



大唐国际发电股份有限公司

DATANG INTERNATIONAL POWER GENERATION CO., LTD.

Stock Code: 00991



Innovative Progress,

High Quality Development

2020 Interim Report

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Company Results

OPERATING AND FINANCIAL HIGHLIGHTS:

- Operating revenue amounted to approximately RMB44,478 million, representing a decrease of approximately 1.25% as compared to the first half of 2019.
- Total profit before tax amounted to approximately RMB3,622 million, representing an increase of approximately 36.58% as compared to the first half of 2019.
- Net profit attributable to equity holders of the Company amounted to approximately RMB1,842 million, representing an increase of approximately 99.57% as compared to the first half of 2019.
- Basic earnings per share attributable to equity holders of the Company amounted to approximately RMB0.0702, representing an increase of RMB0.0288 per share as compared to the first half of 2019.

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 ("IFRSs") for the six months ended 30 June 2020 (the "Period"), together with the unaudited consolidated operating results of the first half of 2019 (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 RMB44,478 million, representing a decrease of approximately 1.25% as compared to that of the Corresponding Period Last Year. Total profit before tax amounted to approximately RMB3,622 million, representing an increase of approximately 36.58% as compared to that of the Corresponding Period Last Year. Net profit attributable to equity holders of the Company was approximately RMB1,842 million, representing an increase of approximately 99.57% as compared to that of the Corresponding Period Last Year. Basic earnings per share attributable to equity holders of the Company amounted to approximately RMB0.0702, representing an increase of RMB0.0288 per share as compared to that of the Corresponding Period Last Year.

Management Discussion and Analysis

The Company is one of the largest independent power generation companies in the People's Republic of China (the "PRC"). The power generation businesses of the Company and its subsidiaries cover 19 provinces, municipalities and autonomous regions across the country, whereas coal-fired power generators of the Company are centralised in the Beijing-Tianjin-Hebei and southeast coastal regions. Most of the hydropower projects are located in the southwest region. Wind power and photovoltaic power projects are distributed across the country in areas with abundant resources.

In the first half of 2020, the Company adhered to implement and promote measures for prevention and control of the pandemic and carried out high quality development works, devoted every effort to prevention and control of the pandemic and gaining fruitful results in the fields of safety, efficiency, development, reforms and governance.

REVIEW ON THE OPERATING RESULTS OF PRINCIPAL BUSINESSES

1. Effectively preventing and control of the pandemic. The Company has prudently performed the responsibilities in a company-wide manner, and always adhered to upper and lower linkage and collective prevention and control to proactively respond to new trend of normal prevention and control, strictly performed the prevention and control measures, constantly perfected the plans and proposals which would ensure the risk being under control and achieved the "Double Zero" prevention and control objectives with zero confirmed and zero suspected cases.
2. Maintaining the stability of overall production safety. The Company has always taken safety and stability as a political task and completed the tasks of power preservation and stable power supply for the "Two Sessions" in a high quality manner. The Company has continuously strengthened the building of a safety system and practice, continuously consolidated the safety foundation and comprehensively improved the safety governance and control in the key fields including environmental protection, infrastructure, non-power and information.
3. Deeply developing profitability. The Company paid close attention to the market change, promptly adjusted market strategies, comprehensively improved the unit load rate and operation rate, so as to fully guarantee the implementation of planned electricity, and make every effort to gain efficient market electricity. The Company has devoted greater effort to economical coal procurement and enhanced the construction of fuel supply chain to create the core competitiveness with lower cost. The Company conducted benchmarking work in every step of investment, construction, production and operation, to reduce costs as possible as practicable.

4. Fruitful results in high quality development. The Company has deeply implemented the new concept of development, comprehensively followed up the national strategies and focused on the development direction of “wind, light, gas and service”, made up the shortfall of development, and devoted every effort to promote the high quality development. During the first half of the year, the generation capacity of new units was 1,233MW, of which the coal-fired power projects being 1,000MW, the wind power projects being 178.5MW and the photovoltaic projects being 54.5MW. During the reporting period, the generation capacity of approved units was 1,992MW, of which the wind power projects being 149MW and the photovoltaic projects being 1,843MW.
5. Continuous deepening in energy conservation and emission reduction. During the reporting period, the coal consumption of the Company for power supply accumulated to 289.91g/kWh, the general consumption rate of power plants was 5.83%. The performance of sulfur dioxide, nitrogen oxides, smoke ash and waste water were 0.079g/kWh, 0.131g/kWh, 0.012g/kWh and 21.03g/kWh, respectively. The Company completed ultra-low emission environmental transformation projects on 108 coal-fired power generating units in operation with capacity of 48,944MW in total, all of which were in line with compliant emission within the scope under the ultra-low emission environmental transformation plan.

MAJOR FINANCIAL INDICATORS AND ANALYSIS

1. Operating Revenue

During the Period, the Group realised an operating revenue of approximately RMB44,478 million, representing a decrease of approximately 1.25% as compared to the Corresponding Period Last Year, among which revenue from electricity sales was approximately RMB37,900 million, representing a decrease of approximately RMB773 million or approximately 2.00% 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 Group for the Period of approximately 1.79% and 2.48%, respectively, as compared to the Corresponding Period Last Year.

2. Operating Costs

During the Period, total operating costs of the Group amounted to approximately RMB38,006 million, representing a decrease of approximately RMB2,643 million or 6.50% as compared to the Corresponding Period Last Year. The main reason is that, affected by the decline in coal prices during the Period, the cost of fuel for power and heat generation decreased by approximately RMB1,342 million, and the Company made provision for credit impairment losses of approximately RMB331 million and recognised estimated liabilities of approximately RMB536 million due to the impact of the bankruptcy of Gansu Datang International Liancheng Power Generation Company Limited in the Corresponding Period Last Year.

3. Net Finance Costs

During the Period, finance costs of the Group amounted to approximately RMB3,473 million, representing a decrease of approximately RMB223 million or approximately 6.03% 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 RMB3,622 million, representing an increase of approximately 36.58% as compared to the Corresponding Period Last Year. The Group also achieved a net profit of approximately RMB2,703 million, representing an increase of approximately 47.20% as compared to the Corresponding Period Last Year.

5. Financial Position

As at 30 June 2020, the total assets of the Group amounted to approximately RMB281,555 million, representing a decrease of approximately RMB860 million as compared to that at the end of 2019. The decrease in total assets was primarily attributable to depreciation of property, plant and equipment.

Total liabilities of the Group amounted to approximately RMB195,084 million, representing a decrease of approximately RMB5,303 million as compared to the end of 2019. The decrease in total liabilities was mainly due to the impact of principal repayment of borrowings.

6. Liquidity

As at 30 June 2020, the assets-to-liabilities ratio of the Group was 69.29%. The net debt-to-equity ratio was approximately 167.05%.

As at 30 June 2020, cash and cash equivalents and restricted deposits of the Group amounted to approximately RMB10,223 million, among which approximately RMB78 million were foreign currency deposits. The Group had no entrusted deposits and overdue fixed deposits during the Period.

As at 30 June 2020, short-term loans of the Group amounted to approximately RMB33,014 million, bearing annual interest rates ranging from 3.00% to 5.70%. Long-term loans (excluding those repayable within one year) amounted to approximately RMB97,571 million and long-term loans repayable within one year amounted to approximately RMB10,652 million. Long-term loans (including those repayable within one year) were at annual interest rates ranging from 2.36% to 6.80%. Loans equivalent to approximately RMB213 million were denominated in US dollars.

7. Welfare Policy

As at 30 June 2020, the number of staff of the Group was 29,795 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. The Group actively responded to the impact of the pandemic, made overall planning of training resources, and vigorously carried out remote training projects. Adhering to the principle of adaptation to local conditions and personal aptitudes, the Group gave full play to the roles of the enterprises as training entities, to carry out various types of all-staff training for different levels. Up to present, a total of 1,299 training programs have been rolled out, including 424 programs on operation and management, and 875 programs on technical skills, attracting 38,228 participants in aggregate.

OUTLOOK FOR THE SECOND HALF OF 2020

Looking into the second half of 2020, the Company will, on the basis of the results achieved in the first half, continue to adhere to the general tone of seeking progress while maintaining stability. The Company will unswervingly promote high-quality development, continue to consolidate the positive situation of operating performance, and spare no effort to ensure safety, growth and efficiency, and strive to win both pandemic prevention and control and high-quality development goals.

1. Fully ensure safety and stability. We will make every effort to prevent and control the pandemic and ensure the "Double Zero" target. We will pay close attention to work style and system construction, make every effort to prevent various risks and accidents, resolutely curb the occurrence of accidents related to production safety, environmental safety, and infrastructure safety, and comprehensively prevent risks related to non-electrical safety, information safety, traffic fire protection, logistics security and safety during flood seasons.
2. Comprehensively promote performance improvement. We will steadily promote the quality improvement in the production to ensure the achievement of expected results. We will spare no effort to grab power generation, do everything possible to increase the operating rate and load rate. Besides, we will actively explore the market for electricity to ensure the good quality and price. We will continue to improve our procurement capabilities, effectively curb market fluctuations, and lower the unit price of standard coal.

3. Fully promote the implementation of high-quality development results. We will continue to increase investment in green development, focus more on wind power and photovoltaics, seize strategic opportunities, promote strategic breakthroughs, and achieve greater breakthroughs. We will also innovate development means and accelerate the development of wind power and photovoltaic projects on land, coastal and overseas areas. We will coordinate and promote the transformation and upgrading of stock units, strengthen the application of new technologies and new models in the entire process of preparation, construction and operation, and comprehensively improve the quality and efficiency of assets. Besides, we will continue to strengthen the development of overseas high-quality projects, and promote a number of overseas projects to achieve breakthroughs as soon as possible.
4. Comprehensively improve governance standards. We will continue to strengthen our awareness of compliance and the rule of law, and promote more standardized, scientific and efficient corporate governance. We will strengthen the legal construction of enterprise, enhance the rigidity of system implementation, enhance the awareness of the rule of law of all employees, and improve the level of governance of the enterprise by law. We will also strengthen market value management and investor relationship management to enhance market image and boost investor confidence. Relying on the functions of the capital market platform efficiently, we can better operate resources, assets, capital, and fund, so to release our energy as a listed company, and strive to build a first-class listed company.

Share Capital and Dividends

1. SHARE CAPITAL

As of 30 June 2020, the total share capital of the Company amounted to 18,506,710,504 shares with a par value of RMB1 per share.

2. DIVIDENDS

The Board recommends that no interim dividend be distributed for 2020.

3. SHAREHOLDING OF SUBSTANTIAL SHAREHOLDERS

So far as the Directors of the Company are aware, as at 30 June 2020, the interests or short positions of the persons (other than Directors, supervisors or chief executive of the Company) in the shares or underlying shares of the Company as required to be disclosed under section 336 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), were as follows:

Name of Shareholder	Class of Shares	No. of Shares Held	Approximate Percentage to Total Issued Share Capital of the Company (%)	Approximate Percentage to Total Issued A Shares of the Company (%)	Approximate Percentage to Total Issued H Shares of the Company (%)
China Datang Corporation Ltd. ("CDC") (Note 1)	A shares	6,540,706,520	35.34	52.76	/
	A shares	8,738,600	0.05	0.07	/
	H shares	3,275,623,820 (L)	17.70 (L)	/	53.61 (L)
Tianjin Jinneng Investment Co., Ltd. (Note 2)	A shares	1,295,092,600	7.00	10.45	/
Hebei Construction & Investment Group Co., Ltd. (Note 3)	A shares	1,281,872,927	6.93	10.34	/
Beijing Energy Investment Holding Co., Ltd. (Note 4)	A shares	1,231,730,854	6.66	9.94	/

(L) = Long Position (S) = Short Position (P) = Lending Pool

Notes:

- (1) Mr. Chen Feihu and Mr. Qu Bo, who are non-executive Directors, are employees of CDC.
- (2) Mr. Zhu Shaowen, a non-executive Director, is currently an employee of Tianjin Energy Investment Group Limited, the de facto controller of Tianjin Jinneng Investment Co., Ltd.
- (3) Mr. Cao Xin and Mr. Zhao Xianguo, who are non-executive Directors, are employees of Hebei Construction & Investment Group Co., Ltd.
- (4) Mr. Zhang Ping and Mr. Jin Shengxiang, who are non-executive Directors, are employees of Beijing Energy Investment Holding Co., Ltd.

4. SHAREHOLDING OF THE DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES

As of 30 June 2020, 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%

5. USE OF PROCEEDS

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

As of 30 June 2020, the proceeds raised from the issuance of H shares and the issuance of A shares have not yet been fully utilized.

Share Capital and Dividends

Use of proceeds from the A-Share Issuance as at 30 June 2020

Details of the use of proceeds from the A-Share Issuance as at 30 June 2020 are as follows:

	Intended use of the proceeds Approximately RMB0'000	Utilisation of proceeds during the six months ended 30 June 2020 Approximately RMB0'000	Remaining balance of unutilised proceeds as at 30 June 2020 Approximately RMB0'000
Investments in power plant projects	278,400	228,194	50,206
(i) Investment in "Replacing Small Units with Larger Units" Newly-constructed Project of Liaoning Datang International Huludao Thermal Power Plant (遼寧大唐國際葫蘆島熱電廠「上大壓小」新建工程項目) (the "Huludao Project")	108,200	108,200	0
(ii) Investment in Jiangsu Datang International Jintan Gas Turbine Thermal Power Cogeneration Project (江蘇大唐國際金壇燃機熱電聯產項目) (the "Jiangsu Project")	92,200	51,053	41,147
(iii) Investment in Guangdong Datang International Gaoyao Jintao Heating, Power and Cooling Supply Co-generation Project (廣東大唐國際高要金淘熱電冷聯產項目) (the "Guangdong Project")	78,000	68,941	9,059
Repayment of borrowings for project infrastructure	555,000	555,000	–
Total	833,400	783,194	50,206

The following table sets out the breakdown of the unutilised proceeds from the A-Share Issuance as at 30 June 2020:

Intended use of the proceeds not yet utilised	Expected amount Approximately RMB0'000	Expected timeline
Further investments in power plant projects		
(i) Investment in the Jiangsu Project	41,147	Before end of December 2021
(ii) Investment in the Guangdong Project	9,059	Before end of December 2021

During the six months ended 30 June 2020, the proceeds raised by the Company from the A-Share Issuance were utilised, or were proposed to be utilised, according to the intentions previously disclosed by the Company, and there was no material change or delay in the use of proceeds.

Use of proceeds from the H-Share Issuance as at 30 June 2020

Details of the use of proceeds from the H-Share Issuance as at 30 June 2020 are as follows:

	Intended use of the proceeds <i>Approximately RMB0'000</i>	Utilisation of proceeds during the six months ended 30 June 2020 <i>Approximately RMB0'000</i>	Remaining balance of unutilised proceeds as at 30 June 2020 <i>Approximately RMB0'000</i>
General corporate purposes (including loan and bond payment)	502,272	501,932	340

The following table sets out the details of the unutilised proceeds from the H-Share Issuance as at 30 June 2020:

Intended use of the proceeds not yet utilised	Expected amount <i>Approximately RMB0'000</i>	Expected timeline
General corporate purposes (including loan and bond payment)	340	Before end of December 2020

During the six months ended 30 June 2020, the proceeds raised by the Company from the H-Share Issuance were utilised, or were proposed to be utilised, according to the intentions previously disclosed by the Company, and there was no material change or delay in the use of proceeds.

6. PLEDGE OF H-SHARES BY CONTROLLING SHAREHOLDER

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

Significant Events

1. Pursuant to the “Resolution on the Adjustments of Directors of the Company” considered and approved at the 2020 first extraordinary general meeting of the Company held on 29 April 2020, Mr. Qu Bo and Mr. Niu Dongxiao were appointed as a non-executive director and an independent non-executive director of the tenth session of the Board of the Company respectively, and Mr. Wang Xin and Mr. Feng Genfu ceased to serve as an executive director and an independent non-executive director of the tenth session of the Board of the Company respectively.
2. As at the date of this report, the Company issued super short-term debentures of RMB9.5 billion in total.
3. As at the date of this report, the Company issued medium-term notes of RMB3.5 billion in total.
4. On 31 July 2020, Mr. Wang Sen submitted a written resignation to the Board of the Company and ceased to serve as the vice chairman, a non-executive director and a member of the Audit Committee of the Board.
5. As at the date of this report, the members of the Board of Directors are:

Chen Feihu, Qu bo, Liang Yongpan, Ying Xuejun, Zhu Shaowen, Cao Xin, Zhao Xianguo, Zhang Ping, Jin Shengxiang, Liu Jizhen*, Luo Zhongwei*, Liu Huangsong*, Jiang Fuxiu*, Niu Dongxiao*

(* Independent non-executive Directors)
6. Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in the information of the Directors, supervisors and chief executive of the Company (as at the date of this report) are set out as follows:

Name of Directors, supervisors or chief executive	Details of change	Effective date
Mr. Wang Xin	Ceased to serve as (i) a non-executive director of the Company; and (ii) a member of the Strategic Development and Risk Control Committee of the Board of Directors	29 April 2020
Mr. Feng Genfu	Ceased to serve as (i) an independent non-executive director of the Company; and (ii) the chairman of the Remuneration and Appraisal Committee and the Nomination Committee as well as a member of the Audit Committee of the Board of Directors	29 April 2020
Mr. Qu bo	Appointed as (i) a non-executive director of the Company; and (ii) a member of the Strategic Development and Risk Control Committee of the Board of Directors	29 April 2020
Mr. Niu Dongxiao	Appointed as (i) an independent non-executive director of the Company; and (ii) a member of the Audit Committee, Remuneration and Appraisal Committee of the Board of Directors	29 April 2020
Mr. Liu Huangsong	Appointed as the chairman of Remuneration and Appraisal Committee as well as Nomination Committee of the Board of Directors	29 April 2020
Mr. Chen Feihu	Ceased to serve as the Non-executive Director and Chairman of China Datang Corporation Renewable Power Co., Ltd.	11 May 2020
Mr. Zhang Ping	Ceased to serve as the Assistant to the General Manager, Secretary to the Board and Group Office Director of Beijing Energy Holding Co., Ltd. Appointed as an executive director, Chairman of the Board and Chief Executive Officer of Panda Green Energy Group Limited (0686.hk)	21 February 2020
Mr. Liu Quancheng	Ceased to serve as the Head of financial management department of China Datang Corporation Limited Appointed as the Director of Financial Business Department of China Datang Corporation Limited Chairman of China Datang Finance Company Limited	17 March 2020

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

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

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

Compliance with the Code on Corporate Governance Practices

To the knowledge of the Board, the Company complied with all the code provisions under the Corporate Governance Code (the "Code") as set out in Appendix 14 to the Listing Rules during the Period, except for the following:

During the Period, the legal action which the directors of the Company may face is covered by the internal risk management and control of the Company. As the Company considers that no additional risk exists, insurance arrangements 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.

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.

Based on information that is publicly available to the Company and to the knowledge of the Directors, as at 30 June 2020 and as at the date of this report, the Company confirms that the public float of the Company's H shares and A shares has complied with the requirements of the Listing Rules.

Audit Committee

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

By Order of the Board
Chen Feihu
Chairman

Beijing, the PRC, 28 August 2020

Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2020

	Note	For the six months ended 30 June	
		2020 RMB'000 (unaudited)	2019 RMB'000 (unaudited)
Operating revenue	4	44,478,123	45,040,455
Operating costs			
Fuel for power and heat generation		(20,812,704)	(22,154,757)
Depreciation		(7,192,738)	(6,593,340)
Repairs and maintenance		(1,303,510)	(1,191,365)
Salaries and staff welfare		(3,098,493)	(2,816,417)
Local government surcharges		(620,103)	(656,739)
Others	8(b)	(4,978,266)	(7,236,090)
Total operating costs		(38,005,814)	(40,648,708)
Operating profit		6,472,309	4,391,747
Share of profits of associates		405,433	610,580
Share of (losses)/profits of joint ventures		(26,614)	21,747
Investment income		18,545	1,082,467
Other gains, net		179,183	197,439
Interest income		45,996	43,730
Finance costs	6	(3,472,856)	(3,695,700)
Profit before tax		3,621,996	2,652,010
Income tax expense	7	(919,157)	(815,864)
Profit for the period	8(a)	2,702,839	1,836,146
Profit for the period attributable to:			
Holder of equity instruments of the Company			
– Owners of the Company		1,299,297	767,095
– Holders of other equity instruments		543,047	156,040
		1,842,344	923,135
– Non-controlling interests		860,495	913,011
		2,702,839	1,836,146
Earnings per share			
Basic and diluted (RMB cents)	10	7.02	4.14

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2020

	For the six months ended 30 June	
	2020 RMB'000 (unaudited)	2019 RMB'000 (unaudited)
Profit for the period	2,702,839	1,836,146
Other comprehensive income/(expense):		
<i>Items that may be reclassified to profit or loss:</i>		
Share of other comprehensive income/(expense) of associates	6,058	(72,210)
Exchange differences on translating foreign operations	1,907	1,792
<i>Item that will not be reclassified to profit or loss:</i>		
Fair value loss on investments in equity instruments at fair value through other comprehensive income	(101,096)	(56,949)
Other comprehensive expense for the period, net of tax	(93,131)	(127,367)
Total comprehensive income for the period	2,609,708	1,708,779
Total comprehensive income for the period attributable to:		
Holders of equity instruments of the Company		
– Owners of the Company	1,203,877	639,728
– Holders of other equity instruments	543,047	156,040
	1,746,924	795,768
– Non-controlling interests	862,784	913,011
	2,609,708	1,708,779

Condensed Consolidated Statement of Financial Position

As at 30 June 2020

	Note	30 June 2020 RMB'000 (unaudited)	31 December 2019 RMB'000 (audited)
Non-current assets			
Right-of-use assets		4,262,422	4,255,606
Property, plant and equipment	11	206,476,951	211,471,481
Investment properties		607,143	620,612
Intangible assets		1,937,568	1,950,663
Interests in associates		17,221,003	16,866,007
Interests in joint ventures		641,618	673,265
Financial assets at fair value through profit or loss		4,176,381	4,203,692
Financial assets at fair value through other comprehensive income		1,010,807	1,096,638
Deferred tax assets		4,043,597	4,059,693
Other non-current assets		3,585,510	3,643,632
		243,963,000	248,841,289
Current assets			
Inventories		3,719,297	4,062,916
Trade and notes receivables	12	16,809,157	15,895,914
Prepayments and other receivables		6,725,800	5,347,914
Tax recoverable		103,405	119,425
Current portion of other non-current assets		11,660	11,660
Cash and cash equivalents and restricted deposits		10,222,848	8,136,055
		37,592,167	33,573,884

Condensed Consolidated Statement of Financial Position

As at 30 June 2020

	Note	30 June 2020 RMB'000 (unaudited)	31 December 2019 RMB'000 (audited)
Current liabilities			
Trade payables and accrued liabilities	14	22,353,573	23,529,082
Contract liabilities		321,867	1,022,615
Consideration payable		192,449	169,216
Tax payables		1,502,684	1,518,340
Dividend payables		2,814,828	1,497,360
Short-term loans		33,013,638	34,854,678
Short-term bonds		3,599,988	–
Current portion of lease liabilities		248,988	171,833
Current portion of non-current liabilities		16,824,448	17,590,719
		80,872,463	80,353,843
Net current liabilities		(43,280,296)	(46,779,959)
		200,682,704	202,061,330
Capital and reserves			
Share capital	15	18,506,711	18,506,711
Reserves		23,636,385	23,684,669
		42,143,096	42,191,380
Non-controlling interests		17,893,368	16,902,527
Other equity instruments	16	26,435,045	22,935,045
Total equity		86,471,509	82,028,952
Non-current liabilities			
Long-term loans		97,571,097	99,490,886
Long-term bonds		5,980,135	8,973,801
Deferred income		2,215,153	2,280,161
Deferred tax liabilities		709,509	715,957
Lease liabilities		570,826	734,944
Other non-current liabilities		7,164,475	7,836,629
		114,211,195	120,032,378
		200,682,704	202,061,330

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2020

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

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2020

	Attributable to the owners of the Company													Total equity RMB'000
	Share capital RMB'000	Capital reserve RMB'000	Statutory surplus reserve RMB'000	Merger reserve RMB'000	Discretionary surplus reserve RMB'000	Restricted reserve RMB'000	Foreign currency translation reserve RMB'000	FVTOCI reserve RMB'000	Other reserve RMB'000	Retained earnings RMB'000	Total RMB'000	Other equity instruments RMB'000	Non-controlling interests RMB'000	
At 1 January 2020 (audited)	18,506,711	14,488,925	6,135,178	(8,579,790)	9,850,897	12,290	61,500	(346,938)	573,641	1,488,966	42,191,380	22,935,045	16,902,527	82,028,952
Profit for the period	-	-	-	-	-	-	-	-	-	1,299,297	1,299,297	543,047	860,495	2,702,839
Other comprehensive income/(expense) for the period:														
Items that may be reclassified to profit or loss:														
- Share of other comprehensive income of associates	-	-	-	-	-	-	-	6,058	-	-	6,058	-	-	6,058
- Exchange differences on translation of foreign operations	-	-	-	-	-	-	1,907	-	-	-	1,907	-	-	1,907
Item that will not be reclassified to profit or loss:														
- Fair value gain/(loss) on investments in financial instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	(103,385)	-	-	(103,385)	-	2,289	(101,096)
Total comprehensive income/(expense) for the period	-	-	-	-	-	-	1,907	(97,327)	-	1,299,297	1,203,877	543,047	862,784	2,609,708
Issue of perpetual bonds (Note 16)	-	-	-	-	-	-	-	-	-	-	-	3,500,000	-	3,500,000
Capital injection from non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	176,950	176,950
Appropriation to discretionary surplus reserve	-	-	-	-	380,534	-	-	-	-	(380,534)	-	-	-	-
Others	-	(500)	-	-	-	-	-	-	(30,651)	(18,074)	(49,225)	-	750	(48,475)
Distribution to holders of perpetual bonds	-	-	-	-	-	-	-	-	-	-	-	(543,047)	-	(543,047)
Dividends paid (Note 9)	-	-	-	-	-	-	-	-	-	(1,202,936)	(1,202,936)	-	-	(1,202,936)
Dividends paid to the non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(49,643)	(49,643)
At 30 June 2020 (unaudited)	18,506,711	14,488,425	6,135,178	(8,579,790)	10,231,431	12,290	63,407	(444,265)	542,990	1,186,719	42,143,096	26,435,045	17,893,368	86,471,509

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2020

	For the six months ended 30 June	
	2020 RMB'000 (unaudited)	2019 RMB'000 (unaudited)
NET CASH FROM OPERATING ACTIVITIES	12,160,696	9,982,204
INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(4,522,056)	(3,199,151)
Payments for business combinations under common control	–	(14,002)
Other investing activities	156,399	1,500,531
NET CASH USED IN INVESTING ACTIVITIES	(4,365,657)	(1,712,622)
FINANCING ACTIVITIES		
Capital injections from non-controlling interests	176,950	122,601
Repayments of loans	(46,048,624)	(54,251,119)
New loans raised	41,866,225	43,943,489
Interest paid	(3,783,199)	(3,695,700)
Perpetual bonds raised	3,500,000	4,000,000
Other financing activities	(1,448,897)	(1,400,980)
NET CASH USED IN FINANCING ACTIVITIES	(5,737,545)	(11,281,709)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	2,057,494	(3,012,127)
Effect of foreign exchange rate changes	939	206
CASH AND CASH EQUIVALENTS AT 1 JANUARY	7,964,249	11,433,550
CASH AND CASH EQUIVALENTS AT 30 JUNE, represented by bank balances and cash	10,022,682	8,421,629
ANALYSIS OF COMPONENTS OF CASH AND CASH EQUIVALENTS AND RESTRICTED DEPOSITS		
Cash and cash equivalents	10,022,682	8,421,629
Restricted deposits	200,166	80,175
	10,222,848	8,501,804

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

1 GENERAL INFORMATION

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

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

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

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

2 BASIS OF PREPARATION

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

The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2019, which have been prepared in accordance with International Financial Reporting Standard (“IFRSs”) issued by the IASB.

At 30 June 2020, a significant portion of the funding requirements of the Group for capital expenditures was satisfied by short-term borrowings. Consequently, at 30 June 2020, the Group had net current liabilities of approximately RMB43,280,296,000. The Group had significant undrawn borrowing facilities, subject to certain conditions, of not less than RMB290 billion and may refinance and/or restructure certain short-term borrowings into long-term borrowings and will also consider alternative sources of financing, where applicable. The directors of the Company are of the opinion that the Group will be able to meet its liabilities as and when they fall due within the next twelve months and have prepared these condensed consolidated financial statements on a going concern basis.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

3 PRINCIPAL ACCOUNTING POLICIES

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

Other than changes in accounting policies resulting from application of new and amendments to IFRSs, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2020 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2019.

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.

Amendments to IAS 1 and IAS 8	Definition of Material
Amendments to IFRS 3	Definition of a Business
Amendments to IFRS 9, IAS 39 and IFRS 7	Interest Rate Benchmark Reform

The application of the Amendments to Reference to Conceptual Framework in IFRSs Standards 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.

4 OPERATING REVENUE

Revenue is recognised at a point in time. The disaggregation of the Group's operating revenue by products for the period is as follows:

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Sales of electricity and heat supply	40,427,900	40,684,197
Sales of coal	1,087,563	1,343,556
Others	2,962,660	3,012,702
Total	44,478,123	45,040,455

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

5 SEGMENT INFORMATION

Executive directors and certain senior management (including chief accountant) of the Company (collectively referred to as the “Senior Management”) perform the function as chief operating decision makers (the “CODM”). 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 and heat generation and coal separately. Other operating activities primarily include aluminium smelting products, etc., and are included in “other segments”.

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

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

1. Power and heat generation segment – operation of power plants through subsidiaries, generating electric power and heat 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. Other segments – engaged in aluminium smelting and others.

The “other segments” comprises a number of immaterial businesses and none of these units has ever individually met the quantitative thresholds for determining a reportable segment.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

5 SEGMENT INFORMATION (Continued)

Segment revenues and results

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

For the six months ended 30 June 2020

	Power and heat generation segment RMB'000 (unaudited)	Coal segment RMB'000 (unaudited)	Other segments RMB'000 (unaudited)	Total RMB'000 (unaudited)
SEGMENT REVENUE				
Revenue from external customers	40,427,900	1,087,563	2,962,660	44,478,123
Inter-segment revenue	111,078	3,026,260	354,592	3,491,930
	40,538,978	4,113,823	3,317,252	47,970,053
Segment profit/(loss)	3,374,276	233,633	(42,713)	3,565,196

For the six months ended 30 June 2019

	Power and heat generation segment RMB'000 (unaudited)	Coal segment RMB'000 (unaudited)	Other segments RMB'000 (unaudited)	Total RMB'000 (unaudited)
SEGMENT REVENUE				
Revenue from external customers	40,684,197	1,343,556	3,012,702	45,040,455
Inter-segment 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

Segment results does 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.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

5 SEGMENT INFORMATION (Continued)

Segment assets and liabilities

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

	30 June 2020 RMB'000 (unaudited)	31 December 2019 RMB'000 (audited)
SEGMENT ASSETS		
Power and heat generation segment	269,837,364	270,635,319
Coal segment	5,269,046	5,139,742
Other segments	6,193,556	6,345,267
Total reportable segment assets	281,299,966	282,120,328
SEGMENT LIABILITIES		
Power and heat generation segment	184,956,972	189,261,672
Coal segment	4,019,999	3,571,155
Other segments	6,085,419	7,534,721
Total reportable segment liabilities	195,062,390	200,367,548

Reconciliations of reportable segment results and assets and liabilities under PRC GAAP and IFRSs:

	Six months ended 30 June	
	2020 RMB'000 (unaudited)	2019 RMB'000 (unaudited)
Total reportable segment profit	3,565,196	2,589,134
IFRSs adjustments	56,800	62,876
Profit before tax under IFRSs	3,621,996	2,652,010

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

5 SEGMENT INFORMATION (Continued)

Segment assets and liabilities (Continued)

Reconciliations of reportable segment results and assets and liabilities under PRC GAAP and IFRSs: (Continued)

	30 June 2020 RMB'000 (unaudited)	31 December 2019 RMB'000 (audited)
Assets		
Total reportable segment assets	281,299,966	282,120,328
IFRSs adjustments	255,201	294,845
Total assets under IFRSs	281,555,167	282,415,173
Liabilities		
Total reportable segment liabilities	195,062,390	200,367,548
IFRSs adjustments	21,268	18,673
Total liabilities under IFRSs	195,083,658	200,386,221

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 2020 RMB'000 (unaudited)	2019 RMB'000 (unaudited)
Customer A ¹	6,826,199	7,708,099

¹ Revenue from power and heat generation segment

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

6 FINANCE COSTS

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Interest expense	3,707,553	4,056,043
Amount capitalised	(276,866)	(418,244)
	3,430,687	3,637,799
Lease liabilities	19,120	17,785
Others	23,049	40,116
	3,472,856	3,695,700

7 INCOME TAX EXPENSE

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Current tax – PRC Enterprise Income Tax (“EIT”)	909,367	808,428
Deferred tax	9,790	7,436
	919,157	815,864

The PRC EIT represents tax charged on the estimated assessable profits arising in Mainland China. In general, the Group's subsidiaries operating in Mainland China are subject to the PRC EIT rate of 25% except for certain subsidiaries which are entitled to preferential tax rates.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

8 PROFIT FOR THE PERIOD

(a) Profit for the period has been arrived at after (crediting)/charging the following items:

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Interest income	(45,996)	(43,730)
Depreciation of property, plant and equipment	7,077,022	6,486,842
Depreciation of investment properties	13,469	12,522
Depreciation of right-of-use assets	102,247	93,976

(b) Other operating expenses:

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Reversal of impairment of trade receivables, net (Reversal)/recognition of impairment of other receivables, net	(478)	(633)
Amortisation of intangible assets	(2,781)	437,451
Procurement cost of aluminum products	23,325	22,978
Procurement cost of coal products	1,035,094	1,305,200
Environmental protection fee	1,052,263	1,302,907
Electricity expense	1,577,171	1,602,046
Water fee and water resource fee	121,182	91,467
Transportation expenses	255,782	297,550
Intermediary fees	18,787	28,383
Insurance	18,537	23,557
Office expenses	119,337	87,380
Travel expenses	11,988	15,026
Outsourcing expenses	17,521	34,276
Public security fire fee	112,885	103,593
Information expenses	43,030	36,308
Entertainment expenses	17,809	10,605
Loss on deconsolidation of subsidiaries	3,688	7,226
Sales services fee	–	957,430
Building management fee	11,673	8,127
Energy management contracting fee	61,757	67,253
Others (Note)	12,561	12,187
	467,135	785,773
Total other operating expenses	4,978,266	7,236,090

Note: Others mainly represents expenses of utilities concession income and heat supply cost.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

9 DIVIDENDS

During the six months ended 30 June 2020, a final dividend of RMB0.065 per share in respect of the year ended 31 December 2019 amounting to approximately RMB1,202,936,000 (30 June 2019: final dividend of RMB0.1 per share amounting to approximately RMB1,850,670,000) was declared and paid to the owners of the Company.

The directors of the Company do not recommend the payment of an interim dividend for the six months ended 30 June 2020.

10 EARNINGS PER SHARE

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

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
Earnings	(unaudited)	(unaudited)
Profit for the purpose of basic and diluted earnings per share	1,299,297	767,095
Number of shares	'000	'000
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	18,506,711	18,506,711

Note:

The diluted earnings per share is equal to the basic earnings per share as there were no dilutive potential ordinary shares outstanding during the six months ended 30 June 2020 and 2019.

11 PROPERTY, PLANT AND EQUIPMENT

During the current interim period, the Group paid approximately RMB4,522,056 (six months ended 30 June 2019: RMB3,199,151,000) on additions of property, plant and equipment.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

12 TRADE AND NOTES RECEIVABLES

	30 June 2020 RMB'000 (unaudited)	31 December 2019 RMB'000 (audited)
Trade receivables	15,681,086	15,640,645
Less: Loss allowance (Note 13)	(855,253)	(855,731)
	14,825,833	14,784,914
Notes receivables	1,983,324	1,111,000
	16,809,157	15,895,914

As at 30 June 2020 and 31 December 2019, trade receivable from contracts with customers amounted to approximately RMB14,825,833,000 and RMB14,784,914,000 respectively.

The Group usually grants credit period of approximately one month to local power grid customers, heat supply 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 periods.

	30 June 2020 RMB'000 (unaudited)	31 December 2019 RMB'000 (audited)
Within one year	12,458,991	12,951,639
Between one to two years	1,501,356	1,390,091
Between two to three years	574,936	223,930
Over three years	290,550	219,254
	14,825,833	14,784,914

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

13 IMPAIRMENT ASSESSMENT ON FINANCIAL ASSETS SUBJECT TO EXPECTED CREDIT LOSS ("ECL") MODEL

The movement in the loss allowance of trade receivables is as follows:

	Impairment loss of trade receivables RMB'000
At 1 January 2019 (audited)	906,948
Allowance for the year	31,576
Reversal of allowance for the year	(82,793)
At 31 December 2019 and 1 January 2020 (audited)	855,731
Reversal of allowance for the period	(478)
At 30 June 2020 (unaudited)	855,253

The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 June 2020 are the same as those followed in the preparation of the Group's consolidated financial statements for the year ended 31 December 2019.

14 TRADE PAYABLES AND ACCRUED LIABILITIES

	30 June 2020 RMB'000 (unaudited)	31 December 2019 RMB'000 (audited)
Trade payables	17,237,118	17,671,666
Notes payables	858,282	1,903,844
Accrued expenses	618,167	638,421
Other payables	3,640,006	3,315,151
	22,353,573	23,529,082

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

14 TRADE PAYABLES AND ACCRUED LIABILITIES (Continued)

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

	30 June 2020 RMB'000 (unaudited)	31 December 2019 RMB'000 (audited)
Within one year	9,900,064	12,074,832
Between one to two years	3,414,895	2,847,886
Between two to three years	1,564,576	733,446
Over three years	2,357,583	2,015,502
	17,237,118	17,671,666

15 SHARE CAPITAL

	30 June 2020 RMB'000 (unaudited)	31 December 2019 RMB'000 (audited)
Registered, issued and fully paid:		
12,396,089,106 (31 December 2019: 12,396,089,106) A shares of RMB1 each	12,396,089	12,396,089
6,110,621,398 (31 December 2019: 6,110,621,398) H shares of RMB1 each	6,110,622	6,110,622
	18,506,711	18,506,711

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

16 OTHER EQUITY INSTRUMENTS – PERPETUAL BONDS

	Principal RMB'000	Distribution/ appropriation RMB'000	Total RMB'000
At 1 January 2019 (audited)	5,000,000	–	5,000,000
Issuance of perpetual bonds	17,935,045	–	17,935,045
Profit attributable to holders of perpetual bonds	–	595,024	595,024
Distributions made to holders of perpetual bonds	–	(595,024)	(595,024)
At 31 December 2019 and 1 January 2020 (audited)	22,935,045	–	22,935,045
Issuance of perpetual bonds	3,500,000	–	3,500,000
Profit attributable to holders of perpetual bonds	–	543,047	543,047
Distributions made to holders of perpetual bonds	–	(543,047)	(543,047)
At 30 June 2020 (unaudited)	26,435,045	–	26,435,045

During the six months ended 30 June 2020, the Company issued the perpetual bonds in an aggregate principal amounts of RMB3,500,000,000 with coupon rates ranging from 3.5% to 3.79%. On each interest payment date of the perpetual bonds, the Company can elect to defer payment of interest due and all interest deferred pursuant to this term and its fruits to the next interest payment date without any limitation on the number of times of such deferral. The aforesaid deferral of interest shall not constitute a default by the Company. Interest shall accrue on the deferred interest at the prevailing coupon rate over the period of deferral. The perpetual bonds have no maturity date and will continue indefinitely until redeemed by the Company in accordance with their terms. The Company is entitled to redeem the perpetual bonds at par value plus payable interest (including all deferred interest) on the three and each of the subsequent interest payment dates of the perpetual bonds. If the Company does not exercise the right of redemption, the coupon rate will be reset every three years from the fourth interest-bearing year onwards.

Interest payment of RMB543,047,000 (30 June 2019: RMB156,040,000) has been paid by the Group to the holders of perpetual bonds for the six months ended 30 June 2020.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

16 OTHER EQUITY INSTRUMENTS – PERPETUAL BONDS (Continued)

During the year ended 31 December 2019, the Company issued the perpetual bonds in an aggregate principal amounts of RMB18,000,000,000 with coupon rates ranging from 4.25% to 4.71%. The net proceeds after deducting the issuance cost amounted to approximately RMB17,935,045,000. On each interest payment date of the perpetual bonds, the Company can elect to defer payment of interest due and all interest deferred pursuant to this term and its fruits to the next interest payment date without any limitation on the number of times of such deferral. The aforesaid deferral of interest shall not constitute a default by the Company. Interest shall accrue on the deferred interest at the prevailing coupon rate over the period of deferral. The perpetual bonds have no maturity date and will continue indefinitely until redeemed by the Company in accordance with their terms. The Company is entitled to redeem the perpetual bonds at par value plus payable interest (including all deferred interest) on the three and each of the subsequent interest payment dates of the perpetual bonds. If the Company does not exercise the right of redemption, the coupon rate will be reset every three years from the fourth interest-bearing year onwards.

17 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

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

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

- Level 1
fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2
fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3
fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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For the six months ended 30 June 2020

17 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Information about Level 3 fair value measurements:

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s)	Significant Unobservable Input(s)	Relationship of unobservable inputs(s) to Fair value
	30 June 2020	31 December 2019				
- Equity instruments measured at FVTPL	Unlisted equity shares, amounts of RMB4,176,381,000	Unlisted equity shares, amounts of RMB4,203,692,000	Level 3	Market comparable approach	Discount for lack of marketability 50%-65% (2019: 50%-65%)	The higher the discount rate, the lower the fair value
- Equity instruments measured at FVTOCI	Listed equity shares, amounts of RMB166,250,000	Listed equity shares, amounts of RMB171,098,000	Level 1	Quoted bid prices in an active market	N/A	N/A
	Unlisted equity shares, amounts of RMB844,557,000	Unlisted equity shares, amounts of RMB925,540,000	Level 3	Market comparable approach	Discount for lack of marketability 50%-65% (2019: 50%-65%)	The higher the discount rate, the lower the fair value

During the six months ended 30 June 2020, there were no significant transfers between level 1 and level 2, or transfers into or out of level 3 (31 December 2019: Nil).

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

17 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Reconciliation of Level 3 fair value measurements of financial assets:

	Equity instruments at FVTPL RMB'000	Equity instruments at FVTOCI RMB'000
At 1 January 2019 (audited)	4,311,248	935,464
Purchase	–	112,283
Disposal	(53,490)	–
Fair value change recognised in profit or loss	(54,066)	–
Fair value change recognised in other comprehensive income	–	(122,207)
At 31 December 2019 and 1 January 2020 (audited)	4,203,692	925,540
Purchase	–	12,113
Fair value change recognised in profit or loss	(27,311)	–
Fair value change recognised in other comprehensive income	–	(93,096)
At 30 June 2020 (unaudited)	4,176,381	844,557

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

18 RELATED PARTY TRANSACTIONS

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

Related company	Nature of transaction	Six months ended 30 June	
		2020 RMB'000 (unaudited)	2019 RMB'000 (unaudited)
China Datang Group:			
Beijing Datang Taixin Insurance Brokers Co., Ltd.	Insurance fee	8,319	–
Beijing Zhongtang Electric Engineering Consulting Co.,Ltd.	Equipment management fee, technical service fee	3,192	1,771
Beijing Zhongyou Guodian Petroleum Products Sales Co., Ltd.	Purchase of fuel, materials and properties	858	2,225
Beijing Zhongyou Guodian Petroleum Products Sales Co., Ltd.	Purchase of fuel and materials	15,360	6,685
China Datang Corporation Science and Technology Research Institute Co., Ltd.*	Denitrification water, electricity fee	24,780	39,771
	EPC construction of coal transportation fee, provision of franchise fee for desulfurisation	826	8,671
	Purchase of equipment	–	1,557
China Datang Group International Trade Co., Ltd.*	Technical service fee	48,172	43,015
China Datang Group Technology Engineering Co., Ltd.	Purchase of products	51,446	99,989
	Technical service fee	23,004	26,723
	Sale of coal, denitrification water, electricity fee	6,200	399
	Purchase of product	–	6,520
China National Water Resources & Electric Power Materials & Equipment Beijing Co., Ltd.*	Purchase of materials and equipment	17,927	–

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

18 RELATED PARTY TRANSACTIONS (Continued)

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

Related company	Nature of transaction	Six months ended 30 June	
		2020 RMB'000 (unaudited)	2019 RMB'000 (unaudited)
China National Water Resources & Electric Power Materials & Equipment Group Co., Ltd.	Purchase of fuel, materials and properties	286,969	261,846
	Material management service	145	1,108
	Sale of product	4	–
China Water Resources and Power Group Hebei Trading Co., Ltd.*	Rental of ancillary houses for denitrification plant	26,140	25,405
	Property management service	271	–
Datang (Beijing) Coal Industry Sales Co., Ltd.*	Purchase of fuel	46,381	21,410
Datang (Beijing) Water Resources Engineering Technology Co., Ltd.*	Water resources service	8,168	–
Datang Anhui Electric Power Equipment Co., Ltd.*	Purchase of materials	14,092	15,810
	Storage services fee	844	–
	Office rental	183	171

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

18 RELATED PARTY TRANSACTIONS (Continued)

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

Related company	Nature of transaction	Six months ended 30 June	
		2020 RMB'000 (unaudited)	2019 RMB'000 (unaudited)
Datang Environment Industry Group Co., Ltd.	Franchise fee for desulfurisation and denitrification, technical service fee	891,906	858,420
	Desulfurisation electricity, sales of materials, franchise fee for denitrification	176,120	165,586
	Maintenance service fee	4,953	26,819
	Purchase of materials and equipment	3,960	32,322
Datang International Fuel Trade Co., Ltd.*	Sale of coal	184,884	–
Datang Jiangsu Electric Power Sale Transmission & Distribution Company Co., Ltd.*	Purchase of electricity	14,605	–
Datang Northeast Electric Power Test Research Institute Co., Ltd.*	Technical service fee	13,546	3,726
	Purchase of equipment	–	1,900
Datang Power Fuel Co., Ltd.	Purchase of fuel and materials	2,457,147	2,012,811
	Sale of coal	979,588	1,277,376
	Office rental	379	–
Datang Shanxi Electric Power Engineering Co., Ltd.*	Maintenance service fee	6,822	675
	Purchase of materials and equipment	2,987	–
Datang Shanxi Power Fuel Co., Ltd.	Purchase of fuel and materials	40,919	130,178

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18 RELATED PARTY TRANSACTIONS (Continued)

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

Related company	Nature of transaction	Six months ended 30 June	
		2020 RMB'000 (unaudited)	2019 RMB'000 (unaudited)
Datang Sichuan Electric Power Overhaul & Operation Co., Ltd.*	Equipment and road maintenance fee	12,302	8,386
Hebei Datang Power Engineering Co., Ltd.*	Maintenance service fee	–	11,103
Hunan Datang Xianyi Technology Co., Ltd	Technical service fee	9,442	274
	Purchase of equipment	175	949
	Maintenance service fee	–	330
Jiangsu Xutang Power Generation Co., Ltd.	Substitute electricity fee	71,918	38,662
Zhejiang Datang Tiandi Environmental Protection Technology Co., Ltd.*	Provision of franchise fee for water denitrification	24,819	–
	Denitrification water and electricity fees	5,207	4,460
	Purchase of materials and equipment	–	26,648

* English translated name is for identification purpose only

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

18 RELATED PARTY TRANSACTIONS (Continued)

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

	30 June 2020 RMB'000 (unaudited)	31 December 2019 RMB'000 (audited)
Financial guarantees and financing facilities with associates guaranteed by the Group		
Shanxi Datang International Yuncheng Power Generation Company Limited	664,000	666,000
Xiduo Railway Company	25,223	31,900
Liaoning Diaobingshan Coal Gangue Power Generation Co., Ltd.	89,600	102,400
Financial guarantees and financing facilities with joint ventures guaranteed by the Group		
Kailuan (Group) Limited Liability Corporation	31,850	41,650
Financial guarantees and financing facilities with associates of China Datang guaranteed by the Group		
Datang Inner Mongolia Dolun Coal Chemical Co., Ltd.	3,384,000	4,520,464
Datang Hulunbuir Chemical Fertiliser Co., Ltd.	482,500	964,000
Inner Mongolia Datang International Xilinhaote Mining Co., Ltd.	170,000	170,000
Guaranteed by China Datang Group		
The Company	9,000,000	9,000,000

(c) Significant transactions with government-related entities

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

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

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

18 RELATED PARTY TRANSACTIONS (Continued)

(c) Significant transactions with government-related entities (Continued)

During the six months ended 30 June 2020 and 2019, the Group sold substantially all of its electricity to local government-related power grid companies. The Group maintained most of its bank deposits in government-related financial institutions while lenders of most of the Group's loans are also government-related financial institutions, associated with the respective interest income or interest expense incurred.

During the six months ended 30 June 2020 and 2019, other collectively significant transactions with Government-Related Entities also included purchases of fuel and property, plant and equipment.

(d) Compensation to key management personnel of the Group

	Six months ended 30 June	
	2020	2019
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Short-term benefits	4,808	3,371
Retirement benefits	188	310
	4,996	3,681

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

19 FINANCIAL GUARANTEES AND CONTINGENT LIABILITIES

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

	30 June	31 December
	2020	2019
	RMB'000	RMB'000
	(unaudited)	(audited)
Associates	778,823	800,300
Joints ventures	31,850	41,650
Associates of China Datang	4,036,500	5,654,464
	4,847,173	6,496,414

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

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2020

20 CAPITAL COMMITMENTS

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

	30 June 2020 RMB'000 (unaudited)	31 December 2019 RMB'000 (audited)
Property, plant and equipment	4,483,443	5,886,998

21 PLEDGE OF ASSETS

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

	30 June 2020 RMB'000 (unaudited)	31 December 2019 RMB'000 (audited)
Trade receivables	5,146,826	4,757,971
Pledged bank deposit	200,166	171,806
Property, plant and equipment	11,592,955	11,710,498
Right-of-use assets	987,753	1,023,346
Others	902,545	963,879
	18,830,245	18,627,500

22 APPROVAL OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The condensed consolidated interim financial statements were approval and authorised for issue by the board of directors on 28 August 2020.