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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 2022**

#### **FINANCIAL HIGHLIGHTS**

- Revenue for the six months ended 30 June 2022 was RMB9,991.6 million, representing an increase of 6.16% as compared with the corresponding period of 2021.
- Profit before taxation for the six months ended 30 June 2022 was RMB2,237.7 million, representing an increase of 14.80% as compared with the corresponding period of 2021.
- Profit attributable to equity holders of the Company for the six months ended 30 June 2022 was RMB1,776.7 million, representing an increase of 14.63% as compared with the corresponding period of 2021.
- Basic and diluted earnings per share for the six months ended 30 June 2022 was RMB21.55 cents.

#### **RESULTS HIGHLIGHTS**

The board (the “**B a**”) of directors (the “**D c**”) of Beijing Jingneng Clean Energy Co., Limited (the “**C a**”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the “**G**” or “” or “”) for the six months ended 30 June 2022 (the “**R P**”), prepared under International Financial Reporting Standards (the “**IFRS**”).

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*For the six months ended 30 June 2022*

|  |              | F<br>30 J          | - | J                                   |
|--|--------------|--------------------|---|-------------------------------------|
|  | <i>Notes</i> | <b>2022</b>        |   | <b>2021</b>                         |
|  |              | <b>RMB'000</b>     |   | <b>RMB'000</b>                      |
|  |              | <b>(U a )</b>      |   | <b>(Unaudited<br/>and restated)</b> |
| Revenue                                | 3            | <b>9,991,583</b>   |   | 9,411,544                           |
| Other income                           | 4            | <b>492,999</b>     |   | 453,502                             |
| Gas consumption                        |              | <b>(4,546,272)</b> |   | (4,653,477)                         |
| Depreciation and amortization expenses |              | <b>(1,795,077)</b> |   | (1,511,323)                         |
| Personnel costs                        |              | <b>(486,662)</b>   |   | (417,596)                           |
| Repairs and maintenance                |              | <b>(232,487)</b>   |   | (234,244)                           |
| Other expenses                         |              | <b>(505,096)</b>   |   | (485,715)                           |
| Other gains and losses                 | 5            | <b>(78,992)</b>    |   | (6,202)                             |
| <br>                                   |              |                    |   |                                     |
| Profit from operations                 |              | <b>2,839,996</b>   |   | 2,556,489                           |
| Interest income                        | 6            | <b>17,934</b>      |   | 16,695                              |
| Finance costs                          | 6            | <b>(716,557)</b>   |   | (637,885)                           |
| Share of results of associates         |              | <b>101,437</b>     |   | 25,725                              |
| Share of result of a joint venture     |              | <b>(5,091)</b>     |   | (11,802)                            |
| <br>                                   |              |                    |   |                                     |
| Profit before taxation                 |              | <b>2,237,719</b>   |   | 1,949,222                           |
| Income tax expense                     | 7            | <b>(372,303)</b>   |   | (329,254)                           |
| <br>                                   |              |                    |   |                                     |
| Profit for the period                  | 8            | <b>1,865,416</b>   |   | 1,619,968                           |
| <br>                                   |              |                    |   |                                     |
| Profit for the period attributable to: |              |                    |   |                                     |
| – Equity holders of the Company        |              | <b>1,776,682</b>   |   | 1,549,989                           |
| – Holders of perpetual notes           |              | <b>50,163</b>      |   | 25,588                              |
| – Non-controlling interests            |              | <b>38,571</b>      |   | 44,391                              |
|  |              | <b>1,865,416</b>   |   | 1,619,968                           |
| <br>                                   |              |                    |   |                                     |
| Earnings per share                     |              |                    |   |                                     |
| Basic and diluted ( <i>RMB cents</i> ) | 10           | <b>21.55</b>       |   | 18.80                               |

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

*For the six months ended 30 June 2022*

|                       | F              | -                | J                           |
|-----------------------|----------------|------------------|-----------------------------|
|                       | 30 J           |                  |                             |
| <i>Note</i>           | 2022           |                  | 2021                        |
|                       | <i>RMB'000</i> |                  | <i>RMB'000</i>              |
|                       | (U a )         |                  | (Unaudited<br>and restated) |
| Profit for the period | 8              | <u>1,865,416</u> | <u>1,619,968</u>            |

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

|   | A a<br>30 J<br>2022<br>RMB'000<br>(U a ) | As at<br>31 December<br>2021<br>RMB'000<br>(Restated) | As at<br>1 January<br>2021<br>RMB'000<br>(Restated) |
|---|--|---|---|
| <b>N -c A</b>   |  |   |   |
| Property, plant and equipment   | 51,901,120                               | 51,087,606  | 43,189,862  |
| Right-of-use assets   | 1,902,547                                | 1,479,217   | 1,431,342   |
| Intangible assets   | 4,741,284                                | 4,873,699   | 4,410,754   |
| Goodwill  | 114,134                                  | 114,134   | 190,049   |
| Investments in associates   | 3,219,875                                | 3,179,022   | 3,518,508   |
| Loans to associates   | 105,000                                  | 108,000   | 117,000   |
| Investment in a joint venture   | 88,019                                   | 93,110  | 130,904   |
| Loans to a joint venture  | 70,000                                   | 70,000  | 70,000  |
| Deferred tax assets   | 172,118                                  | 189,488   | 296,104   |
| Equity instruments at fair value through<br>other comprehensive income (FVTOCI) | 109,637                                  | 109,637   | 66,911  |
| Value-added tax recoverable   | 1,006,543                                | 1,557,553   | 1,114,305   |
| Deposit paid for acquisition of property,<br>plant and equipment                | 1,122,585                                | 677,532   | 1,072,426   |
| Restricted bank deposits  | 66,716                                   | 66,718  | 50,787  |
| Derivative financial asset  | 100,648                                  | 52,507  | -   |
|   | <b>64,720,226</b>                        | <b>63,658,223</b>                                     | <b>55,658,952</b>                                   |
| <b>C A</b>  |  |   |   |
| Inventories   | 114,593                                  | 96,648  | 104,416   |
| Trade and bills receivable  | 11,977,474                               | 11,679,446  | 9,170,312   |
| Other receivables, deposits and<br>prepayments                                  | 425,169                                  | 303,768   | 464,231   |
| Current tax assets  | 46,483                                   | 13,394  | 16,565  |
| Amounts due from related parties  | 320,269                                  | 482,339   | 170,193   |
| Value-added tax recoverable   | 462,001                                  | 553,873   | 469,666   |
| Financial assets at fair value through profit<br>or loss (FVTPL)                | 226,634                                  | 270,270   | 196,043   |
| Restricted bank deposits  | -  | 23  | 4,577   |
| Cash and cash equivalents   | 5,315,461                                | 5,156,938   | 4,343,378   |
|   | <b>18,888,084</b>                        | <b>18,556,699</b>                                     | <b>14,939,381</b>                                   |



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
(CONTINUED)**

*As at 30 June 2022*

|   | <b>A a<br/>30 J<br/>2022<br/>RMB'000<br/>(U a )</b> | As at<br>31 December<br>2021<br>RMB'000<br>(Restated) | As at<br>1 January<br>2021<br>RMB'000<br>(Restated) |
|---|---|---|---|
| <b>C a a R</b>  |   |   |   |
| Share capital   | <b>8,244,508</b>                                    | 8,244,508   | 8,244,508   |
| Reserves  | <b>19,340,686</b>                                   | 18,188,062  | 16,284,296  |
| Equity attributable to equity holders of the<br>Company | <b>27,585,194</b>                                   | 26,432,570  | 24,528,804  |
| Non-controlling interests                               | <b>428,717</b>                                      | 389,776   | 376,378   |
| Perpetual notes   | <b>3,026,525</b>                                    | 3,027,962   | 1,525,582   |
| <b>T a</b>  | <b><u>31,040,436</u></b>                            | <u>29,850,308</u>                                     | <u>26,430,764</u>                                   |

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2022 (Unaudited)

### 1. GENERAL AND BASIS OF PRESENTATION

In preparing the condensed consolidated financial statements, the directors of the Company (the “**D**irectors”) have given careful consideration of the Group’s net current liabilities of RMB9,327,295,000 as at 30 June 2022. 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 “**L**isting **R**ules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**S**tock **E**xchange”). 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 additional accounting policies resulting from application of amendments to International Financial Reporting Standards (“**IFRS**”), 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 2022 are the same as those followed in the preparation of the Group’s consolidated financial statements for the year ended 31 December 2021.

#### **A**dopted **a**pplying **IFRS**

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 2022 for the preparation of the Group’s condensed consolidated financial statements:

|                      |  |
|----------------------|--|
| Amendments to IFRS 3 | Reference to the Conceptual Framework                        |
| Amendment to IFRS 16 | Covid-19-Related Rent Concessions beyond 30 June 2021        |
| Amendments to IAS 16 | Property, Plant and Equipment – Proceeds before Intended Use |
| Amendments to IAS 37 | Onerous Contracts – Cost of Fulfilling a Contract            |
| Amendments to IFRSs  | Annual Improvements to IFRSs 2018-2020                       |

The application of the amendments to IFRSs in the current interim 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.

**BASIS OF PREPARATION**

**R a**

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On 29 March 2022, the Company entered into an equity transfer agreement with Beijing International Electric Engineering Ltd., Co. (the “**BIEE**”) pursuant to which, BIEE has agreed to sell and the Company has agreed to acquire 55% equity interest in Beijing Jingneng International Energy Technology Co., Ltd. (the “**BJIET**”) at a total consideration of RMB48,458,630 (the “**Ac**”). On 31 March 2022, the Group has completed the Acquisition.

The Group and BJIET are all under the ultimate control of Beijing Energy Holding Co., Ltd. (“**BEH**”) before and after the Acquisition, and that control is not transitory. The Group and BJIET are regarded as continuing entities as at the date of business combination and hence the Acquisition has been accounted for as combinations of entities under common control by applying the principles of merger accounting in accordance with Accounting Guideline 5 “Merger Accounting for Common Control Combinations” (“**AG 5**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

Accordingly, the unaudited condensed consolidated statement of profit or loss and other comprehensive income, unaudited condensed consolidated statement of changes in equity and unaudited condensed consolidated statement of cash flows of the Group for the six months ended 30 June 2021 were presented as if the current group structure upon the completion of the restructuring of the group had been in existence throughout the six months ended 30 June 2021. The condensed consolidated statements of financial position of the Group as at 1 January 2021 and 31 December 2021 have been restated to include the assets and liabilities of the BJIET as if current group structure had been in existence as at the respective dates.

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Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including costs of testing the related assets functioning properly and, for qualifying assets, borrowing costs capitalised in accordance with the Group’s accounting policy. Sale proceeds of items that are produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management (such as samples produced when testing whether the asset is functioning properly), and the related costs of producing those items are recognised in the profit or loss. The Group has applied Amendments to IAS 16 retrospectively to property, plant and equipment made available for use on or after the beginning of the earliest period presented. Comparative figures have been restated.



The effect of restatements on the unaudited condensed consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2021 in applying AG 5 and the amendments to IAS 16 is as follows:

|  | 30 J 2021      |                |                |                |
|--|----------------|----------------|----------------|----------------|
|  | F              | A              | A              | R              |
|  | a              | b              | a              | a              |
|  | c              | b              | c              | a              |
|  | O              | c              | acc            | R              |
|  | a              | c              | c              | a              |
|  | <i>RMB'000</i> | <i>RMB'000</i> | <i>RMB'000</i> | <i>RMB'000</i> |
|  | (Unaudited)    | (Unaudited)    | (Unaudited)    | (Unaudited)    |
| Revenue                                | 9,339,794      | 11,478         | 60,272         | 9,411,544      |
| Other income                           | 453,502        | –              | –              | 453,502        |
| Gas consumption                        | (4,653,477)    | –              | –              | (4,653,477)    |
| Depreciation and amortization expenses | (1,510,952)    | (177)          | (194)          | (1,511,323)    |
| Personnel costs                        | (412,971)      | (4,625)        | –              | (417,596)      |
| Repairs and maintenance                | (283,027)      | 48,783         | –              | 234,244        |
| Other expenses                         | (434,928)      | (50,401)       | (386)          | (485,715)      |
| Other gains and losses                 | (6,206)        | 4              | –              | (6,202)        |
| Profit from operations                 | 2,491,735      | 5,062          | 59,692         | 2,556,489      |
| Interest income                        | 16,479         | 216            | –              | 16,695         |
| Finance costs                          | (637,882)      | (3)            | –              | (637,885)      |
| Share of results of associates         | 25,725         | –              | –              | 25,725         |
| Share of result of a joint venture     | (11,802)       | –              | –              | (11,802)       |
| Profit before taxation                 | 1,884,255      | 5,275          | 59,692         | 1,949,222      |
| Income tax expense                     | (327,831)      | (1,423)        | –              | (329,254)      |
| Profit for the period                  | 1,556,424      | 3,852          | 59,692         | 1,619,968      |
| Profit for the period attributable to: |                |                |                |                |
| – Equity holders of the Company        | 1,488,178      | 2,119          | 59,692         | 1,549,989      |
| – Holders of perpetual notes           | 25,588         | –              | –              | 25,588         |
| – Non-controlling interests            | 42,658         | 1,733          | –              | 44,391         |
| Earnings per share                     |                |                |                |                |
| Basic and diluted ( <i>RMB cents</i> ) | 18.05          | 0.03           | 0.72           | 18.80          |

|  | F<br>A      |             | 30 J 2021   |             |
|--|-------------|-------------|-------------|-------------|
|  | b<br>c      |             | A<br>a      |             |
|  | a           | c           | acc         | R a         |
|  | RMB'000     | RMB'000     | RMB'000     | RMB'000     |
|  | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) |
| Profit for the period  | 1,556,424   | 3,852       | 59,692      | 1,619,968   |
| Items that may be reclassified<br>subsequently to profit or loss:                          |             |             |             |             |
| Exchange differences on translating<br>foreign operations                                  | (30,276)    | –           | –           | (30,276)    |
| Cash flow hedges:  |             |             |             |             |
| Income for the period  | 14,999      | –           | –           | 14,999      |
| Reclassification to reserves in relation<br>with power purchase agreement                  | 6,003       | –           | –           | 6,003       |
| Income tax relating to items that may<br>be reclassified subsequently to profit<br>or loss | (4,518)     | –           | –           | (4,518)     |
| Other comprehensive income (expense)<br>for the period, net of income tax                  | (13,792)    | –           | –           | (13,792)    |
| Total comprehensive income for the<br>period   | 1,542,632   | 3,852       | 59,692      | 1,606,176   |
| Total comprehensive income<br>attributable to:   |             |             |             |             |
| – Equity holders of the Company  | 1,474,386   | 2,119       | 59,692      | 1,536,197   |
| – Holders of perpetual notes   | 25,588      | –           | –           | 25,588      |
| – Non-controlling interests  | 42,658      | 1,733       | –           | 44,391      |

The effect of restatements on the condensed consolidated statement of financial position as at 1 January 2021 in applying AG 5 is as follows:

|   | <b>A 1 January 2021</b> |                |                |
|---|-------------------------|----------------|----------------|
|   | <b>A</b>                | <b>b</b>       |                |
|   | <b>c</b>                | <b>b a</b>     |                |
| <b>O</b>  | <b>a</b>                | <b>c</b>       | <b>R a</b>     |
|   | <b>a</b>                | <b>c</b>       | <b>a</b>       |
|   | <i>RMB'000</i>          | <i>RMB'000</i> | <i>RMB'000</i> |
| <b>N -c A</b>   |                         |                |                |
| Property, plant and equipment                                 | 43,187,213              | 2,649          | 43,189,862     |
| Right-of-use assets   | 1,431,342               | –              | 1,431,342      |
| Intangible assets   | 4,410,754               | –              | 4,410,754      |
| Goodwill  | 190,049                 | –              | 190,049        |
| Investments in associates                                     | 3,518,508               | –              | 3,518,508      |
| Loans to associates   | 117,000                 | –              | 117,000        |
| Investment in a joint venture                                 | 130,904                 | –              | 130,904        |
| Loans to a joint venture                                      | 70,000                  | –              | 70,000         |
| Deferred tax assets   | 296,104                 | –              | 296,104        |
| Equity instruments at FVTOCI                                  | 66,911                  | –              | 66,911         |
| Value-added tax recoverable                                   | 1,114,305               | –              | 1,114,305      |
| Deposit paid for acquisition of property, plant and equipment | 1,072,426               | –              | 1,072,426      |
| Restricted bank deposits                                      | 50,787                  | –              | 50,787         |
| <b>C A</b>  |                         |                |                |
| Inventories   | 104,416                 | –              | 104,416        |
| Trade and bills receivable                                    | 9,159,317               | 10,995         | 9,170,312      |
| Other receivables, deposits and prepayments                   | 463,778                 | 453            | 464,231        |
| Current tax assets  | 16,565                  | –              | 16,565         |
| Amounts due from related parties                              | 170,193                 | –              | 170,193        |
| Value-added tax recoverable                                   | 469,666                 | –              | 469,666        |
| Financial assets at FVTPL                                     | 196,043                 | –              | 196,043        |
| Restricted bank deposits                                      | 4,577                   | –              | 4,577          |
| Cash and cash equivalents                                     | 4,297,450               | 45,928         | 4,343,378      |
| <b>C Lab</b>  |                         |                |                |
| Trade and other payables                                      | 5,058,989               | (11,362)       | 5,047,627      |
| Amounts due to related parties                                | 189,539                 | –              | 189,539        |
| Bank and other borrowings – due within one year               | 12,318,322              | –              | 12,318,322     |
| Short-term financing debentures                               | 7,060,658               | –              | 7,060,658      |
| Medium-term notes   | 96,656                  | –              | 96,656         |
| Corporate bond  | 26,128                  | –              | 26,128         |
| Contract liabilities  | 56,380                  | –              | 56,380         |
| Lease liabilities   | 64,659                  | –              | 64,659         |
| Derivative financial liabilities                              | 19,576                  | –              | 19,576         |
| Income tax payable  | 125,381                 | 7,470          | 132,851        |
| Deferred income   | 228,336                 | –              | 228,336        |

|  | A 1 Jan 2021             |                      |                          |
|--|--------------------------|----------------------|--------------------------|
|  | A                        | b                    |                          |
|  | c                        | b                    | a                        |
|  | O                        | c                    | R                        |
|  | a                        | c                    | a                        |
|  | <i>RMB'000</i>           | <i>RMB'000</i>       | <i>RMB'000</i>           |
| <b>N c ab</b>                                  | <b>(10,362,619)</b>      | <b>61,268</b>        | <b>(10,301,351)</b>      |
| <b>T a a c ab</b>                              | <b>45,293,684</b>        | <b>63,917</b>        | <b>45,357,601</b>        |
| <b>N -c ab</b>                                 |                          |                      |                          |
| Derivative financial liabilities               | 45,002                   | –                    | 45,002                   |
| Bank and other borrowings – due after one year | 10,896,268               | –                    | 10,896,268               |
| Medium-term notes                              | 4,488,679                | –                    | 4,488,679                |
| Corporate bond                                 | 1,999,284                | –                    | 1,999,284                |
| Contract liabilities                           | 12,440                   | –                    | 12,440                   |
| Deferred tax liabilities                       | 193,615                  | –                    | 193,615                  |
| Deferred income                                | 435,811                  | –                    | 435,811                  |
| Lease liabilities                              | 836,336                  | –                    | 836,336                  |
| Other non-current liabilities                  | 19,402                   | –                    | 19,402                   |
| <b>N a</b>                                     | <b>26,366,847</b>        | <b>63,917</b>        | <b>26,430,764</b>        |
| <b>Ca a a R</b>                                |                          |                      |                          |
| Share capital                                  | 8,244,508                | –                    | 8,244,508                |
| Reserves                                       | 16,249,142               | 35,154               | 16,284,296               |
| <b>E a b ab</b>                                |                          |                      |                          |
| <b>C a</b>                                     | <b>24,493,650</b>        | <b>35,154</b>        | <b>24,528,804</b>        |
| Non-controlling interests                      | 347,615                  | 28,763               | 376,378                  |
| Perpetual notes                                | 1,525,582                | –                    | 1,525,582                |
| <b>T a E</b>                                   | <b><u>26,366,847</u></b> | <b><u>63,917</u></b> | <b><u>26,430,764</u></b> |

The effect of restatements on the condensed consolidated statement of financial position as at 31 December 2021 in applying AG 5 and the amendments to IAS 16 is as follows:

|   | A          | a        | 31 D c  | b          | 2021    |
|---|------------|----------|---------|------------|---------|
|   | A          | b        | A       | c          | a       |
|   | c          | b        | a       | c          | a       |
|   | O          | a        | c       | acc        | c       |
|   | a          | c        | c       | a          | R       |
|   | RMB'000    | RMB'000  | RMB'000 | RMB'000    | a       |
|   | RMB'000    | RMB'000  | RMB'000 | RMB'000    | RMB'000 |
| <b>Non-current Assets</b>                                     |            |          |         |            |         |
| Property, plant and equipment                                 | 50,965,927 | 2,887    | 118,792 | 51,087,606 |         |
| Right-of-use assets   | 1,479,217  | –        | –       | 1,479,217  |         |
| Intangible assets   | 4,873,699  | –        | –       | 4,873,699  |         |
| Goodwill  | 114,134    | –        | –       | 114,134    |         |
| Investments in associates                                     | 3,179,022  | –        | –       | 3,179,022  |         |
| Loans to associates   | 108,000    | –        | –       | 108,000    |         |
| Investment in a joint venture                                 | 93,110     | –        | –       | 93,110     |         |
| Loans to a joint venture                                      | 70,000     | –        | –       | 70,000     |         |
| Deferred tax assets   | 189,488    | –        | –       | 189,488    |         |
| Equity instruments at FVTOCI                                  | 109,637    | –        | –       | 109,637    |         |
| Value-added tax recoverable                                   | 1,557,553  | –        | –       | 1,557,553  |         |
| Deposit paid for acquisition of property, plant and equipment | 677,532    | –        | –       | 677,532    |         |
| Restricted bank deposits                                      | 66,718     | –        | –       | 66,718     |         |
| Derivative financial asset                                    | 52,507     | –        | –       | 52,507     |         |
| <b>Current Assets</b>   |            |          |         |            |         |
| Inventories   | 96,648     | –        | –       | 96,648     |         |
| Trade and bills receivable                                    | 11,678,316 | 1,130    | –       | 11,679,446 |         |
| Other receivables, deposits and prepayments                   | 307,749    | (3,981)  | –       | 303,768    |         |
| Current tax assets  | 12,784     | 610      | –       | 13,394     |         |
| Amounts due from related parties                              | 482,339    | –        | –       | 482,339    |         |
| Value-added tax recoverable                                   | 553,873    | –        | –       | 553,873    |         |
| Financial assets at FVTPL                                     | 270,270    | –        | –       | 270,270    |         |
| Restricted bank deposits                                      | 23         | –        | –       | 23         |         |
| Cash and cash equivalents                                     | 5,097,300  | 59,638   | –       | 5,156,938  |         |
| <b>Current Liabilities</b>                                    |            |          |         |            |         |
| Trade and other payables                                      | 5,938,283  | (12,322) | –       | 5,925,961  |         |
| Amounts due to related parties                                | 132,961    | –        | –       | 132,961    |         |
| Bank and other borrowings – due within one year               | 11,272,518 | –        | –       | 11,272,518 |         |
| Short-term financing debentures                               | 7,589,471  | –        | –       | 7,589,471  |         |
| Medium-term notes   | 2,091,245  | –        | –       | 2,091,245  |         |
| Corporate bond  | 1,025,841  | –        | –       | 1,025,841  |         |
| Contract liabilities  | 80,877     | –        | –       | 80,877     |         |
| Lease liabilities   | 89,762     | –        | –       | 89,762     |         |
| Income tax payable  | 87,453     | 4,460    | –       | 91,913     |         |
| Deferred income   | 19,361     | –        | –       | 19,361     |         |

|  | A a 31 D c b 2021  |               |                 |                    |
|--|--------------------|---------------|-----------------|--------------------|
|  | A<br>c             | b<br>b a      | A<br>c a<br>acc | R a                |
|  | O a<br>RMB'000     | c<br>RMB'000  | c<br>RMB'000    | R a<br>RMB'000     |
| <b>N c ab</b>                                  | <b>(9,828,470)</b> | <b>65,259</b> | <b>-</b>        | <b>(9,763,211)</b> |
| <b>T a a c ab</b>                              | <b>53,708,074</b>  | <b>68,146</b> | <b>118,792</b>  | <b>53,895,012</b>  |
| <b>N -c ab</b>                                 |                    |               |                 |                    |
| Derivative financial liabilities               | 1,034              | -             | -               | 1,034              |
| Bank and other borrowings – due after one year | 19,044,077         | -             | -               | 19,044,077         |
| Medium-term notes                              | 2,494,339          | -             | -               | 2,494,339          |
| Corporate bond                                 | 999,642            | -             | -               | 999,642            |
| Contract liabilities                           | 18,317             | -             | -               | 18,317             |
| Deferred tax liabilities                       | 281,912            | -             | -               | 281,912            |
| Deferred income                                | 381,538            | -             | -               | 381,538            |
| Lease liabilities                              | 811,228            | -             | -               | 811,228            |
| Other non-current liabilities                  | 12,617             | -             | -               | 12,617             |
| <b>N a</b>                                     | <b>29,663,370</b>  | <b>68,146</b> | <b>118,792</b>  | <b>29,850,308</b>  |
| <b>Ca a a</b>                                  |                    |               |                 |                    |
| Share capital                                  | 8,244,508          | -             | -               | 8,244,508          |
| Reserves                                       | 18,031,790         | 37,480        | 118,792         | 18,188,062         |
| <b>E a b ab C a</b>                            | <b>26,276,298</b>  | <b>37,480</b> | <b>118,792</b>  | <b>26,432,570</b>  |
| Non-controlling interests                      | 359,110            | 30,666        | -               | 389,776            |
| Perpetual notes                                | 3,027,962          | -             | -               | 3,027,962          |
| <b>T a</b>                                     | <b>29,663,370</b>  | <b>68,146</b> | <b>118,792</b>  | <b>29,850,308</b>  |

### 3A. REVENUE FROM CONTRACTS WITH CUSTOMERS

|  | 30 J 2022 (U a )     |                  |                  |                |              |                  |
|--|----------------------|------------------|------------------|----------------|--------------|------------------|
|  | Ga -<br>a<br>RMB'000 | W<br>RMB'000     | P<br>RMB'000     | H<br>RMB'000   | O<br>RMB'000 | T a<br>RMB'000   |
| Types of goods and services                |                      |                  |                  |                |              |                  |
| Sales of electricity                       | 5,010,569            | 2,191,317        | 1,400,477        | 166,328        | -            | 8,768,691        |
| Sales of heat energy                       | 1,219,044            | -                | -                | -              | -            | 1,219,044        |
| Repairs and maintenance and other services | -                    | -                | -                | -              | 3,848        | 3,848            |
| Timing of revenue recognition              |                      |                  |                  |                |              |                  |
| A point in time                            | 6,229,613            | 2,191,317        | 1,400,477        | 166,328        | -            | 9,987,735        |
| Over time                                  | -                    | -                | -                | -              | 3,848        | 3,848            |
| Geographical market                        |                      |                  |                  |                |              |                  |
| Mainland China                             | 6,229,613            | 1,976,023        | 1,396,533        | 166,328        | 3,848        | 9,772,345        |
| Overseas                                   | -                    | 215,294          | 3,944            | -              | -            | 219,238          |
| Revenue from contracts with customers      | <u>6,229,613</u>     | <u>2,191,317</u> | <u>1,400,477</u> | <u>166,328</u> | <u>3,848</u> | <u>9,991,583</u> |

For the six months ended 30 June 2021 (Unaudited and restated)

|   | Gas-fired<br>power and<br>heat energy<br>generation<br><i>RMB'000</i> | Wind power<br><i>RMB'000</i> | Photovoltaic<br>power<br><i>RMB'000</i> | Hydropower<br><i>RMB'000</i> | Others<br><i>RMB'000</i> | Total<br><i>RMB'000</i> |
|---|---|------------------------------|---|------------------------------|--------------------------|-------------------------|
| Types of goods and services                   |   |                              |   |                              |                          |                         |
| Sales of electricity                          | 5,296,968   | 1,601,330                    | 1,255,347                               | 146,616                      | –                        | 8,300,261               |
| Sales of heat energy                          | 1,097,710   | –                            | –                                       | –                            | –                        | 1,097,710               |
| Repairs and maintenance and<br>other services | –   | –                            | –                                       | –                            | 13,573                   | 13,573                  |
| Timing of revenue recognition                 |   |                              |   |                              |                          |                         |
| A point in time                               | 6,394,678   | 1,601,330                    | 1,255,347                               | 146,616                      | –                        | 9,397,971               |
| Over time                                     | –   | –                            | –                                       | –                            | 13,573                   | 13,573                  |
| Geographical market                           |   |                              |   |                              |                          |                         |
| Mainland China                                | 6,394,678   | 1,528,292                    | 1,253,563                               | 146,616                      | 13,573                   | 9,336,722               |
| Overseas                                      | –   | 73,038                       | 1,784                                   | –                            | –                        | 74,822                  |
| Revenue from contracts with<br>customers      |   |                              |   |                              |                          |                         |
|   | <u>6,394,678</u>  | <u>1,601,330</u>             | <u>1,255,347</u>                        | <u>146,616</u>               | <u>13,573</u>            | <u>9,411,544</u>        |

( ) P a c b a c a c ↗ c

Majority of the sales of electricity to provincial power grid companies are pursuant to the power purchase agreements entered into between the Group and the respective provincial power grid companies. The Group's sales of electricity are made to these power grid companies at the tariff rates agreed with the respective provincial power grid companies as approved by the relevant government authorities.

Sales of heat energy to customers are pursuant to the heat energy purchase agreements entered into between the Group and the customers. The Group's sales of heat energy are made to the customers at the tariff rates approved by the Beijing Municipal Commission of Development and Reform.

For sales of electricity and heat energy, revenue is recognised when control of electricity and heat has been transferred, being when electricity and heat is supplied to the power grid companies and the customers. The normal credit term is 60 days upon electricity and heat is supplied. There is no significant financing component among the payment terms of sales of electricity and heat.



### 3B. SEGMENT INFORMATION

(a) S a

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: constructing, 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 sales of electricity generated to external customers.
- Hydropower: managing and operating hydropower plants and sales of electricity generated to external customers.

Operating segments 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 period and prior period. 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 2022 by operating and reportable segment is as follows:

|  | G a -<br>a       | W                | P a c            | H              | O              | T a              |
|--|------------------|------------------|------------------|----------------|----------------|------------------|
|  | <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<br>30 June 2022 (unaudited)                           |                  |                  |                  |                |                |                  |
| Reportable segment revenue<br>from external customers/<br>consolidated revenue | <u>6,229,613</u> | <u>2,191,317</u> | <u>1,400,477</u> | <u>166,328</u> | <u>3,848</u>   | <u>9,991,583</u> |

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:

|  | Gas-fired<br>power and<br>heat energy<br>generation<br><i>RMB'000</i> | Wind power<br><i>RMB'000</i> | Photovoltaic<br>power<br><i>RMB'000</i> | Hydropower<br><i>RMB'000</i> | Others<br><i>RMB'000</i> | Total<br><i>RMB'000</i> |
|--|---|------------------------------|---|------------------------------|--------------------------|-------------------------|
| For the six months ended<br>30 June 2021 (unaudited and<br>restated)           |   |                              |   |                              |                          |                         |
| Reportable segment revenue<br>from external customers/<br>consolidated revenue | <u>6,394,678</u>  | <u>1,601,330</u>             | <u>1,255,347</u>                        | <u>146,616</u>               | <u>13,573</u>            | <u>9,411,544</u>        |
| Reportable segment results<br>before depreciation and<br>amortization          | <u>1,484,959</u>  | <u>1,478,378</u>             | <u>1,121,089</u>                        | <u>105,257</u>               | <u>(121,871)</u>         | <u>4,067,812</u>        |
| Depreciation   | 447,710   | 426,671                      | 443,452                                 | 52,406                       | 7,567                    | 1,377,806               |
| 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<br>(Note)   | <u><u>1,029,717</u></u>   | <u><u>966,979</u></u>        | <u><u>649,933</u></u>                   | <u><u>39,859</u></u>         | <u><u>(129,999)</u></u>  | <u><u>2,556,489</u></u> |

Note: 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

|  | <b>F</b>              | <b>-</b> | <b>J</b>       |
|--|-----------------------|----------|----------------|
|  | <b>30 J</b>           |          |                |
|  | <b>2022</b>           |          | 2021           |
|  | <b>RMB'000</b>        |          | <i>RMB'000</i> |
|  | <b>(U a )</b>         |          | (Unaudited)    |
| Government grants and subsidies related to:      |                       |          |                |
| – Clean energy production (Note (a))             | <b>301,822</b>        |          | 279,419        |
| – Construction of assets (Note (b))              | <b>9,997</b>          |          | 14,824         |
| Income from carbon credits                       | <b>98,083</b>         |          | 66,435         |
| Value-added tax refunds or exemptions (Note (c)) | <b>63,727</b>         |          | 64,726         |
| Others   | <b>19,370</b>         |          | 28,098         |
|  | <b><u>492,999</u></b> |          | <u>453,502</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**

F † - †  
30 J  
2022

**6. INTEREST INCOME/FINANCE COSTS**

Under the two-tiered profits tax rates regime in Hong Kong, the first Hong Kong dollars 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

|   | F<br>30 J<br>2022<br>RMB'000<br>(U a ) | -<br>30 J<br>2021<br>RMB'000<br>(Unaudited<br>and restated) |
|---|--|---|
| Profit for the period has been arrived at after charging: |  |   |
| Auditors' remuneration                                    | 1,296                                  | 1,862   |
| Lease payments in respect of land and building            | <u>29,202</u>                          | <u>26,391</u>   |
| Depreciation and amortization:                            |  |   |
| Depreciation of property, plant and equipment             | 1,602,201                              | 1,342,271   |
| Depreciation of right-of-use assets                       | 35,998                                 | 35,535  |
| Amortization of intangible assets                         | <u>156,878</u>                         | <u>133,517</u>  |
| Total depreciation and amortization                       | <u><u>1,795,077</u></u>                | <u><u>1,511,323</u></u>                                     |

## 9. DIVIDENDS

- (a) A final dividend of RMB7.037 cents per ordinary share (tax inclusive) in respect of the year ended 31 December 2021 amounting to RMB580,166,000 was approved in the Company's annual general meeting held on 29 June 2022.
- (b) The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2022 (six months ended 30 June 2021: 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 2022 of RMB1,776,682,000 (six months ended 30 June 2021: RMB1,549,989,000) and the number of shares in issue for the six months ended 30 June 2022 of 8,244,508,000 (six months ended 30 June 2021: 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

|                                    | A a 30<br>J 2022<br><i>RMB'000</i><br>(U a ) | As at 31<br>December 2021<br><i>RMB'000</i><br>(Restated) |
|------------------------------------|--|---|
| Trade receivables                  |  |   |
| – goods and services               | 1,754,636                                    | 2,018,514   |
| – clean energy power price premium | 10,165,442                                   | 9,421,023   |
| Bills receivable                   | <u>73,791</u>                                | <u>256,304</u>  |
|                                    | 11,993,869                                   | 11,695,841  |
| Less: allowance for credit losses  | <u>(16,395)</u>                              | <u>(16,395)</u>   |
|                                    | <u><u>11,977,474</u></u>                     | <u><u>11,679,446</u></u>                                  |

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:

|                | A a 30<br>J 2022<br><i>RMB'000</i><br>(U a ) | As at 31<br>December 2021<br><i>RMB'000</i><br>(Restated) |
|----------------|--|---|
| Within 60 days | 2,083,448                                    | 3,047,909   |
| 61 to 365 days | 3,193,175                                    | 3,076,268   |
| 1 to 2 years   | 3,363,842                                    | 3,057,498   |
| 2 to 3 years   | 2,272,159                                    | 1,961,944   |
| Over 3 years   | <u>1,064,850</u>                             | <u>535,827</u>  |
|                | <u><u>11,977,474</u></u>                     | <u><u>11,679,446</u></u>                                  |

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

## 12. TRADE AND OTHER PAYABLES

|   | A a 30<br>J 2022<br><i>RMB'000</i><br>(U a ) | As at 31<br>December 2021<br><i>RMB'000</i><br>(Restated) |
|---|--|---|
| Trade payables  | 1,882,464                                    | 2,469,426   |
| Payables for acquisition of property, plant and equipment | 2,269,610                                    | 1,760,087   |
| Retention payables  | 526,226                                      | 881,261   |
| Salary and staff welfare                                  | 115,231                                      | 111,416   |
| Non-income tax payables                                   | 140,946                                      | 362,332   |
| Dividend payables   | 181,724                                      | –   |
| Others  | 294,031                                      | 341,439   |
|   | <u>5,410,232</u>                             | <u>5,925,961</u>  |

Trade payables principally comprise amounts outstanding for trade purchase of raw materials. The



## MANAGEMENT DISCUSSION AND ANALYSIS

### I. R P I

In the first half of 2022, the international( )pd2M.2.36

In the first half of 2022, 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. The Group adhered to the major tone of “reform and innovation, transformation and upgrading, improvement of quality and efficiency, and culture fusion” and continued to focus its efforts on the “two points” of serving the capital and promoting green and low-carbon development. The operating revenue increased by 6.16% year-on-year and the profit for the period increased by 15.15% year-on-year. Against the backdrop of weak national economy and the epidemic, the Group overcame difficulties and sustained high-quality and rapid development, and has maintained a strong growth momentum since the “14th Five-Year Plan”.

I. I B B r r B , r r B r r

As of 30 June 2022, the consolidated total installed capacity of the Group was 13.400 million kW, representing a year-on-year increase of 19.48%. Among which, the installed capacity of the gas-fired power and heat energy generation segment was 4.702 million kW, accounting for 35% of the total installed capacity; the installed capacity of the wind power generation segment was 4.966 million kW, representing a year-on-year increase of 57.85%, accounting for 37% of the total installed capacity; the installed capacity of the photovoltaic power generation segment was 3.313 million kW, representing a year-on-year increase of 13.58%, accounting for 25% of the total installed capacity; and the installed capacity of the hydropower segment was 0.419 million kW, accounting for 3% of the total installed capacity.

In the first half of 2022, all newly-added installed capacity was attributable to self-built projects. Among which, newly-added installed capacity of the wind power generation segment was 0.856 million kW; and newly-added installed capacity of the photovoltaic power generation segment was 0.10 million kW.

As of 30 June 2022, the consolidated total power generation of the Group was 17.678 billion kWh, representing a year-on-year increase of 9.27%, which was significantly higher than the national level for the same period (0.7%), of which, the power generation of the gas-fired power and heat energy generation segment was 9.214 billion kWh, representing a year-on-year decrease of 5.33%, with the average utilization hours of equipment reaching 1,960 hours, a decrease of 110 hours from the same period of last year, which was 870 hours more than the national average; the power generation of the wind power generation segment was 5.299 billion kWh, representing a year-on-year increase of 39.35%, with the average utilization hours of equipment reaching 1,186 hours, which was a decrease of 108 hours from the same period of last year, and 32 hours more than the national average; the power generation of the photovoltaic power generation segment was 2.464 billion kWh, representing a year-on-year increase of 20.41%, with the average utilization hours of equipment reaching 745 hours, an increase of 43 hours from the same period of last

year, which was 55 hours more than the national average; and the power generation of the hydropower segment was 701 million kWh, representing a year-on-year increase of 17.44%, with the average utilization hours of equipment reaching 1,672 hours, an increase of 345 hours from the same period of last year.

## 2. **Key Results**

In the first half of 2022, the Group continued to adhere to the “two-wheel drive” of independent development and project mergers and acquisitions, headed on the path of “intensification, regionalization, scale, specialization and high efficiency”, leveraged the geographical advantages of regional companies and focus on key projects for breakthroughs. The installed capacity of self-developed projects that had construction indicators amounted to 1.04 million kW, the installed capacity of projects completed through mergers and acquisitions amounted to 0.10 million kW, and total pre-development capacity completed amounted to 1.14 million kW.

As of 30 June 2022, there were 21 projects under construction, with a total capacity of nearly 3.00 million kW. The ground-breaking ceremony of the million kW demonstration project with integrated energy of wind, solar, fire and hydrogen storage in Chagan Nur Power Plant was held in March 2022; the construction of the million kW base project in Qinzhou was officially started in May 2022; and the construction of the 0.15 million kW cogeneration project in Yichang started in February 2022.

In the first half of 2022, the Group obtained the Letter from Beijing Municipal Commission of Development and Reform on Supporting the Construction of “Shanxi-Power-to-Beijing” Base in the Coal Mining Subsidence Area in Datong for the Jingneng 10 million kW green integrated energy base project in Datong; based on the “14th Five-Year Plan” for the substations supporting the ultra-high voltage lines, put a particular focus on the peripheral areas, and signed framework agreements for a photovoltaic capacity of 1.95 million kW; started the preparation of the study report on the access to Beijing for the 10 million kW renewable energy Green-Power-to-Beijing base project in Chengde to carry out the preliminary work upon filing with the Beijing Municipal Commission of Development and Reform; with a focus on serving the capital, was in the process of carrying out preliminary work for the pumped storage project in Beijing and its peripheral areas, and the project in Huailai has been listed as a medium-and long-term planning reserve project of national pumped storage; succeeded in having the 2×0.4 million kW cogeneration project in Dongyuan, Guangdong being included in the “14th Five-Year Plan” for energy planning of Guangdong Province; signed a cooperation framework agreement with Beihai City for the 2×0.8 million kW gas-fired in Beihai, Guangxi; and succeeded in having the 2×0.7 million kW combined heat and power project in Dayi, Sichuan being included in the “14th Five-Year Plan” for natural gas power generation project construction in Sichuan Province to accelerate the preliminary work.

In the first half of 2022, the Group actively carried out merger and acquisition of wind power and photovoltaic projects and proposed to sign equity transfer agreements for a capacity of 0.13 million kW. The Group signed letters of intent to acquire equity interests and wind power and photovoltaic projects with a capacity of more than 0.9 million kW were underway.

3. *Gr. . . . . B B . . . r r r . B . . B . B*

In the first half of 2022, benefited from China's prudent monetary policy and the green preferential loan policy under the dual-carbon background, the Group obtained low-interest debt funds and reduced its capital cost, with a consolidated capital cost of 3.56%, down 0.18 percentage points from 3.74% in 2021. The Group completed the registration of ultra-short-term financing debentures of RMB12.0 billion and issued three tranches of ultra-short-term financing debentures of RMB5.5 billion in aggregate. The Group completed the registration of medium-term notes of RMB3.5 billion and RMB2.0 million in batches. At the same time, (In thpareetwo yearsst,hich effe activelrealizsued thp actiup elostratios t oprp acancinnae dua -)Tj0.05 T

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1 7 0 1 3 m i l l i o n h o n o e g r e n d p o w s a n p o b t a i n e d t h e f

In the first half of 2022, the Group continued to carry out research and demonstration projects on the construction of smart power plants producing clean energy, facilitated digital and smart transformation, built a digital and smart production and operation and maintenance system and established the three-in-one structure of “Smart Supervision Center – Region-wide Branch Centralized Control Center and 7 Gas-fired Plants – Station” covering more than 100 wind power plants, photovoltaic power plants, hydropower plants and gas-fired power plants to gradually establish a new production management model of “unmanned duty, few people on duty, centralized monitoring, smart operation and maintenance”. Currently, 10 of 12 region-wide centralized control center have been built and put into operation, and the other two control centers were also in progress. It is expected that the data from each centralized control center will be connected to the smart supervision center by the end of the year. After the completion of the project, it will effectively carry out equipment energy efficiency analysis, fault warning, health management and control, and performance improvement, which is expected to increase the annual power generation by about 1 to 2%.

### III. **O** **a** **R** **a** **A** **a**

#### 1. *Operating Profit*

In the first half of 2022, the Company’s profitability recorded continuous improvement. Profit for the period amounted to RMB1,865.4 million, representing an increase of 15.15% as compared with RMB1,620.0 million for the first half of 2021. Profit for the period attributable to the equity holders amounted to RMB1,776.7 million, representing an increase of 14.63% as compared with RMB1,550.0 million for the first half of 2021.

#### 2. *Operating Income*

In the first half of 2022, the total revenue increased by 6.16% from RMB9,411.5 million for the first half of 2021 to RMB9,991.6 million.

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

The revenue from the gas-fired power and heat energy generation segment decreased by 2.58% from RMB6,394.7 million for the first half of 2021 to RMB6,229.6 million for the first half of 2022, of which, revenue from sales of electricity decreased by 5.41% from RMB5,297.0 million for the first half of 2021 to RMB5,010.6 million for the first half of 2022, due to the decrease in sales volume of electricity of this segment. Revenue from sales of heat energy increased by 11.05% from RMB1,097.7 million for the first half of 2021 to RMB1,219.0 million for the first half of 2022, due to the extension of heating supply period for the first half of 2022.

### *Wind Power Segment*

The revenue from wind power segment increased by 36.85% from RMB1,601.3 million for the first half of 2021 to RMB2,191.3 million for the first half of 2022, due to an increase in sales volume of electricity as a result of increased installed capacity in this segment.

### *Photovoltaic Power Segment*

The revenue from photovoltaic power segment increased by 11.57% from RMB1,255.3 million for the first half of 2021 to RMB1,400.5 million for the first half of 2022, 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 13.44% from RMB146.6 million for the first half of 2021 to RMB166.3 million for the first half of 2022, due to the increase in sales volume of electricity as a result of an increase in water inflow in this segment.

### *Other Segment*

The revenue from other segment decreased by 71.32% from RMB13.6 million for the first half of 2021 to RMB3.9 million for the first half of 2022, due to higher revenue from providing external maintenance service in the first half of 2021.

## **3. O r I B**

Other income increased by 8.71% from RMB453.5 million for the first half of 2021 to RMB493.0 million for the first half of 2022, due to the increase in income from carbon credits.

## **4. O r E**

Operating expenses increased by 4.60% from RMB7,308.5 million for the first half of 2021 to RMB7,644.7 million for the first half of 2022, due to the cost expensed following the commencement of production of projects of wind power segment and photovoltaic power segment.

### *Gas Consumption*

Gas consumption decreased by 2.30% from RMB4,653.5 million for the first half of 2021 to RMB4,546.3 million for the first half of 2022, due to a decrease in power generation volume of the gas-fired power and heat energy generation segment, resulting in a decrease in gas consumption.

### *Depreciation and Amortization Expense*

Depreciation and amortization expense increased by 18.78% from RMB1,511.3 million for the first half of 2021 to RMB1,795.1 million for the first half of 2022, due to the increase in the installed capacity in the wind power and the photovoltaic power segment.

### *Personnel Cost*

Personnel cost increased by 16.55% from RMB417.6 million for the first half of 2021 to RMB486.7 million for the first half of 2022, due to the increase in the number of employees as a result of the business development of the Group, and additional personnel costs expensed following the commencement of production of new projects.

### *Repairs and Maintenance*

Repairs and maintenance decreased by 0.73% from RMB234.2 million for the first half of 2021 to RMB232.5 million for the first half of 2022.

### *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 3.99% from RMB485.7 million for the first half of 2021 to RMB505.1 million for the first half of 2022, due to an increase in operating and management expenses as a result of the commencement of production of new projects.

### *Other Losses*

Other losses amounted to RMB79.0 million for the first half of 2022, which mainly represented issue discounts in connection with account receivables upon ABS issue.

## **5. Operating Profit**

As a result of the above, operating profit increased by 11.09% from RMB2,556.5 million for the first half of 2021 to RMB2,840.0 million for the first half of 2022.

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

Operating profit of gas-fired power and heat energy generation segment decreased by 2.57% from RMB1,029.7 million for the first half of 2021 to RMB1,003.2 million for the first half of 2022, due to a decrease in sales volume of electricity in this segment.

### *Wind Power Segment*

Operating profit of wind power segment increased by 36.27% from RMB967.0 million for the first half of 2021 to RMB1,317.7 million for the first half of 2022, due to an increase in installed capacity in this segment.



## **9. I B E**

Income tax expense increased by 13.06% from RMB329.3 million for the first half of 2021 to RMB372.3 million for the first half of 2022. Effective tax rate decreased from 16.89% for the first half of 2021 to 16.64% for the first half of 2022.

## **10. P r o f i t P r o f i t**

As a result of the foregoing, profit for the period increased by 15.15% from RMB1,620.0 million for the first half of 2021 to RMB1,865.4 million for the first half of 2022.

## **11. P r o f i t P r o f i t A t t r i b u t a b l e E q u i t y H o l d e r s C o n t r i b u t e d**

Profit for the period attributable to equity holders of the Company increased by 14.63% from RMB1,550.0 million for the first half of 2021 to RMB1,776.7 million for the first half of 2022.

## **IV. F a c t P**

### **1. O v e r v i e w**

As of 30 June 2022, total assets of the Group amounted to RMB83,608.3 million, total liabilities amounted to RMB52,567.9 million and shareholders' equity amounted to RMB31,040.4 million, among which equity attributable to the equity holders amounted to RMB27,585.2 million.

### **2. P r o p e r t y A s s e t s L i a b i l i t i e s**

Total assets increased by 1.69% from RMB82,214.9 million as at 31 December 2021 to RMB83,608.3 million as at 30 June 2022, due to an increase in investment in projects. Total liabilities increased by 0.39% from RMB52,364.6 million as at 31 December 2021 to RMB52,567.9 million as at 30 June 2022, due to increased debt as a result of capital demand for construction of projects. Total equity increased by 3.99% from RMB29,850.3 million as at 31 December 2021 to RMB31,040.4 million as at 30 June 2022. Equity attributable to equity holders of the Company increased by 4.36% from RMB26,432.6 million as at 31 December 2021 to RMB27,585.2 million as at 30 June 2022, due to the accretion from business results in the first half of 2022.

### **3. L i a b i l i t i e s**

As of 30 June 2022, current assets amounted to RMB18,888.1 million, including monetary capital of RMB5,315.5 million, bills and account receivables of RMB11,977.5 million (mainly comprising receivables from sales of electricity and sales of heat), and prepayment and other current assets of RMB1,595.1 million (mainly comprising deductible value-added tax and other account receivables). Current liabilities amounted to RMB28,215.4 million, including short-term borrowings of RMB9,510.4 million, short-term financing debentures of RMB7,572.4 million, medium-term notes of RMB3,561.3 million, corporate bonds of RMB1,411.9 million, trade and other payables of RMB5,410.2 million (mainly comprising payables for gas, payables for construction projects and purchase of equipment). Other current liabilities amounted to RMB749.2 million, mainly comprising income tax payable and amounts due to related parties.

Net current liabilities decreased by 4.46% from RMB9,763.2 million as at 31 December 2021 to RMB9,327.3 million as at 30 June 2022.

### **4. N e t G e a r i n g R a t i o**

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 1.08 percentage points from 56.87% as at 31 December 2021 to 55.79% as at 30 June 2022.

The Group's long-term and short-term borrowings decreased by 0.07% from RMB44,517.1 million as at 31 December 2021 to RMB44,487.0 million as at 30 June 2022, including short-term borrowings of RMB9,510.4 million, short-term financing debentures of RMB7,572.4 million, medium-term notes of RMB4,583.9 million, long-term borrowings of RMB20,794.7 million and corporate bonds of RMB2,025.6 million.

Bank deposits and cash held by the Group increased by 3.08% from RMB5,156.9 million as at 31 December 2021 to RMB5,315.5 million as at 30 June 2022.

## **V. O u t s t a n d i n g**

### **1. F i n a n c i n g**

On 14 January 2022, the Group completed the issuance of the first tranche RMB2 billion 270-day ultra-short-term financing debentures of 2022 at an interest rate of 2.48%;

On 14 March 2022, the Group completed the issuance of the second tranche RMB2 billion 269-day ultra-short-term financing debentures of 2022 at an interest rate of 2.37%;

On 20 May 2022, the Group completed the issuance of the third tranche RMB1.5 billion 269-day ultra-short-term financing debentures of 2022 at an interest rate of 2.00%.

## 2. **C**apital **E**xpenditure

In the first half of 2022, the Group's capital expenditure amounted to RMB3,044.0 million, among which RMB1,831.1 million incurred for construction projects in the wind power segment, RMB1,128.1 million incurred for construction projects in the photovoltaic power segment, RMB38.1 million incurred for construction projects in the gas-fired power and heat energy generation segment and RMB46.7 million incurred for energy storage projects.

## 3. **A**cquired **E**nterprises

According to the development plan of the Group, in the first half of 2022, the Group acquired Dongyuan County Shunfeng New Energy Co., Ltd. (東源縣順風新能源有限公司), which is engaged in the construction of photovoltaic power generation projects.

In the first half of 2022, the Group established Qinzhou Jingneng Clean Energy Co., Ltd. (欽州京能清潔能源有限公司), which is engaged in the construction of photovoltaic power generation projects.

The Group entered into an equity transfer agreement with BIEE, pursuant to which, BIEE has agreed to sell and the Company has agreed to acquire 55% equity interest in Beijing Jingneng International Energy Technology Co., Ltd. (北京京能國際能源技術有限公司) at a consideration of RMB48.5 million. For further details, please refer to the Company's announcement dated 29 March 2022.

## 4. **C**ontingent **L**iability

As of 30 June 2022, the Group had no contingent liabilities.

## 5. **M**ortgage **A**ssets

As of 30 June 2022, the Group's bank borrowings were secured by trade receivables of RMB2,021.1 million; fixed assets of RMB3,628.5 million; the entire equity in New Gullen Range Wind Farm Pty Ltd. and Gullen Solar Pty Ltd., which was pledged to National Australia Bank in connection with the loan facilities granted by National Australia Bank and the entire equity in Ningxia Boyang New Energy Co., Ltd. and Ningxia Kaiyang New Energy Co., Ltd., which was pledged to National Development Bank ("NDB") in China in connection with the loans granted by NDB.

**6. Absorption and Merger with BEH**

The Company entered into the Absorption and Merger Agreement with BEH, Beijing Jingneng International Power Co., Ltd. (北京京能國際能源股份有限公司) (“**Jingneng International**”) and Shenzhen Jingneng Financial Leasing Co., Ltd. (深圳京能融資租賃有限公司) (“**Shenzhen Jingneng Leasing**”) and the Equity Transfer Agreement with BEH, pursuant to which BEH’s 84.68% equity interest in Shenzhen Jingneng Leasing will be swapped for the Company’s 20% equity interest in Jingneng International and the difference in consideration for the equity interests will be made up by the Company in cash to BEH. Upon the completion of the transactions, Jingneng International will be absorbed and merged by BEH, and deregistered in accordance with the law; and the Company will hold 84.68% equity interest in Shenzhen Jingneng Leasing. Jingneng International is principally engaged in the construction and investment management of electricity and energy projects. Shenzhen Jingneng Leasing primarily provides financial leasing services and commercial factoring business services in relation to financial leasing to the public and members of BEH. For further details, please refer to the Company’s announcement dated 10 May 2022.

Save for the aforesaid matters, there is no other significant event of the Group subsequent to the Reporting Period.

**7. Share Option Scheme**

For the six months ended 30 June 2022, the Company did not implement any share option scheme.

**8. Foreign Exchange 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.



**3. 2022 Management Strategy**

In the second half of 2022, the Group will continue to promote the “five refined” management

## AUDIT COMMITTEE

The audit committee of the Company has reviewed the Group's 2022 interim results and the unaudited financial statements for the six months ended 30 June 2022 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.jncec.com>. The 2022 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

**B J C a E C ., L**  
**KANG J a**

*Deputy General Manager and Company Secretary*

Beijing, the PRC

25 August 2022

*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, Mr. Song Zhiyong and Mr. Wang Bangyi; the independent non-executive Directors of the Company are Mr. Huang Xiang, Mr. Chan Yin Tsung, Mr. Xu Daping and Ms. Zhao Jie.*