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大唐国际发电股份有限公司

DATANG INTERNATIONAL POWER GENERATION CO., LTD.

(a sino-foreign joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 00991)

ANNOUNCEMENT OF 2021 INTERIM RESULTS

OPERATING AND FINANCIAL HIGHLIGHTS:

- Operating revenue amounted to approximately RMB50,394 million, representing an increase of approximately 13.30% as compared to the first half of 2020.
- Total profit before tax amounted to approximately RMB3,102 million, representing a decrease of approximately 14.36% as compared to the first half of 2020.
- Net profit attributable to equity holders of the Company amounted to approximately RMB1,651 million, representing a decrease of approximately 10.36% as compared to the first half of 2020.
- Basic earnings per share attributable to equity holders of the Company amounted to approximately RMB0.0507, representing a decrease of RMB0.0195 per share as compared to the first half of 2020.

I. COMPANY RESULTS

The board of directors (the “**Board**”) of Datang International Power Generation Co., Ltd. (the “**Company**”) hereby announces the unaudited consolidated operating results of the Company and its subsidiaries (the “**Group**”) prepared in conformity with International Financial Reporting Standards (“**IFRSs**”) for the six months ended 30 June 2021 (the “**Period**”), together with the unaudited consolidated operating results of the first half of 2020 (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 RMB50,394 million, representing an increase of approximately 13.30% as compared to that of the Corresponding Period Last Year. Total profit before tax amounted to approximately RMB3,102 million, representing a decrease of approximately 14.36% as compared to that of the Corresponding Period Last Year. Net profit attributable to equity holders of the Company was approximately RMB1,651 million, representing a decrease of approximately 10.36% as compared to that of the Corresponding Period Last Year. Basic earnings per share attributable to equity holders of the Company amounted to approximately RMB0.0507, representing a decrease of RMB0.0195 per share as compared to that of the Corresponding Period Last Year.

II. MANAGEMENT DISCUSSION AND ANALYSIS

(I) Overview

The Company is one of the largest independent power generation companies in the People's Republic of China (the "PRC"). The power generation businesses of the Company and its subsidiaries cover 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 2021, tightly centering on the celebration of the 100th anniversary of the founding of the Chinese Communist Party, the Company dedicated to kick-start the new journey of the "Second Round of Start-up", promoted and achieved solid results in safety production, quality and efficiency improvement, transformation and development, energy conservation and emission reduction, making sure a good start in the "14th Five-year Plan".

(II) Review on the Operating Results of Principal Businesses

1. Production safety and epidemic prevention and control were steady in general. We have always kept the top priorities of the China in mind, adhered to overall development and safety, effectively improved the safety level in a qualitative manner, and achieved the "double zero" situation in safety, environmental protection, sustainable stability and epidemic prevention and control. The Company has firmly carried out three-year special rectification actions for safety production and the investigation and rectification of "six inspections and six strictnesses (六查六嚴)", with safety management level of the Company greatly improving. We successfully completed a series of power guarantee tasks for the 100th anniversary of the founding of the Party, etc., and made arrangements for power guarantee in advance for the Beijing Winter Olympic Games. We spared no effort in the normal pandemic prevention and control, and actively organized vaccination to ensure the health and safety of employees.
2. Remarkable results have been made in quality and efficiency improvement. With the goal centering on "two profits and four ratios", we conducted in-depth special actions to improve quality and efficiency focusing on "three improvement, two reductions and one governance", and proactively promoted the operation and management work. During the reporting period, total power generation of the Company amounted to approximately 132.0788 billion kWh, representing an increase of approximately 8.58% on a year-on-year basis; and total on-grid power generation amounted to approximately 124.7071 billion kWh, representing an increase of approximately 9.44% on a year-on-year basis.

3. Steady progress was made in transformation and development. We deeply implemented the new development concept and the new strategy for energy security, focused on the goal of “carbon peaking and carbon neutralization”, took initiative to follow up the “14th Five-year Plan” of regions, comprehensively implemented the structural adjustment actions, and accelerated the pace of development. During the reporting period, a total of 23 photovoltaic power projects of the Company were approved, with an approved capacity of 2,119.5 MW. The approved projects are mainly distributed in Zhejiang, Jiangxi, Guangdong and other regions.
4. Continuous optimization in energy conservation and emission reduction. During the reporting period, the coal consumption of the Company for power supply accumulated to 287.3g/kWh, representing a decrease of 2.61g/kWh as compared to the corresponding period last year; the general consumption rate of power plants was 5.50%. The performance of sulfur dioxide, nitrogen oxides, smoke ash and waste water discharge was 0.07g/kWh, 0.12g/kWh, 0.01g/kWh and 17.95g/kWh, respectively, all of which have fully completed the planned targets.

(III) MAJOR FINANCIAL INDICATORS AND ANALYSIS

1. *Operating Revenue*

During the Period, the Group realised an operating revenue of approximately RMB50,394 million, representing an increase of approximately 13.30% as compared to the Corresponding Period Last Year, among which revenue from electricity sales was approximately RMB43,237 million, representing an increase of approximately RMB5,337 million or approximately 14.08% as compared to the Corresponding Period Last Year. The increase in revenue from electricity sales was mainly due to the increase in power generation and on-grid power generation of the Group for the Period of approximately 8.58% and 9.44%, respectively, as compared to the Corresponding Period Last Year.

2. *Operating Costs*

During the Period, total operating costs of the Group amounted to approximately RMB45,394 million, representing an increase of approximately RMB7,388 million or 19.44% as compared to the Corresponding Period Last Year, which was mainly due to the increase in coal prices during the Period, and the increase in the cost of fuel for power and heat generation by approximately RMB7,493 million as compared to the Corresponding Period Last Year.

3. *Net Finance Costs*

During the Period, finance costs of the Group amounted to approximately RMB3,274 million, representing a decrease of approximately RMB199 million or approximately 5.74% as compared to the Corresponding Period Last Year. The decrease in finance costs was mainly due to the period-to-period decrease in the scale of debt financing.

4. *Total Profit*

During the Period, the Group achieved a total profit before tax of approximately RMB3,102 million, representing a decrease of approximately 14.36% as compared to the Corresponding Period Last Year. The Group also achieved a net profit of approximately RMB2,308 million, representing a decrease of approximately 14.61% as compared to the Corresponding Period Last Year.

5. *Financial Position*

As at 30 June 2021, the total assets of the Group amounted to approximately RMB280,857 million, representing an increase of approximately RMB386 million as compared to that at the end of 2020.

Total liabilities of the Group amounted to approximately RMB189,571 million, representing an increase of approximately RMB609 million as compared to the end of 2020.

6. *Liquidity*

As at 30 June 2021, the assets-to-liabilities ratio of the Group was 67.50%. The net debt-to-equity ratio was approximately 152.28%.

As at 30 June 2021, cash and cash equivalents and restricted deposits of the Group amounted to approximately RMB9,856 million, among which approximately RMB114 million were foreign currency deposits. The Group had no entrusted deposits and overdue fixed deposits during the Period.

As at 30 June 2021, short-term loans of the Group amounted to approximately RMB32,143 million, bearing annual interest rates ranging from 1.00% to 5.66%. Long-term loans (excluding those repayable within one year) amounted to approximately RMB93,497 million and long-term loans repayable within one year amounted to approximately RMB11,088 million. Long-term loans (including those repayable within one year) were at annual interest rates ranging from 1.20% to 6.80%.

7. *Welfare Policy*

As at 30 June 2021, the total number of employees of the Group was 31,872. For the overall payroll management, the Group adheres to performance orientation, attached great importance to benefit contribution and efficiency improvement, and implements a performance and salary connected system. We conducted in-depth performance appraisal for all employees, adhered to the double benchmarking of salary and performance, explored and established a market-oriented and differentiated compensation distribution mechanism to fully stimulate the motivation of the staff and the operation vitality of the Company.

The Group attaches importance to staff training, coordinately promotes the multi-channel growth mechanism of talents, vigorously carries forward the construction of talent team, pushed ahead the development of career planning of the employees in an orderly manner, and constantly stimulates the vitality of the staff. Adhering to the concept that “training is to create benefits for employees”, the Group delicately designed training topics in close combination with the actual condition of the Company and the needs of employees, and vigorously carried out the hierarchical and classified training for all employees by way of “distance training + on-site training”, which significantly improved the pertinence and effectiveness of the training. In the first half of this year, a total of 1,331 training programs were organized and implemented from the top to bottom of the Group, including 501 programs for operation and management, 830 programs for technology and skills, with a total of 38,824 person-times participating in the trainings.

(IV) OUTLOOK FOR THE SECOND HALF OF 2021

1. We will firmly adhere to safety and stability. We will fully implement the responsibility for safe production, firmly hold the bottom line of safe production, ecological environmental protection and livelihood heating supply, and make every effort to ensure that major power guarantee tasks are safe. We will consolidate the results of “six inspections and six strictnesses (六查六嚴)”, deepen the “four no’s and two directs (四不兩直)”, and improve the safety level in a qualitative manner with the goal of eliminating hidden dangers. We will always strictly implement the pandemic prevention and control, insist on scientific prevention and control, targeted prevention and control and simultaneous prevention of both people and animals, so as to ensure the safety and health of employees and the public.
2. We will unswervingly promote the quality and efficiency improvement. We will seize economical coal and increase the proportion of long-term cooperation to make every effort to ensure fuel supply. We will develop efficient power generation, strengthen marketing and regional dispatching, optimize power generation rhythm and power structure, and continuously improve the profitability of peak shaving auxiliary services. We will enhance the management of bidding procurement and project construction, reduce the cost level and improve the competitiveness of projects. We will deepen the market-oriented employment mechanism, reduce the scale of outsourced employment, perfect the allocation of human resources, and strive to improve the labor productivity of all employees. We will exert the platform advantages of a listed company, further optimize the financing structure and reduce the cost of funding. We will intensify the governance of loss making and zombie enterprises and speed up the disposal of inefficient and ineffective assets.
3. We will unswervingly accelerate the green and low-carbon transformation. We will strive to fight the battle of structural adjustment, proactively promote multi energy complementary projects to make new progress, make every effort to grasp the construction indicators of competitive allocation of new energy, plan and layout the pilot work of roof distributed photovoltaic development in the whole county (city, district), improve the installed scale of clean energy and optimize the power installation structure of the Company. We will dedicated to the innovation-driven green and low-carbon transformation, vigorously carry forward clean and efficient utilization of coal, increase the research on flexible transformation of coal-fired units, proactively carry out research and pilot demonstration of CCUS, hydrogen energy and energy storage technology, and advance the implementation of new business development.

4. We will unswervingly strengthen corporate governance. We will strengthen the overall standardized operation of the Company and reinforce the management of capital, assets and funds. We will further deepen the “double-hundred reforms” and advance the expansion of three systematic reforms to the grass-roots. We will strengthen the Party’s leadership in improving corporate governance, and accelerate the improvement of the corporate governance mechanism with statutory and transparent powers and responsibilities, coordinated operation, and effective checks and balances.

III. SHARE CAPITAL AND DIVIDENDS

1. Share Capital

As of 30 June 2021, 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 will be distributed for 2021.

3. Shareholding of the Directors, Supervisors and Chief Executives

As of 30 June 2021, 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 therein pursuant to section 352 of the SFO or otherwise required to be complied with the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “**Listing Rules**”).

Name of director	Class of shares of the Company	Long position/ Short position	Capacity/Nature of interest	Number of A-shares held	Approximate percentage to issued shares of the Company
Mr. Liu Jizhen	A-shares	Long position	Beneficial interest	9,100	0.000049%

IV. SIGNIFICANT EVENTS

1. According to the “Resolution on the Appointment of Deputy General Manager of the Company” considered and approved at the eighteenth meeting of the tenth session of the Board of the Company on 28 April 2021, Mr. Duan Wenwei and Mr. Wan Yong were appointed as the deputy general managers of the Company.
2. As at the date of this announcement, the Company issued super short-term debentures of RMB12 billion in total.
3. As at the date of this announcement, the Company issued medium term notes of RMB2 billion (sustainable linkage) and green medium term notes of RMB1.2 billion (Carbon Neutralization Bonds).
4. According to the “Resolution on the Adjustment to the Chairman of the Tenth Session of the Board of the Company” considered and approved at the twentieth meeting of the tenth session of the Board of the Company on 6 July 2021, Mr. Liang Yongpan was elected as the chairman of the tenth session of the Board, and Mr. Chen Feihu ceased to serve as the chairman of the tenth session of the Board of the Company.
5. On 5 August 2021, Mr. Chen Feihu tendered a written resignation to the Board of the Company and ceased to serve as the non-executive director of the Company.

V. PURCHASE, SALE AND REDEMPTION OF THE COMPANY’S LISTED SECURITIES

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

VI. COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

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

During the Period, the legal action which the directors of the Company may face is covered by the internal risk management and control of the Company. As the Company considers that no additional risk exists, insurance arrangements for directors have not been made as required under code provision A.1.8 of the Code.

During the Period, the Nomination Committee, the Remuneration and Appraisal Committee, the Audit Committee as well as the Strategic Development and Risk Control Committee set up by the Company carried out their work in accordance with their respective terms of reference. Their terms of reference have covered the responsibilities to be performed as required by the code provisions A.5.2, B.1.2 and C.3.3 of the Code. The only discrepancies between such terms of reference and the aforesaid code provisions were the expressions or sequence.

VII. COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code.

Upon specific enquiries made to all directors and in accordance with information available, the Board confirmed that all directors and supervisors have complied with the Model Code during the Period.

VIII. AUDIT COMMITTEE

The Audit Committee is comprised of Mr. Jiang Fuxiu as convenor alongside Mr. Luo Zhongwei, Mr. 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
Jiang Jinming
Company Secretary

Beijing, the PRC, 30 August 2021

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

Liang Yongpan, Qu Bo, Ying Xuejun, Zhu Shaowen, Cao Xin, Zhao Xianguo, Jin Shengxiang, Sun Yongxing, Liu Jizhen, Luo Zhongwei*, Liu Huangsong*, Jiang Fuxiu*, Niu Dongxiao**

* *Independent non-executive directors*

**FINANCIAL INFORMATION EXTRACTED FROM FINANCIAL STATEMENTS
PREPARED UNDER IFRSs**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE SIX MONTHS ENDED 30 JUNE 2021**

		Six months ended 30 June	
		<u>2021</u>	<u>2020</u>
	<i>Note</i>	<i>RMB'000</i> <i>(unaudited)</i>	<i>RMB'000</i> <i>(unaudited)</i>
Operating revenue	3	<u>50,394,245</u>	44,478,123
Operating costs			
Fuel for power and heat generation		(28,305,341)	(20,812,704)
Depreciation		(6,823,934)	(7,192,738)
Repairs and maintenance		(1,064,629)	(1,303,510)
Salaries and staff welfare		(3,518,322)	(3,098,493)
Local government surcharges		(647,892)	(620,103)
Others	7(b)	<u>(5,033,522)</u>	<u>(4,978,266)</u>
Total operating costs		<u>(45,393,640)</u>	<u>(38,005,814)</u>
Operating profit		5,000,605	6,472,309
Share of results of associates		966,480	405,433
Share of results of joint ventures		(24,285)	(26,614)
Investment income		81,423	18,545
Interest income	7(a)	27,067	45,996
Other income and other gains and losses, net		324,193	179,183
Finance costs	5	<u>(3,273,646)</u>	<u>(3,472,856)</u>
Profit before tax		3,101,837	3,621,996
Income tax expense	6	<u>(793,799)</u>	<u>(919,157)</u>
Profit for the period	7(a)	<u>2,308,038</u>	<u>2,702,839</u>
Profit for the period attributable to:			
Holder of equity instruments of the Company			
– Owners of the Company		939,131	1,299,297
– Holders of other equity instruments		712,264	543,047
		1,651,395	1,842,344
– Non-controlling interests		<u>656,643</u>	<u>860,495</u>
		<u>2,308,038</u>	<u>2,702,839</u>
Earnings per share			
Basic and diluted (RMB cents)	9	<u>5.07</u>	<u>7.02</u>

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

FOR THE SIX MONTHS ENDED 30 JUNE 2021

	Six months ended 30 June	
	<u>2021</u>	<u>2020</u>
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Profit for the period	<u>2,308,038</u>	<u>2,702,839</u>
Other comprehensive income/(expense):		
<i>Items that may be reclassified to profit or loss:</i>		
Share of other comprehensive income of associates	2,546	6,058
Exchange differences on translating foreign operations	(8,639)	1,907
<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	<u>(18,475)</u>	<u>(101,096)</u>
Other comprehensive expenses for the period, net of tax	<u>(24,568)</u>	<u>(93,131)</u>
Total comprehensive income for the period	<u>2,283,470</u>	<u>2,609,708</u>
Total comprehensive income for the period attributable to:		
Holder of equity instruments of the Company		
– Owners of the Company	930,796	1,203,877
– Holders of other equity instruments	712,264	543,047
	1,643,060	1,746,924
– Non-controlling interests	<u>640,410</u>	<u>862,784</u>
	<u>2,283,470</u>	<u>2,609,708</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

		30 June 2021	31 December 2020
	<i>Note</i>	RMB'000 <i>(unaudited)</i>	RMB'000 <i>(audited)</i>
Non-current assets			
Property, plant and equipment	<i>10</i>	203,529,807	208,922,692
Right-of-use assets		5,031,137	5,073,892
Investment properties		491,336	473,183
Intangible assets		2,003,439	2,010,821
Interests in associates		18,465,926	17,608,093
Interests in joint ventures		424,399	453,947
Financial assets at fair value through profit or loss		3,975,178	3,839,505
Financial assets at fair value through other comprehensive income		906,877	899,309
Deferred tax assets		3,954,596	3,915,125
Other non-current assets		4,608,349	3,562,559
		243,391,044	246,759,126
Current assets			
Inventories		3,977,430	3,145,945
Trade and notes receivables	<i>11</i>	18,708,125	16,732,397
Prepayments and other receivables		4,748,272	5,404,839
Tax recoverable		176,391	154,544
Cash and cash equivalents and restricted deposits		9,855,735	8,274,612
		37,465,953	33,712,337

		30 June 2021	31 December 2020
	<i>Note</i>	RMB'000 (unaudited)	RMB'000 (audited)
Current liabilities			
Trade payables and accrued liabilities	12	22,306,602	22,208,032
Contract liabilities		310,510	1,539,392
Consideration payable		169,216	169,216
Tax payables		1,280,096	1,416,964
Dividend payables		1,990,781	805,672
Short-term loans		32,142,728	29,040,022
Short-term bonds		4,014,698	2,622,655
Current portion of lease liabilities		166,905	271,946
Current portion of non-current liabilities		13,797,794	20,946,331
		76,179,330	79,020,230
Net current liabilities		(38,713,377)	(45,307,893)
		204,677,667	201,451,233
Capital and reserves			
Share capital		18,506,711	18,506,711
Reserves		22,507,405	23,364,587
		41,014,116	41,871,298
Non-controlling interests		18,698,693	18,321,656
Other equity instruments		31,573,099	31,316,377
Total equity		91,285,908	91,509,331
Non-current liabilities			
Long-term loans		93,497,375	92,151,095
Long-term bonds		7,985,378	5,982,740
Deferred income		2,037,565	2,168,887
Deferred tax liabilities		650,041	618,048
Lease liabilities		1,857,515	1,714,402
Other non-current liabilities		7,363,885	7,306,730
		113,391,759	109,941,902
		204,677,667	201,451,233

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2021

1 BASIS OF PREPARATION

These condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 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 2020, which have been prepared in accordance with International Financial Reporting Standard (“IFRSs”) issued by the IASB.

At 30 June 2021, the Group had net current liabilities of approximately RMB38,713,377,000. The Group meet its day to day working capital requirements from cash generated from its operating activities and available financing facilities from banks and other financial institutions. The Group had significant undrawn borrowing facilities, subject to certain conditions, of not less than RMB150 billion and may refinance and/or restructure certain short-term borrowings into long-term borrowings and will also consider alternative sources of financing, where applicable. The directors of the Company are of the opinion that the Group will be able to meet its liabilities as and when they fall due within the next twelve months and have prepared these condensed consolidated financial statements on a going concern basis.

2 PRINCIPAL ACCOUNTING POLICIES

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

Other than changes in accounting policies resulting from application of amendments to IFRSs, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2021 are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2020.

Application of amendments to IFRSs

In the current interim period, the Group has applied the following amendments to IFRSs issued by the IASB for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2021 for the preparation of the Group’s condensed consolidated financial statements.

Amendments to IFRS 16	COVID-19-Related Rent Concessions
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS16	Interest Rate Benchmark Reform Phase 2

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.

3 OPERATING REVENUE

The Group's operating revenue was generated from contracts with customers and revenue is recognised at a point in time. The disaggregation of the Group's operating revenue by product types for the period is as follows:

	Six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Sales of electricity and heat supply	47,682,141	40,427,900
Sales of coal	181,313	1,087,563
Others	2,530,791	2,962,660
Total	<u>50,394,245</u>	<u>44,478,123</u>

4 SEGMENT INFORMATION

Executive directors and certain senior management (including chief accountant) of the Company (collectively referred to as the “**Senior Management**”) perform the function as chief operating decision makers (the “**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**”). Unless otherwise noted below, all such financial information in the segment tables below is prepared under PRC GAAP.

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

Segment revenues and results

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

Six months ended 30 June 2021

	Power and heat generation segment <i>RMB'000</i> <i>(unaudited)</i>	Coal segment <i>RMB'000</i> <i>(unaudited)</i>	Other segments <i>RMB'000</i> <i>(unaudited)</i>	Total <i>RMB'000</i> <i>(unaudited)</i>
SEGMENT REVENUE				
Revenue from external customers	47,682,141	181,313	2,530,791	50,394,245
Inter-segment revenue <i>(Note)</i>	<u>427,894</u>	<u>3,206,894</u>	<u>57,483</u>	<u>3,692,271</u>
	<u>48,110,035</u>	<u>3,388,207</u>	<u>2,588,274</u>	<u>54,086,516</u>
Segment profit/(loss)	<u>2,715,616</u>	<u>424,370</u>	<u>(81,194)</u>	<u>3,058,792</u>

Six months ended 30 June 2020

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

Note: The inter-segment sales were carried out with reference to market prices.

Segment results do not include income tax expense. This is the measure reported to the CODM of the Group for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

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

	<u>30 June 2021</u>	<u>31 December 2020</u>
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(unaudited)</i>	<i>(audited)</i>
SEGMENT ASSETS		
Power and heat generation segment	271,582,549	270,225,400
Coal segment	4,797,723	4,829,265
Other segments	4,364,982	5,278,843
	<hr/>	<hr/>
Total reportable segment assets	<u>280,745,254</u>	<u>280,333,508</u>
SEGMENT LIABILITIES		
Power and heat generation segment	181,298,046	180,134,312
Coal segment	2,890,180	2,811,237
Other segments	5,359,453	5,995,403
	<hr/>	<hr/>
Total reportable segment liabilities	<u>189,547,679</u>	<u>188,940,952</u>

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

	Six months ended 30 June	
	<u>2021</u>	<u>2020</u>
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Total reportable segment profit	3,058,792	3,565,196
IFRSs adjustments	43,045	56,800
	<hr/>	<hr/>
Profit before tax under IFRSs	<u>3,101,837</u>	<u>3,621,996</u>

	<u>30 June 2021</u>	<u>31 December 2020</u>
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(unaudited)</i>	<i>(audited)</i>
Assets		
Total reportable segment assets	280,745,254	280,333,508
IFRSs adjustments	111,743	137,955
	<hr/>	<hr/>
Total assets under IFRSs	<u>280,856,997</u>	<u>280,471,463</u>
Liabilities		
Total reportable segment liabilities	189,547,679	188,940,952
IFRSs adjustments	23,410	21,180
	<hr/>	<hr/>
Total liabilities under IFRSs	<u>189,571,089</u>	<u>188,962,132</u>

Geographical information

No geographical information is presented as more than 90% of the Group's revenue during the six months ended 30 June 2021 and 2020 and most of their customers and non-current assets as at 30 June 2021 and 31 December 2020 were located in the People's Republic of China (the "PRC").

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	
	<u>2021</u>	<u>2020</u>
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Customer A ¹	<u>7,208,693</u>	<u>6,826,199</u>

¹ Revenue from power and heat generation segment

5 FINANCE COSTS

	Six months ended 30 June	
	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Interest on bank loans, bonds and other borrowings	3,323,778	3,707,553
Interest on lease liabilities	27,877	19,120
Less: Amounts capitalised in property, plant and equipment	<u>(113,599)</u>	<u>(276,866)</u>
	3,238,056	3,449,807
Others	<u>35,590</u>	<u>23,049</u>
	<u>3,273,646</u>	<u>3,472,856</u>

6 INCOME TAX EXPENSE

	Six months ended 30 June	
	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Current tax – PRC Enterprise Income Tax (“EIT”)	801,277	909,367
Deferred tax	<u>(7,478)</u>	<u>9,790</u>
	<u>793,799</u>	<u>919,157</u>

The PRC EIT represents tax charged on the estimated assessable profits arising in the PRC. In general, the Group’s subsidiaries operating in the PRC are subject to the PRC EIT rate of 25% (six months ended 30 June 2020: 25%) except for certain subsidiaries which are tax exempted or entitled to preferential tax rates, as determined in accordance with the relevant tax rules and regulations in the PRC.

7 PROFIT FOR THE PERIOD

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

	Six months ended 30 June	
	<u>2021</u>	<u>2020</u>
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Interest income	(27,067)	(45,996)
Depreciation of property, plant and equipment	6,707,016	7,077,022
Depreciation of investment properties	17,256	13,469
Depreciation of right-of-use assets	99,662	102,247
	<u>99,662</u>	<u>102,247</u>

(b) Other operating expenses:

	Six months ended 30 June	
	<u>2021</u>	<u>2020</u>
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Recognition/(reversal) of impairment of trade receivables, net	82,295	(478)
Recognition/(reversal) of impairment of other receivables, net	66,549	(2,781)
Impairment of property, plant and equipment	601,511	–
Amortisation of intangible assets	27,523	23,325
Procurement cost of aluminium products and coal products	1,337,154	2,087,357
Environmental protection fee	1,418,477	1,577,171
Electricity expense	202,815	121,182
Water fee and water resource fee	281,257	255,782
Transportation expenses	28,258	18,787
Intermediary fees	22,764	18,537
Insurance	108,941	119,337
Office expenses	14,725	11,988
Travel expenses	29,517	17,521
Outsourcing expenses	101,842	112,885
Public security fire fee	34,606	43,030
Information expenses	13,963	17,809
Entertainment expenses	8,292	3,688
Sales services fee	8,191	11,673
Building management fee	65,739	61,757
Others (<i>Note</i>)	579,103	479,696
	<u>579,103</u>	<u>479,696</u>
Total other operating expenses	<u>5,033,522</u>	<u>4,978,266</u>

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

8 DIVIDENDS

During the six months ended 30 June 2021, a final dividend of RMB0.091 per share in respect of the year ended 31 December 2020 amounting to approximately RMB1,684,111,000 (six months ended 30 June 2020: final dividend of RMB0.065 per share amounting to approximately RMB1,202,936,000) was declared 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 2021.

9 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	
	<u>2021</u>	<u>2020</u>
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Earnings		
Profit for the purpose of basic and diluted earnings per share	<u>939,131</u>	<u>1,299,297</u>
	<i>'000</i>	<i>'000</i>
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	<u>18,506,711</u>	<u>18,506,711</u>

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 2021 and 2020.

10 PROPERTY, PLANT AND EQUIPMENT

(a) Changes in estimated useful lives of property, plant and equipment

During the current interim period, the Group performed a review to reassess the estimated useful lives of certain property, plant and equipment from the power and heat generation segment, based on the expectations of the Group's operational management and technological trends.

As a result, the Group adjusted the estimated useful lives of coal-fired power generation units and heat supply equipment from 17 years to 20 years, hydropower generation units from 15 years to 18 years, hydropower dam from 45 years to 50 years and transportation facilities from 6 years to 10 years with effect from 1 April 2021.

The aforesaid changes in accounting estimates were made using the prospective application method and resulted in a decrease of depreciation by RMB569,898,000 for the six months ended 30 June 2021.

(b) Additions to property, plant and equipment

During the current interim period, the Group acquired items of property, plant and equipment with an aggregate cost of RMB3,324,492,000 (six months ended 30 June 2020: RMB4,522,056,000).

11 TRADE AND NOTES RECEIVABLES

	<u>30 June 2021</u>	<u>31 December 2020</u>
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(unaudited)</i>	<i>(audited)</i>
Trade receivables	18,592,877	16,025,109
Less: Allowance for credit losses	(960,042)	(877,747)
	17,632,835	15,147,362
Notes receivables		
– At amortised cost	438,998	343,228
– At fair value through other comprehensive income	636,292	1,241,807
	1,075,290	1,585,035
	18,708,125	16,732,397

As at 30 June 2021 and 31 December 2020, trade receivables from contracts with customers amounted to RMB17,632,835,000 and RMB15,147,362,000 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 and notes receivables net of allowance for credit losses, presented based on the invoice dates, which approximates the respective revenue recognition dates, at the end of the reporting period.

	<u>30 June 2021</u>	<u>31 December 2020</u>
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(unaudited)</i>	<i>(audited)</i>
Within one year	13,523,637	13,766,550
Between one to two years	3,063,401	2,092,326
Between two to three years	1,311,875	610,477
Over three years	809,212	263,044
	18,708,125	16,732,397

12 TRADE PAYABLES AND ACCRUED LIABILITIES

	<u>30 June 2021</u>	<u>31 December 2020</u>
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(unaudited)</i>	<i>(audited)</i>
Trade payables	17,430,776	17,422,783
Notes payables	1,602,877	1,407,831
Accrued expenses	235,250	197,556
Other payables	3,037,699	3,179,862
	<u>22,306,602</u>	<u>22,208,032</u>

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

	<u>30 June 2021</u>	<u>31 December 2020</u>
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(unaudited)</i>	<i>(audited)</i>
Within one year	12,875,806	13,518,850
Between one to two years	2,715,094	1,900,106
Between two to three years	1,022,383	1,327,135
Over three years	2,420,370	2,084,523
	<u>19,033,653</u>	<u>18,830,614</u>