

a with limited liability)



2019 INTERIM REPORT



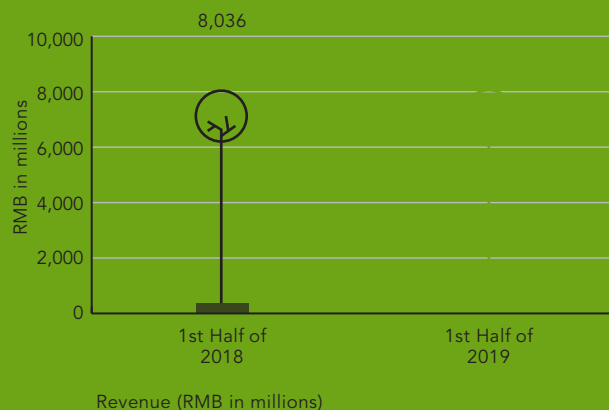
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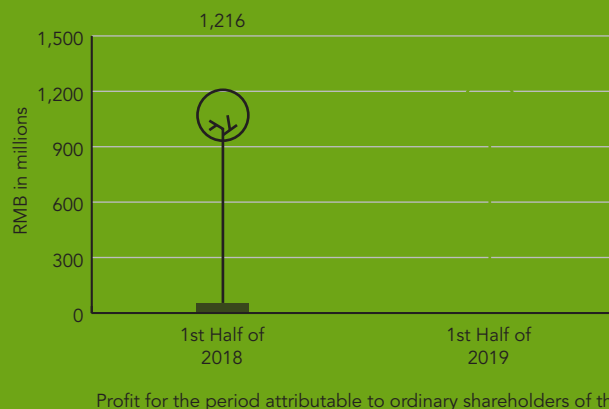


FINANCIAL HIGHLIGHTS

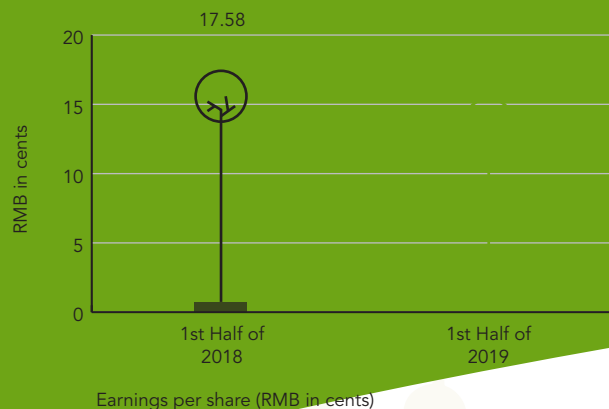
REVENUE



PROFIT FOR THE PERIOD ATTRIBUTABLE TO ORDINARY SHAREHOLDERS OF THE COMPANY



EARNINGS PER SHARE



FINANCIAL HIGHLIGHTS

	For the six months ended	
	30 June	
	2019	2018
	RMB'000	MB'000
Revenue	8,064,971	8,036,391
Profit	1,700,856	1,731,629
Loss	(380,520)	(414,287)
Profit	1,320,336	1,317,342
Profit	1,268,270	1,216,095
Expense	-	35,768
Net	52,066	65,479
Balance sheet (MB'000)	15.38	17.58
	As of	
	30 June	31 December
	2019	2018
	RMB'000	MB'000
Assets	43,497,066	42,809,938
Liabilities	10,991,098	12,131,522
Equity	54,488,164	54,941,460
Equity	15,894,135	19,391,917
Liabilities	16,327,219	14,037,943
Equity	32,221,354	33,429,860
Net	22,266,810	21,511,600
Equity	21,817,522	21,114,378
Net	449,288	397,222
Equity	22,266,810	21,511,600

CORPORATE PROFILE

REGISTERED NAME

BEIJING JINGNENG CLEAN ENERGY CO., LIMITED

DIRECTORS

Non-executive Directors

M. LI HONG (Chairman)
M. LI JUAN
M. WANG BING
M. EN YU

Executive Directors

M. HANG FANG (General Manager)
M. HANG JUAN
M. CAO MING

Independent Non-executive Directors

M. HANG HONG
M. HANG FANG
M. CHAN YU
M. HAN YU

STRATEGY COMMITTEE

M. LI HONG (Chairman)
M. HANG FANG
M. HANG JUAN
M. CAO MING

REMUNERATION AND NOMINATION COMMITTEE

M. HANG HONG (Chairman)
M. LI HONG
M. HANG JUAN
M. HANG FANG
M. HAN YU

AUDIT COMMITTEE

M. CHAN YU (Chairman)
M. LI JUAN
M. HANG HONG

SUPERVISORS

M. WANG HONG
M. HANG HONG
M. HANG LI

COMPANY SECRETARY

M. KANG JUAN

AUTHORIZED REPRESENTATIVES

M. HANG FANG
7/8 F, N. 6
C. D. B. P. C.

M. KANG JUAN
7/8 F, N. 6
C. D. B. P. C.

REGISTERED OFFICE

118, N. 1
B. E. D.
P. C. (PRC)

PRINCIPAL PLACE OF BUSINESS IN THE PRC

7/8 F, N. 6
C. D. B. P. C.

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

L. 54, H. C.
183 U. E. H. K.

PRINCIPAL BANKERS

China Merchants Bank Co., Ltd. (Donghai Branch)
 Floor 2, Meituan Building
 No. 46 Donghai Road
 District, Beijing, P.R.C.

Bank of China Co., Ltd. (Fubei Branch)
 Building 1, No. 9, Chongwenmen
 District, Beijing, P.R.C.

Agricultural Bank of China Co., Ltd. (Fubei Branch)
 No. 9, East An Road
 Fubei District, Beijing, P.R.C.

Industrial and Commercial Bank of China Co., Ltd.
 (Fubei Branch)
 No. 55, Donghai Road
 District, Beijing, P.R.C.

INTERNATIONAL AUDITORS

Deloitte Touche
 Coopers & Lybrand
 35/F, Olympic Plaza
 88 Victoria Road, Hong Kong

DOMESTIC AUDITORS

Grant Thornton LLP (Grant Thornton P.R.C.)
 5/F, Olympic Plaza
 22 Jiefang Road, A
 District, Beijing, P.R.C.

HONG KONG LEGAL ADVISORS

Frost Bunker
 55/F, Olympic Plaza
 District, Beijing, P.R.C.

PRC LEGAL ADVISORS

Yan L. F.
 10/F, CPIC Plaza, 28 Fubei Road
 District, Beijing, P.R.C.

H SHARE REGISTRAR

China H.K.I.
 Limited
 1712-1716, 17/F
 Harbour Centre, 183
 Victoria Road, Hong Kong

STOCK CODE

579

COMPANY'S WEBSITE

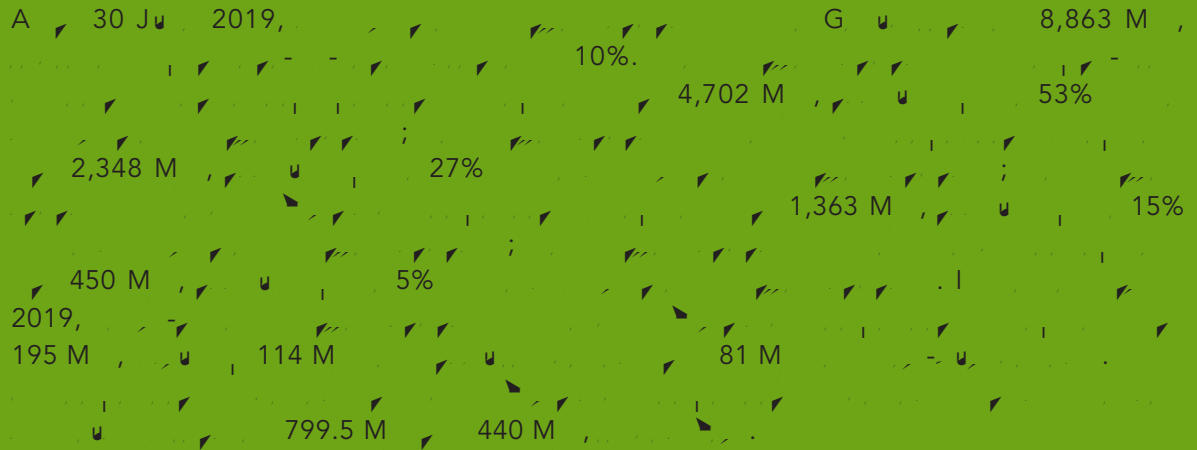
www.jingneng.com.cn

LISTING PLACE

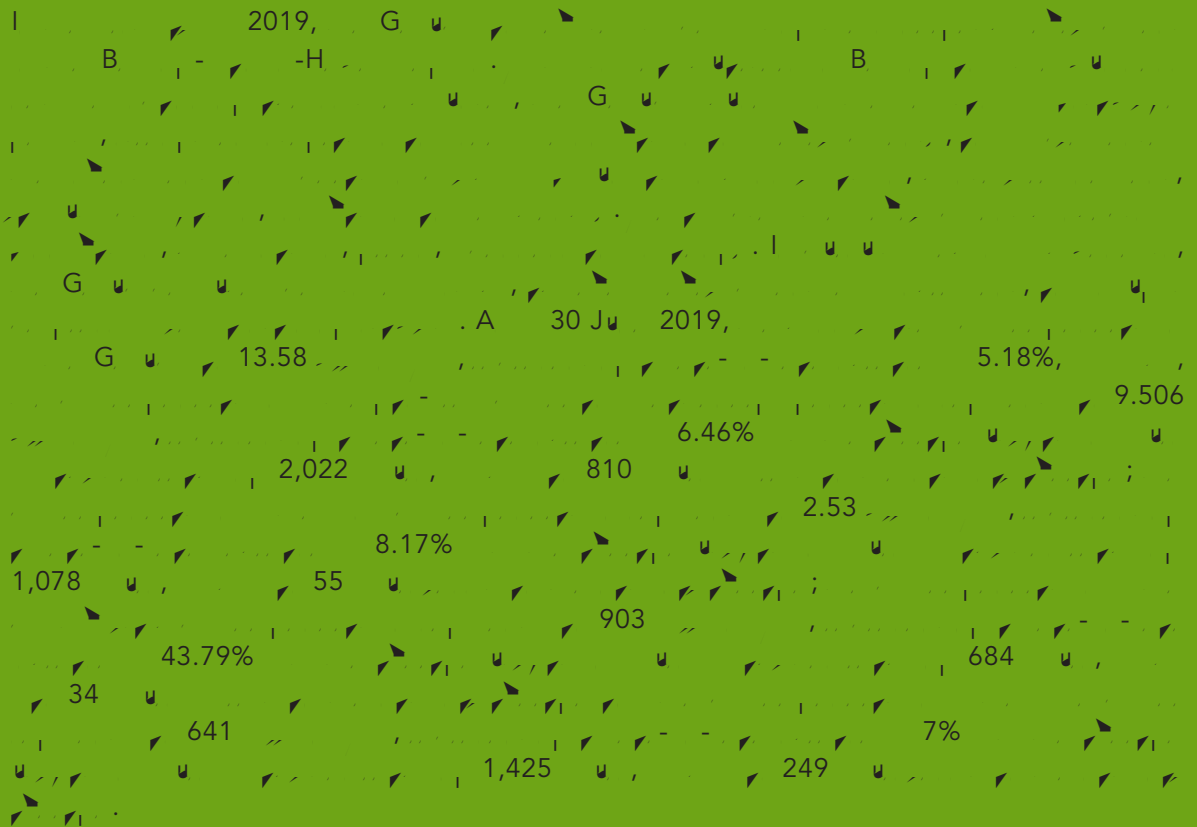
Stock Exchange of Hong Kong, Limited

I. BUSINESS REVIEW FOR THE FIRST HALF OF 2019

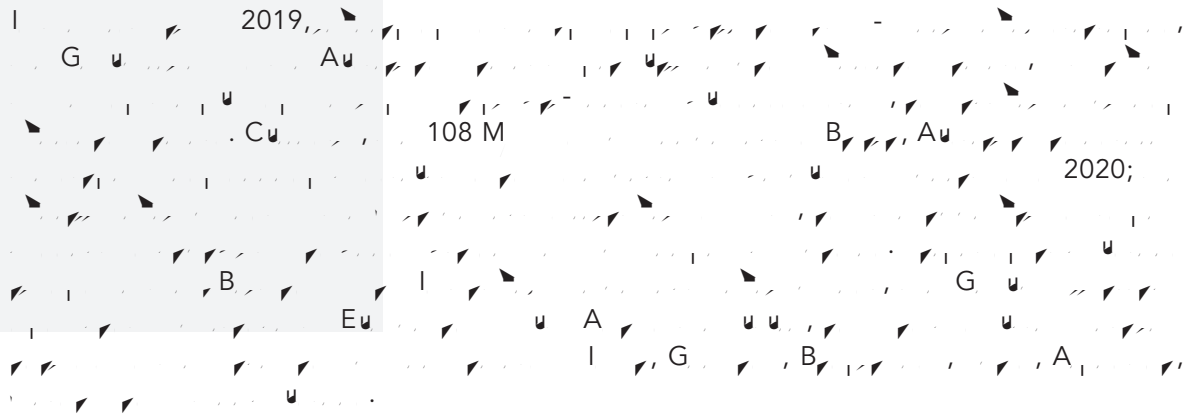
1. Increase in installed capacity



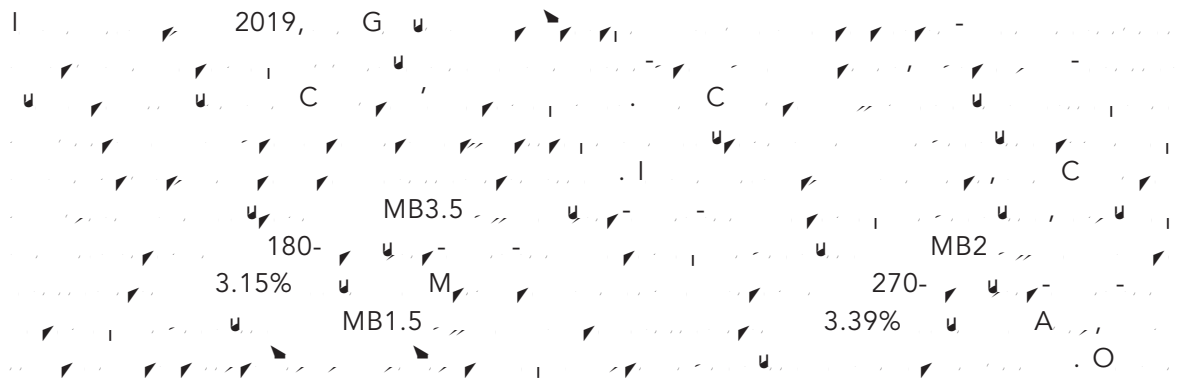
2. Increase in power generation



3. Steady promotion of overseas projects



4. Reduction in financing cost



MANAGEMENT DISCUSSION AND ANALYSIS

2. Operating Income

Segment	2019, MB	2018, MB	Change (%)
Gas-fired Power and Heat Energy Generation Segment	MB8,036.4	MB8,524.2	0.36%
Wind Power Segment	MB1,149.6	MB1,028.9	10.50%
Photovoltaic Power Segment	MB485.6	MB685.7	41.21%
Hydropower Segment	MB145.7	MB149.9	2.88%
Others	MB6.5	MB0.9	86.15%
Total	MB10,173.8	MB10,393.7	1.92%

Gas-fired Power and Heat Energy Generation Segment

Segment	2019, MB	2018, MB	Change (%)
Gas-fired Power	MB5,190.6	MB5,147.5	0.60%
Gas-fired Heat	MB2,845.8	MB3,376.7	0.83%
Total	MB8,036.4	MB8,524.2	0.36%

Wind Power Segment

Segment	2019, MB	2018, MB	Change (%)
Wind Power	MB1,149.6	MB1,028.9	10.50%

Photovoltaic Power Segment

Segment	2019, MB	2018, MB	Change (%)
Photovoltaic Power	MB485.6	MB685.7	41.21%

Hydropower Segment

Segment	2019, MB	2018, MB	Change (%)
Hydropower	MB145.7	MB149.9	2.88%

Others

Segment	2019, MB	2018, MB	Change (%)
Others	MB6.5	MB0.9	86.15%

3. Other Income

Segment	2019, MB	2018, MB	Change (%)
Other Income	MB504.2	MB619.5	22.87%

4. Operating Expenses

Operating expenses increased by 3.12% from MB6,294.4 million in 2018 to MB6,490.5 million in 2019, mainly due to the increase in gas consumption.

Gas Consumption

Gas consumption increased by 5.63% from MB4,300.1 million in 2018 to MB4,542.1 million in 2019, mainly due to the increase in gas consumption in the power generation business.

Depreciation and Amortization

Depreciation and amortization increased by 9.42% from MB1,185.5 million in 2018 to MB1,083.4 million in 2019, mainly due to the increase in depreciation and amortization of property, plant and equipment.

Personnel Cost

Personnel cost increased by 1.25% from MB316.2 million in 2018 to MB320.2 million in 2019, mainly due to the increase in personnel cost in the power generation business.

Repairs and Maintenance

Repairs and maintenance decreased by 3.78% from MB226.8 million in 2018 to MB235.7 million in 2019, mainly due to the decrease in repairs and maintenance in the power generation business.

Other Expenses

Other expenses increased by 19.98% from MB274.7 million in 2018 to MB343.3 million in 2019, mainly due to the increase in other expenses in the power generation business.

Other Gains and Losses

Other gains and losses decreased by MB11.7 million from MB54.8 million in 2018 to MB43.1 million in 2019, mainly due to the decrease in other gains and losses in the power generation business.

5. Operating Profit



6. Adjusted Segment Operating Profit



Gas-fired Power and Heat Energy Generation Segment



Wind Power Segment



Photovoltaic Power Segment



Hydropower Segment



Others



7. Finance Costs

Finance costs were MB580.0 million in 2018, MB557.9 million in 2019, and MB580.0 million in 2019. Finance costs were 3.96% of the average total assets in 2018, 3.96% in 2019, and 3.96% in 2019.

8. Share of Results of Associates

Share of results of associates was MB59.4 million in 2018, MB23.3 million in 2019, and MB59.4 million in 2019. Share of results of associates was 154.94% of the average total assets in 2018, 154.94% in 2019, and 154.94% in 2019. Share of results of associates was 154.94% of the average total assets in 2018, 154.94% in 2019, and 154.94% in 2019.

9. Profit before Taxation

Profit before taxation was MB1,700.9 million in 2018, MB1,731.6 million in 2019, and MB1,700.9 million in 2019. Profit before taxation was 1.77% of the average total assets in 2018, 1.77% in 2019, and 1.77% in 2019.

10. Income Tax Expense

Income tax expense was MB380.5 million in 2018, MB414.3 million in 2019, and MB380.5 million in 2018. Income tax expense was 22.37% of the average total assets in 2018, 23.92% in 2019, and 22.37% in 2018.

11. Profit for the Period

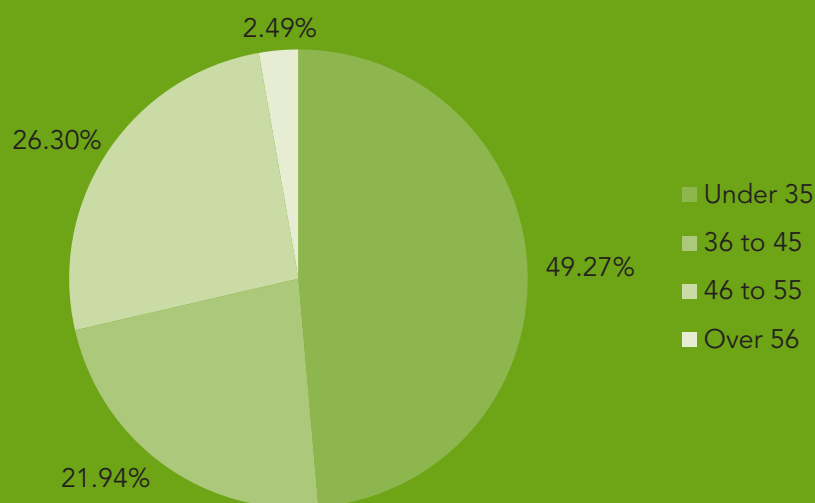
Profit for the period was MB1,320.3 million in 2018, MB1,317.3 million in 2019, and MB1,320.3 million in 2018. Profit for the period was 0.23% of the average total assets in 2018, 0.23% in 2019, and 0.23% in 2018.

12. Profit for the Period Attributable to Ordinary Shareholders of the Company

Profit for the period attributable to ordinary shareholders of the company was MB1,216.1 million in 2018, MB1,268.3 million in 2019, and MB1,216.1 million in 2018. Profit for the period attributable to ordinary shareholders of the company was 4.29% of the average total assets in 2018, 4.29% in 2019, and 4.29% in 2018.

MANAGEMENT DISCUSSION AND ANALYSIS

Age Structure



2. Degree Structure:

Educational background	Number of employees	Percentage	Cumulative percentage
Diploma	3	0.11%	0.11%
Master's degree	167	6.12%	6.23%
Bachelor's degree	1,356	49.67%	55.90%
College	1,204	44.10%	100.00%
	2,730	100.00%	-

II. EMPLOYEES' INCENTIVES

The Company has implemented a performance-based incentive system for its employees. The system is designed to motivate employees to improve their performance and contribute to the Company's success. The incentive system includes a variety of measures, such as bonuses, stock options, and other benefits. The Company also provides training and development opportunities for its employees to enhance their skills and knowledge. The Company's incentive system is based on the following principles:

- Performance-based:** Incentives are awarded based on individual and team performance.
- Transparency:** The incentive system is transparent and fair.
- Flexibility:** The incentive system is flexible and can be adjusted to meet the Company's needs.
- Long-term:** The incentive system is designed to encourage long-term commitment and loyalty.

III. EMPLOYEES' REMUNERATION

The Company's remuneration policy is designed to attract and retain top talent. The policy is based on the following principles:

- Competitiveness:** The Company's remuneration is competitive with the market.
- Performance-based:** Remuneration is based on individual and team performance.
- Transparency:** The remuneration policy is transparent and fair.
- Flexibility:** The remuneration policy is flexible and can be adjusted to meet the Company's needs.
- Long-term:** The remuneration policy is designed to encourage long-term commitment and loyalty.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is listed on the Hong Kong Stock Exchange (the "Stock Exchange"), and is subject to the Corporate Governance Code set out in the Listing Rules of the Stock Exchange. The Company has adopted the Corporate Governance Code as its own code of corporate governance. The Company has complied with all the applicable provisions of the Corporate Governance Code during the reporting period ended 30 June 2019.

COMPLIANCE WITH MODEL CODE

The Company is also subject to the Model Code for Directors' Securities Transactions set out in the Listing Rules of the Stock Exchange (the "Model Code"). The Company has adopted the Model Code as its own code of conduct for Directors' securities transactions. The Company has complied with all the applicable provisions of the Model Code during the reporting period ended 30 June 2019.

PLEDGING OF SHARES BY THE CONTROLLING SHAREHOLDER

The Company is not aware of any shares of the Company being pledged by the controlling shareholder during the reporting period ended 30 June 2019.

LOAN AGREEMENTS OR FINANCIAL ASSISTANCE OF THE COMPANY

The Company has not provided any loan agreements or financial assistance to any Director or controlling shareholder during the reporting period ended 30 June 2019.

AUDIT COMMITTEE

The Audit Committee (the "Audit Committee") is composed of three independent non-executive Directors, namely M. CHAN (Chairman), M. LI JUYI (Member) and M. HANG (Member). M. CHAN is also an independent non-executive Director of the Company.

The Audit Committee has held one meeting during the reporting period ended 30 June 2019.

CORPORATE GOVERNANCE AND OTHER INFORMATION

REGISTERED SHARE CAPITAL

A	30 June 2019,	MB8,244,508,144	MB1.00	5,414,831,344	MB8,244,508,144,	2,829,676,800
H						

INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES

A	30 June 2019,					
		(P, F, O, SFO,)				
P		FO (FO),			352	FO,
					M	C

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES

A	30 June 2019,					
		D 2 3 P FO				
		336				

N : (L), L, (), (P), L

Name of shareholders	Types of Shares	Capacity	Number of shares/ underlying shares held (share)	Percentage of relevant class of share capital (%)	Percentage of total share capital (%)
BEH ^(1, 2)	D	B	5,190,483,053 (L)	95.86	62.96
B COMC ^(1, 2)	H D	L B	471,612,800 (L) 5,414,831,344 (L)	16.67 100.00	5.72 65.68
B E I ⁽²⁾	H	L	471,612,800 (L)	16.67	5.72
AIF I GPC L ⁽³⁾	H	L	471,612,800 (L)	16.67	5.72
AIF I GPLP ⁽³⁾	H	L	173,532,000 (L)	6.13	2.10
	H	L	173,532,000 (L)	6.13	2.10

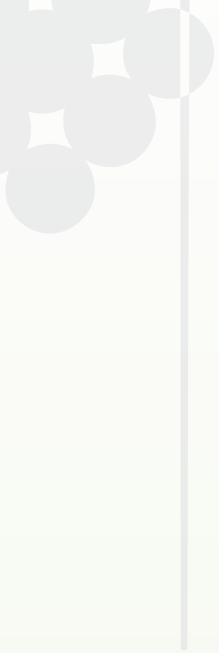
CORPORATE GOVERNANCE AND OTHER INFORMATION

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

For the six months ended 30 June 2019

(Expressed in Renminbi Yuan unless otherwise indicated) (MB'000)

	N	For the six months ended 30 June	
		2019 RMB'000 (Unaudited)	2018 MB'000 (Unaudited)
Operating income	3	8,064,971	8,036,391
Operating expenses	5	619,504	504,151
Gain on disposal of subsidiaries		(4,542,057)	(4,300,126)
Depreciation and amortization	9	(1,185,483)	(1,083,356)
Provision for bad debts		(316,183)	(320,187)
Provision for doubtful accounts		(226,821)	(235,729)
Other income		(274,688)	(343,292)
Other expenses	6	54,757	(11,713)
Profit before income tax		2,194,000	2,246,139
Income tax expense	7	27,422	20,054
Financial income	7	(579,971)	(557,881)
Financial expenses		59,405	23,317
Profit after income tax		1,700,856	1,731,629
Income tax expense	8	(380,520)	(414,287)
Profit after income tax and minority interest		1,320,336	1,317,342
Profit attributable to equity holders of the parent		1,268,270	1,216,095
Other comprehensive income		-	35,768
Net income		52,066	65,479
		1,320,336	1,317,342
		RMB cents	MB cents
Basic earnings per share			
Diluted earnings per share			



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2019

(Expressed in Renminbi Yuan unless otherwise indicated) (MB'000)

	As at 30 June 2019 RMB'000 (Unaudited)	31 Dec 2018 MB'000
Non-current assets		
Property, plant and equipment		
Intangible assets		
Investments in subsidiaries		
Investments in associates		
Investments in joint ventures		
Financial assets		
Current assets		
Cash and bank balances		
Accounts receivable		
Prepaid expenses and other receivables		
Inventory		
Other current assets		
Current liabilities		
Accounts payable		
Other payables and provisions		
Borrowings		
Financial liabilities		
Deferred tax liabilities		
Total assets		
Total liabilities		
Total equity		
Attributable to owners of the parent		
Minority interest		

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2019

(Expressed in Renminbi Yuan, unless otherwise indicated) (MB'000)

		As at 30 June 2019 RMB'000 (Unaudited)	As at 31 December 2018 MB'000 (Audited)
Current Liabilities			
A	17	3,432,461	3,708,661
B	23	455,293	129,938
C	18	5,551,435	8,864,459
D	19	6,082,989	6,086,848
E		82,873	80,189
F		59,337	88,564
G		23,472	128,598
H		206,275	304,660
		15,894,135	19,391,917

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period from January 1, 2019 to June 30, 2019

(All amounts are in million RMB unless otherwise specified)

	Attributable to equity holders of the Company	
	Share capital	Statutory Capital reserve
Balance at January 1, 2019		
Change during the period		
Balance at June 30, 2019		

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2019
(All amounts in RMB'000 unless otherwise stated)

	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000 ()
Net cash generated from operating activities	2,131,089	2,613,497
Investing activities		
I	26,699	25,562
D	9,150	5,928
C	1,710	10,521
C	-	12,000
C	(50,000)	(45,000)
A		
P	(1,714,208)	(783,705)
I	(448)	(2,007)
P	(47,185)	(4,765)
P	15,080	-
N	29,237	(415,391)
C	(25,954)	-
C	-	(181,913)
Net cash used in investing activities	(1,755,919)	(1,378,770)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2019

(Expressed in Renminbi Yuan, unless otherwise indicated, in million Renminbi Yuan (RMB'000))

	N	For the six months ended 30 June	
		2019 RMB'000 (Unaudited)	2018 MB'000 ()
Financing activities			
Interest paid		(599,045)	(440,948)
Capital contribution		–	12,297
Net increase (decrease) in cash and cash equivalents		4,937,500	7,444,137
Change in cash and cash equivalents		(6,091,776)	(10,600,038)
Proceeds from issuance of debt		3,500,000	4,000,000
Interest received		(3,750)	(10,083)
Proceeds from disposal of subsidiaries		(3,500,000)	(4,000,000)
Interest received from H		–	3,020,071
Proceeds from disposal of property, plant and equipment		–	(1,659)
Proceeds from disposal of investment		–	1,500,000
Change in cash and cash equivalents		–	(4,245)
Change in cash and cash equivalents		–	(1,500,000)
Proceeds from disposal of property, plant and equipment		(18,340)	–
Dividends received from subsidiaries:			
– N		(73,136)	–
– H		–	(77,250)
Net cash used in financing activities		(1,848,547)	(657,718)
Net increase (decrease) in cash and cash equivalents		(1,473,377)	577,009
Cash and cash equivalents at the beginning of the period		5,420,937	2,675,087
Effect of foreign exchange rate changes		(7,176)	(56,697)
Cash and cash equivalents at the end of the period	16	3,940,384	3,195,399

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ending 30 June 2019 (unaudited)

1. GENERAL AND BASIS OF PRESENTATION

The condensed consolidated financial statements were prepared by the Board of Directors (the "Directors") of Beijing Jingneng Clean Energy Co., Limited (the "Company") for the period ending 30 June 2019. The Company is a public company listed on the Shanghai Stock Exchange (the "Stock Exchange"). The condensed consolidated financial statements are presented in Renminbi Yuan (RMB), and the functional currency of the Company is RMB. The condensed consolidated financial statements are prepared in accordance with the International Accounting Standards (IAS) 34 Interim Financial Reporting, as issued by the International Accounting Standards Board (IASB), and the Listing Rules of the Stock Exchange. The condensed consolidated financial statements are unaudited.

The condensed consolidated financial statements are prepared on the basis of the historical cost method. The condensed consolidated financial statements are prepared on the basis of the historical cost method, except for the financial instruments which are measured at fair value. The condensed consolidated financial statements are prepared on the basis of the historical cost method, except for the financial instruments which are measured at fair value. The condensed consolidated financial statements are prepared on the basis of the historical cost method, except for the financial instruments which are measured at fair value.

The condensed consolidated financial statements are prepared on the basis of the historical cost method, except for the financial instruments which are measured at fair value. The condensed consolidated financial statements are prepared on the basis of the historical cost method, except for the financial instruments which are measured at fair value.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ended 30 June 2019 (unaudited)

2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES

The consolidated financial statements are prepared in accordance with the Accounting Standards for Business Enterprises (ASBEs) (IAS) 34 Interim Financial Reporting (IAS 34) issued by the Ministry of Finance of the PRC.

The consolidated financial statements are prepared on the accrual basis of accounting.

Other than the financial statements prepared in accordance with the International Financial Reporting Standards (IFRSs), the consolidated financial statements are prepared in accordance with the Accounting Standards for Business Enterprises (ASBEs) issued by the Ministry of Finance of the PRC. The consolidated financial statements for the period ended 30 June 2019 are unaudited. The consolidated financial statements for the period ended 31 December 2018 are audited.

Application of new and amendments to IFRSs

The Group has adopted the amendments to IFRSs issued by the International Accounting Standards Board (IASB) effective from 1 January 2019. The amendments to IFRSs adopted by the Group are:

- IFRS 16 Leases
- IFRS IC-I 23 Income tax
- Amendments to IAS 9 Financial Instruments: Recognition and Measurement
- Amendments to IAS 19 Employee Benefits
- Amendments to IAS 28 Investments in Associates and Joint Ventures
- Amendments to IFRS 15 Revenue from Contracts with Customers
- Amendments to IFRS 15-2017 Clarifications

Except for the amendments to IFRS 16 Leases, the Group has not adopted the amendments to IFRSs issued by the IASB effective from 1 January 2019. The Group has not adopted the amendments to IFRSs issued by the IASB effective from 1 January 2019 because they are not applicable to the Group's financial statements.

2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES
(Continued)

2.1 Impacts and changes in accounting policies of application on IFRS 16
Leases

The Group has applied IFRS 16 from 1 July 2019. The Group has also applied IFRS 16 to comparative information for the period ending 30 June 2018, as required by IAS 17 L (IAS 17), to ensure comparability.

2.1.1 Key changes in accounting policies resulting from application of IFRS 16

The Group has applied IFRS 16 from 1 July 2019. The Group has also applied IFRS 16 to comparative information for the period ending 30 June 2018, as required by IAS 17 L (IAS 17), to ensure comparability.

Definition of a lease

A contract is, or contains, a lease if it transfers the right to control an identified asset for a period of time in exchange for consideration.

For a contract to transfer the right to control an identified asset, the contract must specify the asset, or the asset must be clearly identifiable from other assets. The contract must also grant the customer the right to obtain substantially all the economic benefits and to direct the use of the asset.

As a lessee

A lessee must determine whether a contract is, or contains, a lease. If a contract is, or contains, a lease, the lessee must determine whether the lease is a finance lease or an operating lease. A lease is a finance lease if it transfers substantially all the risks and rewards of ownership to the lessee. A lease is an operating lease if it is not a finance lease.

A lessee must recognize a lease liability at the commencement date of the lease, which is the date that the lessee obtains the right to use the underlying asset. The lease liability is measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be determined, the lessee's incremental borrowing rate.

The lease liability is measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be determined, the lessee's incremental borrowing rate. The lease liability is measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be determined, the lessee's incremental borrowing rate.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2019 (unaudited)

2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES (Continued)

2.1 Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

2.1.1 Key changes in accounting policies resulting from application of IFRS 16 (Continued)

As a lessee (Continued)

The Group has applied IFRS 16 from 1 July 2019. The impact of the application of IFRS 16 on the Group's financial statements is as follows:

	31 December 2018	1 July 2019
Assets		
Right-of-use assets	14,621	14,621
Liabilities		
Lease liabilities	(14,621)	(14,621)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2019 (unaudited)

2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES (Continued)

2.1 Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

2.1.1 Key changes in accounting policies resulting from application of IFRS 16 (Continued)

As a lessee (Continued)

Leases (Continued)

At 30 June 2019, the Group's lease liabilities are as follows:

Contractual term	Lease liabilities
Less than 12 months	1,234,567
12 months to 5 years	5,678,901
More than 5 years	2,345,678
Total	9,259,146

At 30 June 2018, the Group's lease liabilities are as follows:

Contractual term	Lease liabilities
Less than 12 months	1,123,456
12 months to 5 years	4,567,890
More than 5 years	1,234,567
Total	6,925,913

The Group's lease liabilities are measured at the present value of the lease payments that are not yet made, discounted using the incremental borrowing rate. The incremental borrowing rate is the rate that the Group would have to pay to borrow over a similar term, and with a similar credit risk, the amount necessary to obtain the cash or equivalent needed to fund the lease payments.

2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES
(Continued)

2.1 Impacts and changes in accounting policies of application on IFRS 16
Leases (Continued)

2.1.1 Key changes in accounting policies resulting from application of IFRS 16
(Continued)

As a lessee (Continued)

For the period ended 30 June 2019, the Group has applied IFRS 16, which requires the recognition of a lease liability and a right-of-use asset at the commencement date of a lease. The Group has applied the modified retrospective approach to IFRS 16, which requires the recognition of a lease liability and a right-of-use asset at the commencement date of a lease. The Group has applied the modified retrospective approach to IFRS 16, which requires the recognition of a lease liability and a right-of-use asset at the commencement date of a lease.

For the period ended 30 June 2019, the Group has applied IFRS 16, which requires the recognition of a lease liability and a right-of-use asset at the commencement date of a lease. The Group has applied the modified retrospective approach to IFRS 16, which requires the recognition of a lease liability and a right-of-use asset at the commencement date of a lease. The Group has applied the modified retrospective approach to IFRS 16, which requires the recognition of a lease liability and a right-of-use asset at the commencement date of a lease.

2.1.2 Transition and summary of effects arising from initial application of IFRS 16

Definition of a lease

The Group has applied IFRS 16, which defines a lease as a contract that transfers the right to use an identified asset for a period of time in exchange for consideration. The Group has applied IFRS 16, which defines a lease as a contract that transfers the right to use an identified asset for a period of time in exchange for consideration. The Group has applied IFRS 16, which defines a lease as a contract that transfers the right to use an identified asset for a period of time in exchange for consideration.

For the period ended 30 June 2019, the Group has applied IFRS 16, which requires the recognition of a lease liability and a right-of-use asset at the commencement date of a lease. The Group has applied the modified retrospective approach to IFRS 16, which requires the recognition of a lease liability and a right-of-use asset at the commencement date of a lease. The Group has applied the modified retrospective approach to IFRS 16, which requires the recognition of a lease liability and a right-of-use asset at the commencement date of a lease.

As a lessee

The Group has applied IFRS 16, which requires the recognition of a lease liability and a right-of-use asset at the commencement date of a lease. The Group has applied the modified retrospective approach to IFRS 16, which requires the recognition of a lease liability and a right-of-use asset at the commencement date of a lease. The Group has applied the modified retrospective approach to IFRS 16, which requires the recognition of a lease liability and a right-of-use asset at the commencement date of a lease.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2019 (unaudited)

2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES (Continued)

2.1 Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

2.1.2 Transition and summary of effects arising from initial application of IFRS 16 (Continued)

As a lessee (Continued)

On 1 July 2019, the Group adopted IFRS 16, which replaced IAS 17, Leases, and IFRIC 4, Determining whether a lease exists, and the Group's accounting policy for leases as a lessee is as follows:

At the commencement date of a lease, the Group recognizes a lease liability, which is measured at the present value of the lease payments that are not yet paid, discounted using the incremental borrowing rate. The lease liability is subsequently measured at amortized cost using the effective interest method. The Group also recognizes a right-of-use asset, which is measured at cost, less any accumulated depreciation and impairment losses.

The Group's lease liability is measured at the present value of the lease payments that are not yet paid, discounted using the incremental borrowing rate. The lease liability is subsequently measured at amortized cost using the effective interest method.

The Group's right-of-use asset is measured at cost, less any accumulated depreciation and impairment losses. The right-of-use asset is subsequently measured at amortized cost using the effective interest method.

The Group's lease liability is measured at the present value of the lease payments that are not yet paid, discounted using the incremental borrowing rate. The lease liability is subsequently measured at amortized cost using the effective interest method.

The Group's right-of-use asset is measured at cost, less any accumulated depreciation and impairment losses. The right-of-use asset is subsequently measured at amortized cost using the effective interest method.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ended 30 June 2019 (unaudited)

2. PREPARATION BASIS AND PRINCIPAL ACCOUNTING POLICIES (Continued)

2.1 Impacts and changes in accounting policies of application on IFRS 16 Leases (Continued)

2.1.2 Transition and summary of effects arising from initial application of IFRS 16 (Continued)

As a lessee (Continued)

On 1 January 2019, the Group applied IFRS 16, which requires the recognition of lease liabilities and right-of-use assets for all leases with a term greater than 12 months or containing one or more options that can be exercised to extend or terminate the lease for a period of at least 12 months.

The Group's lease liabilities were measured at the present value of the lease payments, discounted using the incremental borrowing rate. The incremental borrowing rate was determined by reference to the Group's credit rating and the market interest rate for similar debt instruments. The Group's lease liabilities were MB209,372,000 as at 1 January 2019.

The Group's right-of-use assets were measured at the present value of the lease payments, discounted using the incremental borrowing rate, less any lease incentives. The incremental borrowing rate was determined by reference to the Group's credit rating and the market interest rate for similar debt instruments. The Group's right-of-use assets were MB536,672,000 as at 1 January 2019.

	At 1 January 2019 MB'000
On 31 December 2018	296,633
Lease liabilities	244,233
Lease incentives	(34,861)
Lease liabilities under IFRS 16	209,372
Lease liabilities as at 1 January 2019	209,372
Accumulated depreciation	30,818
Net right-of-use assets	178,554
	209,372

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (unaudited)

3. REVENUE

(i) Disaggregation of revenue from contracts with customers:

	Gas-fired power and heat energy generation <i>RMB'000</i>	Wind power <i>RMB'000</i>	Photovoltaic power <i>RMB'000</i>	Hydropower <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
For the six months ended						
30 June 2019						
(Unaudited)						
Revenue from contracts with customers	5,147,508	1,028,875	685,668	149,896	-	7,011,947
Revenue from contracts with customers	1,052,148	-	-	-	-	1,052,148
Revenue from contracts with customers	-	-	-	-	876	876
Revenue from contracts with customers	6,199,656	1,028,875	685,668	149,896	-	8,064,095
Revenue from contracts with customers	-	-	-	-	876	876
Revenue from contracts with customers	6,199,656	1,028,875	685,668	149,896	876	8,064,971

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018 (Unaudited)

3. REVENUE (Continued)

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

	G	P	H	O	
	MB'000	MB'000	MB'000	MB'000	MB'000

For the six months ended
30 June 2018
(Unaudited)

Revenue from contracts with customers	5,190,635	1,149,558	485,598	145,699		6,971,490
Revenue from contracts with customers	1,058,413					1,058,413
Revenue from contracts with customers					6,488	6,488
Revenue from contracts with customers	6,249,048	1,149,558	485,598	145,699		8,029,903
Revenue from contracts with customers					6,488	6,488
Revenue from contracts with customers	6,249,048	1,149,558	485,598	145,699	6,488	8,036,391

(ii) Geographical information

90%	G	P C,
		P C
		P C.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (unaudited)

4. SEGMENT INFORMATION

Gas-fired power and heat energy generation, wind power, photovoltaic power, hydropower and others (CODM), and the related assets and liabilities are included in the Gas-fired power and heat energy generation, wind power, photovoltaic power, hydropower and others segment.

Gas-fired power and heat energy generation, wind power, photovoltaic power, hydropower and others are the only reportable segments of the Company. The following table provides information about the reportable segments of the Company:

Profit/(Loss) for the six months ended 30 June 2019:

Gas-fired power and heat energy generation: 3,379,483 RMB'000

Wind power: 1,083,523 RMB'000
 Photovoltaic power: 101,960 RMB'000
 Hydropower: 36,100 RMB'000
 Others: (7,499) RMB'000

Assets for the six months ended 30 June 2019:

	Gas-fired power and heat energy generation RMB'000	Wind power RMB'000	Photovoltaic power RMB'000	Hydropower RMB'000	Others RMB'000	Total RMB'000
For the six months ended 30 June 2019 (unaudited)						
Profit/(Loss)	3,379,483	1,083,523	101,960	36,100	(7,499)	4,593,567
Assets	1,243,222	489,121	433,056	36,100	(7,499)	2,194,000

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (Unaudited)

6. OTHER GAINS AND LOSSES

	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000 (Unaudited)
Other gains (losses) from operations:		
Losses from disposal of subsidiaries	(2,308)	(596)
Net gains (losses) from disposal of subsidiaries	(1,382)	271
Gain (loss) from disposal of financial assets	34,991	(10,259)
Other gains (losses) from operations	23,456	(1,129)
	54,757	(11,713)

7. INTEREST INCOME/FINANCE COSTS

	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000 (Unaudited)
Interest income	27,422	20,054
Interest expense:		
Finance costs	607,365	597,692
Losses from disposal of subsidiaries	(27,394)	(39,811)
	579,971	557,881
Net interest income	552,549	537,827

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (unaudited)

8. INCOME TAX EXPENSE

	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000 (Unaudited)
Current tax expense:		
P.C. (China)	332,648	447,284
Deferred tax expense:		
C.U. (China)	47,872	(32,997)
Total	380,520	414,287

P.C. (China) 25% 30 June 2019.

E.I.L. (China) 15% 31 Dec 2020. A.P.C. 50% P.C. G.U. 15% 30 June 2019.

北京京能未來燃氣熱電有限公司 (Beijing Jingneng Future Gas Thermal Power Co., Ltd.) (Weilai Gas) 2015 H.N.E. 15% 30 June 2019.

O 21 M 2018, H.K.L.C.U. (A) (N.7) B. 2017 (Bill) 28 M 2018 2 H.K. (HK\$) 8.25% HK\$2 16.5% 16.5%.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (unaudited)

8. INCOME TAX EXPENSE (Continued)

D. Income tax expense for the period 16.5% G. Income tax expense for the period 30% Au. Income tax expense for the period 30 June 2019, Au.	H. Income tax expense for the period N. Income tax expense for the period H. Income tax expense for the period K. Income tax expense for the period P. Income tax expense for the period H. Income tax expense for the period K. Income tax expense for the period F. Income tax expense for the period
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9. PROFIT FOR THE PERIOD

	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000 (Unaudited)
P. Profit for the period		
Au. Profit for the period	1,226	1,284
P. Profit for the period	-	2,838
L. Profit for the period	30,157	28,052
D. Profit for the period		
D. Profit for the period	1,078,769	982,469
D. Profit for the period	4,754	-
A. Profit for the period	101,960	100,887
	1,185,483	1,083,356

10. DIVIDENDS

(-) On 20 June 2019, the Board of Directors of the Company declared a cash dividend of RMB549,909,000 (MB549,909,000) to the shareholders of the Company.
(-) On 30 June 2019, the Board of Directors of the Company declared a cash dividend of RMB4,754,000 (MB4,754,000) to the shareholders of the Company.

11. EARNINGS PER SHARE

C. Earnings per share for the period 30 June 2019: MB1,268,270,000 (MB1,268,270,000) 30 June 2018: MB1,216,095,000 (MB1,216,095,000)	8,244,508,000 (8,244,508,000) 6,915,973,000 (6,915,973,000)
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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ending 30 June 2019 (unaudited)

12. PROPERTY, PLANT AND EQUIPMENT

Due to related parties	30 June 2019	30 June 2018
MB444,368,000 (MB3,260,000)	MB1,196,931,000	MB1,196,931,000
MB78,568,000	MB13,271,000	MB13,271,000
MB2,308,000 (MB596,000)		

13. INTANGIBLE ASSETS

Intangible assets	MB2,269,400
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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ending 30 June 2019 (unaudited)

14. DEFERRED TAXATION (Continued)

Financial statements for the period ending 30 June 2019 (unaudited)

	As at 30 June 2019 RMB'000 (Unaudited)	31 D 2018 MB'000 (Audited)
Deferred tax assets	239,260	284,596
Deferred tax liabilities	(174,953)	(177,799)
	64,307	106,797

15. TRADE AND BILLS RECEIVABLE

	As at 30 June 2019 RMB'000 (Unaudited)	31 D 2018 MB'000 (Audited)
Trade receivables	1,312,982	1,995,306
Bills receivable	4,356,791	3,355,461
Bills payable	10,246	21,246
	5,680,019	5,372,013
Loss allowance	(7,463)	(7,141)
	5,672,556	5,364,872

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ended 30 June 2019 (unaudited)

15. TRADE AND BILLS RECEIVABLE (Continued)

	As at 30 June 2019 RMB'000 (Unaudited)	31 December 2018 MB'000 (Audited)
60	1,286,509	2,346,544
61 365	1,994,845	1,419,203
1 2	1,651,328	1,027,341
2 3	451,958	327,204
0 3	287,916	244,580
	5,672,556	5,364,872

Guangdong Power Generation Company Limited (PCL) is a wholly-owned subsidiary of the Company. PCL is a power generation company that provides power to various customers. The trade and bills receivable from PCL are primarily due within 60 days. The Company has provided a detailed breakdown of the trade and bills receivable from PCL in the table above.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ended 30 June 2019 (unaudited)

17. TRADE AND OTHER PAYABLES (Continued)

	As at 30 June 2019 RMB'000 (Unaudited)	As at 31 December 2018 MB'000 (Audited)
Trade payables	699,263	1,385,785
Other payables	951,261	547,356
Contract liabilities	20,228	17,966
Accrued expenses and other liabilities	5,882	4,902
Other	15,767	73,413
	1,692,401	2,029,422

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ending 30 June 2019 (unaudited)

18. BANK AND OTHER BORROWINGS

	As at 30 June 2019 RMB'000 (Unaudited)	As at 31 December 2018 MB'000 (Audited)
Borrowings from banks:	15,562,359	15,851,092
Other borrowings:	1,090,750	1,751,750
Guaranteed bank borrowings (Note 17)	170,000	170,000
Guaranteed bank borrowings (Note 17)	646,073	915,321
BEH	750	750
	17,469,932	18,688,913
Financial guarantees:	16,023,024	15,414,979
Financial guarantees	1,446,908	3,273,934
	17,469,932	18,688,913
Borrowings from financial institutions:	5,551,435	8,864,459
Medium-term notes	5,238,930	3,094,108
Medium-term notes	4,128,473	4,193,540
Medium-term notes	2,551,094	2,536,806
	17,469,932	18,688,913
Liabilities to banks:	(5,551,435)	(8,864,459)
Accounts payable:	11,918,497	9,824,454

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ended 30 June 2019 (unaudited)

18. BANK AND OTHER BORROWINGS (Continued)

Notes:

- (c) On 27 August 2018, the Group entered into a revolving credit facility (the "Facility") with the Bank of China (BEH) for a total amount of RMB1,090,750,000 (MB1,090,750,000). The Facility is denominated in RMB and is secured by the Group's assets. The Facility is subject to a 10% margin requirement and is available until 30 June 2019 (30 June 2018: MB26,188,000).
- (d) On 21 November 2018, the Group entered into a revolving credit facility (the "Facility") with the Bank of China (BEH) for a total amount of RMB3,156,000,000 (MB3,156,000,000). The Facility is denominated in RMB and is secured by the Group's assets. The Facility is subject to a 3.915% margin requirement and is available until 30 June 2019 (30 June 2018: MB3,156,000,000).
- (e) On 22 March 2019, the Group entered into a revolving credit facility (the "Facility") with the Bank of China (BEH) for a total amount of RMB2,000,000,000 (MB2,000,000,000). The Facility is denominated in RMB and is secured by the Group's assets. The Facility is subject to a 3.15% margin requirement and is available until 18 March 2019.
- (f) On 22 August 2019, the Group entered into a revolving credit facility (the "Facility") with the Bank of China (BEH) for a total amount of RMB1,500,000,000 (MB1,500,000,000). The Facility is denominated in RMB and is secured by the Group's assets. The Facility is subject to a 3.39% margin requirement and is available until 17 July 2020.
- (g) On 27 August 2018, the Group entered into a revolving credit facility (the "Facility") with the Bank of China (BEH) for a total amount of RMB1,500,000,000 (MB1,500,000,000). The Facility is denominated in RMB and is secured by the Group's assets. The Facility is subject to a 4.65% margin requirement and is available until 27 August 2019.
- (h) On 3 August 2018, the Group entered into a revolving credit facility (the "Facility") with the Bank of China (BEH) for a total amount of RMB2,000,000,000 (MB2,000,000,000). The Facility is denominated in RMB and is secured by the Group's assets. The Facility is subject to a 3.50% margin requirement and is available until 30 August 2019.
- (i) On 21 November 2018, the Group entered into a revolving credit facility (the "Facility") with the Bank of China (BEH) for a total amount of RMB2,500,000,000 (MB2,500,000,000). The Facility is denominated in RMB and is secured by the Group's assets. The Facility is subject to a 3.67% margin requirement and is available until 21 November 2019.
- (j) On 22 March 2019, the Group entered into a revolving credit facility (the "Facility") with the Bank of China (BEH) for a total amount of RMB2,000,000,000 (MB2,000,000,000). The Facility is denominated in RMB and is secured by the Group's assets. The Facility is subject to a 3.15% margin requirement and is available until 18 March 2019.
- (k) On 22 August 2019, the Group entered into a revolving credit facility (the "Facility") with the Bank of China (BEH) for a total amount of RMB1,500,000,000 (MB1,500,000,000). The Facility is denominated in RMB and is secured by the Group's assets. The Facility is subject to a 3.39% margin requirement and is available until 17 July 2020.

19. SHORT-TERM FINANCING DEBENTURES

- (a) On 27 August 2018, the Group issued short-term financing debentures (the "Debentures") with a total amount of RMB1,500,000,000 (MB1,500,000,000) at a rate of 4.65% until 27 August 2019.
- (b) On 3 August 2018, the Group issued short-term financing debentures (the "Debentures") with a total amount of RMB2,000,000,000 (MB2,000,000,000) at a rate of 3.50% until 30 August 2019.
- (c) On 21 November 2018, the Group issued short-term financing debentures (the "Debentures") with a total amount of RMB2,500,000,000 (MB2,500,000,000) at a rate of 3.67% until 21 November 2019.
- (d) On 22 March 2019, the Group issued short-term financing debentures (the "Debentures") with a total amount of RMB2,000,000,000 (MB2,000,000,000) at a rate of 3.15% until 18 March 2019.
- (e) On 22 August 2019, the Group issued short-term financing debentures (the "Debentures") with a total amount of RMB1,500,000,000 (MB1,500,000,000) at a rate of 3.39% until 17 July 2020.
- (f) On 27 August 2018, the Group issued short-term financing debentures (the "Debentures") with a total amount of RMB1,500,000,000 (MB1,500,000,000) at a rate of 4.65% until 27 August 2019.
- (g) On 3 August 2018, the Group issued short-term financing debentures (the "Debentures") with a total amount of RMB2,000,000,000 (MB2,000,000,000) at a rate of 3.50% until 30 August 2019.
- (h) On 21 November 2018, the Group issued short-term financing debentures (the "Debentures") with a total amount of RMB2,500,000,000 (MB2,500,000,000) at a rate of 3.67% until 21 November 2019.
- (i) On 22 March 2019, the Group issued short-term financing debentures (the "Debentures") with a total amount of RMB2,000,000,000 (MB2,000,000,000) at a rate of 3.15% until 18 March 2019.
- (j) On 22 August 2019, the Group issued short-term financing debentures (the "Debentures") with a total amount of RMB1,500,000,000 (MB1,500,000,000) at a rate of 3.39% until 17 July 2020.
- (k) On 27 August 2018, the Group issued short-term financing debentures (the "Debentures") with a total amount of RMB1,500,000,000 (MB1,500,000,000) at a rate of 4.65% until 27 August 2019.
- (l) On 3 August 2018, the Group issued short-term financing debentures (the "Debentures") with a total amount of RMB2,000,000,000 (MB2,000,000,000) at a rate of 3.50% until 30 August 2019.
- (m) On 21 November 2018, the Group issued short-term financing debentures (the "Debentures") with a total amount of RMB2,500,000,000 (MB2,500,000,000) at a rate of 3.67% until 21 November 2019.
- (n) On 22 March 2019, the Group issued short-term financing debentures (the "Debentures") with a total amount of RMB2,000,000,000 (MB2,000,000,000) at a rate of 3.15% until 18 March 2019.
- (o) On 22 August 2019, the Group issued short-term financing debentures (the "Debentures") with a total amount of RMB1,500,000,000 (MB1,500,000,000) at a rate of 3.39% until 17 July 2020.

The Group's short-term financing debentures are issued through the National Association of Financial Market Intermediaries (銀行間市場交易商協會) (P.C.).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ended 30 June 2019 (unaudited)

23. RELATED PARTY BALANCES AND TRANSACTIONS

(c) The following table sets out the related party relationships of the Group:

Name of related party	Relationship
北京能源投資(集團)有限公司(BEIJING ENERGY INVESTMENT (GROUP) CO., LTD. (BEH Holding))	Final controlling party
北京國際電氣工程有限責任公司(BEIJING INTERNATIONAL ELECTRICAL ENGINEERING CO., LTD. (BIEE))	Final controlling party
BEH Finance	Final controlling party
Jingneng Power	Final controlling party
Jingneng Power	Final controlling party
京能電力後勤服務有限公司(JINGNENG ELECTRIC LOGISTICS CO., LTD. (Jingneng Logistic))	Final controlling party
北京市熱力集團有限責任公司(BEIJING DISTRICT HEATING GROUP CO., LTD. (BDHG))	Final controlling party
北京天湖會議中心有限公司(BEIJING TIANHU CONFERENCE CENTER CO., LTD. (Sky-Line Resort))	Final controlling party
北京源深節能技術有限責任公司(BEIJING YUANSHEN ENERGY TECHNOLOGY CO., LTD. (Yuanshen Energy))	Final controlling party
北京京能源深融資租賃有限公司(BEIJING JINGNENG YUANSHEN FINANCIAL LEASING CO., LTD. (YuanShen Financial Leasing))	Final controlling party
北京京能電力股份有限公司(BEIJING JINGNENG POWER CO., LTD. (Jingneng Power))	Final controlling party
北京科利源熱電有限公司(BEIJING KELIYUAN THERMAL POWER CO., LTD. (Keliyuan))	Final controlling party
北京京能電力股份有限公司石景山熱電廠(BEIJING JINGNENG POWER CO., LTD. SHIJIANGSHAN THERMAL POWER PLANT (Shijingshan Thermal Power Plant))	Final controlling party

23. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

(v) 北京京能國際能源技術有限公司 (Beijing Jingneng International Energy Technology Co., Ltd.) (C 2019)

Name of related party	Relationship
北京京能國際能源技術有限公司 (Beijing Jingneng International Energy Technology Co., Ltd.) (C 2019)	Financial institution
全州柳鋪水電有限公司 (Quanzhou Liupu Hydroelectricity Co., Ltd.) (C 2019)	Associate
北京市天銀地熱開發有限責任公司 (Beijing Tianyin Geothermal Development Co., Ltd.) (C 2019)	Associate
北京華源惠眾環保科技有限公司 (Beijing Huayuan Hui Zhong Environmental Protection Technology Co., Ltd.) (C 2019)	Joint venture

(vi) As at 30 June 2019, the related party balances are as follows:

	As at 30 June 2019 RMB'000 (Unaudited)	As at 31 December 2018 MB'000 (Audited)
Accounts receivable:		
BEH	1,946	1,943
Associate	288	250
Financial institution	52,266	155,824
	54,500	158,017
Accounts payable:		
Financial institution*	43,381	151,052
Non-current liability	11,119	6,965
	54,500	158,017

* The related party balance represents the amount of the loan from the financial institution.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ended 30 June 2019 (unaudited)

23. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

(i) As at 30 June 2019, the following related party balances were reported in the consolidated financial statements:

	As at 30 June 2019 RMB'000 (Unaudited)	31 December 2018 MB'000 (Audited)
Accounts receivable:		
BEH	338,957	-
Financial institutions	114,713	128,315
Others	1,623	1,623
	455,293	129,938
Accounts payable:		
BEH*	47,326	93,999
Financial institutions	1,612	32,055
Others	406,355	3,884
	455,293	129,938

* BEH is the parent company of the Group.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (Unaudited)

23. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

() Due to the nature of the business, the Group has entered into transactions with related parties. The following table summarizes the related party balances and transactions for the six months ended 30 June 2019 and 2018:

Consolidated:

() Earnings from related parties:

Name of related party	For the six months ended 30 June	
	2019	2018
	RMB'000 (Unaudited)	MB'000
Jingneng Energy Services	-	4,551
Industrial Energy Services	16,225	12,000
Industrial Energy Services (P) (P)	18,603	-
Industrial Energy Services (I)	4,219	-
Jingneng Power	-	28,431

() Contracted services:

Name of related party	For the six months ended 30 June	
	2019	2018
	RMB'000 (Unaudited)	MB'000
	-	40

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (Unaudited)

23. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

() Due to the nature of the business, the Group has entered into transactions with related parties. The following table summarizes the related party balances and transactions for the six months ended 30 June 2019 and 2018:

()

()

Name of related party	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000 (Unaudited)
Jiangsu Fuzhou L...	4,487	1,914
Jiangsu Fuzhou L...	133	138
Jiangsu P...	19,067	19,028

()

Name of related party	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000 (Unaudited)
BEH F...	59	8,483

()

Name of related party	For the six months ended 30 June	
	2019 RMB'000 (Unaudited)	2018 MB'000 (Unaudited)
BEH F...	8,681	7,034

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Financial statements for the period ended 30 June 2019 (Unaudited)

23. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

() Due to the fact that the Company and its subsidiaries are all wholly owned by the same ultimate controlling party, the Group has no related party transactions during the reporting period.

Company's related party transactions: (CNY)

() Payment of interest on bank loans

Name of related party	For the six months ended 30 June	
	2019	2018
	RMB'000 (Unaudited)	MB'000 (Unaudited)
Jingneng L...	6,903	13,311

() Hire of office premises *

Name of related party	For the six months ended 30 June	
	2019	2018
	RMB'000 (Unaudited)	MB'000 (Unaudited)
H...	977,942	997,526
...	-	48
K...	18,113	18,372

* The amount of office premises hired by the Company and its subsidiaries is as follows:

() Employee compensation and benefits

Name of related party	For the six months ended 30 June	
	2019	2018
	RMB'000 (Unaudited)	MB'000 (Unaudited)
BIEE	55,748	34,787

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019 (Unaudited)

23. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

() Due to the fact that the Company and its subsidiaries are all wholly owned by Jilin Power, the Company and its subsidiaries are considered to be related parties of Jilin Power.

Company's related party balances are as follows:

() Financial assets and liabilities:

Name of related party	For the six months ended 30 June	
	2019	2018
	RMB'000 (Unaudited)	MB'000 (Unaudited)
Jilin Power	-	7,406

() Loans receivable:

Name of related party	For the six months ended 30 June	
	2019	2018
	RMB'000 (Unaudited)	MB'000 (Unaudited)
Jilin Power	93	-

() Due to the fact that the Company and its subsidiaries are all wholly owned by Jilin Power, the Company and its subsidiaries are considered to be related parties of Jilin Power. As of 30 June 2019, the Company's related party balances are as follows: MB3,403,000 (Unaudited) (2018: MB3,301,000), and as of 30 June 2018, the Company's related party balances are as follows: MB1,015,000 (Unaudited) (2018: MB716,000).

24. THE FINANCIAL STATEMENTS WERE APPROVED BY THE BOARD OF THE COMPANY ON 20 AUGUST 2019.