in Beijing, the PRC, were entitled to a subsidy policy promulgated by the Beijing Government. The Beijing Government compensated the Group based on a pre-determined subsidized rate and quantities approved from time to time for the sale of electricity generated by those facilities. The grants will be released to profit or loss based on the actual volume of electricity generated from and sold by the Group's related gas and wind power facilities and at the pre-determined subsidized rate.
- (b) Grants related to construction of assets are provided by several local governments in the PRC to encourage the construction of clean energy facilities. The Group records these grants as deferred income upon receipt of the grants and will release to profit or loss to match with the depreciation of related assets.
- (c) The Group is entitled to a 50% refund of value-added tax for its revenue from the sale of electricity generated from the wind farms and a full refund of value-added tax for its revenue from the sale of heat energy to residential customers. The income of the value-added tax refund or exemption is recognised when relevant value-added tax refund or exemption application is registered with the relevant PRC tax authorities.

**5. OTHER GAINS AND LOSSES**

	<b>For the six-month period ended 30 June</b>	
	<b>2021</b>	<b>2020</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Other gains and losses comprise:		
Loss on disposal of property, plant and equipment	<b>(8,689)</b>	(9,583)
Net exchange gains (losses)	<b>250</b>	(6,619)
Gains (losses) arising on change in fair value of financial asset at FVTPL	<b>6,986</b>	(60,594)
Others	<b>(4,753)</b>	73,102
	<u><b>(6,206)</b></u>	<u>(3,694)</u>

**6. INTEREST INCOME/FINANCE COSTS**

	<b>For the six-month period ended 30 June</b>	
	<b>2021</b>	<b>2020</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Interest income	<u><b>16,479</b></u>	<u>22,857</u>
Interest expense	<b>705,846</b>	587,058
Less: Amounts capitalized:		
– property, plant and equipment	<u><b>(67,964)</b></u>	<u>(12,521)</u>
Total finance costs	<u><b>637,882</b></u>	<u>574,537</u>

## 7. INCOME TAX EXPENSE

	For the six-month period ended 30 June	
	2021 RMB'000 (Unaudited)	2020 RMB'000 (Unaudited)
Current tax:		
PRC Enterprise Income Tax	<u>270,532</u>	<u>328,727</u>
Deferred tax:		
Current period	<u>57,299</u>	<u>(10,354)</u>
Income tax expense	<u><u>327,831</u></u>	<u><u>318,373</u></u>

PRC Enterprise Income Tax has been generally provided at the applicable Enterprise Income Tax rate of 25% on the estimated assessable profits of the group entities established in the PRC for the six months ended 30 June 2021.

Under the PRC Enterprise Income Tax law, the preferential tax treatment for encouraged enterprises located in the Western China and certain industry-oriented tax incentives remain available up to 31 December 2030 when the original preferential tax period expired. Under the enterprise income tax law, the enterprises in encouraged industries in Western China are eligible for a preferential enterprise income tax rate for the period from 1 January 2021 to 31 December 2030. A PRC enterprise which enjoys this tax treatment is entitled to a preferential tax rate of 15% with a three-year tax exemption and a 50% deduction on the PRC Enterprise Income Tax for taxable income commencing from the first year. Certain of the Group's wind farm projects, photovoltaic projects and hydropower power projects were entitled to this tax concession.

An operating subsidiary of the Company 北京京能未來燃氣熱電有限公司 (Beijing Jingneng Weilai Gas-fired Power Co., Ltd., English name for identification purpose) (“**Weilai Gas**”) was qualified as High and New Technology Enterprise since 2015 and is entitled to a preferential income tax rate of 15%. The qualification of High and New Technology Enterprise is subject to review once every three years and the subsidiary continued to be recognised as High and New Technology Enterprise for the period ended 30 June 2021.

Under the two-tiered profits tax rates regime in Hong Kong, the first Hong Kong dollars (“**HK\$**”) 2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits in excess of HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

No provision for Hong Kong Profit Tax has been made as the Group has no assessable profit derived in Hong Kong.

Australian income tax is calculated at 30% of the estimated assessable profit.

## 8. PROFIT FOR THE PERIOD

	For the six-month period ended 30 June	
	2021 RMB'000 (Unaudited)	2020 RMB'000 (Unaudited)
Profit for the period has been arrived at after charging:		
Auditors' remuneration	<u>1,862</u>	1,710
Lease payments in respect of land and building	<u>26,391</u>	<u>26,630</u>
Depreciation and amortization:		
Depreciation of property, plant and equipment	<u>1,341,900</u>	1,182,044
Depreciation of right-of-use assets	<u>35,535</u>	24,332
Amortization of intangible assets	<u>133,517</u>	<u>119,063</u>
Total depreciation and amortization	<u><u>1,510,952</u></u>	<u><u>1,325,439</u></u>

## 9. DIVIDENDS

- (a) On 24 June 2021, a dividend in the total amount of approximately RMB567,222,000 was declared by the Company.
- (b) The Directors do not recommend the payment of any interim dividend for the six months ended 30 June 2021 (six months ended 30 June 2020: nil).

## 10. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholders of the Company for the six months ended 30 June 2021 of RMB1,488,178,000 (six months ended 30 June 2020: RMB1,295,215,000) and the weighted average number of shares in issue for the six months ended 30 June 2021 of 8,244,508,000 (six months ended 30 June 2020: 8,244,508,000).

Diluted earnings per share are presented as the same as the basic earnings per share as there were no potential diluted shares outstanding during the presented periods.

## 11. TRADE AND BILLS RECEIVABLES

	As at 30 June 2021 RMB'000 (Unaudited)	As at 31 December 2020 RMB'000 (Audited)
Trade receivables		
– goods and services	1,316,702	2,198,687
– clean energy power price premium	7,655,891	6,683,224
Bills receivable	223,521	294,875
	<hr/>	<hr/>
	9,196,114	9,176,786
Less: allowance for credit losses	(17,469)	(17,469)
	<hr/>	<hr/>
	<b>9,178,645</b>	<b>9,159,317</b>
	<hr/> <hr/>	<hr/> <hr/>

The Group allows a credit period of 60 days on average to its customers of electricity and heat from the end of the month in which the sales are made except for clean energy power price premium. The aged analysis of the Group's trade and bills receivables net of allowance for credit losses presented based on the invoice dates are as follows:

	As at 30 June 2021 RMB'000 (Unaudited)	As at 31 December 2020 RMB'000 (Audited)
Within 60 days	1,618,233	2,849,843
61 to 365 days	2,536,843	2,649,928
1 to 2 years	3,008,036	2,200,362
2 to 3 years	1,583,665	906,255
Over 3 years	431,868	552,929
	<hr/>	<hr/>
	9,178,645	9,159,317
	<hr/> <hr/>	<hr/> <hr/>

The Group's major customers are the PRC state-owned power grid companies with good credit rating.

The clean energy power price premium is included as a component of the government-approved on-grid tariff of wind power and photovoltaic power. The financial resource for the clean energy power price premium is the national renewable energy fund that accumulated through a special levy on the consumption of electricity. The government of the PRC is responsible to collect and allocate the fund and make settlement through state-owned power grid companies to the wind and photovoltaic farm project companies. Because of such arrangements, the Directors consider that the trade receivables of clean energy power price premium are neither past due nor impaired.

As at 30 June 2021, included in the Group's trade receivables balance for goods and services were debtors with aggregate carrying amount of RMB113,590,000 which were past due as at the reporting date. Those amounts have been assessed by reference to the historical information about counterparty default rates. The existing counterparties did not have significant default in the past.

## 12. TRADE AND OTHER PAYABLES

	As at 30 June 2021 RMB'000 (Unaudited)	As at 31 December 2020 RMB'000 (Audited)
Trade payables	2,259,012	2,384,450
Payables for acquisition of property, plant and equipment	1,591,705	1,601,100
Retention payables	707,737	446,166
Bills payable	20,000	20,000
Salary and staff welfare	99,928	103,870
Non-income tax payables	83,238	164,689
Dividend payables	177,670	–
Others	247,664	338,714
	<u>5,186,954</u>	<u>5,058,989</u>

The following is an ageing analysis of the Group's trade and bills payable by invoice date as at the end of each reporting period:

	As at 30 June 2021 RMB'000 (Unaudited)	As at 31 December 2020 RMB'000 (Audited)
Within 30 days	1,019,010	1,676,193
31 to 365 days	1,048,158	563,194
1 to 2 years	159,677	115,688
2 to 3 years	11,805	37,516
Over 3 years	40,362	11,859
	<u>2,279,012</u>	<u>2,404,450</u>

## MANAGEMENT DISCUSSION AND ANALYSIS

### I. REVIEW OF THE POWER INDUSTRY

In the first half of 2021, China's economy continued to recover steadily with further consolidation and improvement in economic development. The power industry provided strong electricity protection for economic and social development, with rapid growth in electricity consumption, green and low-carbon development of the installed power structure, and an overall balance between electricity supply and demand. As of 30 June 2021, according to the statistics from China Electricity Council, the national electricity installed capacity in total was 2.26 billion kW, representing a year-on-year increase of 9.5%. Among which, the capacity of thermal power generation was 1.27 billion kW, representing a year-on-year increase of 4.1%; the capacity of on-grid wind power generation was 290 million kW, representing a year-on-year increase of 34.7%; the capacity of on-grid solar power generation was 270 million kW, representing a year-on-year increase of 23.7%; the capacity of hydropower generation was 380 million kW, representing a year-on-year increase of 4.7%. The national power generation from non-fossil fuel installed capacity totaled 1.02 billion kW, increased by 17.8% year-on-year, accounting for 45.4% of the total installed capacity, representing a year-on-year increase of 3.2 percentage points; the power generation from coal installed capacity in total was 1.09 billion kW, representing a year-on-year increase of 2.5%, with percentage in the total installed capacity further decreased to 48.2%, representing a year-on-year decrease of 3.3 percentage points. Under the goal of peaking carbon dioxide emission and carbon neutrality, it's a clear trend for the power industry to make a green and low-carbon transformation.

In the first half of 2021, China's total power generation of power plants above scale was 3,870 billion kWh, representing a year-on-year increase of 13.7%. Affected by the rapid growth of electricity consumption and the slow growth of hydropower generation, the thermal power generation recorded a year-on-year increase of 15.0%. The total on-grid wind power and solar power generation recorded a year-on-year increase of 44.6% and 24.0%, respectively. The hydropower generation only recorded a year-on-year increase of 1.4%.

In the first half of 2021, the national average utilization hour of power generation equipment was 1,853 hours, representing a year-on-year increase of 119 hours. Among which, the utilization hour of thermal power generation was 2,186 hours, representing a year-on-year increase of 231 hours; the utilization hour of on-grid wind power generation was 1,212 hours, representing a year-on-year increase of 88 hours; the utilization hour of solar power generation was 660 hours, representing a year-on-year decrease of 3 hours; the utilization hour of hydropower generation equipment was 1,496 hours, representing a year-on-year decrease of 33 hours.

### II. BUSINESS REVIEW FOR THE FIRST HALF OF 2021

In the first half of 2021, the Group strictly followed the new requirements of the new development stage, thoroughly implemented the new development concept, and accomplished new achievements under the new development pattern. Adhered to the normalization of epidemic prevention and control, through "management improvement with world class standards as the benchmarks", the Group comprehensively improves development capacity, competitiveness and management of the Company, and actively accelerates the pace of project construction and mergers and acquisitions.

### **1. Steady increase in installed capacity**

As of 30 June 2021, the consolidated total installed capacity of the Group was 11.215 million kW, representing a year-on-year increase of 14%. The installed capacity of the gas-fired power and heat energy generation segment was 4.702 million kW, accounting for 42% of the total installed capacity; the installed capacity of the wind power generation segment was 3.146 million kW, accounting for 28% of the total installed capacity; the installed capacity of the photovoltaic power generation segment was 2.917 million kW, accounting for 26% of the total installed capacity; the installed capacity of the hydropower segment was 0.45 million kW, accounting for 4% of the total installed capacity. In the first half of the year, newly-added installed capacity of the wind power generation segment was 0.349 million kW, all of which came from self-built projects.

### **2. Significant increase in power generation**

As of 30 June 2021, the consolidated total power generation of the Group was 16.179 billion kWh, representing a year-on-year increase of 17.73%, of which, the power generation of the gas-fired power and heat energy generation segment was 9.733 billion kWh, representing a year-on-year increase of 8.08%, with the average utilization hours of equipment reaching 2,070 hours, an increase of 155 hours over the same period last year; the power generation of the wind power generation segment was 3.803 billion kWh, representing a year-on-year increase of 44.43%, which was basically the same as the national industry level in the same period, with the average utilization hours of equipment reaching 1,294 hours, an increase of 199 hours over the same period last year, which was 82 hours more than the national average; the power generation of the photovoltaic power generation segment was 2.046 billion kWh, representing a year-on-year increase of 37.87%, which was significantly higher than the national industry level in the same period, with the average utilization hours of equipment reaching 702 hours, a decrease of 1 hour from the same period last year, which was 42 hours more than the national average; and the power generation of the hydropower segment was 597 million kWh, representing a year-on-year decrease of 3.86%, with the average utilization hours of equipment reaching 1,327 hours, a decrease of 53 hours from the same period last year.

### **3. Pushing forward project development smoothly**

In the first half of 2021, the Group continued to adhere to the “two-wheel drive” of independent development and project merger and acquisition, and head on the path of “intensification, regionalization, scale-up, specialization and high efficiency”. In the first half of the year, the self-developed wind power and photovoltaic projects that had an application for construction indicators amounted to 18 projects with an installed capacity of 1.754 million kW; there were 13 projects in the process of merger and acquisition with an installed capacity of 1.486 million kW.

In the first half of the year, the 1.2 million kW supporting project of Zhangjiakou-Beijing renewable clean energy heat supply demonstration project commenced construction. The equipment installation of the integrated energy utilization project in the Yanqing Division of the Winter Olympics has been completed and officially put into operation. The Company actively promoted Green-Power-to-Beijing projects to be included in the “14th Five-Year” energy plan of China. We have accelerated the progress of the gas-fired cogeneration project, and are striving for the Dongyuan 2×0.4 million kW gas-fired cogeneration unit project to be included in the “14th Five-Year Plan” of Guangdong Province. We signed a cooperation agreement with the Beihai Municipal Government to develop a 4×0.8 million kW gas-fired power generation project, and strived to include it in the “14th Five-Year Plan” of Guangxi Province. Jingneng Golmud’s 0.126 million kW/0.504 million kWh shared energy storage project completed the procedure of project registration. We strategically deployed pumped-storage power plant projects, striving to apply for Huailai pumped-storage project to be included in the “14th Five-Year Plan”. We are cooperating with Huayuan Electric Power and Yuantong Group to develop pumped storage projects in various regions such as Chaoyang, Liaoning Province and Luanping, Hebei Province.

#### **4. The structure of liabilities was further optimised and capital cost was further reduced**

In the first half of 2021, the Group issued four ultra-short-term financing bonds in the form of direct debt financing, raising RMB8 billion in funds and offering an interest rate range of 2.65% to 2.99%, which saved capital costs while safeguarding capital needs. Through debt restructuring, the proportion of long-term debt increased from 50.22% at the beginning of the year to 60.60%, making the debt structure more reasonable and reducing debt risks. The average financing rate in the first half of the year was 3.74%, which was a decrease of 0.13 percentage points from the average financing rate of 3.87% in 2020.

### **III. OPERATING RESULTS AND ANALYSIS**

#### **1. Overview**

In the first half of 2021, the Company’s profitability recorded continuous improvement. Profit for the period amounted to RMB1,556.4 million, representing an increase of 16.51% as compared with RMB1,335.9 million for the first half of 2020. Profit for the period attributable to the equity holders amounted to RMB1,488.2 million, representing an increase of 14.90% as compared with RMB1,295.2 million for the first half of 2020.

#### **2. Operating Income**

In the first half of 2021, the total revenue increased by 12.81% from RMB8,279.0 million for the first half of 2020 to RMB9,339.8 million. Adjusted total operating income increased by 13.45% from RMB8,478.9 million for the first half of 2020 to RMB9,619.2 million for the first half of 2021, due to an increase in installed capacity of wind power and photovoltaic power segments and an increase in power generation volume of the gas-fired power and heat energy generation segment for the year, resulting in an increase in revenue from sales of electricity and a corresponding increase in government grants and subsidies on clean energy production.



### ***Gas-fired Power and Heat Energy Generation Segment***

The revenue from the gas-fired power and heat energy generation segment increased by 6.65% from RMB5,996.1 million for the first half of 2020 to RMB6,394.7 million for the first half of 2021, of which, revenue from sales of electricity increased by 8.80% from RMB4,868.7 million for the first half of 2020 to RMB5,297.0 million for the first half of 2021, due to the increase in sales volume of electricity of this segment. Revenue from sales of heat energy decreased by 2.63% from RMB1,127.4 million for the first half of 2020 to RMB1,097.7 million for the first half of 2021, due to the extension of heating supply period for the first half of 2020.

### ***Wind Power Segment***

The revenue from wind power segment increased by 38.90% from RMB1,109.5 million for the first half of 2020 to RMB1,541.1 million for the first half of 2021, due to the increase in sales volume of electricity as a result of an increase in the average wind speed and an increase in the installed capacity in this segment.

### ***Photovoltaic Power Segment***

The revenue from photovoltaic power segment increased by 22.04% from RMB1,028.6 million for the first half of 2020 to RMB1,255.3 million for the first half of 2021, due to an increase in sales volume of electricity as a result of increased installed capacity in this segment.

### ***Hydropower Segment***

The revenue from hydropower segment increased by 2.30% from RMB143.3 million for the first half of 2020 to RMB146.6 million for the first half of 2021.

### ***Other Segment***

The revenue from other segment increased by 40.00% from RMB1.5 million for the first half of 2020 to RMB2.1 million for the first half of 2021.

## **3. Other Income**

Other income increased by 26.82% from RMB357.6 million for the first half of 2020 to RMB453.5 million for the first half of 2021, due to the increase in sales volume of electricity of the gas-fired power and heat energy generation segment, resulting in the increase in government grants and subsidies on clean energy production.

#### **4. Operating Expenses**

Operating expenses increased by 11.99% from RMB6,519.9 million for the first half of 2020 to RMB7,301.6 million for the first half of 2021, due to the cost expensed following the commencement of production of new projects in the wind power segment and the photovoltaic power segment, and the increase in gas consumption as a result of the increase in sales volume of electricity of the gas-fired power and heat energy generation segment.

##### ***Gas Consumption***

Gas consumption increased by 9.50% from RMB4,249.6 million for the first half of 2020 to RMB4,653.5 million for the first half of 2021, due to an increase in gas consumption as a result of the increase in sales volume of electricity of the gas-fired power and heat energy generation segment.

##### ***Depreciation and Amortization Expense***

Depreciation and amortization expense increased by 14.00% from RMB1,325.4 million for the first half of 2020 to RMB1,511.0 million for the first half of 2021, due to an increase in installed capacity in the wind power segment and the photovoltaic power segment.

##### ***Personnel Cost***

Personnel cost increased by 21.94% from RMB338.7 million for the first half of 2020 to RMB413.0 million for the first half of 2021, due to the increase in the number of employees as a result of the business development of the Group, additional personnel costs expensed following the commencement of production of projects and relief on social security contribution resulting from the epidemic in the first half of 2020.

##### ***Repairs and Maintenance***

Repairs and maintenance increased by 4.31% from RMB271.3 million for the first half of 2020 to RMB283.0 million for the first half of 2021, mainly due to an increase in maintenance costs as a result of the increase in installed capacity in the wind power segment and the photovoltaic power segment.

##### ***Other Expenses***

Other Expenses principally comprise (1) external purchase of power, water and materials etc.; (2) property management, greening and fire protection fees; (3) rental expenses; (4) underwriting fees, bank commissions; (5) intermediary service fees; (6) property insurance premium; (7) other miscellaneous operating expenses.

Other expenses increased by 31.31% from RMB331.2 million for the first half of 2020 to RMB434.9 million for the first half of 2021, due to an increase in operating and management expenses as a result of the commencement of production of new projects.

### ***Other Gains and Losses***

Other gains and losses increased by 67.57% from RMB3.7 million for the first half of 2020 to RMB6.2 million for the first half of 2021.

## **5. Operating Profit**

As a result of the above, operating profit increased by 17.71% from RMB2,116.8 million for the first half of 2020 to RMB2,491.7 million for the first half of 2021.

## **6. Adjusted Segment Operating Profit**

Total adjusted segment operating profit increased by 18.31% from RMB1,959.0 million for the first half of 2020 to RMB2,317.7 million for the first half of 2021.

### ***Gas-fired Power and Heat Energy Generation Segment***

Adjusted segment operating profit of gas-fired power and heat energy generation segment increased by 5.69% from RMB943.0 million for the first half of 2020 to RMB996.7 million for the first half of 2021, due to an increase in sales volume of electricity in this segment.

### ***Wind Power Segment***

Adjusted segment operating profit of wind power segment increased by 55.64% from RMB498.2 million for the first half of 2020 to RMB775.4 million for the first half of 2021, due to an increase in sales volume of electricity as a result of an increase in average wind speed and the increase in the installed capacity in this segment after they are put into production.

### ***Photovoltaic Power Segment***

Adjusted segment operating profit of photovoltaic power segment increased by 8.87% from RMB589.5 million for the first half of 2020 to RMB641.8 million for the first half of 2021, due to an increase in the sales volume of electricity as a result of the increase in the installed capacity in this segment after they are put into production.

### ***Hydropower Segment***

Adjusted segment operating profit of hydropower segment increased by 2.08% from RMB38.5 million for the first half of 2020 to RMB39.3 million for the first half of 2021.

### ***Other Segment***

Adjusted operating profit of other segment decreased by 22.96% from a loss of RMB110.2 million for the first half of 2020 to a loss of RMB135.5 million for the first half of 2021.

## **7. Finance Costs**

Finance costs increased by 11.04% from RMB574.5 million for the first half of 2020 to RMB637.9 million for the first half of 2021, due to interest expenses expensed as a result of the increase in the installed capacity in wind power segment and photovoltaic power segment after they are put into production.

## **8. Share of Results of Associates and a Joint Venture**

Share of results of associates and a joint venture decreased by 84.42% from RMB89.2 million for the first half of 2020 to RMB13.9 million for the first half of 2021, mainly due to a loss in net profit as a result of an increase in price of coal from a subsidiary of an associate, Beijing Jingneng International Power Co., Ltd..

## **9. Profit before Taxation**

As a result of the foregoing, profit before taxation increased by 13.90% from RMB1,654.3 million for the first half of 2020 to RMB1,884.3 million for the first half of 2021.

## **10. Income Tax Expense**

Income tax expense increased by 2.95% from RMB318.4 million for the first half of 2020 to RMB327.8 million for the first half of 2021. Effective tax rate decreased from 19.25% for the first half of 2020 to 17.40% for the first half of 2021.

## **11. Profit for the Period**

As a result of the foregoing, profit for the period increased by 16.51% from RMB1,335.9 million for the first half of 2020 to RMB1,556.4 million for the first half of 2021.

## **12. Profit for the Period Attributable to Equity Holders of the Company**

Profit for the period attributable to equity holders of the Company increased by 14.90% from RMB1,295.2 million for the first half of 2020 to RMB1,488.2 million for the first half of 2021.

# **IV. FINANCIAL POSITION**

## **1. Overview**

As of 30 June 2021, total assets of the Group amounted to RMB74,434.7 million, total liabilities amounted to RMB47,142.9 million and shareholders' equity amounted to RMB27,291.8 million, among which equity attributable to the equity holders amounted to RMB25,400.8 million.

## **2. Particulars of Assets and Liabilities**

Total assets increased by 5.52% from RMB70,538.3 million as at 31 December 2020 to RMB74,434.7 million as at 30 June 2021, due to an increase in investment in new projects. Total liabilities increased by 6.73% from RMB44,171.5 million as at 31 December 2020 to RMB47,142.9 million as at 30 June 2021, due to increased debt as a result of capital demand for construction of projects. Total equity increased by 3.51% from RMB26,366.8 million as at 31 December 2020 to RMB27,291.8 million as at 30 June 2021. Equity attributable to equity holders of the Company increased by 3.70% from RMB24,493.7 million as at 31 December 2020 to RMB25,400.8 million as at 30 June 2021, due to the accretion from business results in the first half of 2021.

## **3. Liquidity**

As of 30 June 2021, current assets amounted to RMB17,177.1 million, including monetary capital of RMB6,592.5 million, bills and account receivables of RMB9,178.6 million (mainly comprising receivables from sales of electricity and sales of heat), and prepayment and other current assets of RMB1,406.0 million (mainly comprising deductible value-added tax and other account receivables). Current liabilities amounted to RMB24,353.7 million, including short-term borrowings of RMB9,269.3 million, short-term financing debentures of RMB9,068.8 million, medium-term notes of RMB95.2 million, corporate bonds of RMB26.3 million, trade and other payables of RMB5,187.0 million (mainly comprising payables for gas, payables for construction projects and purchase of equipment). Other current liabilities amounted to RMB707.1 million, mainly comprising income tax payable and amounts due to related parties.

Net current liabilities decreased by 30.75% from RMB10,362.6 million as at 31 December 2020 to RMB7,176.6 million as at 30 June 2021.

## **4. Net Gearing Ratio**

Net gearing ratio, calculated by dividing net debts (total borrowings minus cash and cash equivalents) by the sum of net debts and total equity, decreased by 0.44 percentage points from 55.28% as at 31 December 2020 to 54.84% as at 30 June 2021.

The Group's long-term and short-term borrowings increased by 7.72% from RMB36,886.0 million as at 31 December 2020 to RMB39,733.0 million as at 30 June 2021, including short-term borrowings of RMB9,269.3 million, short-term financing debentures of RMB9,068.8 million, medium-term notes of RMB4,583.9 million, long-term borrowings of RMB14,785.4 million and corporate bonds of RMB2,025.6 million.

Bank deposits and cash held by the Group increased by 53.40% from RMB4,297.5 million as at 31 December 2020 to RMB6,592.5 million as at 30 June 2021.

## V. OTHER SIGNIFICANT EVENTS

### 1. Financing

On 4 January 2021, the Group completed the issuance of the first tranche RMB2 billion 179-day ultra-short-term financing debentures of 2021 at an interest rate of 2.65%;

On 18 March 2021, the Group completed the issuance of the second tranche RMB2 billion 238-day ultra-short-term financing debentures of 2021 at an interest rate of 2.80%;

On 23 April 2021, the Group completed the issuance of the third tranche RMB2 billion 270-day ultra-short-term financing debentures of 2021 at an interest rate of 2.99%;

On 24 June 2021, the Group completed the issuance of the fourth tranche RMB2 billion 266-day ultra-short-term financing debentures of 2021 at an interest rate of 2.68%.

### 2. Capital Expenditure

In the first half of 2021, the Group's capital expenditure amounted to RMB2,910.5 million, among which RMB2,605.5 million incurred for construction projects in the wind power segment and RMB305.0 million incurred for construction projects in the photovoltaic power segment.

### 3. Acquisition and Establishment of Subsidiaries

According to the development plan of the Group, the Group acquired "Hebei Rongzhi Xinyuan Power Co., Ltd.\* (河北融智新源電力有限公司)" and "Otog Front Banner Shengri New Energy Technology Co., Ltd.\* (鄂托克前旗晟日新能源科技有限公司)" in the first half of 2021, which are engaged in the construction of wind power generation projects.

In the first half of 2021, the Group established "Beijing Jingneng Jingtong New Energy Co., Ltd.\* (北京京能京通新能源有限公司)" and "Yinchuan Jingneng Clean Energy Co., Ltd.\* (銀川京能清潔能源有限公司)", which are engaged in the construction of photovoltaic power generation projects, and established "Bayan Nur Jingneng Clean Energy Power Co., Ltd.\* (巴彥淖爾京能清潔能源電力有限公司)", which is engaged in the construction of wind power generation projects.

\* For identification purposes only

### 4. Contingent Liabilities

As of 30 June 2021, the Group had no contingent liabilities.

### 5. Mortgage of Assets

As of 30 June 2021, the Group pledged its bank loans by trade receivables of RMB191.5 million, and used fixed assets of RMB2,481.7 million as collateral for loans, and pledged the entire equity interest in New Gullen Range Wind Farm Pty Ltd. and Gullen Solar Pty Ltd., subsidiaries of the Company, to the National Australia Bank Ltd. as the pledge of bank loans.

## **6. Significant Events after the Reporting Period**

On 19 July 2021, the Company entered into an agreement with Ningxia Jiaze Renewables Corporation Limited (寧夏嘉澤新能源股份有限公司) to acquire 100% equity interests in Ningxia Kaiyang New Energy Co., Ltd. (寧夏愷陽新能源有限公司) and Ningxia Boyang New Energy Co., Ltd. (寧夏博陽新能源有限公司), with a cash consideration of RMB380.64 million and RMB1,072.4 million respectively. Details are set out in the Company's announcement dated 19 July 2021. The acquisition is subject to conditions precedent, and at the date of issuance of the condensed consolidated financial statements, the acquisition has not yet been completed.

## **7. Share Option Scheme**

As of 30 June 2021, the Company did not implement any share option scheme.

## **8. Foreign Exchange and Exchange Rate Risk**

The businesses of the Group are mainly located in Mainland China, where most of its income and expenses are denominated in RMB. The Group has a small portion of overseas investments and loans in foreign currencies (including deposits denominated in AUD, HK dollars, US dollars, Euro, as well as borrowings in HK dollars and AUD). Changes in RMB exchange rates may cause exchange losses or gains to the Group's foreign currency-denominated business.

The Group will continue to monitor exchange rates so as to cope with changes in the foreign exchange market and enhance the risk management on exchange rates by various management measures.

# **VI. BUSINESS OUTLOOK FOR THE SECOND HALF OF 2021**

## **1. Focusing on the Group's "14th Five-Year Plan"**

The year 2021 is the first year of the "14th Five-Year Plan". Under the background of carbon peaking and carbon neutrality, the Group will focus on the step development of its two main businesses and two cultivation businesses in accordance with the spatial layout of "being based in Beijing, vigorously developing North China, and facing the whole country". It will prioritize the development of wind power, photovoltaic power generation and other renewable energy businesses and concentrate resources to grow stronger and become larger in scale; optimize the development of gas-fired power generation and gas supply business, seize opportunities and make breakthroughs in key areas; actively cultivate comprehensive energy service business and highlight its characteristics according to local conditions; and explore and promote energy trading business through flexible innovation and collaborative development. The development goal of increasing 15 million kW of wind and photovoltaic projects during the "14th Five-Year Plan" period set at the beginning of the year remains unchanged, and we will continue to adhere to the overall development concept of "being superior, stronger, faster and better".

## **2. Actively promoting key projects**

In the second half of the year, the Group will intensify its efforts to focus on promoting the 1.2 million kW supporting project of Zhangjiakou-Beijing renewable clean energy heating demonstration project, and the first wind turbine of the Kangbao 0.45 million kW wind power project was on grid in July 2021 and it is expected that the project will be completed and on grid within the year. The Group will continue to give full play to the geographical advantages of its branches and subsidiaries and closely follow the preparation progress of the “14th Five-Year Plan” of various regions, to focus on promoting certain strategic projects enlisted into the “14th Five-Year Plan” according to the demand of Green-Power-to-Beijing, including Jingneng 10 million kW integrated energy base project in Datong, the UHV transmission project in Chagan Nur and the pumped storage project in Huailai. Meanwhile, leveraging on its transmission channels and regional loads, the Group will also carry out strategic generation, grid, load and energy storage projects in traditionally advantageous regions.

## **3. Continuing to lay a solid foundation for safety production**

The Group will strengthen control to ensure that the safety, quality, progress and cost management of projects can be controlled and are under control; further strengthen management of compliance, improve the formalities of approval for construction, and carry out project construction in accordance with laws and regulations; try to achieve process safety control in implementing production projects to ensure the effective operation of the production safety management system; strengthen technical supervision and management, further improve and implement the supervision system by enhancing the standardization and effectiveness of various technical supervision; strengthen environmental protection management, strictly control discharge of pollutants to meet the standards; actively increase the capacity of thermal supply, continue to strengthen the marketing of electricity, and implement various measures for power generation enterprises to reduce costs and consumption, and improve quality and efficiency.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY**

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the six months ended 30 June 2021.

## **INTERIM DIVIDEND**

The Board has not made any recommendation on the distribution of an interim dividend for the six months ended 30 June 2021.

## **COMPLIANCE WITH CORPORATE GOVERNANCE CODE**

As a company listed on the Stock Exchange, the Company always strives to maintain a high level of corporate governance and complied with all code provisions as set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules for the six months ended 30 June 2021.



## **COMPLIANCE WITH CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix 10 of the Listing Rules as the code of conduct regarding securities transactions of the Company by the Directors and supervisors of the Company. Upon making specific enquiries to all of the Directors and supervisors of the Company, all Directors and supervisors confirmed that throughout the Reporting Period, each of the Directors and supervisors of the Company had fully complied with the required standards set out in the Model Code.

## **AUDIT COMMITTEE**

The audit committee of the Company has reviewed the Group’s 2021 interim results and the unaudited financial statements for the six months ended 30 June 2021 prepared in accordance with the IFRSs.

## **PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT**

This results announcement is published on the HKEXnews website of the Stock Exchange at <http://www.hkexnews.hk> and on the website of the Company at <http://www.jnec.com>. The 2021 interim report containing all the information required by the Listing Rules will be dispatched to the shareholders in due course and will be published on the websites of the Company and the Stock Exchange.

By order of the Board  
**Beijing Jingneng Clean Energy Co., Limited**  
**KANG Jian**  
*Deputy General Manager and Company Secretary*

Beijing, the PRC  
26 August 2021

*As at the date of this announcement, the executive Directors of the Company are Mr. Zhang Fengyang, Mr. Chen Dayu, Mr. Gao Yuming and Mr. Cao Mansheng; the non-executive Directors of the Company are Mr. Ren Qigui, Ms. Li Juan and Mr. Wang Bangyi; and the independent non-executive Directors of the Company are Mr. Huang Xiang, Mr. Chan Yin Tsung, Mr. Xu Daping and Ms. Zhao Jie.*