



Beijing J

# 2020

ANNUAL REPORT



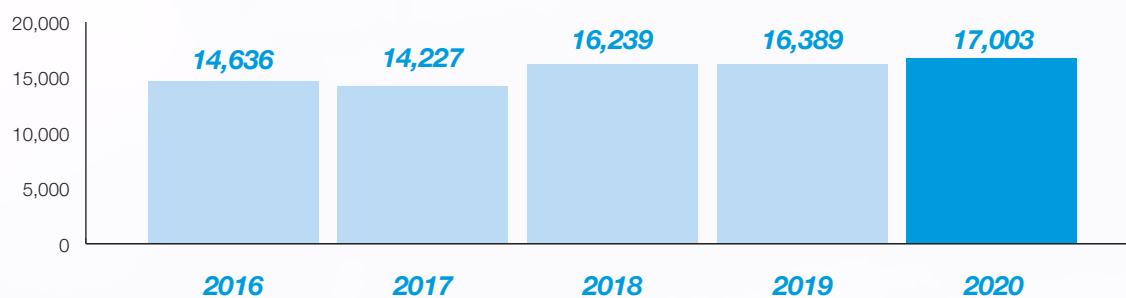
# Contents

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# Financial Highlights

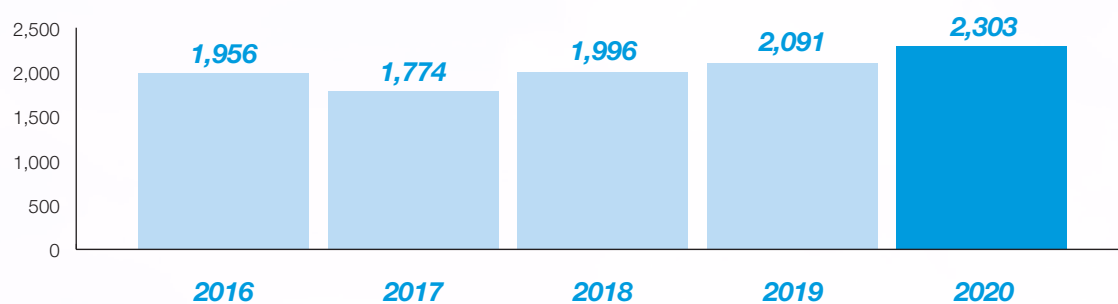
## REVENUE

RMB in millions



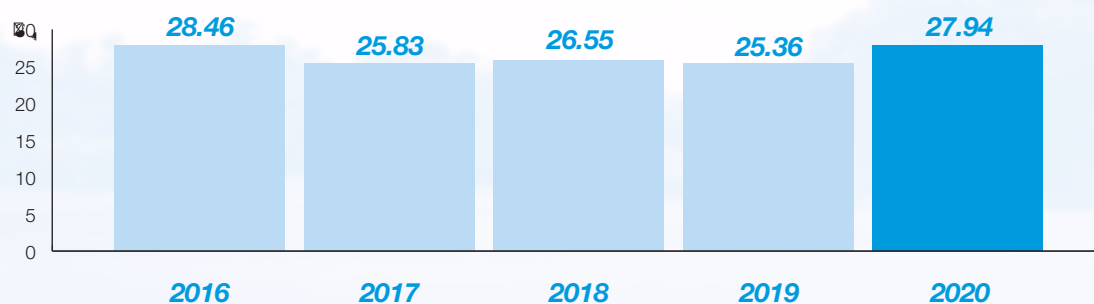
## PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

RMB in millions



## EARNINGS PER SHARE

RMB cents



# Financial Summary

	Year ended December 31				
	2020 RMB'000	2019 RMB'000	2018 RMB'000	2017 RMB'000	2016 RMB'000
Revenue	17,003,306	14,227,015	14,227,015	14,227,015	14,227,015
Cost of sales	797,393	1,051,000	1,021,000	1,051,000	1,051,000
Gross profit	3,917,090	2,721,000	2,721,000	2,721,000	2,721,000
Operating expenses	2,953,026	2,721,000	2,721,000	2,721,000	2,721,000
Operating income	(557,041)	(507,000)	(507,000)	(507,000)	(507,000)
Other income	2,395,985	2,114,117	2,114,117	2,114,117	2,114,117
Total income	2,518,122	2,114,117	2,114,117	2,114,117	2,114,117
Finance income	2,303,390	2,000,770	2,000,770	2,000,770	2,000,770
Finance expense	31,950	77,250	77,250	77,250	77,250
Net income	60,645	77,250	77,250	77,250	77,250
Other income	2,395,985	2,114,117	2,114,117	2,114,117	2,114,117
Total income	2,518,122	2,114,117	2,114,117	2,114,117	2,114,117
Finance income	2,425,527	2,114,117	2,114,117	2,114,117	2,114,117
Finance expense	31,950	77,250	77,250	77,250	77,250
Net income	60,645	77,250	77,250	77,250	77,250
Other income	2,518,122	2,114,117	2,114,117	2,114,117	2,114,117
Total income	2,518,122	2,114,117	2,114,117	2,114,117	2,114,117
Net income (RMB cents)	27.94	25.00	25.00	25.00	25.00

## Financial Summary

	2020 RMB'000	Year ended December 31			
		2019 RMB'000	2018 RMB'000	2017 RMB'000	2016 RMB'000
Total assets	70,538,308	55,728,115	55,110,410	50,551,100	7,782,887
Non-current assets	55,656,303	55,220,000	20,000,000	2,140,577	0,211,000
Current assets	14,882,005	10,100,000	12,110,410	47,510,7	4,001,2
Total liabilities	44,171,461	44,171,461	44,171,461	44,171,461	44,171,461
Non-current liabilities	25,244,624	1,000,000	1,000,000	1,000,000	20,27,25
Current liabilities	18,926,837	17,210,000	1,000,000	12,227,15	10,05,011
Total equity	26,366,847	20,000,000	21,511,000	1,000,000	17,000,000
Non-current equity	8,244,508	8,244,508	8,244,508	8,244,508	8,244,508
Current equity	16,249,142	11,755,492	12,766,492	1,000,000	8,755,492
Quoted shares	24,493,650	22,472,000	21,110,000	14,000,000	15,000,000
Reserves	1,525,582	1,525,582	1,525,582	1,525,582	1,525,582
Minority interests	347,615	0	0	0	0
Total equity	26,366,847	20,000,000	21,511,000	1,000,000	17,000,000



# Corporate Profile

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## Chairman's Statement

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# General Manager's Statement

As of December 31, 2020, the Company's total assets were 70.5 billion yen, an increase of 10.1% from 63.9 billion yen at the end of 2019. This increase was primarily due to the increase in cash and cash equivalents, which rose from 17.0 billion yen to 27.5 billion yen, and the increase in accounts receivable, which rose from 1.0 billion yen to 2.5 billion yen. The Company's total liabilities were 41.0 billion yen, an increase of 1.0 billion yen from 40.0 billion yen at the end of 2019. This increase was primarily due to the increase in accounts payable, which rose from 1.0 billion yen to 1.5 billion yen, and the increase in other liabilities, which rose from 0.5 billion yen to 1.0 billion yen. The Company's net assets were 29.5 billion yen, an increase of 9.1 billion yen from 20.4 billion yen at the end of 2019. This increase was primarily due to the increase in cash and cash equivalents, which rose from 17.0 billion yen to 27.5 billion yen, and the increase in accounts receivable, which rose from 1.0 billion yen to 2.5 billion yen.

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The Company's operating income was 1,000 million yen, an increase of 100 million yen from 900 million yen in 2019. This increase was primarily due to the increase in sales, which rose from 10,000 million yen to 11,000 million yen, and the increase in operating expenses, which rose from 9,000 million yen to 9,000 million yen. The Company's net income was 500 million yen, an increase of 50 million yen from 450 million yen in 2019. This increase was primarily due to the increase in operating income, which rose from 900 million yen to 1,000 million yen, and the increase in other income, which rose from 0.5 billion yen to 0.5 billion yen. The Company's earnings per share were 100 yen, an increase of 10 yen from 90 yen in 2019. This increase was primarily due to the increase in net income, which rose from 450 million yen to 500 million yen, and the increase in the number of shares outstanding, which rose from 4,500 million shares to 5,000 million shares.

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# Management Discussion and Analysis

## I. REVIEW OF THE ELECTRIC POWER INDUSTRY

In 2020, the company's total revenue decreased by 1.5% compared with 2019, mainly due to the impact of the COVID-19 pandemic. The company's operating profit decreased by 5.1% compared with 2019, mainly due to the impact of the COVID-19 pandemic. The company's net profit decreased by 5.1% compared with 2019, mainly due to the impact of the COVID-19 pandemic. The company's basic earnings per share decreased by 7.51% compared with 2019, mainly due to the impact of the COVID-19 pandemic.

As of the end of 2020, the company's total assets increased by 2.20% compared with the end of 2019, mainly due to the increase in fixed assets. The company's total liabilities increased by 1.25% compared with the end of 2019, mainly due to the increase in long-term liabilities. The company's equity increased by 1.7% compared with the end of 2019, mainly due to the increase in retained earnings. The company's operating assets increased by 2.0% compared with the end of 2019, mainly due to the increase in fixed assets. The company's operating liabilities increased by 11.5% compared with the end of 2019, mainly due to the increase in long-term liabilities. The company's operating equity increased by 2.1% compared with the end of 2019, mainly due to the increase in retained earnings. The company's operating assets per share increased by 1.1% compared with the end of 2019, mainly due to the increase in fixed assets. The company's operating liabilities per share increased by 1.1% compared with the end of 2019, mainly due to the increase in long-term liabilities. The company's operating equity per share increased by 1.1% compared with the end of 2019, mainly due to the increase in retained earnings.

In 2020, the company's total revenue decreased by 1.5% compared with 2019, mainly due to the impact of the COVID-19 pandemic. The company's operating profit decreased by 5.1% compared with 2019, mainly due to the impact of the COVID-19 pandemic. The company's net profit decreased by 5.1% compared with 2019, mainly due to the impact of the COVID-19 pandemic. The company's basic earnings per share decreased by 7.51% compared with 2019, mainly due to the impact of the COVID-19 pandemic.

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## Management Discussion and Analysis

## II. BUSINESS REVIEW FOR THE YEAR OF 2020

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### 1. Rapid growth of installed capacity, steady rise in power generation

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## Management Discussion and Analysis

### 2. Vigorously promoting early-stage development and focusing on breakthroughs in key projects

In 2020, the company continued to vigorously promote early-stage development and focusing on breakthroughs in key projects. The company has achieved significant progress in the development of key projects, including the completion of the construction of the 100MW solar power plant in the Ningxia region, the completion of the construction of the 100MW solar power plant in the Ningxia region, and the completion of the construction of the 100MW solar power plant in the Ningxia region. The company has also achieved significant progress in the development of key projects, including the completion of the construction of the 100MW solar power plant in the Ningxia region, the completion of the construction of the 100MW solar power plant in the Ningxia region, and the completion of the construction of the 100MW solar power plant in the Ningxia region.

### 3. Optimising capital structure and reducing financial costs

The company has continued to optimize its capital structure and reduce financial costs. In 2020, the company's total assets were 10.5 billion yuan, and its total liabilities were 1.5 billion yuan. The company's capital structure is stable, and its financial costs are low. The company has also achieved significant progress in the development of key projects, including the completion of the construction of the 100MW solar power plant in the Ningxia region, the completion of the construction of the 100MW solar power plant in the Ningxia region, and the completion of the construction of the 100MW solar power plant in the Ningxia region.

### 4. Insist on innovation-driven development to improve quality and efficiency

In 2020, the company continued to insist on innovation-driven development to improve quality and efficiency. The company has achieved significant progress in the development of key projects, including the completion of the construction of the 100MW solar power plant in the Ningxia region, the completion of the construction of the 100MW solar power plant in the Ningxia region, and the completion of the construction of the 100MW solar power plant in the Ningxia region. The company has also achieved significant progress in the development of key projects, including the completion of the construction of the 100MW solar power plant in the Ningxia region, the completion of the construction of the 100MW solar power plant in the Ningxia region, and the completion of the construction of the 100MW solar power plant in the Ningxia region.







# Management Discussion and Analysis

## (2) *Depreciation and Amortization*

# Management Discussion and Analysis

## 6. Adjusted Segment Operating Profit

Total adjusted segment operating profit for 2019 was RMB1,722.5 million, an increase of 54.2% from RMB1,117.0 million in 2018.

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

Total adjusted segment operating profit for 2019 was RMB1,051.1 million, an increase of 1.01% from RMB1,040.2 million in 2018.

### Wind Power Segment

Total adjusted segment operating profit for 2019 was RMB204.2 million, an increase of 1.55% from RMB200.8 million in 2018.

### Photovoltaic Power Segment

Total adjusted segment operating profit for 2019 was RMB1,117.0 million, an increase of 28.7% from RMB868.5 million in 2018.

### Hydropower Segment

Total adjusted segment operating profit for 2019 was RMB57.1 million, an increase of 7.74% from RMB53.1 million in 2018.

### Others

Total adjusted segment operating profit for 2019 was RMB104.7 million, an increase of 20.4% from RMB87.0 million in 2018.

## 7. Finance Costs

Finance costs for 2019 were RMB1,214.7 million, an increase of 54.1% from RMB784.5 million in 2018.

## 8. Share of Results of Associates and Joint Ventures

Total share of results of associates and joint ventures for 2019 was RMB115.7 million, an increase of 22.1% from RMB94.7 million in 2018.

# Management Discussion and Analysis

## 9. Profit before taxation

As at 31 December 2020, the profit before taxation was 2,575.0 million Hong Kong dollars, compared with 2,175.0 million Hong Kong dollars in 2019.

## 10. Income Tax Expense

The income tax expense for 2020 was 557.0 million Hong Kong dollars, compared with 500.0 million Hong Kong dollars in 2019. The effective tax rate for 2020 was 21.6%, compared with 22.9% in 2019.

## 11. Profit for the Year

As at 31 December 2020, the profit for the year was 2,018.0 million Hong Kong dollars, compared with 1,675.0 million Hong Kong dollars in 2019.

## 12. Profit for the Year Attributable to Equity holders of the Company

The profit for the year attributable to equity holders of the Company was 2,000.0 million Hong Kong dollars in 2020, compared with 1,660.0 million Hong Kong dollars in 2019.

## IV. FINANCIAL POSITION

### 1. Overview

As at 31 December 2020, the total assets of the Company were 70,524.2 million Hong Kong dollars, compared with 68,171.5 million Hong Kong dollars in 2019. The total liabilities were 48,406.2 million Hong Kong dollars, compared with 46,496.5 million Hong Kong dollars in 2019. The net assets were 22,118.0 million Hong Kong dollars, compared with 21,675.0 million Hong Kong dollars in 2019.

### 2. Particulars of Assets and Liabilities

The total assets of the Company as at 31 December 2020 were 70,524.2 million Hong Kong dollars, compared with 68,171.5 million Hong Kong dollars in 2019. The total liabilities were 48,406.2 million Hong Kong dollars, compared with 46,496.5 million Hong Kong dollars in 2019. The net assets were 22,118.0 million Hong Kong dollars, compared with 21,675.0 million Hong Kong dollars in 2019. The total assets of the Company as at 31 December 2020 were 70,524.2 million Hong Kong dollars, compared with 68,171.5 million Hong Kong dollars in 2019. The total liabilities were 48,406.2 million Hong Kong dollars, compared with 46,496.5 million Hong Kong dollars in 2019. The net assets were 22,118.0 million Hong Kong dollars, compared with 21,675.0 million Hong Kong dollars in 2019.

# Management Discussion and Analysis

## 3. Liquidity

As of December 31, 2020, the company's current assets were 1,275.15 million yuan, and the current liabilities were 1,252.1 million yuan. The company's current assets exceeded its current liabilities by 23.05 million yuan, indicating that the company has sufficient liquidity to meet its short-term obligations.

The company's working capital was 1,252.1 million yuan at the end of 2020, compared with 1,200.7 million yuan at the end of 2019, an increase of 51.4 million yuan, or 4.28%. The company's working capital ratio was 11.5% at the end of 2020, compared with 10.2% at the end of 2019, an increase of 1.3 percentage points.

The company's operating cash flow was 12,010.7 million yuan in 2020, compared with 10,000.0 million yuan in 2019, an increase of 2,010.7 million yuan, or 20.11%. The company's operating cash flow ratio was 5.05% in 2020, compared with 4.7% in 2019, an increase of 0.35 percentage points.

The company's net debt to capitalization ratio was 52.57% at the end of 2020, compared with 52.5% at the end of 2019, a slight increase of 0.07 percentage points.

## 4. Net Gearing Ratio

The company's net debt to capitalization ratio was 52.57% at the end of 2020, compared with 52.5% at the end of 2019, a slight increase of 0.07 percentage points. The company's net debt to capitalization ratio was 52.57% at the end of 2020, compared with 52.5% at the end of 2019, a slight increase of 0.07 percentage points.

The company's net debt to capitalization ratio was 52.57% at the end of 2020, compared with 52.5% at the end of 2019, a slight increase of 0.07 percentage points. The company's net debt to capitalization ratio was 52.57% at the end of 2020, compared with 52.5% at the end of 2019, a slight increase of 0.07 percentage points.

The company's net debt to capitalization ratio was 52.57% at the end of 2020, compared with 52.5% at the end of 2019, a slight increase of 0.07 percentage points. The company's net debt to capitalization ratio was 52.57% at the end of 2020, compared with 52.5% at the end of 2019, a slight increase of 0.07 percentage points.

The company's net debt to capitalization ratio was 52.57% at the end of 2020, compared with 52.5% at the end of 2019, a slight increase of 0.07 percentage points. The company's net debt to capitalization ratio was 52.57% at the end of 2020, compared with 52.5% at the end of 2019, a slight increase of 0.07 percentage points.

# Management Discussion and Analysis

## V. OTHER SIGNIFICANT EVENTS

### 1. Financing

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n 270-	u -s	n n n	2020	1. 4 %	
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n 270-	u -s	n n n	2020	2. 10%	
n 25	2020,	u	u n	2,000.0	n
n 100-	u -s	n n n	2020	1. 0%	
n 7	2020,	u	u n	1,000.0	n
n 270-	u -s	n n n	2020	2.75%	
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u -	n -s	2020,	5	25%	
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### 2. Capital Expenditure

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# Management Discussion and Analysis

## 3. Establishment and Acquisition of Subsidiaries

During the year, the Company established subsidiaries, including Ningxia Tongxin Dadi Risheng New Energy Co., Ltd. (寧夏同心大地日盛新能源有限公司), Ningxia Shanyang New Energy Co., Ltd. (寧夏杉陽新能源有限公司), Jiangsu Dingrui Solar Power Generation Co., Ltd. (湛江市鼎瑞太陽能發電有限公司), and Yuxiangguanghui Photovoltaic Power Co., Ltd. (義縣珈煜光伏電力有限公司). In 2020, the Company established subsidiaries, including Beijing Kangbao Xinqing Clean Energy Co., Ltd. (康保新京清潔能源有限公司), Beijing Shangyijing New Energy Co., Ltd. (尚義京能新能源有限公司), and Beijing Zhang Beijing Clean Energy Co., Ltd. (張北京能清潔能源有限公司). In 2020, the Company established subsidiaries, including Beijing Kangbao Xinqing Clean Energy Co., Ltd. (康保新京清潔能源有限公司), Beijing Shangyijing New Energy Co., Ltd. (尚義京能新能源有限公司), and Beijing Zhang Beijing Clean Energy Co., Ltd. (張北京能清潔能源有限公司).

The Company established subsidiaries, including Beijing Kangbao Xinqing Clean Energy Co., Ltd. (康保新京清潔能源有限公司), Beijing Shangyijing New Energy Co., Ltd. (尚義京能新能源有限公司), and Beijing Zhang Beijing Clean Energy Co., Ltd. (張北京能清潔能源有限公司). In 2020, the Company established subsidiaries, including Beijing Kangbao Xinqing Clean Energy Co., Ltd. (康保新京清潔能源有限公司), Beijing Shangyijing New Energy Co., Ltd. (尚義京能新能源有限公司), and Beijing Zhang Beijing Clean Energy Co., Ltd. (張北京能清潔能源有限公司).

## 4. Contingent Liabilities

As of December 31, 2020, the Company has no contingent liabilities.

## 5. Mortgage of Assets

As of December 31, 2020, the Company has no mortgage of assets. The Company has no mortgage of assets.

## Management Discussion and Analysis

## VI. RISK FACTORS AND RISK MANAGEMENT

## Macro-environmental Risk

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## Policy and Regulatory Risks

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## VII. BUSINESS OUTLOOK FOR 2021

[illegible]

# Management Discussion and Analysis

## 1. Evaluating the policies and capitalising the development opportunities

In 2020, the Company continued to implement the development strategy of "1+2+N" and "1+2+N" (1 is the core business, 2 is the related business, and N is the other business). The Company has achieved significant results in the core business, related business, and other business. The Company has also achieved significant results in the core business, related business, and other business. The Company has also achieved significant results in the core business, related business, and other business.

In 2021, the Company continued to implement the development strategy of "1+2+N" and "1+2+N" (1 is the core business, 2 is the related business, and N is the other business). The Company has achieved significant results in the core business, related business, and other business. The Company has also achieved significant results in the core business, related business, and other business. The Company has also achieved significant results in the core business, related business, and other business.

## 2. Accelerating pre-development and optimizing project layout

The Company has accelerated the pre-development of projects and optimized the project layout. The Company has achieved significant results in the core business, related business, and other business. The Company has also achieved significant results in the core business, related business, and other business. The Company has also achieved significant results in the core business, related business, and other business.

The Company has accelerated the pre-development of projects and optimized the project layout. The Company has achieved significant results in the core business, related business, and other business. The Company has also achieved significant results in the core business, related business, and other business. The Company has also achieved significant results in the core business, related business, and other business.

## Management Discussion and Analysis

### 3. Focusing on safe production and ensuring safe development

1. The first part of the text discusses the importance of understanding the context of the data being analyzed. It emphasizes that without proper context, any conclusions drawn from the data may be misleading or incorrect.

2. The second part of the text describes the various methods used to collect and analyze data. It mentions both traditional methods like surveys and interviews, as well as more modern techniques like data mining and machine learning.

3. The third part of the text focuses on the challenges of data analysis. It highlights issues such as data quality, data privacy, and the complexity of interpreting large datasets.

4. The fourth part of the text discusses the applications of data analysis in various fields. It mentions how data analysis is used in business, healthcare, social sciences, and many other areas to make informed decisions.

5. The fifth part of the text concludes by emphasizing the ongoing nature of data analysis. It states that as technology continues to advance, the field of data analysis will continue to evolve and expand.

#### 4. Accelerating scientific and technological innovation to promote high-quality development

[illegible]

# Human Resources

The company's human resources management system is based on the principle of "fairness, efficiency and development". The company has established a complete human resources management system, including recruitment, training, performance appraisal, compensation and benefits, etc. The company's human resources management system is in line with the company's business strategy and the needs of the company's development.

## I. SUMMARY OF HUMAN RESOURCES

The company's human resources management system is based on the principle of "fairness, efficiency and development". The company has established a complete human resources management system, including recruitment, training, performance appraisal, compensation and benefits, etc. The company's human resources management system is in line with the company's business strategy and the needs of the company's development.

### 1. Age Structure:

Age distribution	Number of employees	Percentage	Cumulative percentage
18-25	1,005	7.84%	7.84%
26-35	1,211	22.22%	30.06%
36-45	712	24.84%	54.90%
46-55	111	4.05%	58.95%
56-65	111	4.05%	63.00%
TOTAL	2,117	100.00%	100.00%

### 2. Degree Structure

Educational background	Number of employees	Percentage	Cumulative percentage
High school or below	1	0.04%	0.04%
College	172	8.12%	8.16%
Bachelor's degree	1,521	71.84%	80.00%
Master's degree	1,111	52.04%	100.00%
TOTAL	2,117	100.00%	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 achieve higher performance levels and to reward them for their contributions to the Company's success. The incentive system is based on the following principles:

- Performance-based: The incentive is based on the employee's performance relative to the Company's targets.
- Transparency: The incentive system is transparent and fair.
- Timeliness: The incentive is paid in a timely manner.
- Flexibility: The incentive system is flexible and can be adjusted to the Company's needs.

In 2020, the Company's performance was strong, and the incentive system was successful in motivating employees. The Company's performance was measured by the following indicators:

- Revenue: The Company's revenue increased by 5,000 million in 2020 compared to 2019.
- Profit: The Company's profit increased by 1,000 million in 2020 compared to 2019.
- Market Share: The Company's market share increased by 1% in 2020 compared to 2019.

The Company's performance in 2020 was a result of the efforts of its employees. The incentive system played a significant role in motivating employees to achieve higher performance levels.

## III. EMPLOYEES' REMUNERATION

The Company's remuneration policy is based on the following principles:

- Competitiveness: The Company's remuneration is competitive with the market.
- Transparency: The Company's remuneration policy is transparent and fair.
- Timeliness: The Company's remuneration is paid in a timely manner.
- Flexibility: The Company's remuneration policy is flexible and can be adjusted to the Company's needs.

## IV. EMPLOYEES' TRAINING

The Company has implemented a training program for its employees. The program is designed to provide employees with the skills and knowledge they need to perform their jobs effectively. The training program is based on the following principles:

- Relevance: The training is relevant to the employee's job.
- Quality: The training is of high quality.
- Timeliness: The training is provided in a timely manner.
- Flexibility: The training program is flexible and can be adjusted to the Company's needs.

In 2020, the Company's training program was successful in providing employees with the skills and knowledge they need to perform their jobs effectively. The Company's training program was measured by the following indicators:

- Employee Satisfaction: The Company's employee satisfaction increased by 1% in 2020 compared to 2019.
- Employee Performance: The Company's employee performance increased by 1% in 2020 compared to 2019.
- Employee Retention: The Company's employee retention increased by 1% in 2020 compared to 2019.

The Company's training program in 2020 was a result of the efforts of its employees. The training program played a significant role in providing employees with the skills and knowledge they need to perform their jobs effectively.

## V. EMPLOYEES' BENEFITS

The Company has implemented a benefits program for its employees. The program is designed to provide employees with the benefits they need to live a healthy and happy life. The benefits program is based on the following principles:

- Comprehensiveness: The benefits program is comprehensive and covers all aspects of the employee's life.
- Transparency: The benefits program is transparent and fair.
- Timeliness: The benefits program is provided in a timely manner.
- Flexibility: The benefits program is flexible and can be adjusted to the Company's needs.

In 2020, the Company's benefits program was successful in providing employees with the benefits they need to live a healthy and happy life. The Company's benefits program was measured by the following indicators:

- Employee Satisfaction: The Company's employee satisfaction increased by 1% in 2020 compared to 2019.
- Employee Performance: The Company's employee performance increased by 1% in 2020 compared to 2019.
- Employee Retention: The Company's employee retention increased by 1% in 2020 compared to 2019.

The Company's benefits program in 2020 was a result of the efforts of its employees. The benefits program played a significant role in providing employees with the benefits they need to live a healthy and happy life.



## Profiles of Directors, Supervisors and Senior Management

**Mr. GAO Yuming** (高玉明),  
Director General,  
China Electric Power Research Institute  
(北京石景山發電總廠)  
2000  
, Director General,  
(北京京能熱電股份有限公司) 2000-2005  
(內蒙古科右中) 2005-2007  
(內蒙古京能富祥發電有限公司) 2007-2009  
(內蒙古京科發電有限公司) 2009-2011  
(海澱北部燃氣熱電冷聯供項目籌建處) 2011-2012.  
(北京上莊燃氣熱電有限公司) 2012-2017,  
2017-2018,  
2018-2020.  
(北京京橋熱電有限責任公司) 2020-2021  
2021-2021,  
(華北電力學院) 2021-

Mr. CAO Mansheng (曹滿勝), 50, (熱工檢修分公司) (北京第三熱電廠) 2001 2001 2005 , n , u n T . / n n n Au u 2012 n T n (北京太陽宮燃氣熱電有限公司) Au u 2012 2017 , n n n n T n T 2017 nu 201 201 201 un 201 . u n T n n n (武漢水利電力大學) n u 1 A n un 200



## Profiles of Directors, Supervisors and Senior Management

**Mr. WANG Bangyi (王邦宜),** 7, is a male Chinese citizen, born on July 7, 1963, in Shanghai, China. He has a Bachelor's degree in Economics from Shanghai University of Finance and Economics. He has been working in the financial industry for over 20 years. He has held various positions in different companies, including Assistant General Manager, General Manager, and Chairman. He has also been a member of the Board of Directors of several companies. He is currently the Chairman of the Board of Directors of the Company.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. HUANG Xiang (黄湘),** 4, is a male Chinese citizen, born on July 4, 1964, in Shanghai, China. He has a Bachelor's degree in Economics from Shanghai University of Finance and Economics. He has been working in the financial industry for over 20 years. He has held various positions in different companies, including Assistant General Manager, General Manager, and Chairman. He has also been a member of the Board of Directors of several companies. He is currently the Chairman of the Board of Directors of the Company.



## Profiles of Directors, Supervisors and Senior Management

Mr. CHAN Yin Tsung (陳彥璵), 1, ss n n n n n- u 4 4 U 4 n .  
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## Profiles of Directors, Supervisors and Senior Management

**Mr. Xu Daping** (徐大平), 70, n n n n n u n . s  
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## SUPERVISORS

Mr. WANG Xiangneng (王祥能),  
 (中國社會科學院機關事務管理局基建處)  
 (中央國家機關講師團)  
 (國家農業投資公司)  
 (國家開發投資公司)  
 (國家測繪局中測審計事務所)  
 (國家測繪局中測審計事務所)  
 (中誠信會計師事務所)  
 (奧特迪會計師事務所)  
 2000, 2001,  
 (北京中光華會計師事務所)  
 2001, 2002,  
 (北京國際電力開發投資公司)  
 2002  
 200, (北京能源投資(集團)有限公司)  
 200  
 (北京京能國際能源股份有限公司)  
 200, 201  
 (北京京能熱電股份有限公司)  
 201  
 (北京金泰集團有限公司)  
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 (北京京能國際能源股份有限公司)  
 200  
 (國華能源有限公司)  
 2017.  
 (北京京能能源技術研究有限責任公司)  
 201  
 (京能電力後勤服務有限公司)  
 201  
 (北京京能同鑫投資管理有限公司)  
 201, (北京京能清潔能源電力股份有限公司),  
 (北京京能電力股份有限公司)  
 (北京京煤集團有限責任公司)  
 (京能服務管理有限公司)  
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## Profiles of Directors, Supervisors and Senior Management

Mr. SUN Li (孫力), 55, is a Chinese national. He is currently the Chairman of Beijing Energy Investment (Group) Co., Ltd. (北京能源投資(集團)有限公司), which is a wholly-owned subsidiary of Beijing Energy Group Co., Ltd. (北京能源集團有限公司). He is also the Chairman of Beijing Yanshen Energy Technology Co., Ltd. (北京源深節能技術有限公司), which is a wholly-owned subsidiary of Beijing Yanshen Energy Technology Co., Ltd. (北京源深節能技術有限公司). He is also the Chairman of Beijing Huihua Energy Co., Ltd. (北京昊華能源股份有限公司), which is a wholly-owned subsidiary of Beijing Huihua Energy Co., Ltd. (北京昊華能源股份有限公司). He is also the Chairman of Beijing Aotai Energy Co., Ltd. (北京奧泰能源股份有限公司), which is a wholly-owned subsidiary of Beijing Aotai Energy Co., Ltd. (北京奧泰能源股份有限公司). He is also the Chairman of Beijing Aotai Energy Co., Ltd. (北京奧泰能源股份有限公司), which is a wholly-owned subsidiary of Beijing Aotai Energy Co., Ltd. (北京奧泰能源股份有限公司).

Mr. YANG Huixian (楊會先), 57, is from Beijing Coal General Company No. 5 Plant (北京市煤炭總公司五廠). He has been working at Beijing Coal General Company No. 1 Plant (北京市煤炭總公司一廠) since July 2000, and currently works as a manager of Beijing Coal General Company No. 1 Plant, Fourth Plant (北京市煤炭總公司一廠、四廠). In 2000, he joined Jin Tai Heng International Travel Co., Ltd. (北京金泰恆業國際旅遊有限公司), which was established in 2007. In 2010, he joined Jin Tai Group Co., Ltd. (北京金泰集團有限公司). In 2012, he joined the Central Party School Correspondence College (中央黨校函授學院).

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## Profiles of Directors, Supervisors and Senior Management

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Mr. **KANG Jian** (康健), 57, u n n n s ,  
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**COMPANY SECRETARY**

Mr. KANG Jian (康健), 1980.01.01, male, Chinese, born in Shanghai, China, with a passport number of 123456789, is the husband of Ms. WANG Li (王丽), 1980.02.02, female, Chinese, born in Beijing, China, with a passport number of 987654321. They are both citizens of the People's Republic of China and are currently residing in New York City, New York, USA.

# Report of the Directors

This report, together with the audited financial statements for the year ended 31 March 2020 (the "Annual Financial Statements"), forms part of the 2020 Annual Report of the Company.

## REGISTERED SHARE CAPITAL

As at 31 March 2020, the registered share capital of the Company was £1,250,100, consisting of 1,250,100 ordinary shares of £1.00 each. The Company has not issued any new shares since 31 March 2019.

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

The Company has not purchased, sold or redeemed any of its listed securities during the year ended 31 March 2020.

## DEBENTURES IN ISSUE

The Company has issued £5,000,000 of 5% debentures, which are due for redemption on 31 March 2025. The Company has not redeemed any of these debentures during the year ended 31 March 2020.

## FUTURE INVESTMENT PLANS AND EXPECTED FUNDING

The Company is currently reviewing its investment plans and expected funding requirements for the period ending 31 March 2021. The Company is currently reviewing its investment plans and expected funding requirements for the period ending 31 March 2021. The Company is currently reviewing its investment plans and expected funding requirements for the period ending 31 March 2021.

## EQUITY-LINKED AGREEMENT

The Company has entered into an equity-linked agreement with a third party, which is due to expire on 31 March 2020. The Company has not entered into any other equity-linked agreements during the year ended 31 March 2020.

## PERMITTED INDEMNITY PROVISION

The Company has entered into a permitted indemnity provision with a third party, which is due to expire on 31 March 2020. The Company has not entered into any other permitted indemnity provisions during the year ended 31 March 2020.

## Report of the Directors

### PLEDGING OF SHARES BY THE CONTROLLING SHAREHOLDER

The Company's controlling shareholder, Beijing Jingneng Clean Energy Co., Limited, has pledged its shares in the Company to secure the Company's bank loans. As at the end of 2020, the total amount of shares pledged was 1,000,000 shares, representing 10.0% of the Company's total shares.

### CHARGES ON GROUP ASSETS

As at the end of 2020, the Company's assets were pledged to secure bank loans. The total amount of assets pledged was 2,000,000,000 RMB, representing 20.0% of the Company's total assets. The assets pledged included land, buildings, and equipment.

### LOAN AGREEMENTS OR FINANCIAL ASSISTANCE OF THE COMPANY

The Company has entered into loan agreements with various banks to secure the Company's operations. As at the end of 2020, the total amount of loans was 1,000,000,000 RMB. The Company has also provided financial assistance to its subsidiaries and associates.

### SHARE OPTION SCHEME

The Company has implemented a share option scheme to attract and retain key personnel. As at the end of 2020, the total number of shares under the scheme was 1,000,000 shares.

### PRE-EMPTIVE RIGHTS

The Company has implemented pre-emptive rights to ensure that existing shareholders have the opportunity to subscribe for new shares. As at the end of 2020, the total amount of shares under pre-emptive rights was 1,000,000 shares.

### PRINCIPLE BUSINESS

The Company's principal business is the production and sale of clean energy products. The Company has a long history of operation and a strong reputation in the market. As at the end of 2020, the Company's total revenue was 52,000,000,000 RMB.



## RESULTS

The Group's results for the year ended 31 December 2020 are set out in the following table. The results for the year ended 31 December 2020 are compared with the results for the year ended 31 December 2019. The results for the year ended 31 December 2020 are also compared with the results for the year ended 31 December 2019. The results for the year ended 31 December 2020 are also compared with the results for the year ended 31 December 2019.

	2020	2019
Revenue	77.7	77.7
Operating Profit	10.7	10.7
Profit before tax	10.7	10.7
Profit after tax	10.7	10.7
Dividends	21.0	21.0

## BUSINESS REVIEW

A review of the business performance for the year ended 31 December 2020 is set out in the following table. The results for the year ended 31 December 2020 are compared with the results for the year ended 31 December 2019. The results for the year ended 31 December 2020 are also compared with the results for the year ended 31 December 2019.

	2020	2019
Revenue	77.7	77.7
Operating Profit	10.7	10.7
Profit before tax	10.7	10.7
Profit after tax	10.7	10.7
Dividends	21.0	21.0

## ENVIRONMENTAL POLICIES AND PERFORMANCE

A review of the environmental policies and performance for the year ended 31 December 2020 is set out in the following table. The results for the year ended 31 December 2020 are compared with the results for the year ended 31 December 2019. The results for the year ended 31 December 2020 are also compared with the results for the year ended 31 December 2019.

	2020	2019
Revenue	77.7	77.7
Operating Profit	10.7	10.7
Profit before tax	10.7	10.7
Profit after tax	10.7	10.7
Dividends	21.0	21.0

## COMPLIANCE WITH LAWS AND REGULATIONS

The Group's compliance with laws and regulations for the year ended 31 December 2020 is set out in the following table. The results for the year ended 31 December 2020 are compared with the results for the year ended 31 December 2019. The results for the year ended 31 December 2020 are also compared with the results for the year ended 31 December 2019.

	2020	2019
Revenue	77.7	77.7
Operating Profit	10.7	10.7
Profit before tax	10.7	10.7
Profit after tax	10.7	10.7
Dividends	21.0	21.0

# Report of the Directors

## DIVIDEND POLICY

The Company has adopted a dividend policy of distributing dividends to its shareholders in a timely manner and in a reasonable amount, in accordance with the Company's financial position and the needs of its business operations.

The Company's dividend policy is to distribute dividends to its shareholders in a timely manner and in a reasonable amount, in accordance with the Company's financial position and the needs of its business operations. The Company's dividend policy is to distribute dividends to its shareholders in a timely manner and in a reasonable amount, in accordance with the Company's financial position and the needs of its business operations.

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The Company's dividend policy is to distribute dividends to its shareholders in a timely manner and in a reasonable amount, in accordance with the Company's financial position and the needs of its business operations.

## FINAL DIVIDEND

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# Report of the Directors

## CLOSURE OF REGISTER OF MEMBERS

The Company's register of members is closed from 21st January 2021 to 21st February 2021 (inclusive) for the purpose of determining the members entitled to attend and vote at the annual general meeting of the Company to be held on 22nd March 2021. The register of members will be open for inspection from 22nd March 2021 to 22nd April 2021 (inclusive).

The Company's register of members is closed from 21st January 2021 to 21st February 2021 (inclusive) for the purpose of determining the members entitled to attend and vote at the annual general meeting of the Company to be held on 22nd March 2021. The register of members will be open for inspection from 22nd March 2021 to 22nd April 2021 (inclusive).

The Company's register of members is closed from 21st January 2021 to 21st February 2021 (inclusive) for the purpose of determining the members entitled to attend and vote at the annual general meeting of the Company to be held on 22nd March 2021. The register of members will be open for inspection from 22nd March 2021 to 22nd April 2021 (inclusive).

## PROPERTY, PLANT AND EQUIPMENT

The Company's property, plant and equipment is stated at cost less accumulated depreciation and impairment losses. The carrying amount of property, plant and equipment is disclosed in the following table:

## RESERVES

The Company's reserves are stated at cost less accumulated depreciation and impairment losses. The carrying amount of reserves is disclosed in the following table:

## DONATIONS

The Company's donations are stated at cost less accumulated depreciation and impairment losses. The carrying amount of donations is disclosed in the following table:

## BANK BORROWINGS AND OTHER BORROWINGS

The Company's bank borrowings and other borrowings are stated at cost less accumulated depreciation and impairment losses. The carrying amount of bank borrowings and other borrowings is disclosed in the following table:

# Report of the Directors

## DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The following table provides information on the Directors, Supervisors and Senior Management of the Company as at 31 December 2020.

Name	Title in the Company	Date of Appointment or Re-election
A. N. N.	u. n. n. n. n. n.	2020/2020
u <sup>(1)</sup>	u. n. n. n.	1/2021/2020
A. Yu. n <sup>(2)</sup>	u. n. u. n. n.	1/2021/2021
A. n. s. n.	u. n. u. n. n.	2020/2021
un <sup>(3)</sup>	u. n. u. n. n.	2021/2021
A. n. u. n <sup>(4)</sup>	u. n. u. n. n.	25/2020/2020
u.	n. u.	2020
u. n.	n. u.	2020
A. n.	n. u.	2020
(5)	n. u.	2020
A. n.	n. n. n. n. n. u.	2020
A. Y. n. T. un.	n. n. n. n. n. u.	2020
A. n.	n. n. n. n. n. u.	2020
n <sup>(6)</sup>	n. n. n. n. n. u.	2020
A. u. s. n <sup>(7)</sup>	n. n. n. n. n. u.	2020
A. n. n. n.	n. n. n. n. n. u.	2020
YA. u. n <sup>(8)</sup>	u. s. n.	2020
A. u <sup>(10)</sup>	u. s. n.	2020
A. n <sup>(11)</sup>	u. s. n.	2017
A. n.	u. n. n.	2017
A. u. un.	u. n. n.	2017
A. n.	u. n. n. n. s.	2010/200

## Report of the Directors

Notes:

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- (2) T      n    .    Yu n    u                  n 1    u    2021.
- (3)    .    un'       u                  n 2    2020.
- ( ) T      n    . An    n u n    u                  n 25                  2020    n         s n    n    . An  
s    u                  n 20       2020.
- (5) T      s n    n    .    u        s n    u                  n        n             n 20       2020.
- (6) T      n    .    u    n    s n    n n n n    u                  n 20       2020.
- (7) T            .    n    u s    s n    n n n n    u                  n 20       2020.
- (8) T      n    .    un    s u    s          n 25                  2020.
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- (10) T      s n    n    .    u n    u    s u    s          n 25                  2020.
- (11) T      s n    n    s u n    n    s u    s          n 2    2020.

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## BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

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## SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS

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## Report of the Directors

## EMOLUMENTS OF DIRECTORS AND SUPERVISORS

Number of employees in 2020

\$1,000,001      \$1,500,000

## DIRECTORS' AND SUPERVISORS' INTERESTS IN TRANSACTION, ARRANGEMENT OR CONTRACTS

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## ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

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# Report of the Directors

## DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 31 December 2020, none of the Directors has any interests in any competing business.

Name	Positions in the Company	Other interests
(1)	Director	None
Mr. Zhang	Director	None

Note:

(1) Mr. Zhang is the Chairman of the Board of Directors.

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

As at 31 December 2020, none of the Directors, Supervisors or Chief Executives has any interests in any shares, underlying shares or debentures of the Company or any other entity.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES

As at 31 December 2020, the interests and short positions of the directors and chief executive of the Company in the shares and underlying shares of the Company, and the interests and short positions of the substantial shareholders in the shares and underlying shares of the Company, as required by Section 336 of the Companies Ordinance, are set out in this report.

Note: ( ) indicates nil.

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 (%)
(Note 1 and Note 2)	Ordinary Shares	Holder	5,100,000 ( )	5.00	12.4
	Ordinary Shares	Holder	71,120,000 ( )	14.47	5.72
(Note 1 and Note 2)	Ordinary Shares	Holder	5,100,000 ( )	100.00	15.4
	Ordinary Shares	Holder	71,120,000 ( )	14.47	5.72
Holder (Note 2)	Ordinary Shares	Holder	71,120,000 ( )	14.47	5.72
A (Note 3)	Ordinary Shares	Holder	170,500,000 ( )	1.10	2.10
A (Note 3)	Ordinary Shares	Holder	170,500,000 ( )	1.10	2.10
A (Note 3)	Ordinary Shares	Holder	170,500,000 ( )	1.10	2.10
Y n An Y. (Note 3)	Ordinary Shares	Holder	170,500,000 ( )	1.10	2.10
Holder (Note 4)	Ordinary Shares	Holder	14,400,000 ( )	1.4	2.8
Holder (Note 4)	Ordinary Shares	Holder	14,400,000 ( )	1.4	2.8
Holder (Note 4)	Ordinary Shares	Holder	14,400,000 ( )	1.4	2.8
Holder (Note 5)	Ordinary Shares	Holder	450,000,000 ( )	20.0	7.2
Holder (Note 5)	Ordinary Shares	Holder	450,000,000 ( )	20.0	7.2
Holder (Note 5)	Ordinary Shares	Holder	14,700,000 ( )	1.5	2.8

# Report of the Directors

Notes:

1. The Company's net profit attributable to shareholders for the period ended December 31, 2015, was RMB1,005,222,000, which is higher than the net profit attributable to shareholders for the period ended December 31, 2014, of RMB5,100,000,000. The increase is mainly due to the increase in the net profit attributable to shareholders for the period ended December 31, 2015, of RMB1,005,222,000, which is higher than the net profit attributable to shareholders for the period ended December 31, 2014, of RMB5,100,000,000. The increase is mainly due to the increase in the net profit attributable to shareholders for the period ended December 31, 2015, of RMB1,005,222,000, which is higher than the net profit attributable to shareholders for the period ended December 31, 2014, of RMB5,100,000,000.
2. The Company's net profit attributable to shareholders for the period ended December 31, 2015, was RMB1,005,222,000, which is higher than the net profit attributable to shareholders for the period ended December 31, 2014, of RMB5,100,000,000. The increase is mainly due to the increase in the net profit attributable to shareholders for the period ended December 31, 2015, of RMB1,005,222,000, which is higher than the net profit attributable to shareholders for the period ended December 31, 2014, of RMB5,100,000,000.
3. The Company's net profit attributable to shareholders for the period ended December 31, 2015, was RMB1,005,222,000, which is higher than the net profit attributable to shareholders for the period ended December 31, 2014, of RMB5,100,000,000. The increase is mainly due to the increase in the net profit attributable to shareholders for the period ended December 31, 2015, of RMB1,005,222,000, which is higher than the net profit attributable to shareholders for the period ended December 31, 2014, of RMB5,100,000,000.
4. The Company's net profit attributable to shareholders for the period ended December 31, 2015, was RMB1,005,222,000, which is higher than the net profit attributable to shareholders for the period ended December 31, 2014, of RMB5,100,000,000. The increase is mainly due to the increase in the net profit attributable to shareholders for the period ended December 31, 2015, of RMB1,005,222,000, which is higher than the net profit attributable to shareholders for the period ended December 31, 2014, of RMB5,100,000,000.
5. The Company's net profit attributable to shareholders for the period ended December 31, 2015, was RMB1,005,222,000, which is higher than the net profit attributable to shareholders for the period ended December 31, 2014, of RMB5,100,000,000. The increase is mainly due to the increase in the net profit attributable to shareholders for the period ended December 31, 2015, of RMB1,005,222,000, which is higher than the net profit attributable to shareholders for the period ended December 31, 2014, of RMB5,100,000,000.

## MANAGEMENT CONTRACT

The management contract is entered into between the Company and the management team for the year 2020.

## CONTRACT OF SIGNIFICANCE

The contract of significance is entered into between the Company and the management team for the year 2020.

## CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

The Company has entered into connected transactions and continuing connected transactions for the year 2020, 2021 and 2022.

(RMB million)

Connected transactions under	Connected persons	Annual caps for 2020	Actual transaction value in 2020
1. Qu n n n n A n		250.0	204.0
2. A n		12.7	10.7
n n n n n n		14.7	12.4
n n n n n n		51.0	7.
A n		1.5	1
n u A n		2,271.5	1,550.0
Qu n u A n		250.0	114.7
n n A n		50.0	27.7
n n A n			
n n		1,000.0	2,22.
(Note 1)			
n n		10.0	17.
A n		10.1	1.2

## Report of the Directors

Note 1:

## Continuing Connected Transactions between the Group and BEH and its Associates

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### Finance Lease Framework Agreement between BEH and the Company

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## Report of the Directors

## Framework Service Agreement between BEH and the Company

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## EPC Framework Agreement between BEH and the Company

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### Framework Heat Sale and Purchase Agreement between BEH and the Company

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## Equipment Purchase Framework Agreement between BEH and the Company

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## Report of the Directors

### Financial Services Framework Agreement between BEH Finance and the Company

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# Report of the Directors

## Confirmation of the Auditor

The directors confirm that the financial statements for the year ended 31 August 2020 (the "Financial Statements") are true and fair, and that they have been prepared in accordance with the applicable accounting standards and the provisions of the Companies Act 2006 (the "Act"). The directors also confirm that the Financial Statements have been prepared on a going concern basis.

The directors also confirm that the financial statements for the year ended 31 August 2019 are true and fair, and that they have been prepared in accordance with the applicable accounting standards and the provisions of the Act.

## COMPLIANCE WITH THE NON-COMPETITION AGREEMENT

The directors confirm that the company has complied with the non-competition agreement entered into between the company and the directors on 10 June 2011. The agreement requires the directors to refrain from engaging in any business that is in competition with the company's core business.

The directors also confirm that the company has complied with the non-competition agreement entered into between the company and the directors on 10 June 2011.

## MAJOR CUSTOMERS AND SUPPLIERS

The company's major customers for the year ended 31 August 2020 were as follows:

Customer	Percentage of Total Sales
Customer A	72.3%
Customer B	5.1%

The company's major suppliers for the year ended 31 August 2020 were as follows:

Supplier	Percentage of Total Purchases
Supplier A	1.1%
Supplier B	0.1%

The company's major customers and suppliers for the year ended 31 August 2019 were as follows:

Customer/Supplier	Percentage of Total Sales/Purchases
Customer A	72.3%
Customer B	5.1%
Supplier A	1.1%
Supplier B	0.1%

# Report of the Directors

## RETIREMENT AND EMPLOYEE BENEFITS SCHEME

The Company has a Retirement and Employee Benefits Scheme (the "Scheme") established in 2007. The Scheme is a defined contribution plan. The assets of the Scheme are held in a separate trust. The Company contributes to the Scheme a fixed amount each month based on the employee's salary. The Company has no obligation to pay any benefits to the employees under the Scheme.

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted the Corporate Governance Code (the "CG Code") as its corporate governance framework. The Company has complied with all the provisions of the CG Code throughout the year ended 31 December 2020.

## RELATIONSHIP WITH STAKEHOLDERS

The Company has established a stakeholder engagement framework to identify and manage the interests of its stakeholders. The Company has identified its stakeholders as shareholders, employees, customers, suppliers, creditors, government, community, and the environment. The Company has established a stakeholder engagement committee to oversee the implementation of the stakeholder engagement framework.

The Company has established a stakeholder engagement framework to identify and manage the interests of its stakeholders. The Company has identified its stakeholders as shareholders, employees, customers, suppliers, creditors, government, community, and the environment. The Company has established a stakeholder engagement committee to oversee the implementation of the stakeholder engagement framework.

The Company has established a stakeholder engagement framework to identify and manage the interests of its stakeholders. The Company has identified its stakeholders as shareholders, employees, customers, suppliers, creditors, government, community, and the environment. The Company has established a stakeholder engagement committee to oversee the implementation of the stakeholder engagement framework.

The Company has established a stakeholder engagement framework to identify and manage the interests of its stakeholders. The Company has identified its stakeholders as shareholders, employees, customers, suppliers, creditors, government, community, and the environment. The Company has established a stakeholder engagement committee to oversee the implementation of the stakeholder engagement framework.

## PUBLIC FLOAT

The Company has a public float of 25% of the total number of shares in issue. The Company has a public float of 25% of the total number of shares in issue. The Company has a public float of 25% of the total number of shares in issue.

# Report of the Directors

## SIGNIFICANT LEGAL PROCEEDINGS

During the year ended 31 December 2020, the Company has not been involved in any significant legal proceedings.

## AUDIT COMMITTEE

The Audit Committee has reviewed the Company's financial statements for the year ended 31 December 2020 and recommended them for adoption.

## AUDITORS

The Company's financial statements for the year ended 31 December 2020 have been audited by the independent member of the audit firm, PricewaterhouseCoopers ("PwC"), who is a member firm of the PwC network, which is a global organization of member firms, each of which is a separate legal entity. PwC is a member firm of the PwC network, which is a global organization of member firms, each of which is a separate legal entity.

## FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended 31 December 2020 is summarized in the following table:

## MISCELLANEOUS

The Company has not been involved in any significant legal proceedings during the year ended 31 December 2020.

Beijing Jingneng Clean Energy Co., Limited  
ZHANG Fengyang  
Chairman

Wang,   
Wang, 2021

# Report of the Board of Supervisors

## I. SUPERVISORY COMMITTEE'S WORK IN 2020

### (i) Supervisory Committee's Meetings Held

In 2020, the Supervisory Committee held 12 meetings. The meetings were held on the following dates: January 14, February 19, March 19, April 14, May 14, June 14, July 14, August 14, September 14, October 14, November 14, and December 14. The meetings were held in accordance with the provisions of the Company's Articles of Association and the Supervisory Committee's Work Rules.

2020-2021 Annual General Meeting: The Supervisory Committee held 1 meeting on January 14, 2021, to discuss the 2020-2021 Annual General Meeting. The meeting was held in accordance with the provisions of the Company's Articles of Association and the Supervisory Committee's Work Rules.

2020-2021 Annual General Meeting: The Supervisory Committee held 1 meeting on January 14, 2021, to discuss the 2020-2021 Annual General Meeting. The meeting was held in accordance with the provisions of the Company's Articles of Association and the Supervisory Committee's Work Rules.

2020-2021 Annual General Meeting: The Supervisory Committee held 1 meeting on January 14, 2021, to discuss the 2020-2021 Annual General Meeting. The meeting was held in accordance with the provisions of the Company's Articles of Association and the Supervisory Committee's Work Rules.

2020-2021 Annual General Meeting: The Supervisory Committee held 1 meeting on January 14, 2021, to discuss the 2020-2021 Annual General Meeting. The meeting was held in accordance with the provisions of the Company's Articles of Association and the Supervisory Committee's Work Rules.

2020-2021 Annual General Meeting: The Supervisory Committee held 1 meeting on January 14, 2021, to discuss the 2020-2021 Annual General Meeting. The meeting was held in accordance with the provisions of the Company's Articles of Association and the Supervisory Committee's Work Rules.

### (ii) Attendance at the Board Meeting

In 2020, the Board of Supervisors held 12 meetings. The meetings were held on the following dates: January 14, February 19, March 19, April 14, May 14, June 14, July 14, August 14, September 14, October 14, November 14, and December 14. The meetings were held in accordance with the provisions of the Company's Articles of Association and the Board of Supervisors' Work Rules.

## Report of the Board of Supervisors

### II. SUPERVISION OF THE SUPERVISORY COMMITTEE ON RELEVANT MATTERS IN 2020

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## Report of the Board of Supervisors

### (iii) Inspection on the formulation of the Company's equity incentive plan

The Board of Supervisors has reviewed the Company's equity incentive plan and found that the plan is in line with the relevant laws and regulations, and the Company's actual situation. The plan is formulated in accordance with the provisions of the "Interim Measures for the Implementation of Equity Incentive System for Overseas-listed Companies with State-owned Controlling Shares" (《國有控股上市公司(境外)實施股權激勵試行辦法》) and the "Notice on the Standardization of the Equity Incentive System for Overseas-listed Companies with State-owned Controlling Shares" (《關於規範國有控股上市公司實施股權激勵制度有關問題的通知》). The plan is also in line with the Company's actual situation and the needs of its business development. The Board of Supervisors has also reviewed the Company's equity incentive plan and found that the plan is in line with the relevant laws and regulations, and the Company's actual situation. The plan is formulated in accordance with the provisions of the "Interim Measures for the Implementation of Equity Incentive System for Overseas-listed Companies with State-owned Controlling Shares" (《國有控股上市公司(境外)實施股權激勵試行辦法》) and the "Notice on the Standardization of the Equity Incentive System for Overseas-listed Companies with State-owned Controlling Shares" (《關於規範國有控股上市公司實施股權激勵制度有關問題的通知》). The plan is also in line with the Company's actual situation and the needs of its business development.

### (iv) Inspection on the rule of law construction

The Board of Supervisors has reviewed the Company's rule of law construction and found that the Company has established a complete system of laws and regulations, and the implementation of the laws and regulations is in line with the relevant laws and regulations. The Company has also established a complete system of laws and regulations, and the implementation of the laws and regulations is in line with the relevant laws and regulations. The Company has also established a complete system of laws and regulations, and the implementation of the laws and regulations is in line with the relevant laws and regulations.

### (v) Inspection on delisting of H shares of the Company

The Board of Supervisors has reviewed the Company's delisting of H shares and found that the Company has established a complete system of laws and regulations, and the implementation of the laws and regulations is in line with the relevant laws and regulations. The Company has also established a complete system of laws and regulations, and the implementation of the laws and regulations is in line with the relevant laws and regulations. The Company has also established a complete system of laws and regulations, and the implementation of the laws and regulations is in line with the relevant laws and regulations.



## Report of the Board of Supervisors

(vi) Inspection on the Company's connected transactions

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(vii) Inspecting on the Company's information disclosure

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(viii) Inspecting on the Company's implementation of the resolutions passed in general meeting

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### III. WORK ARRANGEMENT OF THE SUPERVISORY COMMITTEE FOR 2021

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## CORPORATE GOVERNANCE PRACTICES

## MODEL CODE FOR SECURITIES TRANSACTIONS

56 Beijing Jingneng Clean Energy Co., Limited

## BOARD OF DIRECTORS

The Board of Directors is responsible for the overall management and supervision of the Company's business and operations. It is composed of seven members, including three independent non-executive directors, one executive director, and three non-executive directors.

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## Executive Directors

Mr. [Name] (Chairman)  
Mr. [Name] (General Manager)

Mr. [Name]

Mr. [Name]

## Non-executive Directors

Mr. [Name]  
Mr. [Name]  
Mr. [Name]

## Independent Non-executive Directors

Mr. [Name]  
Mr. [Name]  
Mr. [Name]

The Board of Directors is responsible for the overall management and supervision of the Company's business and operations. It is composed of seven members, including three independent non-executive directors, one executive director, and three non-executive directors.

## Chairman and General Manager

The Chairman and General Manager are responsible for the overall management and supervision of the Company's business and operations. They are composed of two members, including one independent non-executive director and one executive director.

# Corporate Governance Report

## Independent non-executive Directors

During the year ended 31 December 2020, the Company has maintained a good relationship with its independent non-executive directors. The independent non-executive directors have actively participated in the Company's business and management, and have provided valuable advice and suggestions to the Company.

The independent non-executive directors have also actively participated in the Company's business and management, and have provided valuable advice and suggestions to the Company. The independent non-executive directors have also actively participated in the Company's business and management, and have provided valuable advice and suggestions to the Company.

## Non-executive Directors and Directors' Re-election

The Company has a total of 10 non-executive directors, of which 3 are independent non-executive directors. The independent non-executive directors have actively participated in the Company's business and management, and have provided valuable advice and suggestions to the Company.

The independent non-executive directors have also actively participated in the Company's business and management, and have provided valuable advice and suggestions to the Company. The independent non-executive directors have also actively participated in the Company's business and management, and have provided valuable advice and suggestions to the Company.

# Corporate Governance Report

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## Continuous Professional Development of Directors

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Directors	Type of Training
<b>Executive Directors</b>	
Mr. A. N. N. (Chairman)	A
Mr. A. N. S. N.	A
Mr. A. N. S. N. (2020)	A
Mr. A. N. S. N. (2020)	A
<b>Non-executive Directors</b>	
Mr. A. N. S. N.	A
Mr. A. N. S. N. (2020)	A
Mr. A. N. S. N. (2020)	A
<b>Independent non-executive Directors</b>	
Mr. A. N. S. N.	A
Mr. A. N. S. N.	A
Mr. A. N. S. N. (2020)	A

*Note:*

### Type of Training

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## BOARD COMMITTEES

The Board has established three committees, namely the Audit Committee, the Remuneration Committee and the Nominations Committee. The Board has also established the Sustainability Committee. The Board has also established the Sustainability Committee. The Board has also established the Sustainability Committee.

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### Audit Committee

The Audit Committee is responsible for overseeing the company's financial reporting process and the effectiveness of its internal control system. The Audit Committee is also responsible for overseeing the company's external audit process. The Audit Committee is also responsible for overseeing the company's external audit process.

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# Corporate Governance Report

## Remuneration and Nomination Committee

The Remuneration and Nomination Committee is composed of three independent non-executive directors. A majority of the members are independent non-executive directors. The Committee is responsible for recommending the remuneration policy and structure to the Board of Directors for approval, and for reviewing and approving the remuneration of the senior management.

The Committee has held three meetings in 2020. The Committee has reviewed the remuneration policy and structure, and has approved the remuneration of the senior management for 2020. The Committee has also reviewed the remuneration of the independent non-executive directors for 2020.

The Committee has also reviewed the remuneration of the executive directors for 2020. The Committee has approved the remuneration of the executive directors for 2020. The Committee has also reviewed the remuneration of the independent non-executive directors for 2020.

The Committee has also reviewed the remuneration of the executive directors for 2020. The Committee has approved the remuneration of the executive directors for 2020. The Committee has also reviewed the remuneration of the independent non-executive directors for 2020.

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The Committee has also reviewed the remuneration of the executive directors for 2020. The Committee has approved the remuneration of the executive directors for 2020. The Committee has also reviewed the remuneration of the independent non-executive directors for 2020.

## Strategy Committee

The Strategy Committee is a sub-committee of the Board of Directors. It is responsible for reviewing and recommending to the Board the company's long-term strategy, business plan, and capital allocation. The committee also monitors the company's performance against its strategy and business plan.

The committee is composed of three members, including the Chairman of the Board and two independent non-executive directors. The committee met 2 times in 2020 and 2021.

The committee's primary responsibilities are to: (i) review and recommend to the Board the company's long-term strategy, business plan, and capital allocation; (ii) monitor the company's performance against its strategy and business plan; and (iii) review and recommend to the Board the company's risk management framework.

The committee also monitors the company's performance against its strategy and business plan.

## Legal and Compliance Management Committee

The Legal and Compliance Management Committee is a sub-committee of the Board of Directors. It is responsible for reviewing and recommending to the Board the company's legal and compliance policies, procedures, and framework. The committee also monitors the company's compliance with applicable laws and regulations.

The committee is composed of three members, including the Chairman of the Board and two independent non-executive directors. The committee met 2 times in 2020 and 2021.

## Board Diversity Policy

The Board Diversity Policy is a policy that aims to ensure that the Board of Directors is diverse in terms of gender, age, nationality, and other characteristics. The policy is designed to promote the Board's effectiveness and to ensure that the Board is able to represent the interests of all stakeholders.

The policy is based on the following principles: (i) diversity is a key factor in the Board's effectiveness; (ii) the Board should be composed of members with a variety of backgrounds, experiences, and perspectives; and (iii) the Board should be able to represent the interests of all stakeholders.

The policy also sets out the following objectives: (i) to ensure that the Board is diverse in terms of gender, age, nationality, and other characteristics; (ii) to promote the Board's effectiveness; and (iii) to ensure that the Board is able to represent the interests of all stakeholders.

## Corporate Governance Report

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## Director Nomination Policy

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An  $n$ -manifold is a topological space  $M$  with a collection of open sets  $\{U_\alpha\}$  and homeomorphisms  $\phi_\alpha: U_\alpha \rightarrow \mathbb{R}^n$  such that  $M = \bigcup U_\alpha$  and  $\phi_\alpha \circ \phi_\beta^{-1}$  is a diffeomorphism on  $\phi_\beta^{-1}(U_\alpha \cap U_\beta)$ .

## Corporate Governance Report

本公司在過去一年中，一直致力於提升公司的治理水平，並加強與股東、董事、監事及員工的溝通。在過去一年中，我們已經完成了一系列的治理工作，包括召開股東大會、董事會、監事會及員工大會，並對公司的治理結構進行了全面的評估和改進。我們相信，這些工作將有助於提高公司的透明度和信譽，並為股東創造長期的價值。

在過去一年中，我們已經完成了一系列的治理工作，包括召開股東大會、董事會、監事會及員工大會，並對公司的治理結構進行了全面的評估和改進。我們相信，這些工作將有助於提高公司的透明度和信譽，並為股東創造長期的價值。

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### Corporate Governance Functions

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## RISK MANAGEMENT AND INTERNAL CONTROLS

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Quasi-Newton methods are used to solve the optimization problem. The optimization problem is solved by minimizing the function  $f(x)$  over the domain  $D$ . The optimization problem is solved by minimizing the function  $f(x)$  over the domain  $D$ . The optimization problem is solved by minimizing the function  $f(x)$  over the domain  $D$ .

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# Corporate Governance Report

## Putting Forward Enquiries to the Board

Shareholders may put forward enquiries to the Board of Directors through the following channels:

### Contact Details

Shareholders may put forward enquiries to the Board of Directors through the following channels:

A. Shareholders may put forward enquiries to the Board of Directors through the following channels:

7/20/2020

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# Independent Auditors' Report

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## KEY AUDIT MATTERS (continued)

72 Beijing Jingneng Clean Energy Co., Limited

## KEY AUDIT MATTERS (continued)

Key audit matter	How our audit addressed the key audit matter
<b>Goodwill impairment assessment</b>	
<p>The Group's goodwill is tested for impairment annually, or more frequently if indicators arise. The assessment involves comparing the carrying amount of the cash-generating unit (CGU) with its recoverable amount. The recoverable amount is the maximum of the CGU's fair value less costs of disposal and its value in use. The value in use calculation requires significant estimates and assumptions, particularly regarding the discount rate and the cash flows expected to be generated by the CGU.</p> <p>The Group's management has performed the impairment test, and the results indicate that the carrying amount of the CGU is less than its recoverable amount. Therefore, no impairment loss is recognized.</p> <p>The Group's management has also performed a sensitivity analysis to assess the impact of changes in the key estimates and assumptions on the value in use calculation. The results of the sensitivity analysis indicate that the carrying amount of the CGU remains below its recoverable amount.</p>	<p>We have performed the following procedures to address the key audit matter:</p> <ul style="list-style-type: none"> <li>We have reviewed the Group's management's assessment of the indicators of impairment.</li> <li>We have tested the mathematical accuracy of the value in use calculation.</li> <li>We have evaluated the reasonableness of the key estimates and assumptions used in the value in use calculation, including the discount rate and the cash flows expected to be generated by the CGU.</li> <li>We have performed a sensitivity analysis to assess the impact of changes in the key estimates and assumptions on the value in use calculation.</li> </ul> <p>Based on the results of our procedures, we are satisfied that the Group's management's assessment of the goodwill impairment is reasonable.</p>

## OTHER INFORMATION

The Group's financial statements are prepared in accordance with the applicable financial reporting framework. The Group's management is responsible for the preparation and fair presentation of the financial statements. The Group's management has also performed a review of the Group's financial statements to ensure that they are free from material misstatement.

The Group's management has also performed a review of the Group's financial statements to ensure that they are free from material misstatement. The Group's management has also performed a review of the Group's financial statements to ensure that they are free from material misstatement.

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## Independent Auditors' Report

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

Our audit was conducted in accordance with the standards of the Institute of Certified Public Accountants of China. We have obtained sufficient appropriate audit evidence to support our audit opinion. The consolidated financial statements of Beijing Jingneng Clean Energy Co., Limited for the year ended December 31, 2021, present fairly, in all material aspects, the financial position, financial performance, and cash flows of the Company in accordance with the applicable accounting standards.

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**Deloitte Touche Tohmatsu**  
*Certified Public Accountants*

2021

# Consolidated Statement of Profit or Loss

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Year ended 31 December	
		2020 RMB'000	2019 RMB'000
Revenue	6	17,003,306	14,899,114
Cost of sales	8	797,393	1,051,000
Gross profit		(8,804,303)	(,1 2,75 )
Selling and distribution expenses	13	(2,811,261)	(2, 58,170)
Administrative expenses	13	(869,925)	(52,220)
Finance costs		(594,657)	(2 ,2 )
Other income	9	(788,793)	(788,793)
Share of profits of associates	10	(13,160)	
Profit before income tax		(1,510)	(10,1 )
Income tax expense		3,917,090	7,21,114
Profit after income tax	11	41,065	58,002
Other comprehensive income	11	(1,150,847)	(1,21 ,10 )
Share of comprehensive income of associates		167,781	11 ,2 )
Comprehensive income		(22,063)	
Profit attributable to equity holders of the Company		2,953,026	2,175,2 2
Profit attributable to non-controlling interests	12	(557,041)	(507, 11)
Profit attributable to equity holders of the Company	13	2,395,985	2,117,111
Other comprehensive income attributable to equity holders of the Company		2,303,390	2,0 0,770
Other comprehensive income attributable to non-controlling interests	43	31,950	
Other comprehensive income attributable to equity holders of the Company		60,645	71,511
Profit attributable to equity holders of the Company		2,395,985	2,117,111
Profit attributable to non-controlling interests			
Profit attributable to equity holders of the Company	16	27.94	25.11

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2020

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Operating profit	2,395,985	2,147,841
Other comprehensive income (expense)		
Items that will not be reclassified to profit or loss:		
Available-for-sale financial assets	9,026	1,072
Cash flow hedges	3,851	(1,519)
Remeasurement of defined pension plans	(4,666)	
	8,211	,55
Items that may be reclassified subsequently to profit or loss		
Financial instruments at fair value through profit or loss	92,475	(1,119)
Cash flow hedges	20,007	18,104
Remeasurement of defined pension plans	9,013	11,117
Tax credits	(7,569)	(5,227)
	113,926	12,875
	122,137	17,2
Total comprehensive income	2,518,122	2,165,740
Total profit or loss	2,425,527	2,105,1
Share of profit or loss of associates and joint ventures	31,950	
Share of profit or loss of subsidiaries	60,645	71,511
	2,518,122	2,165,740

# Consolidated Statement of Financial Position

AT 31 DECEMBER 2020

		At 31 December	
	Notes	2020 RMB'000	201 RMB'000
<b>Non-current Assets</b>			
Investments in subsidiaries	17	43,187,213	44,700,111
Investments in associates	18	1,431,342	1,010,000
Investments in joint ventures	19	4,410,754	4,011,754
Investments in structured entities	20	190,049	110,000
Investments in financial assets at fair value through profit or loss	22(a)	3,518,508	2,025,210
Investments in financial assets at fair value through other comprehensive income	22(b)	117,000	110,000
Investments in financial assets at amortised cost	23(a)	130,904	152,117
Investments in financial assets at cost	23(b)	70,000	15,000
Investments in financial assets at fair value through profit or loss	24	296,104	211,000
Investments in financial assets at fair value through profit or loss	25	66,911	12,010
Investments in financial assets at fair value through profit or loss	29	1,114,305	10,507
Investments in financial assets at fair value through profit or loss		1,072,426	111,152
Investments in financial assets at fair value through profit or loss	31	50,787	55,115
Investments in financial assets at fair value through profit or loss	37	—	7,517
Deferred tax assets		206,000	211,000
Loans to associates		344,800	243,000
Deferred tax asset		10,751	—
		23(b) Intangible property, 70,000	

# Consolidated Statement of Financial Position

AT 31 DECEMBER 2020

		At 31 December	
	Notes	2020 RMB'000	201 RMB'000
<b>Current Liabilities</b>			
Trade payables	33	5,058,989	7,707,22
Accounts payable	48(b)	189,539	1,004,20
Other payables	34	12,318,322	7,904,70
Contract liabilities	35	7,060,658	4,074,11
Deferred income	36	96,656	70,200
Other current liabilities	36	26,128	2,700
Provisions		56,380	42,070
Income tax payable	39	64,659	1,100
Other current liabilities	37	19,576	1,707
Other current liabilities		125,381	117,711
Other current liabilities	38	228,336	1,000,000
		<b>25,244,624</b>	<b>17,521,100</b>
<b>Net Current Liabilities</b>		<b>(10,362,619)</b>	<b>(1,251,110)</b>
<b>Total Assets less Current Liabilities</b>		<b>45,293,684</b>	<b>10,255,100</b>
<b>Non-current Liabilities</b>			
Long-term debt	37	45,002	42,000
Long-term debt	34	10,896,268	11,000,51
Long-term debt	36	4,488,679	1,000,00
Long-term debt	36	1,999,284	1,000,00
Long-term debt		12,440	1,000,00
Long-term debt	24	193,615	1,110,00
Long-term debt	38	435,811	5,250,00
Long-term debt	39	836,336	5,000,00
Long-term debt	40	19,402	2,200,00
		<b>18,926,837</b>	<b>17,210,000</b>
<b>Net Assets</b>		<b>26,366,847</b>	<b>20,075,000</b>
<b>Capital and Reserves</b>			
Share capital	41	8,244,508	8,244,500
Reserves		16,249,142	11,830,500
Other equity		24,493,650	22,172,110
Other equity	43	1,525,582	1,525,582
Other equity		347,615	347,615
		<b>26,366,847</b>	<b>20,075,000</b>

ZHANG Fengyang  
Director

CHEN Dayu  
Director

# Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 31 DECEMBER 2020

Attributable to ordinary shareholders of the Company

	Share capital RMB'000 (Note 41)	Capital reserve RMB'000 (Note 42)	Statutory surplus reserve RMB'000 (note(a))	Other reserves RMB'000 (note(b))	Fair value through other comprehensive income reserve RMB'000	Cash flow hedging reserve RMB'000	Currency translation differences RMB'000	Retained profits RMB'000	Total RMB'000	Perpetual notes RMB'000 (Note 43)	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 201	2,500	4,704	2,114	1,121	1,140	(171)	(17,7)	7,127	21,110		7,222	21,511
Profit for the year					55	1	11	2,077	2,094			2,105
Transfer from profit for the year					55	1	11	2,077	2,105			2,105
Dividend paid								(17,7)	(17,7)			(17,7)
At 31 December 201	2,500	4,704	2,114	1,121	1,195	(170)	(17,6)	9,204	22,724		7,222	23,075
At 1 January 2020	8,244,508	3,934,473	2,286,420	(67,138)	10,714	(64,678)	(185,417)	8,513,786	22,672,668	-	402,641	23,075,309
Profit for the year	-	-	-	-	-	-	-	2,303,390	2,303,390	31,950	60,645	2,395,985
Transfer from profit for the year	-	-	-	-	12,877	21,451	92,475	-	126,803	-	-	126,803
Dividend paid	-	-	-	-	(4,666)	-	-	-	(4,666)	-	-	(4,666)
At 31 December 2020	8,244,508	3,934,473	2,286,420	(67,138)	10,714	(64,678)	(185,417)	10,813,176	24,974,295	31,950	463,286	25,502,534
At 1 January 2019	8,244,508	3,934,473	2,286,420	(67,138)	10,714	(64,678)	(185,417)	8,513,786	22,672,668	-	402,641	23,075,309
Profit for the year	-	-	-	-	-	-	-	2,303,390	2,303,390	31,950	60,645	2,395,985
Transfer from profit for the year	-	-	-	-	12,877	21,451	92,475	-	126,803	-	-	126,803
Dividend paid	-	-	-	-	(4,666)	-	-	-	(4,666)	-	-	(4,666)
At 31 December 2018	8,244,508	3,934,473	2,286,420	(67,138)	10,714	(64,678)	(185,417)	10,813,176	24,974,295	31,950	463,286	25,502,534
At 1 January 2017	8,244,508	3,934,473	2,286,420	(67,138)	10,714	(64,678)	(185,417)	8,513,786	22,672,668	-	402,641	23,075,309
Profit for the year	-	-	-	-	-	-	-	2,303,390	2,303,390	31,950	60,645	2,395,985
Transfer from profit for the year	-	-	-	-	12,877	21,451	92,475	-	126,803	-	-	126,803
Dividend paid	-	-	-	-	(4,666)	-	-	-	(4,666)	-	-	(4,666)
At 31 December 2016	8,244,508	3,934,473	2,286,420	(67,138)	10,714	(64,678)	(185,417)	10,813,176	24,974,295	31,950	463,286	25,502,534
At 1 January 2015	8,244,508	3,934,473	2,286,420	(67,138)	10,714	(64,678)	(185,417)	8,513,786	22,672,668	-	402,641	23,075,309
Profit for the year	-	-	-	-	-	-	-	2,303,390	2,303,390	31,950	60,645	2,395,985
Transfer from profit for the year	-	-	-	-	12,877	21,451	92,475	-	126,803	-	-	126,803
Dividend paid	-	-	-	-	(4,666)	-	-	-	(4,666)	-	-	(4,666)
At 31 December 2014	8,244,508	3,934,473	2,286,420	(67,138)	10,714	(64,678)	(185,417)	10,813,176	24,974,295	31,950	463,286	25,502,534

Notes:

- ( ) At 1 January 2015, the Company's equity was RMB23,075,309,000. During the year ended 31 December 2015, the Company's equity increased by RMB2,395,985,000 to RMB25,502,534,000. The increase was due to the profit for the year of RMB2,395,985,000 and the transfer from profit for the year of RMB126,803,000, offset by the dividend paid of RMB4,666,000.
- ( ) At 31 December 2015, the Company's equity was RMB25,502,534,000. During the year ended 31 December 2016, the Company's equity increased by RMB2,395,985,000 to RMB27,898,519,000. The increase was due to the profit for the year of RMB2,395,985,000 and the transfer from profit for the year of RMB126,803,000, offset by the dividend paid of RMB4,666,000.
- ( ) At 31 December 2016, the Company's equity was RMB27,898,519,000. During the year ended 31 December 2017, the Company's equity increased by RMB2,395,985,000 to RMB30,294,504,000. The increase was due to the profit for the year of RMB2,395,985,000 and the transfer from profit for the year of RMB126,803,000, offset by the dividend paid of RMB4,666,000.

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
<b>Operating activities</b>		
Revenue	2,953,026	2,175,222
Cost of sales	(2,811,261)	(2,501,170)
Net revenue	141,765	(325,948)
Other income	50,844	(21,000)
Finance income	119,521	10,000
Finance costs	(1,510)	(10,000)
Share of profits of associates	—	(5,200)
Share of losses of associates	(14,633)	(1,100)
Share of profits of joint ventures	1,300	21,151
Share of losses of joint ventures	(167,781)	(11,200)
Share of profits of subsidiaries	22,063	(41,065)
Share of losses of subsidiaries	(41,065)	(50,000)
Share of profits of subsidiaries	1,150,847	1,211,100
Share of losses of subsidiaries	(151,051)	(117,000)
Share of profits of subsidiaries	(5,277)	(5,000)
Share of losses of subsidiaries	(478,890)	(72,500)
Net cash generated from operating activities	6,280,941	5,021,511
Investing activities		
Disposal of property, plant and equipment	2,069	1,000
Disposal of subsidiaries	(3,882,556)	51,100
Disposal of joint ventures	(116,222)	1,770
Disposal of associates	503,313	72,000
Disposal of subsidiaries	(40,330)	(1,021,110)
Disposal of subsidiaries	38,037	2,000
Disposal of subsidiaries	341,711	710,000
Disposal of subsidiaries	6,741	(21,000)
Net cash generated from investing activities	3,133,704	517,210
Financing activities		
Dividends received from subsidiaries	(531,896)	(5,200)
Net cash generated from financing activities	2,601,808	5,011,700



FOR THE YEAR ENDED 31 DECEMBER 2020

	Year ended 31 December	
	2020 RMB'000	201 RMB'000
<b>Investing activities</b>		
n    s	42,914	51,522
n    s	6,928	50,21
n    s    s    s    s    s	134,000	5,000
n    s    s    s    s    s	75,000	15,000
A    un    n    s    s    s    s	(117,000)	
A    un    n    s    s    s    s	(70,000)	(10,000)
n    n    n    s    s    s	(1,222,000)	
u    s    s    s		
,    n    n    u    n	(7,235,820)	( , 7)
n    n    s    s    s	(68,417)	(5 ,277)
-    u    s    s    s    s	(10,769)	
s    u    s    n    u    s    s    s    s	(142,952)	(2 , , )
s    n    s    s    s    s    s    s    s    s    s	34,224	1,10
s    n    s    s    s    s    s    s    s    s    s	4,959	100,
n    s    n    s    s    s	(3,086)	( , 1)
s    s    s    n    n    n    s	3,035	1
<b>Net cash used in investing activities</b>	<b>(8,568,984)</b>	<b>( , 1, 1)</b>

# Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Year ended 31 December	
		2020 RMB'000	2019 RMB'000
<b>Financing activities</b>			
Issue of shares		(50,280)	
Proceeds from the issuance of debt		(1,080,351)	(1,177,700)
Proceeds from the issuance of equity		12,272,425	7,574,500
Proceeds from the issuance of debt		(8,647,897)	(8,725,200)
Proceeds from the issuance of equity		10,500,000	10,000,000
Proceeds from the issuance of debt		(11,338)	(10,500)
Proceeds from the issuance of equity		(9,500,000)	(9,000,000)
Proceeds from the issuance of debt		1,000,000	
Proceeds from the issuance of equity		(1,415)	
Proceeds from the issuance of debt		1,000,000	1,000,000
Proceeds from the issuance of equity		(358)	(450)
Proceeds from the issuance of debt		1,500,000	
Proceeds from the issuance of equity		(6,368)	
Proceeds from the issuance of debt		(49,321)	(10,500)
Proceeds from the issuance of equity			
Proceeds from the issuance of debt		(595,253)	(5,000)
Proceeds from the issuance of equity		(137,133)	(10,000)
<b>Net cash from (used in) financing activities</b>		<b>6,192,711</b>	<b>(2,000,000)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>225,535</b>	<b>(1,000,000)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>4,056,110</b>	<b>5,056,110</b>
<b>Effect of foreign exchange rate changes</b>		<b>15,805</b>	<b>(22,170)</b>
<b>Cash and cash equivalents at the end of the year</b>	32	<b>4,297,450</b>	<b>4,033,940</b>
<b>Represented by:</b>			
<b>Cash and cash equivalents at the end of the year</b>		<b>4,297,450</b>	<b>4,033,940</b>

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 1. GENERAL INFORMATION

The Company is a limited liability company incorporated in the People's Republic of China. The Company is a wholly-owned subsidiary of Beijing Energy Group Limited, which is a wholly-owned subsidiary of Beijing Energy Group Co., Ltd. (the "Parent Company").

The Company is a public company listed on the Shanghai Stock Exchange. The Company's shares are listed under the code 600211. The Company's registered capital is RMB 11,000,000,000. The Company's fiscal year is from January 1 to December 31.

The Company is a subsidiary of Beijing Energy Group Co., Ltd. (the "Parent Company"). The Parent Company is a wholly-owned subsidiary of Beijing Energy Group Limited, which is a wholly-owned subsidiary of Beijing Energy Group Co., Ltd. (the "Parent Company"). The Parent Company is a wholly-owned subsidiary of Beijing Energy Group Limited, which is a wholly-owned subsidiary of Beijing Energy Group Co., Ltd. (the "Parent Company").

The Company is a subsidiary of Beijing Energy Group Co., Ltd. (the "Parent Company"). The Parent Company is a wholly-owned subsidiary of Beijing Energy Group Limited, which is a wholly-owned subsidiary of Beijing Energy Group Co., Ltd. (the "Parent Company").

The Company is a subsidiary of Beijing Energy Group Co., Ltd. (the "Parent Company"). The Parent Company is a wholly-owned subsidiary of Beijing Energy Group Limited, which is a wholly-owned subsidiary of Beijing Energy Group Co., Ltd. (the "Parent Company").

## 2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements are prepared on the basis of the accounting records and supporting documents of the Company and its subsidiaries. The consolidated financial statements are prepared in accordance with the accounting standards and practices of the People's Republic of China. The consolidated financial statements are prepared in accordance with the accounting standards and practices of the People's Republic of China. The consolidated financial statements are prepared in accordance with the accounting standards and practices of the People's Republic of China.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 3. APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

### Amendments to IFRSs that are mandatorily effective for the current year

On January 1, 2020, the Group adopted the following amendments to IFRS Standards issued by the International Accounting Standards Board (“IASB”) during the period from January 1, 2019 to December 31, 2019:

Amendments to References to the Conceptual Framework in IFRS Standards	Definition of Material
Amendments to IFRS 1, IFRS 9 and IFRS 16	Definition of a Business
Amendments to IFRS 7, IFRS 9 and IFRS 16	Interest Rate Benchmark Reform

The Group has also adopted the following amendments to IFRS Standards issued by the IASB during the period from January 1, 2019 to December 31, 2019:

### 3.1 Impacts on application of Amendments to IAS 1 and IAS 8 Definition of Material

The Group has adopted the amendments to IAS 1 and IAS 8, which define the term “material” as information that, if omitted or misstated, could influence decisions made by users. The amendments are effective for annual periods beginning on or after January 1, 2020. The Group has applied the amendments retrospectively to all comparative periods presented in the consolidated financial statements for the year ended December 31, 2020. The Group has also applied the amendments to the consolidated financial statements for the year ended December 31, 2019, to ensure consistency of presentation.

### 3.2 Impacts on application of Amendments to IFRS 9, IAS 39 and IFRS 7 Interest Rate Benchmark Reform

The Group has adopted the amendments to IFRS 9, IAS 39 and IFRS 7, which relate to the interest rate benchmark reform. The amendments are effective for annual periods beginning on or after January 1, 2020. The Group has applied the amendments retrospectively to all comparative periods presented in the consolidated financial statements for the year ended December 31, 2020. The Group has also applied the amendments to the consolidated financial statements for the year ended December 31, 2019, to ensure consistency of presentation.

FOR THE YEAR ENDED 31 DECEMBER 2020

## New and amendments to IFRSs in issue but not yet effective

Notes:

- |     |     |   |      |   |   |    |       |
|-----|-----|---|------|---|---|----|-------|
| (1) | nnu | § | nn n | n | 1 | nu | 2020. |
| (2) | nnu | § | nn n | n | 1 | nu | 2022. |
| (3) | nnu | § | nn n | n |   |    |       |
| ( ) | nnu | § | nn n | n | 1 | un | 2020. |
| (5) | nnu | § | nn n | n | 1 | nu | 2021. |

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 3. APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRS

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

### 4.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared on the basis of the accounting policies set out in the consolidated financial statements for the year ended 31 December 2020. The consolidated financial statements have been prepared on the basis of the accounting policies set out in the consolidated financial statements for the year ended 31 December 2020.

The consolidated financial statements have been prepared on the basis of the accounting policies set out in the consolidated financial statements for the year ended 31 December 2020. The consolidated financial statements have been prepared on the basis of the accounting policies set out in the consolidated financial statements for the year ended 31 December 2020.

The consolidated financial statements have been prepared on the basis of the accounting policies set out in the consolidated financial statements for the year ended 31 December 2020. The consolidated financial statements have been prepared on the basis of the accounting policies set out in the consolidated financial statements for the year ended 31 December 2020.

The consolidated financial statements have been prepared on the basis of the accounting policies set out in the consolidated financial statements for the year ended 31 December 2020. The consolidated financial statements have been prepared on the basis of the accounting policies set out in the consolidated financial statements for the year ended 31 December 2020.

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u n A 2 Inventories u n u s n A 24 Impairment of Assets.

The consolidated financial statements have been prepared on the basis of the accounting policies set out in the consolidated financial statements for the year ended 31 December 2020. The consolidated financial statements have been prepared on the basis of the accounting policies set out in the consolidated financial statements for the year ended 31 December 2020.



FOR THE YEAR ENDED 31 DECEMBER 2020

#### 4.1 Basis of preparation of consolidated financial statements (continued)

## 4.2 Significant accounting policies

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## Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

#### 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### 4.2 Significant accounting policies (continued)

### Basis of consolidation (continued)

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### Changes in the Group's interests in existing subsidiaries

[illegible]



FOR THE YEAR ENDED 31 DECEMBER 2020

#### 4.2 Significant accounting policies (continued)

*Business combinations (continued)*

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 4.2 Significant accounting policies *(continued)*

#### *Business combinations (continued)*

#### *Business combinations (continued)*

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at the acquisition date fair value, plus the fair value of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree, less any cash paid to the former owners of the acquiree. The consideration transferred includes the fair value of any assets or liabilities transferred by the acquirer to the acquiree, as well as any contingent consideration to be transferred by the acquirer to the acquiree in or out of the business combination. Contingent consideration is classified as an asset or liability, depending on whether it is a right or an obligation to transfer additional consideration, and is measured at the acquisition date fair value. Contingent consideration that is classified as an asset or liability is subject to re-evaluation at each reporting date and changes in fair value are recognized in profit or loss. Contingent consideration that is classified as equity is not re-evaluated and is recognized in equity. Business combinations are accounted for as acquisitions, not as mere purchases of assets.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020



## 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.2 Significant accounting policies (continued)

#### Investments in associates and a joint venture (continued)

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 4.2 Significant accounting policies *(continued)*

#### *Investments in associates and a joint venture (continued)*

The Group's investments in associates and a joint venture are accounted for using the equity method. The Group's share of the net assets of the investee is recognised in the consolidated financial statements. The Group's share of the net assets of the investee is recognised in the consolidated financial statements. The Group's share of the net assets of the investee is recognised in the consolidated financial statements.

The Group's share of the net assets of the investee is recognised in the consolidated financial statements. The Group's share of the net assets of the investee is recognised in the consolidated financial statements. The Group's share of the net assets of the investee is recognised in the consolidated financial statements.

#### *Revenue from contracts with customers*

The Group's revenue from contracts with customers is recognised in the consolidated financial statements. The Group's revenue from contracts with customers is recognised in the consolidated financial statements. The Group's revenue from contracts with customers is recognised in the consolidated financial statements.

The Group's revenue from contracts with customers is recognised in the consolidated financial statements. The Group's revenue from contracts with customers is recognised in the consolidated financial statements. The Group's revenue from contracts with customers is recognised in the consolidated financial statements.

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The Group's revenue from contracts with customers is recognised in the consolidated financial statements. The Group's revenue from contracts with customers is recognised in the consolidated financial statements. The Group's revenue from contracts with customers is recognised in the consolidated financial statements.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.2 Significant accounting policies (continued)

#### Revenue from contracts with customers (continued)

At the end of the reporting period, the Company has performed the following work:

The Company has performed the following work:

The Company has performed the following work:

The Company has performed the following work:

The Company has performed the following work:

The Company has performed the following work:

The Company has performed the following work:

The Company has performed the following work:

The Company has performed the following work:

*Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation:*

#### Output method

The Company has performed the following work:

The Company has performed the following work:

The Company has performed the following work:

#### Existence of significant financing component

The Company has performed the following work:

The Company has performed the following work:

The Company has performed the following work:

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 4.2 Significant accounting policies *(continued)*

#### Leases

##### Definition of a lease

A lease is a contract that transfers the right to use an identified asset for a period of time in exchange for consideration. The contract must also contain the following elements: (i) the contract identifies the asset; (ii) the contract contains a period of time and a payment for the use of the asset; and (iii) the contract is enforceable. If a contract contains all three elements, it is a lease. If a contract does not contain all three elements, it is not a lease. If a contract contains all three elements but is not enforceable, it is a lease only if the contract is enforceable in substance.

##### The Group as a lessee

##### Allocation of consideration to components of a contract

The Group allocates the consideration in a contract to the lease component and the non-lease component. The lease component is measured at the present value of the lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be determined, the Group's incremental borrowing rate. The non-lease component is measured at the fair value of the non-lease component. The lease component is recognized as a lease liability and the non-lease component is recognized as a non-lease liability.

At the end of the reporting period, the lease liability is measured at the present value of the lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be determined, the Group's incremental borrowing rate. The non-lease liability is measured at the fair value of the non-lease liability.

FOR THE YEAR ENDED 31 DECEMBER 2020

#### 4.2 Significant accounting policies (continued)

*The Group as a lessee (continued)*

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 4.2 Significant accounting policies *(continued)*

#### *Leases (continued)*

##### *The Group as a lessee (continued)*

##### Refundable rental deposits

When the Group enters into a lease agreement, it may be required to pay a refundable rental deposit to the lessor. The deposit is recorded as a non-current asset on the balance sheet and is amortised over the lease term. The deposit is refundable at the end of the lease term, less any amounts due for damages or other charges. The deposit is classified as a non-current asset as it is expected to be recovered more than 12 months after the reporting date.

##### Lease liabilities

The Group recognises lease liabilities at the present value of the lease payments, excluding lease payments for the lease term that are not fixed. The lease payments are discounted using the interest rate implicit in the lease, or if that rate cannot be determined, the Group's incremental borrowing rate. The lease term is the non-cancellable period of the lease, unless the Group is reasonably certain to exercise an extension option or to terminate the lease early. The Group's incremental borrowing rate is the rate that the Group would have to pay to borrow over a similar period of time, with a similar credit risk, the same currency and in the same geographical area.

The Group's lease liabilities are classified as non-current liabilities on the balance sheet.

The Group's lease liabilities are measured at the present value of the lease payments, excluding lease payments for the lease term that are not fixed. The lease payments are discounted using the interest rate implicit in the lease, or if that rate cannot be determined, the Group's incremental borrowing rate.

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The Group's lease liabilities are measured at the present value of the lease payments, excluding lease payments for the lease term that are not fixed. The lease payments are discounted using the interest rate implicit in the lease, or if that rate cannot be determined, the Group's incremental borrowing rate.

FOR THE YEAR ENDED 31 DECEMBER 2020

#### 4.2 Significant accounting policies (continued)

*The Group as a lessee (continued)*

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 4.2 Significant accounting policies *(continued)*

#### *Foreign currencies (continued)*

Transactions and balances in foreign currencies are recorded in the functional currency of the entity. At the end of each reporting period, assets and liabilities denominated in foreign currencies are translated into the reporting currency at the closing rate. Income and expenses are translated at the average rate of exchange, unless there is significant fluctuation in the exchange rate, in which case the closing rate is used. The exchange differences arising from the translation of the financial statements of foreign operations are recognised in other comprehensive income and accumulated in a separate component of equity. When a foreign operation is disposed of, the cumulative exchange differences are recognised in profit or loss. The functional currency of the Group is the Hong Kong dollar. The reporting currency is the Hong Kong dollar.

For the purpose of presenting the consolidated financial statements, the assets and liabilities of foreign operations are translated into the reporting currency at the closing rate. Income and expenses are translated at the average rate of exchange, unless there is significant fluctuation in the exchange rate, in which case the closing rate is used. The exchange differences arising from the translation of the financial statements of foreign operations are recognised in other comprehensive income and accumulated in a separate component of equity. When a foreign operation is disposed of, the cumulative exchange differences are recognised in profit or loss. The functional currency of the Group is the Hong Kong dollar. The reporting currency is the Hong Kong dollar.

#### *Borrowing costs*

Borrowing costs are recognised as an expense when incurred, except for borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Such borrowing costs are capitalised as part of the cost of the asset. When the asset is ready for its intended use or sale, the borrowing costs are recognised as an expense. Borrowing costs are capitalised as part of the cost of the asset. When the asset is ready for its intended use or sale, the borrowing costs are recognised as an expense.

When the asset is ready for its intended use or sale, the borrowing costs are recognised as an expense. Borrowing costs are capitalised as part of the cost of the asset. When the asset is ready for its intended use or sale, the borrowing costs are recognised as an expense.



FOR THE YEAR ENDED 31 DECEMBER 2020

#### 4.2 Significant accounting policies (continued)

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 4.2 Significant accounting policies *(continued)*

#### Taxation

The Group is subject to income tax on its taxable income in the countries in which it operates. The Group's tax is calculated based on the tax rates and tax laws in the countries in which it operates. The Group's tax is calculated based on the tax rates and tax laws in the countries in which it operates. The Group's tax is calculated based on the tax rates and tax laws in the countries in which it operates.

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 4.2 Significant accounting policies *(continued)*

#### *Taxation (continued)*

The Company is subject to corporate income tax at the rate of 25% on its taxable income. The Company has applied for and obtained the qualification for being a high-tech enterprise, and is entitled to a preferential corporate income tax rate of 15% for the period from 2019 to 2021. The Company has also applied for and obtained the qualification for being a small and medium-sized enterprise, and is entitled to a preferential corporate income tax rate of 20% for the period from 2019 to 2021.

The Company is also subject to the following taxes:

- Value-added tax (VAT) at the rate of 13% on its taxable sales.
- City maintenance tax at the rate of 7% on its taxable income.
- Education surcharge at the rate of 3% on its taxable income.
- Local education surcharge at the rate of 2% on its taxable income.
- Land use tax at the rate of 0.5% on its taxable land area.
- Property tax at the rate of 0.5% on its taxable property value.
- Stamp duty at the rate of 0.5% on its taxable stampable documents.
- Deed tax at the rate of 0.5% on its taxable deed documents.
- Gift tax at the rate of 0.5% on its taxable gift documents.
- Inheritance tax at the rate of 0.5% on its taxable inheritance documents.
- Personal income tax at the rate of 20% on its taxable personal income.
- Corporate income tax at the rate of 25% on its taxable corporate income.

The Company has also applied for and obtained the qualification for being a small and medium-sized enterprise, and is entitled to a preferential corporate income tax rate of 20% for the period from 2019 to 2021.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 4.2 Significant accounting policies *(continued)*

#### *Property, plant and equipment*

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the purchase price, non-refundable taxes, and other directly attributable costs. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset. The estimated useful life and depreciation method are reviewed at each reporting date and adjusted if necessary.

When an asset is sold or otherwise disposed of, the gain or loss is calculated as the difference between the net proceeds and the carrying amount of the asset.

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the purchase price, non-refundable taxes, and other directly attributable costs. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset. The estimated useful life and depreciation method are reviewed at each reporting date and adjusted if necessary.

#### *Ownership interests in leasehold land and building*

Ownership interests in leasehold land and buildings are measured at cost less accumulated depreciation and impairment losses. Cost includes the purchase price, non-refundable taxes, and other directly attributable costs. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset. The estimated useful life and depreciation method are reviewed at each reporting date and adjusted if necessary.

Ownership interests in leasehold land and buildings are measured at cost less accumulated depreciation and impairment losses. Cost includes the purchase price, non-refundable taxes, and other directly attributable costs. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset. The estimated useful life and depreciation method are reviewed at each reporting date and adjusted if necessary.

Ownership interests in leasehold land and buildings are measured at cost less accumulated depreciation and impairment losses. Cost includes the purchase price, non-refundable taxes, and other directly attributable costs. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset. The estimated useful life and depreciation method are reviewed at each reporting date and adjusted if necessary.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.2 Significant accounting policies (continued)

#### Property, plant and equipment (continued)

##### Ownership interests in leasehold land and building (continued)

When the ownership interests in leasehold land and building are acquired, the cost is measured at the fair value of the consideration given. The cost includes the purchase price, related taxes and other directly attributable costs. The ownership interests in leasehold land and building are classified as property, plant and equipment and are carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated on a straight-line basis over the estimated useful life of the ownership interests in leasehold land and building.

#### Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance. Intangible assets are recognized when they are identifiable and their fair value can be measured reliably. Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is calculated on a straight-line basis over the estimated useful life of the intangible assets.

Intangible assets acquired in a business combination are recognized at their fair value at the acquisition date. Intangible assets acquired in a business combination are classified as property, plant and equipment if they are identifiable and their fair value can be measured reliably. Intangible assets acquired in a business combination are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is calculated on a straight-line basis over the estimated useful life of the intangible assets.

##### Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognized at their fair value at the acquisition date. Intangible assets acquired in a business combination are classified as property, plant and equipment if they are identifiable and their fair value can be measured reliably. Intangible assets acquired in a business combination are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is calculated on a straight-line basis over the estimated useful life of the intangible assets.

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 4.2 Significant accounting policies *(continued)*

#### *Impairment of property, plant and equipment, right-of-use assets and intangible assets other than goodwill*

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment, right-of-use assets and intangible assets other than goodwill to determine whether there is any indication that these assets may be impaired. If such indication exists, the Company estimates the recoverable amount of the assets. The recoverable amount is the maximum of the fair value less costs of disposal and the value in use. The fair value less costs of disposal is determined by reference to the market value of the assets, less any costs of disposal. The value in use is determined by discounting the expected future cash flows that are expected to be generated by the assets. If the carrying amount of the assets exceeds the recoverable amount, the carrying amount is reduced to the recoverable amount. The impairment loss is recognized in the consolidated income statement.

The Company also reviews the carrying amounts of its property, plant and equipment, right-of-use assets and intangible assets other than goodwill to determine whether there is any indication that these assets may be impaired. If such indication exists, the Company estimates the recoverable amount of the assets. The recoverable amount is the maximum of the fair value less costs of disposal and the value in use. The fair value less costs of disposal is determined by reference to the market value of the assets, less any costs of disposal. The value in use is determined by discounting the expected future cash flows that are expected to be generated by the assets. If the carrying amount of the assets exceeds the recoverable amount, the carrying amount is reduced to the recoverable amount. The impairment loss is recognized in the consolidated income statement.

The Company also reviews the carrying amounts of its property, plant and equipment, right-of-use assets and intangible assets other than goodwill to determine whether there is any indication that these assets may be impaired. If such indication exists, the Company estimates the recoverable amount of the assets. The recoverable amount is the maximum of the fair value less costs of disposal and the value in use. The fair value less costs of disposal is determined by reference to the market value of the assets, less any costs of disposal. The value in use is determined by discounting the expected future cash flows that are expected to be generated by the assets. If the carrying amount of the assets exceeds the recoverable amount, the carrying amount is reduced to the recoverable amount. The impairment loss is recognized in the consolidated income statement.

The Company also reviews the carrying amounts of its property, plant and equipment, right-of-use assets and intangible assets other than goodwill to determine whether there is any indication that these assets may be impaired. If such indication exists, the Company estimates the recoverable amount of the assets. The recoverable amount is the maximum of the fair value less costs of disposal and the value in use. The fair value less costs of disposal is determined by reference to the market value of the assets, less any costs of disposal. The value in use is determined by discounting the expected future cash flows that are expected to be generated by the assets. If the carrying amount of the assets exceeds the recoverable amount, the carrying amount is reduced to the recoverable amount. The impairment loss is recognized in the consolidated income statement.

FOR THE YEAR ENDED 31 DECEMBER 2020

#### 4.2 Significant accounting policies (continued)

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 4.2 Significant accounting policies *(continued)*

#### *Financial instruments*

The Group's financial instruments consist of cash and cash equivalents, trade receivables, trade payables, other receivables, other payables, bank borrowings, and financial assets and liabilities. The Group's financial instruments are classified as financial assets or financial liabilities in accordance with the Group's accounting policy.

The Group's financial instruments are classified as financial assets or financial liabilities in accordance with the Group's accounting policy. The Group's financial instruments are classified as financial assets or financial liabilities in accordance with the Group's accounting policy.

The Group's financial instruments are classified as financial assets or financial liabilities in accordance with the Group's accounting policy. The Group's financial instruments are classified as financial assets or financial liabilities in accordance with the Group's accounting policy.

#### *Financial assets*

##### Classification and subsequent measurement of financial assets

The Group's financial assets are classified as financial assets or financial liabilities in accordance with the Group's accounting policy. The Group's financial assets are classified as financial assets or financial liabilities in accordance with the Group's accounting policy.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 4.2 Significant accounting policies *(continued)*

#### *Financial instruments (continued)*

#### *Financial assets (continued)*

#### Classification and subsequent measurement of financial assets *(continued)*

Financial assets are classified into three categories: (1) financial assets at fair value through profit or loss, (2) financial assets at fair value through other comprehensive income, and (3) financial assets at amortized cost. The classification is determined by the business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Financial assets are measured at fair value at initial recognition. For financial assets at fair value through profit or loss, the fair value changes are recognized in profit or loss. For financial assets at fair value through other comprehensive income, the fair value changes are recognized in other comprehensive income, except for impairment losses and foreign exchange gains and losses, which are recognized in profit or loss. For financial assets at amortized cost, the fair value changes are not recognized. Interest income is calculated using the effective interest method. Dividends are recognized when the company has a right to receive the dividends. Financial assets are derecognized when the contractual rights to the cash flows from the financial assets expire or when the company transfers the financial assets and the transfer qualifies for derecognition.

A financial asset is classified as a financial asset at fair value through profit or loss if it is held for trading or if it is a derivative financial instrument. A financial asset is classified as a financial asset at fair value through other comprehensive income if it is a debt instrument and the company's business model for managing the financial asset is to collect both the contractual cash flows and the fair value changes. A financial asset is classified as a financial asset at amortized cost if it is a debt instrument and the company's business model for managing the financial asset is to collect the contractual cash flows.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 4.2 Significant accounting policies *(continued)*

#### *Financial instruments (continued)*

##### *Financial assets (continued)*

##### Classification and subsequent measurement of financial assets *(continued)*

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## Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

#### 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### 4.2 Significant accounting policies (continued)

## Financial instruments (continued)

## Financial assets (continued)

### Impairment of financial assets (continued)

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.2 Significant accounting policies (continued)

#### Financial instruments (continued)

##### Financial assets (continued)

##### Impairment of financial assets (continued)

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 4.2 Significant accounting policies *(continued)*

#### *Financial instruments (continued)*

#### *Financial assets (continued)*

#### *Impairment of financial assets (continued)*

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.2 Significant accounting policies (continued)

#### Financial instruments (continued)

##### Financial assets (continued)

##### Derecognition of financial assets

The Company derecognizes financial assets when the contractual rights to the cash flows from the assets expire, or it transfers the assets and the associated risks and rewards of ownership to another entity. In practice, this occurs when the Company transfers financial assets to a special purpose vehicle (SPV) for sale to investors in a structured finance transaction. The SPV is established for the sole purpose of selling the financial assets to investors. The Company transfers the financial assets to the SPV, which then sells them to investors. The Company derecognizes the financial assets when it transfers them to the SPV, as it has transferred the contractual rights to the cash flows from the assets and the associated risks and rewards of ownership to the SPV.

The Company derecognizes financial liabilities when the contractual obligations are extinguished, or it transfers the liabilities and the associated risks and rewards of ownership to another entity. In practice, this occurs when the Company transfers financial liabilities to a special purpose vehicle (SPV) for sale to investors in a structured finance transaction. The SPV is established for the sole purpose of selling the financial liabilities to investors. The Company transfers the financial liabilities to the SPV, which then sells them to investors. The Company derecognizes the financial liabilities when it transfers them to the SPV, as it has transferred the contractual obligations and the associated risks and rewards of ownership to the SPV.

The Company derecognizes financial assets when the contractual rights to the cash flows from the assets expire, or it transfers the assets and the associated risks and rewards of ownership to another entity. In practice, this occurs when the Company transfers financial assets to a special purpose vehicle (SPV) for sale to investors in a structured finance transaction. The SPV is established for the sole purpose of selling the financial assets to investors. The Company transfers the financial assets to the SPV, which then sells them to investors. The Company derecognizes the financial assets when it transfers them to the SPV, as it has transferred the contractual rights to the cash flows from the assets and the associated risks and rewards of ownership to the SPV.

##### Financial liabilities and equity

##### Classification as debt or equity

The Company classifies financial instruments as debt or equity based on the substance of the arrangement. Financial instruments that are classified as debt are measured at amortized cost, while financial instruments that are classified as equity are measured at fair value. The Company classifies financial instruments as debt or equity based on the substance of the arrangement.

##### Equity instruments

The Company classifies equity instruments as equity or debt based on the substance of the arrangement. Equity instruments that are classified as equity are measured at fair value, while equity instruments that are classified as debt are measured at amortized cost. The Company classifies equity instruments as equity or debt based on the substance of the arrangement.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 4.2 Significant accounting policies *(continued)*

#### *Financial instruments (continued)*

#### *Financial liabilities and equity (continued)*

#### Financial liabilities at amortised cost

Financial liabilities at amortised cost are initially recognised at fair value, net of transaction costs that are directly attributable to the acquisition of the financial liability. Subsequently, these financial liabilities are measured at amortised cost using the effective interest method. The amortised cost is calculated as the fair value less any premium or discount, plus or minus the cumulative amortisation of any premium or discount using the effective interest method.

#### Derecognition of financial liabilities

Financial liabilities are derecognised when the obligation is extinguished, that is, when the company has transferred all the cash or other financial assets to settle the liability, or when the liability has expired. If the company enters into a new financial liability that is substantially different from the existing liability, the existing liability is derecognised and a new liability is recognised.

#### *Derivative financial instruments*

Derivative financial instruments are initially recognised at fair value, net of transaction costs that are directly attributable to the acquisition of the derivative. Subsequently, these derivative financial instruments are measured at fair value. Changes in the fair value of the derivative are recognised in profit or loss, except for changes in the fair value of derivatives that are designated as hedging instruments, which are recognised in other comprehensive income.

#### *Hedge accounting*

The company applies hedge accounting to its foreign currency risk management activities.

A hedge is a transaction or arrangement that is entered into to offset the changes in the fair value or cash flows of a recognised asset or liability, or an unrecognised commitment, that are attributable to a particular risk. The company uses foreign currency derivatives to hedge its foreign currency risk.

The company uses the following criteria to determine whether a hedge relationship exists: (i) the hedging instrument must be designated as a hedge at the inception of the hedge relationship; (ii) the hedging instrument must be highly effective in offsetting the changes in the fair value or cash flows of the hedged item; and (iii) the hedging instrument must be measured at fair value.

FOR THE YEAR ENDED 31 DECEMBER 2020

#### 4.2 Significant accounting policies (continued)

## Hedge accounting (continued)

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FOR THE YEAR ENDED 31 DECEMBER 2020

#### 4.2 Significant accounting policies (continued)

## Hedge accounting (continued)

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FOR THE YEAR ENDED 31 DECEMBER 2020

## 4.2 Significant accounting policies (continued)

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 5. KEY SOURCES OF ESTIMATION UNCERTAINTY

The consolidated financial statements are prepared using accounting estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The Group's management has evaluated the estimates and assumptions used in the consolidated financial statements and has concluded that the estimates and assumptions are reasonable and consistent with the accounting policies adopted by the Group.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 5. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

### Impairment of goodwill

As at 31 December 2020, the carrying amount of goodwill was RMB1,234,567,000. The goodwill is primarily related to the acquisition of the company in 2018. The goodwill is tested for impairment annually, or more frequently if there are indicators of impairment. The impairment test is performed by comparing the carrying amount of the cash-generating unit (CGU) with its recoverable amount. The recoverable amount is the maximum of the fair value less costs of disposal and the value in use. The value in use is determined by discounting the expected future cash flows of the CGU. The impairment loss for goodwill is RMB1,234,567,000, which is recognized in the consolidated income statement for the year ended 31 December 2020.

### Impairment of trade receivables

The company's trade receivables are primarily from the sale of electricity. The company uses the expected credit loss (ECL) model to measure the impairment of trade receivables. The ECL model is based on the probability of default (PD) and the loss given default (LGD). The PD is estimated based on the historical default rates of the company's trade receivables. The LGD is estimated based on the historical loss rates of the company's trade receivables. The impairment loss for trade receivables is RMB1,234,567,000, which is recognized in the consolidated income statement for the year ended 31 December 2020.

The company's trade receivables are primarily from the sale of electricity. The company uses the expected credit loss (ECL) model to measure the impairment of trade receivables. The ECL model is based on the probability of default (PD) and the loss given default (LGD). The PD is estimated based on the historical default rates of the company's trade receivables. The LGD is estimated based on the historical loss rates of the company's trade receivables. The impairment loss for trade receivables is RMB1,234,567,000, which is recognized in the consolidated income statement for the year ended 31 December 2020.

### Fair value measurements on acquisition of four photovoltaic companies (the "Targets")

As at 31 December 2020, the company has acquired four photovoltaic companies (the "Targets"). The fair value of the Targets is measured using the market approach, which is based on the market multiples of the Targets. The market multiples are determined based on the market multiples of the Targets' peers. The fair value of the Targets is RMB1,234,567,000, which is recognized in the consolidated income statement for the year ended 31 December 2020.



FOR THE YEAR ENDED 31 DECEMBER 2020

(i) Disaggregation of revenue from contracts with customers

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FOR THE YEAR ENDED 31 DECEMBER 2020

(i) Disaggregation of revenue from contracts with customers (continued)

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## Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 6. REVENUE (continued)

(ii) Performance obligations for contracts with customers

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(iii) Transaction price allocated to the remaining performance obligation for contracts with customers

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 7. SEGMENT INFORMATION

The Company's operations are organized into three segments: Power Generation, Water Treatment, and Environmental Protection. The following table provides a summary of the financial performance of these segments for the year ended 31 December 2020.

Segment	Revenue (RMB million)	Cost of Sales (RMB million)	Gross Profit (RMB million)	Operating Expenses (RMB million)	Operating Profit (RMB million)
Power Generation	1,234,567	876,543	358,024	123,456	234,567
Water Treatment	567,890	456,789	111,101	45,678	65,423
Environmental Protection	345,678	234,567	111,111	34,567	76,544
<b>Total</b>	<b>2,148,135</b>	<b>1,567,900</b>	<b>580,235</b>	<b>203,701</b>	<b>376,534</b>

The above table represents the management's internal reporting system. The accounting policies and measurement methods used in the preparation of the consolidated financial statements are consistent with those used in the preparation of the segment information.

For the year ended 31 December 2020, the Company's total revenue was RMB 2,148,135 million, and its total operating profit was RMB 376,534 million. The Company's revenue is primarily derived from the sale of electricity and water treatment services.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 7. SEGMENT INFORMATION (continued)

### (a) Segment revenue, results, assets and liabilities

Amount in RMB'000		2020					
		Gas-fired power and heat energy generation	Wind power	Photovoltaic power	Hydropower	Others	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
For the year ended 31 December 2020							
Revenue		12,146,161	2,314,207	2,145,343	395,279	2,316	17,003,306
Cost of sales		1,769,612	1,201,021	1,124,081	59,211	(220,629)	3,933,296
Gross profit		14,228,337	25,533,743	21,806,751	2,655,860	26,767,756	90,992,447
Other income		(7,315,937)	(17,365,587)	(16,202,380)	(2,130,946)	(25,474,975)	(68,489,825)
Operating profit		870,622	814,820	742,905	107,859	3,849	2,540,055
Finance income		9,590	207,931	27,666	25,517	502	271,206
Finance costs		108,207	376,814	381,689	54,986	229,151	1,150,847
Profit before income tax		530,280	241,223	11,126	2,131	12,633	797,393
Income tax		403,025	23,383	-	-	-	426,408
Profit after income tax		41,836	2,632	6,961	1,053	-	52,482
Other income		6,088	123,411	3,239	-	-	132,738
Profit after other income		79,331	91,797	926	1,078	12,633	185,765
Profit after income tax and other income		345,244	3,696,412	2,972,708	34,886	5,034	7,054,284

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 7. SEGMENT INFORMATION (continued)

### (a) Segment revenue, results, assets and liabilities (continued)

	For the year ended 31 December 2019	For the year ended 31 December 2019	For the year ended 31 December 2019	For the year ended 31 December 2019	For the year ended 31 December 2019	For the year ended 31 December 2019
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
For the year ended 31 December 2019						
Revenue	12,156	1,402	1,101	1,101	1,101	1,101
Cost of sales	(1,075)	(12,500)	(5,250)	(110,717)	(121,782)	(1,714,515)
Gross profit	11,081	13,902	5,851	990,384	985,218	13,385,586
Operating expenses	(1,715,157)	(20,714)	(1,700,000)	(2,000,000)	(2,010,000)	(1,715,157)
Operating loss	(1,604,076)	(10,812)	(12,149)	(2,010,000)	(2,010,000)	(1,715,157)
Finance income	7,722	1,121	5,172	101,000	1,000	2,214,000
Finance expense	(712)	(200,77)	(100,000)	(2,000)	(520)	(2,214,000)
Profit before income tax	115,127	(10,891)	(7,000)	99,000	(1,520)	1,214,000
Income tax	(75,222)	(2,222)	(1,722)	(1,000)	(12,000)	(1,057,000)
Profit after income tax	39,905	(13,113)	(8,722)	98,000	(1,520)	1,157,000
Assets						
Non-current assets	1,001,111	21,000				701,111
Current assets	17,500	5,000	5,000			27,500
Liabilities						
Non-current liabilities	711	100,000				101,000
Current liabilities	1,000	2,222	2,202	551	12,000	1,700
Net assets	1,001,111	1,214,000	5,750,57	1,000	1,000	7,700,701

Notes:

- (i) The revenue is derived from the sale of goods and services. The revenue is recognized when the goods are delivered to the customer and the customer has accepted the goods. The revenue is recognized when the services are rendered to the customer and the customer has accepted the services.
- (ii) The operating expenses are incurred in the course of the business. The operating expenses are recognized when the goods are delivered to the customer and the customer has accepted the goods. The operating expenses are recognized when the services are rendered to the customer and the customer has accepted the services.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 7. SEGMENT INFORMATION (continued)

### (b) Reconciliations of segment results, assets and liabilities to the consolidated financial statements

	Year ended 31 December	
	2020 RMB'000	201 RMB'000
Segment results	3,933,296	3,714,511
Non-current assets	(16,206)	
Current assets		5,200
Segment results	3,917,090	3,721,711
Non-current assets	41,065	50,002
Current assets	(1,150,847)	(1,211,000)
Segment results	167,781	11,713
Non-current assets	(22,063)	
Current assets	2,953,026	2,752,225



# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 7. SEGMENT INFORMATION (continued)

### (b) Reconciliations of segment results, assets and liabilities to the consolidated financial statements (continued)

	At 31 December	
	2020 RMB'000	2019 RMB'000
<b>Assets</b>		
Investment properties	90,992,447	1,155,700
Property, plant and equipment	(26,237,537)	(25,750,700)
Intangible assets		
Goodwill	3,518,508	2,025,210
Right-of-use assets	117,000	104,000
Prepaid expenses and deposits	130,904	152,417
Deferred tax assets	70,000	75,000
Other assets	296,104	211,000
Equity investments in subsidiaries	66,911	12,510
Other non-current assets	1,583,971	1,205,115
	<b>70,538,308</b>	<b>5,720,115</b>
<b>Liabilities</b>		
Bank borrowings	68,489,825	10,210,517
Other financial liabilities	(26,221,331)	(25,750,700)
Trade payables	125,381	117,711
Other payables and provisions	193,615	141,110
Deferred tax liabilities		
Other current liabilities	1,583,971	1,205,115
	<b>44,171,461</b>	<b>11,415,433</b>

Note: The above reconciliations are based on the management's internal financial reporting system, which is organized by business segments. The management's internal financial reporting system is designed to provide information for the management's decision-making. The management's internal financial reporting system is not designed to provide information for the general public. The management's internal financial reporting system is not designed to provide information for the general public.

At the end of the reporting period, the management's internal financial reporting system is organized by business segments. The management's internal financial reporting system is designed to provide information for the management's decision-making. The management's internal financial reporting system is not designed to provide information for the general public. The management's internal financial reporting system is not designed to provide information for the general public.

FOR THE YEAR ENDED 31 DECEMBER 2020

### (c) Geographical information

(d) Information of major customers

Year ended 31 December

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 8. OTHER INCOME

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Income from disposal of non-current assets (Note 38)	426,408	701,415
Income from disposal of subsidiaries (Note 38)	52,482	27,355
Income from disposal of associates (note (a))	132,738	101,071
Income from disposal of subsidiaries (note (b))	137,861	105,827
Income from disposal of subsidiaries	-	5,235
Income from disposal of subsidiaries	47,904	7,341
	<b>797,393</b>	<b>1,051,024</b>

Notes:

- ( ) Income from disposal of non-current assets, including the disposal of subsidiaries, associates, and other non-current assets.
- ( ) Income from disposal of subsidiaries, including the disposal of subsidiaries, associates, and other non-current assets.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 9. OTHER EXPENSES

	Year ended 31 December	
	2020 RMB'000	201 RMB'000
Depreciation of property, plant and equipment	399,734	372,077
Amortisation of intangible assets	193,112	210,407
Provision for doubtful debts	59,824	4,007
Other expenses	136,123	100,721
	<b>788,793</b>	<b>787,212</b>

## 10. OTHER GAINS AND LOSSES

	Year ended 31 December	
	2020 RMB'000	201 RMB'000
Gain on disposal of property, plant and equipment	(14,633)	1,100
Gain on disposal of intangible assets	(3,381)	(8,050)
Gain on disposal of subsidiaries	(50,844)	21,000
Gain on disposal of associates	(1,300)	(21,451)
Gain on disposal of subsidiaries (Note 30)	151,051	117,000
Gain on disposal of subsidiaries (Note 37(b))	(119,521)	(11,415)
Gain on disposal of subsidiaries (Note 44)	25,468	(11,415)
	<b>(13,160)</b>	<b>(1,775)</b>

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 11. INTEREST INCOME/FINANCE COSTS

	Year ended 31 December	
	2020 RMB'000	201 RMB'000
Interest income	5,364	4,255
Interest expense	4,150	2,000
Interest income from bank deposits	19,027	21,077
Interest income from other sources	12,524	20,472
Total interest income	41,065	50,020
Interest expense from bank deposits	1,265,282	1,200,000
Interest expense from other sources	27,927	12,000
Interest expense from bank deposits	(142,362)	(1,000)
Total interest expense	1,150,847	1,210,000
Weighted average interest rate	4.35%	4.1%

Note: A weighted average interest rate of 4.35% was used to calculate the interest expense for the year ended 31 December 2020. The weighted average interest rate for the year ended 31 December 2019 was 4.1%.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 12. INCOME TAX EXPENSE

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Current income tax	521,827	522,152
Deferred income tax	11,484	10,700
	<b>533,311</b>	<b>532,852</b>
Income tax credit	23,730	(14,000)
	<b>557,041</b>	<b>518,852</b>

The income tax expense for the year ended 31 December 2020 is primarily attributable to the current income tax of 521,827 RMB'000 and deferred income tax of 11,484 RMB'000. The income tax credit for the year ended 31 December 2020 is 23,730 RMB'000. The income tax expense for the year ended 31 December 2019 is primarily attributable to the current income tax of 522,152 RMB'000 and deferred income tax of 10,700 RMB'000. The income tax credit for the year ended 31 December 2019 is (14,000) RMB'000. The income tax expense for the year ended 31 December 2020 is 557,041 RMB'000 and for the year ended 31 December 2019 is 518,852 RMB'000.

An income tax credit of 23,730 RMB'000 was recognized for the year ended 31 December 2020. The income tax credit for the year ended 31 December 2019 is (14,000) RMB'000. The income tax expense for the year ended 31 December 2020 is 557,041 RMB'000 and for the year ended 31 December 2019 is 518,852 RMB'000.

The income tax expense for the year ended 31 December 2020 is 557,041 RMB'000 and for the year ended 31 December 2019 is 518,852 RMB'000. The income tax expense for the year ended 31 December 2020 is 557,041 RMB'000 and for the year ended 31 December 2019 is 518,852 RMB'000.

FOR THE YEAR ENDED 31 DECEMBER 2020

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	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Cost of sales	2,953,026	2,475,222
Gross profit	738,257	444,728
Selling and distribution expenses	45,526	21,051
Administrative expenses	(36,429)	(2,221)
Finance expenses	63,876	17,111
Finance income	29,880	
Other income	(2,917)	(2,700)
Profit before income tax	(283,684)	(22,142)
Income tax	2,532	1,711
Profit for the year	557,041	507,111



# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 13. PROFIT FOR THE YEAR

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Operating profit	9,162	1,418
Finance income	59,824	1,417
Finance costs		
Other income	2,486,418	2,114,511
Other expenses	60,126	2,701,111
Share of profits of associates	271,206	201,111
Share of losses of associates	(6,489)	(1,071)
Profit before income tax	2,811,261	2,504,170
Income tax expense	3,691	1,115
Profit after income tax	866,234	1,005,055
Profit attributable to equity holders of the Company	869,925	1,052,220

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 14. DIRECTORS', SUPERVISORS' AND THE FIVE HIGHEST PAID INDIVIDUALS EMOLUMENTS

The emoluments of the Directors, Supervisors and the five highest paid individuals are as follows:

Year ended 31 December 2020

	Directors' fees RMB'000	Basic salaries and allowances RMB'000	Discretionary bonus RMB'000 (Note)	Retirement benefit contributions RMB'000	Total RMB'000
Mr. Wang	-	371	853	3	1,227
Mr. Zhang	-	311	773	3	1,087
Mr. Li	-	106	70	-	176
Mr. Sun	-	101	597	3	701
<b>Total</b>	<b>-</b>	<b>889</b>	<b>2,293</b>	<b>9</b>	<b>3,191</b>
Mr. Wu	-	-	-	-	-
Mr. Chen	-	-	-	-	-
Mr. Yang	-	-	-	-	-
Mr. Zhou	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Mr. Zhao	150	-	-	-	150
Mr. Hu	150	-	-	-	150
Mr. Gao	100	-	-	-	100
Mr. Lin	17	-	-	-	17
Mr. Xu	83	-	-	-	83
<b>Total</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>500</b>

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 14. DIRECTORS', SUPERVISORS' AND THE FIVE HIGHEST PAID INDIVIDUALS EMOLUMENTS (continued)

	Directors' fees RMB'000	Basic salaries and allowances RMB'000	Discretionary bonus RMB'000 (Note)	Retirement benefit contributions RMB'000	Total RMB'000
U.S. \$					
. A n n n	-	-	-	-	-
. YA u n	-	311	737	3	1,051
( n n 2020)					
.					
( n n 25 2020)	-	-	-	-	-
. A n	-	-	-	-	-
( n n 2020)	-	-	-	-	-
. A u	-	-	-	-	-
( n n 25 2020)	-	-	-	-	-
	-	311	737	3	1,051
	500	1,200	3,030	12	4,742

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 14. DIRECTORS', SUPERVISORS' AND THE FIVE HIGHEST PAID INDIVIDUALS EMOLUMENTS (continued)

Year ended 31 December 2019

	Directors' and Supervisors' emoluments	Five highest paid individuals' emoluments	Non-executive directors' fees	Total
	RMB'000	RMB'000	RMB'000 (Note)	RMB'000
Executive directors' emoluments	74	11	50	1,077
(of which: short-term incentive)	11	7	50	54
Non-executive directors' fees	11	50	50	75
(of which: short-term incentive)				
	1,000	1,157	150	2,315
Non-executive directors' fees				
(of which: short-term incentive)				
Non-executive directors' fees				
(of which: short-term incentive)				
Non-executive directors' fees				
(of which: short-term incentive)				
Non-executive directors' fees				
(of which: short-term incentive)				
Non-executive directors' fees				
(of which: short-term incentive)				

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

	人民币千元 RMB'000	人民币千元 RMB'000	人民币千元 RMB'000 (Note)	人民币千元 RMB'000	人民币千元 RMB'000
于2020年12月31日					
流动资产					
货币资金	150				150
应收账款	150				150
预付款项	100				100
其他流动资产	100				100
	<u>500</u>				<u>500</u>
非流动资产					
长期股权投资		2	22	50	22
固定资产					
在建工程					
无形资产					
长期待摊费用					
递延所得税资产					
其他非流动资产					
		<u>2</u>	<u>22</u>	<u>50</u>	<u>22</u>

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 14. DIRECTORS', SUPERVISORS' AND THE FIVE HIGHEST PAID INDIVIDUALS EMOLUMENTS (continued)

The emoluments of the directors, supervisors and the five highest paid individuals for the year ended 31 December 2020 are as follows:

During the year, the emoluments of the directors, supervisors and the five highest paid individuals were as follows:

During the year, the emoluments of the directors, supervisors and the five highest paid individuals were as follows:

During the year, the emoluments of the directors, supervisors and the five highest paid individuals were as follows:

### Five highest paid individuals

The emoluments of the five highest paid individuals for the year ended 31 December 2020 are as follows:

(2019 RMB'000)

During the year, the emoluments of the five highest paid individuals were as follows:

(2019 RMB'000)

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Salaries and allowances	932	1,520
Director's remuneration (Note)	2,240	1,717
Other emoluments	9	200
	<b>3,181</b>	<b>3,437</b>

The emoluments of the five highest paid individuals for the year ended 31 December 2020 are as follows:

(2019 RMB'000)

During the year, the emoluments of the five highest paid individuals were as follows:

(2019 RMB'000)

Note: The emoluments of the five highest paid individuals for the year ended 31 December 2020 are as follows:

(2019 RMB'000)

During the year, the emoluments of the five highest paid individuals were as follows:

(2019 RMB'000)

FOR THE YEAR ENDED 31 DECEMBER 2020

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	Year ended 31 December	
	2020	2019
	RMB'000	RMB'000
Earnings	2,303,390	2,000,770

	Year ended 31 December	
	2020	2019
	'000	'000
Number of shares	8,244,508	8,250,500

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 17. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings RMB'000	Generators and related equipment RMB'000	Motor vehicles RMB'000	Office equipment RMB'000	Construction in progress RMB'000	Total RMB'000
At January 1, 201	11,712	77,751	2,874	10,157	1,150,551	1,163,085
Additions (note (b))	1,712	(7,702)	5	1,151		765
Transfers	5,104	2,201,215		2,014	(2,251,851)	
Disposals (Note 44)	(10,70)	(2,150,110)	10	(5)	528,127	(2,721,0)
Depreciation	(5)	(50,11)	(7,02)	(1,10)		(10,11)
At December 31, 2020	2	22,50	1	5		22,557
At January 1, 2020	1,150	1,720,110	1,07	111,1	5,01,157	5,14,157
Additions	8,466,150	39,720,660	91,074	111,469	5,068,187	53,457,540
Disposals	3,560	99,091	5,164	10,217	4,573,665	4,691,697
Transfers	56,014	(72,723)	328	8	-	(16,373)
Depreciation	200,681	4,273,369	-	3,433	(4,477,483)	-
Disposals (Note 44)	64,454	1,265,098	167	1,697	15,112	1,346,528
Depreciation	(1,333)	(127,700)	(5,439)	(4,467)	-	(138,939)
At December 31, 2020	94	51,026	14	12	-	51,146
At January 1, 2020	8,789,620	45,208,821	91,308	122,369	5,179,481	59,391,599

FOR THE YEAR ENDED 31 DECEMBER 2020

		Land and buildings <i>RMB'000</i>	Generators and related equipment <i>RMB'000</i>	Motor vehicles <i>RMB'000</i>	Office equipment <i>RMB'000</i>	Construction in progress <i>RMB'000</i>	Total <i>RMB'000</i>
AT A A T							
A 1 nu 201		1, 7, 2	10,17 , 71	44,45	47,127		11,755, 22
n n s s		25,751	1, 1 , 1	4, 45	10,421		2,1 451
n n s s		(2)	(270, 7)	(4,552)	(4,477)		(20,72 )
n n s			, 7				5,005
A 1 nu 201		1,706,178	11,827,625	66,282	74,264	-	13,674,349
n n s s		272,308	2,195,921	5,554	12,635	-	2,486,418
n n s s (note (e))		100,397	19,124	-	-	-	119,521
n n s s		(81)	(83,488)	(4,226)	(2,287)	-	(90,082)
n n s		-	14,161	11	8	-	14,180
A 1 nu 2020		2,078,802	13,973,343	67,621	84,620	-	16,204,386
A Y A							
A 1 nu 2020		6,710,818	31,235,478	23,687	37,749	5,179,481	43,187,213
A 1 nu 201		4,75 , 72	27,005	2 ,7 2	4,205	5,04,17	4,70,1

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FOR THE YEAR ENDED 31 DECEMBER 2020

## Notes: (continued)

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2020年11月，公司实现营业收入1,012,150,000元，较上年同期增长117,000元。

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*RMB'000*

The figure consists of four horizontal bar charts, each representing a different age group in the Netherlands. Each chart compares the number of COVID-19 cases in 2020 (blue bar) and 2021 (orange bar). The y-axis represents the number of cases, and the x-axis represents the percentage of the population. The data is as follows:

Age Group	Year	Number of Cases	Percentage of Population
All ages	2020	1,431,342	14.1%
	2021	1,010,000	10.1%
0-17	2020	60,126	0.6%
	2021	2,700	0.02%
18-64	2020	1,010,000	10.1%
	2021	1,010,000	10.1%
65+	2020	1,431,342	14.1%
	2021	1,010,000	10.1%

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 18. RIGHT-OF-USE ASSETS (continued)

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
At 1 January	59,824	4,007
Additions	321,692	21,000
Depreciation	(108,892)	(21,000)
At 31 December	116,472	7,007

Note: The right-of-use assets represent the company's right to use the land and buildings for a period of 12 years.

The right-of-use assets are measured at cost, less accumulated depreciation and impairment losses. The cost of the right-of-use assets is determined by the fair value of the underlying asset at the commencement date, plus any lease payments made, less any incentives received. The right-of-use assets are depreciated over the shorter of the useful life of the asset and the lease term.

The right-of-use assets are classified as non-current assets. The right-of-use assets are measured at cost, less accumulated depreciation and impairment losses. The cost of the right-of-use assets is determined by the fair value of the underlying asset at the commencement date, plus any lease payments made, less any incentives received. The right-of-use assets are depreciated over the shorter of the useful life of the asset and the lease term.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 19. INTANGIBLE ASSETS

	Concession rights RMB'000 (note (b))	Operation rights RMB'000 (note (c))	Software RMB'000	Total RMB'000
<p>At January 1, 2019</p> <p>At January 1, 2019</p> <p>At January 1, 2019</p> <p>At January 1, 2019</p>	4,022,154	1,941,970	235,198	6,199,322
<p>At January 1, 2019</p> <p>At January 1, 2019</p> <p>At January 1, 2019</p> <p>At January 1, 2019</p>	–	–	68,417	68,417
<p>At January 1, 2019</p> <p>At January 1, 2019</p> <p>At January 1, 2019</p> <p>At January 1, 2019</p>	–	564,773	95	564,868
At January 1, 2020	4,022,154	2,506,743	303,710	6,832,607
<p>At January 1, 2020</p> <p>At January 1, 2020</p> <p>At January 1, 2020</p> <p>At January 1, 2020</p>	1,835,031	246,949	68,667	2,150,647
<p>At January 1, 2020</p> <p>At January 1, 2020</p> <p>At January 1, 2020</p> <p>At January 1, 2020</p>	164,411	87,610	19,185	271,206
At January 1, 2020	1,999,442	334,559	87,852	2,421,853
<p>At January 1, 2020</p> <p>At January 1, 2020</p> <p>At January 1, 2020</p> <p>At January 1, 2020</p>	2,022,712	2,172,184	215,858	4,410,754
At January 1, 2020	2,022,712	2,172,184	215,858	4,410,754
At January 1, 2020	2,022,712	2,172,184	215,858	4,410,754
At January 1, 2020	2,022,712	2,172,184	215,858	4,410,754

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 19. INTANGIBLE ASSETS (continued)

Notes:

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## 20. GOODWILL

	At 31 December	
	2020 RMB'000	201 RMB'000
ss n n un		
i i i n n u n i n ,	124,194	12 ,1
n i i n n Au s	65,855	15,555
	<b>190,049</b>	<b>1 0,0</b>

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 21. IMPAIRMENT TESTING ON GOODWILL

The Group has performed impairment testing on goodwill as at 31 December 2020. The results of the impairment testing indicate that the carrying amount of goodwill is not impaired as at 31 December 2020.

The Group has performed impairment testing on goodwill as at 31 December 2020. The results of the impairment testing indicate that the carrying amount of goodwill is not impaired as at 31 December 2020.

The Group has performed impairment testing on goodwill as at 31 December 2020. The results of the impairment testing indicate that the carrying amount of goodwill is not impaired as at 31 December 2020.

The Group has performed impairment testing on goodwill as at 31 December 2020. The results of the impairment testing indicate that the carrying amount of goodwill is not impaired as at 31 December 2020.

The Group has performed impairment testing on goodwill as at 31 December 2020. The results of the impairment testing indicate that the carrying amount of goodwill is not impaired as at 31 December 2020.

The Group has performed impairment testing on goodwill as at 31 December 2020. The results of the impairment testing indicate that the carrying amount of goodwill is not impaired as at 31 December 2020.

## 22. INVESTMENTS IN ASSOCIATES/LOANS TO ASSOCIATES

### (a) Investments in associates

	At 31 December	
	2020 RMB'000	2019 RMB'000
Investments in associates	2,166,556	2,166,556
Loans to associates	1,360,644 (8,692)	1,175,52
	<u>3,518,508</u>	<u>2,025,210</u>



FOR THE YEAR ENDED 31 DECEMBER 2020

(a) Investments in associates (continued)

*Note:*

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 22. INVESTMENTS IN ASSOCIATES/LOANS TO ASSOCIATES (continued)

### (b) Loans to associates

	At 31 December	
	2020 RMB'000	201 RMB'000
Loans to associates	117,000	124,000

At 31 December 2020, loans to associates were denominated in RMB (2019: 101.27%). The loans were unsecured and interest-free. The loans were provided to associates for their working capital needs.

### (c) Summarised financial information of material associates

The following table provides a summary of the financial information of material associates. The information is presented in RMB'000 unless otherwise specified.

Jingneng International		At 31 December	
		2020 RMB'000	201 RMB'000
Assets		70,817,506	75,111,111
Liabilities		9,607,145	11,111,111
Equity		30,848,341	11,111,111
Revenue		18,420,223	15,711,111
Profit		19,522,045	10,111,111
Other income		1,517,348	-
		Year ended 31 December	
		2020 RMB'000	201 RMB'000
Revenue		20,070,422	10,111,111
Profit		1,690,672	1,111,111
Other income		-	-
Dividend income		1,150,008	1,011,111
Interest income		22,442	-
Interest expense		-	-

## Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 22. INVESTMENTS IN ASSOCIATES/LOANS TO ASSOCIATES (continued)

## (c) Summarised financial information of material associates (continued)

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 22. INVESTMENTS IN ASSOCIATES/LOANS TO ASSOCIATES (continued)

### (c) Summarised financial information of material associates (continued)

	At 31 December 2020 RMB'000
<p>                     2020年12月31日                      人民币千元                 </p>	
<p>                     6,979,721                      20%                 </p>	
<p>                     1,395,944                 </p>	
<p>                     1,395,944                 </p>	

### (d) Aggregate information of associates that are not individually material:

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
<p>                     2,401                 </p>		
<p>                     63,955                 </p>		

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 23. INVESTMENT IN A JOINT VENTURE/LOANS TO A JOINT VENTURE

### (a) Investment in a joint venture

		At 31 December				
		2020 RMB'000	201 RMB'000			
Investment in joint ventures, less investment in joint ventures at cost		152,500 (21,596)	152,500 17			
		130,904	152,517			
Total investment in joint ventures						
At 31 December 2020						
Name of the joint venture	Paid up registered capital	Equity interest attributable to the Group		Proportion of voting rights held by the Group		Principal activity
		At 31 December 2020	201	At 31 December 2020	201	
北京華源惠眾環保科技有限 公司 (Beijing Huayuan Hui Zhong Environmental Protection Technology Co., Ltd.)	140,000,000	50%	50%	50%	50%	Environmental protection technology

### (b) Loans to a joint venture

		At 31 December	
		2020 RMB'000	201 RMB'000
Loans to joint ventures		70,000	75,000
At 31 December 2020			
As at 31 December 2020, the loans to joint ventures are unsecured, non-interest bearing and have a maturity of 1.75 years.			
As at 31 December 2020, the loans to joint ventures are unsecured, non-interest bearing and have a maturity of 1.75 years.			
50,000,000 RMB			
1.75 years			

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 24. DEFERRED TAXATION

Temporary differences, deferred income and fair value changes												
	Impairment loss of financial asset	Temporary differences on fair value adjustments in acquisition of subsidiaries	Fair value change of equity instruments at FVTOCI	Trial run profit	Deferred income related to clean energy production	Different depreciation rate	Trial run loss	Fair value change of financial assets at FVTPL	Derivative financial instruments	Others	Total	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
			(Note (c))	(Note (a))	(Note (b))		(Note (a))					
At January 1, 2021	51,777	1,707	(10,455)	(2,050)	7,150	1,500	(52,000)	1,552	28,000	7,100	101,777	
Change during the year	(11,700)	1,707	1,707	2,140	1,500	(1,000)	521	(1,500)	7,500	10,201	10,701	
At December 31, 2021				(1,510)					(5,227)		112,478	
At January 1, 2020	41,642	5,628	(24,306)	(3,571)	113,767	78,258	(96,376)	(48,428)	14,432	28,323	21,124	130,493
Change during the year	(4,512)	962	1,486	-	(564)	(23,967)	(12,713)	4,683	8,389	390	2,116	(23,730)
At December 31, 2020	-	-	-	3,851	-	-	-	-	-	(7,569)	-	(3,718)
At January 1, 2020	-	-	416	-	-	-	-	-	-	-	-	416
Change during the year	(410)	-	-	-	-	(3,079)	-	(1,320)	3,657	180	(972)	
At December 31, 2020	36,720	6,590	(22,404)	280	113,203	54,291	(112,168)	(43,745)	21,501	24,801	23,420	102,489

Notes:

- ( ) Temporary differences, deferred income and fair value changes are recognized in the consolidated financial statements in accordance with the relevant accounting standards. The temporary differences are recognized in the consolidated financial statements in accordance with the relevant accounting standards. The deferred income is recognized in the consolidated financial statements in accordance with the relevant accounting standards. The fair value changes are recognized in the consolidated financial statements in accordance with the relevant accounting standards.
- ( ) The temporary differences, deferred income and fair value changes are recognized in the consolidated financial statements in accordance with the relevant accounting standards. The temporary differences are recognized in the consolidated financial statements in accordance with the relevant accounting standards. The deferred income is recognized in the consolidated financial statements in accordance with the relevant accounting standards. The fair value changes are recognized in the consolidated financial statements in accordance with the relevant accounting standards.
- ( ) The temporary differences, deferred income and fair value changes are recognized in the consolidated financial statements in accordance with the relevant accounting standards. The temporary differences are recognized in the consolidated financial statements in accordance with the relevant accounting standards. The deferred income is recognized in the consolidated financial statements in accordance with the relevant accounting standards. The fair value changes are recognized in the consolidated financial statements in accordance with the relevant accounting standards.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 24. DEFERRED TAXATION (continued)

At 31 December

	2020 RMB'000	201 RMB'000
Deferred tax assets	296,104	221,100
Deferred tax liabilities	(193,615)	(14,110)
	<u>102,489</u>	<u>106,990</u>

The deferred tax assets and liabilities are recognised to the extent that the Group is able to utilise the benefits arising from the utilisation of the assets and liabilities.

At 31 December

	2020 RMB'000	201 RMB'000
Deferred tax assets	1,059,276	1,070,502
Deferred tax liabilities	119,521	
	<u>1,178,797</u>	<u>1,070,502</u>

The Group's deferred tax assets and liabilities are recognised to the extent that the Group is able to utilise the benefits arising from the utilisation of the assets and liabilities.

As at 31 December 2020, the Group has deferred tax assets of RMB1,059,276 (201: RMB1,070,502) and deferred tax liabilities of RMB119,521 (201: nil).



# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 24. DEFERRED TAXATION (continued)

	At 31 December	
	2020 RMB'000	2019 RMB'000
2020	—	217,051
2021	155,499	155,499
2022	174,589	17,589
2023	163,986	14,986
2024	269,856	21,856
2025	255,043	—
	<b>1,018,973</b>	<b>1,000,000</b>

## 25. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	At 31 December	
	2020 RMB'000	2019 RMB'000
Equity instruments	<b>66,911</b>	<b>12,000</b>

The Company's equity instruments at fair value through other comprehensive income are classified as equity instruments at fair value through other comprehensive income. The Company's equity instruments at fair value through other comprehensive income are classified as equity instruments at fair value through other comprehensive income. The Company's equity instruments at fair value through other comprehensive income are classified as equity instruments at fair value through other comprehensive income.

At the end of 2022, the Company's equity instruments at fair value through other comprehensive income are classified as equity instruments at fair value through other comprehensive income. The Company's equity instruments at fair value through other comprehensive income are classified as equity instruments at fair value through other comprehensive income. The Company's equity instruments at fair value through other comprehensive income are classified as equity instruments at fair value through other comprehensive income.



# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 26. INVENTORIES

Inventory is stated at the lower of cost and net realizable value. Cost is determined on the basis of the first-in, first-out (FIFO) method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs of disposal. Inventory is included in current assets in the consolidated balance sheet. Inventory is included in current assets in the consolidated statement of financial position. Inventory is included in current assets in the consolidated statement of financial position.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 27. TRADE AND BILLS RECEIVABLES (continued)

The Company's trade and bills receivables are denominated in various currencies. As at 31 December 2020, the Company's trade and bills receivables are as follows:

The Company's trade and bills receivables are classified into two categories: trade receivables and bills receivables. Trade receivables are receivables arising from the sale of goods or services on credit. Bills receivables are receivables arising from the acceptance of bills of exchange.

As at 31 December 2020, the Company's trade receivables are as follows:

As at 31 December 2020, the Company's bills receivables are as follows:

The Company's trade and bills receivables are classified into two categories: trade receivables and bills receivables. Trade receivables are receivables arising from the sale of goods or services on credit. Bills receivables are receivables arising from the acceptance of bills of exchange.

The Company's trade and bills receivables are classified into two categories: trade receivables and bills receivables. Trade receivables are receivables arising from the sale of goods or services on credit. Bills receivables are receivables arising from the acceptance of bills of exchange.

## 28. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	At 31 December	
	2020 RMB'000	201 RMB'000
Other receivables	80,340	30,000
Deposits	342,554	147,100
Prepayments	65,662	121,100
	<hr/>	<hr/>
	488,556	298,100
Less: Allowance for doubtful accounts	(24,778)	(2,700)
	<hr/>	<hr/>
	463,778	295,400

The Company's other receivables, deposits and prepayments are classified into two categories: other receivables and deposits and prepayments. Other receivables are receivables arising from the sale of goods or services on credit. Deposits and prepayments are receivables arising from the acceptance of bills of exchange.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 29. VALUE-ADDED TAX RECOVERABLE

	At 31 December	
	2020 RMB'000	201 RMB'000
Value added tax recoverable	469,666	469,055
Value added tax recoverable	1,114,305	10,507
	<b>1,583,971</b>	<b>1,200,562</b>

The value added tax recoverable represents the amount of value added tax that the Group is entitled to recover from the tax authorities. The value added tax recoverable is recognized as an asset when the Group has a legal right to recover the amount and it is probable that the amount will be received. The value added tax recoverable is measured at the fair value of the amount expected to be received. The value added tax recoverable is classified as a non-current asset if the recovery is expected to be realized more than 12 months after the reporting date. The value added tax recoverable is classified as a current asset if the recovery is expected to be realized within 12 months after the reporting date. The value added tax recoverable is classified as a non-current asset if the recovery is expected to be realized more than 12 months after the reporting date. The value added tax recoverable is classified as a current asset if the recovery is expected to be realized within 12 months after the reporting date.

## 30. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

	At 31 December	
	2020 RMB'000	201 RMB'000
Financial asset at fair value through profit or loss (Note)	196,043	25,000

Note:

The financial asset at fair value through profit or loss represents the amount of financial asset that the Group is entitled to receive. The financial asset at fair value through profit or loss is recognized as an asset when the Group has a legal right to receive the amount and it is probable that the amount will be received. The financial asset at fair value through profit or loss is measured at the fair value of the amount expected to be received. The financial asset at fair value through profit or loss is classified as a non-current asset if the recovery is expected to be realized more than 12 months after the reporting date. The financial asset at fair value through profit or loss is classified as a current asset if the recovery is expected to be realized within 12 months after the reporting date.

The financial asset at fair value through profit or loss represents the amount of financial asset that the Group is entitled to receive. The financial asset at fair value through profit or loss is recognized as an asset when the Group has a legal right to receive the amount and it is probable that the amount will be received. The financial asset at fair value through profit or loss is measured at the fair value of the amount expected to be received. The financial asset at fair value through profit or loss is classified as a non-current asset if the recovery is expected to be realized more than 12 months after the reporting date. The financial asset at fair value through profit or loss is classified as a current asset if the recovery is expected to be realized within 12 months after the reporting date.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 31. RESTRICTED BANK DEPOSITS

	At 31 December	
	2020 RMB'000	201 RMB'000
Restricted bank deposits	4,577	1,522
Restricted bank deposits	50,787	55,715
	<b>55,364</b>	<b>57,237</b>

At 31 December 2020, restricted bank deposits were RMB4,577,000 (2019: RMB1,522,000). Restricted bank deposits are deposits with banks that are restricted for use.

At 31 December 2020 and 2019, restricted bank deposits were classified as non-current assets.

At 31 December 2020, restricted bank deposits were RMB4,577,000 (2019: RMB1,522,000).

## 32. CASH AND CASH EQUIVALENTS

The following table shows the breakdown of cash and cash equivalents by currency.

	At 31 December	
	2020 RMB'000	201 RMB'000
Cash	573,697	2,001,515
Cash equivalents	371,834	1,004,252
Australian dollar (A\$)	453,897	1,157,717
US dollar (\$)	5,139	1,204
Restricted bank deposits	2,892,859	7,004,111
Restricted bank deposits	24	7
	<b>4,297,450</b>	<b>10,011,106</b>

FOR THE YEAR ENDED 31 DECEMBER 2020

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					At 31 December	
					2020	2019
in thousands of US dollars						
Financial assets					0.01% to 1.55%	0.01% to 1.85%

	At 31 December	
	2020 RMB'000	2019 RMB'000
Trade receivables	2,384,450	2,027,102
Other receivables	1,601,100	1,025,571
Prepaid expenses	446,166	170,470
Due from related parties	20,000	—
Due from subsidiaries	103,870	105,521
Due from joint ventures	164,689	100,701
Due from associates	—	71,122
Due from other parties	338,714	20,011
	<b>5,058,989</b>	<b>3,707,227</b>

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 33. TRADE AND OTHER PAYABLES (continued)

		At 31 December	
		2020	201
		RMB'000	RMB'000
Trade payables		1,676,193	2,041,111
Other payables		563,194	1,721,127
1. Payables to related parties		115,688	1,721,127
2. Payables to non-related parties		37,516	11,127
		11,859	1,025
		<b>2,404,450</b>	<b>2,827,102</b>
		At 31 December	
		2020	201
		RMB'000	RMB'000
Due to related parties ( )		25,307	10,000

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 34. BANK AND OTHER BORROWINGS

	At 31 December	
	2020 RMB'000	201 RMB'000
Short-term bank borrowings	19,405,925	14,115,000
Long-term bank borrowings (note (a))	3,142,250	1,010,500
Other bank borrowings (note (b))	220,000	270,000
Bank borrowings secured by assets (note (c))	445,665	1,024,000
Bank borrowings unsecured (note (d))	750	750
	<b>23,214,590</b>	<b>15,420,250</b>
Short-term bank borrowings	21,505,281	17,725,110
Long-term bank borrowings (note (e))	1,709,309	1,555,100
	<b>23,214,590</b>	<b>19,280,210</b>
Short-term bank borrowings	12,318,322	7,910,700
Long-term bank borrowings	2,457,544	5,077,500
Other bank borrowings	5,184,929	7,255,000
Bank borrowings secured by assets	3,253,795	1,500,000
	<b>23,214,590</b>	<b>21,643,200</b>
Short-term bank borrowings	(12,318,322)	(7,910,700)
Long-term bank borrowings		
Other bank borrowings		
Bank borrowings secured by assets		
Bank borrowings unsecured		
	<b>10,896,268</b>	<b>11,055,500</b>

FOR THE YEAR ENDED 31 DECEMBER 2020

Notes:

( ) T n s 0,000,000 (201 0,000,000) n n n n 中國農發重點建設基金有限公司 ( n A u u n un ., n s n n q u t ) ( A un ). A n n s n 北京上莊燃氣熱電有限公司 ( n n u n s n ., n s n n n q u t ) ( n u n ), s n , n , n n A un , n s n A un s n n q n u n ( s n n ). n s n n, y n A un 10.0% n 7% (201 5 10% n 0.0%) n s n n u n , s .

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 34. BANK AND OTHER BORROWINGS (continued)

Notes: (continued)

- ( ) The bank borrowings are secured by the company's bank deposits. The interest rate is 5.1% annually. The bank borrowings are classified as current liabilities. The bank borrowings are disclosed in the consolidated financial statements for the year ended 31 December 2020 (2019: 5,000).
- ( ) The bank borrowings are secured by the company's bank deposits. The interest rate is 5.1% annually. The bank borrowings are classified as current liabilities. The bank borrowings are disclosed in the consolidated financial statements for the year ended 31 December 2020 (2019: 5,000).
- ( ) The bank borrowings are secured by the company's bank deposits. The interest rate is 5.1% annually. The bank borrowings are classified as current liabilities. The bank borrowings are disclosed in the consolidated financial statements for the year ended 31 December 2020 (2019: 5,000).

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 35. SHORT-TERM DEBENTURES

On 10 April 2020, the Company issued short-term debentures with a principal amount of 2,000,000,000 Yuan, at an annual interest rate of 1.4%, maturing on 10 November 2021.

On 14 May 2020, the Company issued short-term debentures with a principal amount of 2,000,000,000 Yuan, at an annual interest rate of 2.40%, maturing on 10 April 2021.

On 25 May 2020, the Company issued short-term debentures with a principal amount of 2,000,000,000 Yuan, at an annual interest rate of 1.80%, maturing on 24 November 2021.

On 7 June 2020, the Company issued short-term debentures with a principal amount of 1,000,000,000 Yuan, at an annual interest rate of 2.75%, maturing on 7 November 2021.

The Company's short-term debentures are listed on the interbank market (銀行間市場交易商協會) (Association of Banks in China).

## 36. MEDIUM-TERM NOTES/CORPORATE BONDS

On 1 July 2017, the Company issued 5-year medium-term notes with a principal amount of 2,000,000,000 Yuan at an interest rate of 5.50%. The Company's medium-term notes are listed on the interbank market (銀行間市場交易商協會) (Association of Banks in China).

On 10 April 2018, the Company issued 5-year medium-term notes with a principal amount of 1,500,000,000 Yuan at an interest rate of 5.1%. The Company's medium-term notes are listed on the interbank market (銀行間市場交易商協會) (Association of Banks in China).

On 10 April 2020, the Company issued 5-year medium-term notes with a principal amount of 1,000,000,000 Yuan at an interest rate of 3.25%. The Company's medium-term notes are listed on the interbank market (銀行間市場交易商協會) (Association of Banks in China).

On 10 April 2021, the Company issued 5-year medium-term notes with a principal amount of 1,000,000,000 Yuan at an interest rate of 3.4%. The Company's medium-term notes are listed on the interbank market (銀行間市場交易商協會) (Association of Banks in China).

On 10 April 2020, the Company issued 5-year medium-term notes with a principal amount of 1,000,000,000 Yuan at an interest rate of 3.22%. The Company's medium-term notes are listed on the interbank market (銀行間市場交易商協會) (Association of Banks in China).

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 37. DERIVATIVE FINANCIAL ASSET/LIABILITIES

	At 31 December	
	2020 RMB'000	2019 RMB'000
Interest rate swaps (note (a))	-	7,577
Interest rate swaps (note (a))	(21,068)	(20,000)
Interest rate swaps (note (b))	(43,510)	(1,001)
	(64,578)	(71,000)
Foreign exchange derivatives	(19,576)	(2,707)
Commodity derivatives	(45,002)	(2,222)
	(64,578)	(71,000)

Notes:

### (a) Cash flow hedges – Interest rate swaps

At 31 December 2020	Notional amount	Maturity	Swaps
A \$100,000,000	17	2025	Fixed rate +1.00% vs. 2.15%
(Quoted at 2,151,000)			
\$1,200,000,000	21	2021	Fixed rate +1.00% vs. 2.20%
(Quoted at 1,151,120,000)			

At 31 December 2020

Notional amount	Maturity	Swaps
A \$100,000,000	17	2025
(Quoted at 2,151,000)		
\$1,200,000,000	21	2021
(Quoted at 1,151,120,000)		

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 37. DERIVATIVE FINANCIAL ASSET/LIABILITIES (continued)

Notes: (continued)

### (a) Cash flow hedges – Interest rate swaps (continued)

As at 31 December 2020

Notional amount	Maturity	Swaps
As at 31 December 2020		
A \$15,151,000 (Quoted as 50,200,000)	21 December 2020	Interest rate swap with a notional amount of A \$15,151,000 (Quoted as 50,200,000) maturing on 21 December 2020. The swap is designated as a cash flow hedge of the interest rate risk of the A \$15,151,000 (Quoted as 50,200,000) debt. The swap has a fixed rate of 1.70% and a floating rate of 2.50%.
\$200,000,000 (Quoted as 175,200,000)	21 December 2021	Interest rate swap with a notional amount of \$200,000,000 (Quoted as 175,200,000) maturing on 21 December 2021. The swap is designated as a cash flow hedge of the interest rate risk of the \$200,000,000 (Quoted as 175,200,000) debt. The swap has a fixed rate of 1.00% and a floating rate of 1.00%.
\$1,520,000,000 (Quoted as 1,000,000,000)	21 December 2021	Interest rate swap with a notional amount of \$1,520,000,000 (Quoted as 1,000,000,000) maturing on 21 December 2021. The swap is designated as a cash flow hedge of the interest rate risk of the \$1,520,000,000 (Quoted as 1,000,000,000) debt. The swap has a fixed rate of 1.00% and a floating rate of 1.20%.

### (b) Fixed forward commodity contract

The company has entered into a fixed forward commodity contract to purchase 10,000 metric tons of coal at a fixed price of A \$0.25 per metric ton. The contract is designated as a cash flow hedge of the coal price risk. The contract has a maturity date of 31 December 2021. The company has entered into a fixed forward commodity contract to purchase 10,000 metric tons of coal at a fixed price of A \$0.25 per metric ton. The contract is designated as a cash flow hedge of the coal price risk. The contract has a maturity date of 31 December 2021.

Notional amount	Maturity	Fixed prices
As at 31 December 2020		
A \$10,000,000 (Quoted as 10,000,000)	31 December 2021	Fixed price of A \$0.25 per metric ton. The contract is designated as a cash flow hedge of the coal price risk. The contract has a maturity date of 31 December 2021.
\$1,000,000,000 (Quoted as 1,000,000,000)	31 December 2021	Fixed price of A \$0.25 per metric ton. The contract is designated as a cash flow hedge of the coal price risk. The contract has a maturity date of 31 December 2021.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 38. DEFERRED INCOME

		Government grants and subsidies		
		Clean energy production	Construction of assets	Total
		RMB'000	RMB'000	RMB'000
		(note (a))	(notes (b) and (c))	
A 1 nu 201	A n-s	710,110	1,102	711,212
		(701,115)	(27,105)	(728,220)
A 1 nu 201	A n-s	313,033	485,258	798,291
		341,711	3,035	344,746
		(426,408)	(52,482)	(478,890)
A 1 nu 2020		228,336	435,811	664,147

Notes:

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FOR THE YEAR ENDED 31 DECEMBER 2020

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	Year ended 31 December	
	<b>2020 RMB'000</b>	2019 <i>RMB'000</i>
Average number of employees during the year	24,285	24,570
Total compensation paid or payable to key management personnel	(5,277)	(5,674)
Share-based payment expense	394	(1,041)
	<b>19,402</b>	22,855

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 41. SHARE CAPITAL

	Number of shares			Share capital RMB'000
	Domestic legal person shares '000	H shares '000	Total '000	
At 31 December 2020	5,121	2,277	7,398	7,398

## 42. CAPITAL RESERVE

	At 31 December	
	2020 RMB'000	2019 RMB'000
Capital reserve	2,876,757	2,874,757
Less: Share premium	(19,043)	(1,024,757)
Share premium	1,076,759	1,074,757

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 43. PERPETUAL NOTES

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 44. ACQUISITION OF SUBSIDIARIES

### Year ended 31 December 2020

The Group has acquired subsidiaries during the year ended 31 December 2020. The acquisition of subsidiaries is accounted for as business combinations under common control. The Group has acquired 100% of the equity of the subsidiaries for a total consideration of RMB151,051,000. The Group has also acquired 100% of the equity of the subsidiaries for a total consideration of RMB15,361,000. The Group has also acquired 100% of the equity of the subsidiaries for a total consideration of RMB3,022,000. The Group has also acquired 100% of the equity of the subsidiaries for a total consideration of RMB15,800,000. The Group has also acquired 100% of the equity of the subsidiaries for a total consideration of RMB34,183,000.

Name of the Targets	Acquisition date	Acquisition consideration RMB'000
義縣珈煜光伏電力有限公司 (Yan County Jia Yu Photovoltaic Power Co., Ltd.)*	29 June 2020	15,361
寧夏杉陽新能源有限公司 (Ningxia Shanyang New Energy Co., Ltd.)*	28 August 2020	—**
寧夏同心大地日盛新能源有限公司 (Ningxia Tongxin Dadi Risheng New Energy Co., Ltd.)*	17 July 2020	3,022
湛江市鼎瑞太陽能發電有限公司 (Zhanjiang Ding Rui Solar Power Generation Co., Ltd.)*	11 December 2020	15,800
		<u>34,183</u>

\* The subsidiaries are wholly owned by the Group.

\*\* The subsidiaries are not yet established.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 44. ACQUISITION OF SUBSIDIARIES (continued)

Year ended 31 December 2020 (continued)

Assets acquired and liabilities recognised at the dates of acquisition

	RMB'000
Assets acquired and liabilities recognised at the dates of acquisition	
Identifiable intangible assets	1,346,528
Goodwill	108,892
Net assets acquired	564,868
Less: Liabilities assumed	2,609
Net assets acquired	380,311
Less: Cash and cash equivalents	16,514
Less: Prepaid expenses and deposits	195,744
Less: Accounts payable	38,908
Less: Other liabilities	(2,060,603)
Less: Deferred tax liabilities	(380,950)
Less: Other non-current liabilities	(25,145)
Less: Other non-current liabilities	(2,193)
Less: Other non-current liabilities	(249)
	<b>185,234</b>
Bargain purchase gain arising on acquisitions	
Less: Net assets acquired	34,183
Less: Net assets acquired	(185,234)
	<b>(151,051)</b>
Less: Net assets acquired	
Less: Net assets acquired	34,183
Less: Net assets acquired	(27,761)
Less: Net assets acquired	(38,908)
	<b>(32,486)</b>

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 44. ACQUISITION OF SUBSIDIARIES (continued)

### Year ended 31 December 2020 (continued)

On 1 January 2020, the Group acquired 100% of the equity of a subsidiary, which is a company incorporated in the Cayman Islands. The acquisition was completed on 1 January 2020. The Group has accounted for this acquisition as an acquisition of a subsidiary under the acquisition method. The identifiable intangible assets acquired are valued at HK\$1,151,000. The total consideration paid for the acquisition is HK\$2,727,000. The Group has also acquired net assets of HK\$1,217,000. The difference between the consideration paid and the net assets acquired is HK\$1,510,000, which is recorded as goodwill. The goodwill represents the expected synergies and other intangible assets that will be realized in the future. The acquisition has increased the Group's revenue and profit for the year ended 31 December 2020.

The Group has also acquired a subsidiary, which is a company incorporated in the Cayman Islands. The acquisition was completed on 1 January 2020. The Group has accounted for this acquisition as an acquisition of a subsidiary under the acquisition method. The identifiable intangible assets acquired are valued at HK\$1,151,000. The total consideration paid for the acquisition is HK\$2,727,000. The Group has also acquired net assets of HK\$1,217,000. The difference between the consideration paid and the net assets acquired is HK\$1,510,000, which is recorded as goodwill. The goodwill represents the expected synergies and other intangible assets that will be realized in the future. The acquisition has increased the Group's revenue and profit for the year ended 31 December 2020.

### Year ended 31 December 2019

On 1 January 2019, the Group acquired 100% of the equity of a subsidiary, which is a company incorporated in the Cayman Islands. The acquisition was completed on 1 January 2019. The Group has accounted for this acquisition as an acquisition of a subsidiary under the acquisition method. The identifiable intangible assets acquired are valued at HK\$1,151,000. The total consideration paid for the acquisition is HK\$2,727,000. The Group has also acquired net assets of HK\$1,217,000. The difference between the consideration paid and the net assets acquired is HK\$1,510,000, which is recorded as goodwill. The goodwill represents the expected synergies and other intangible assets that will be realized in the future. The acquisition has increased the Group's revenue and profit for the year ended 31 December 2019.

The Group has also acquired a subsidiary, which is a company incorporated in the Cayman Islands. The acquisition was completed on 1 January 2019. The Group has accounted for this acquisition as an acquisition of a subsidiary under the acquisition method. The identifiable intangible assets acquired are valued at HK\$1,151,000. The total consideration paid for the acquisition is HK\$2,727,000. The Group has also acquired net assets of HK\$1,217,000. The difference between the consideration paid and the net assets acquired is HK\$1,510,000, which is recorded as goodwill. The goodwill represents the expected synergies and other intangible assets that will be realized in the future. The acquisition has increased the Group's revenue and profit for the year ended 31 December 2019.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 44. ACQUISITION OF SUBSIDIARIES (continued)

Year ended 31 December 2019 (continued)

Assets acquired and liabilities recognised at the dates of acquisition

RMB'000

Assets acquired and liabilities recognised at the dates of acquisition

Identifiable intangible assets	2,721.0
Goodwill	212.0
Net assets acquired	1,414.51
Less: Liabilities assumed	(1,270.70)
Net assets acquired	2,000.27
Less: Cash paid	(17,000.00)
Less: Non-cash consideration	(5,000.00)
Less: Cash paid	(2,000.00)
Less: Non-cash consideration	(1,000.00)
Less: Cash paid	(21,000.00)
Less: Non-cash consideration	(11,211.00)
Less: Cash paid	(70,000.00)

Bargain purchase gain arising on acquisitions

Less: Cash paid	5,121.7
Less: Non-cash consideration	(70,000.00)
Less: Cash paid	(117,000.00)

Net cash outflow arising on acquisitions

Less: Cash paid	5,121.7
Less: Non-cash consideration	(222,000.00)
Less: Cash paid	(5,000.00)
Less: Non-cash consideration	(2,000.00)

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 44. ACQUISITION OF SUBSIDIARIES (continued)

### Year ended 31 December 2019 (continued)

On 1 January 2019, the Group acquired 100% of the equity of a subsidiary, which is a company incorporated in the Cayman Islands. The acquisition was completed on 1 January 2019. The Group has accounted for this acquisition as an acquisition of a subsidiary under the acquisition method. The identifiable intangible assets acquired were valued at RMB1,551,577,000, and the goodwill was RMB2,210,000. The Group has also acquired a subsidiary, which is a company incorporated in the Cayman Islands. The acquisition was completed on 1 January 2019. The Group has accounted for this acquisition as an acquisition of a subsidiary under the acquisition method. The identifiable intangible assets acquired were valued at RMB1,551,577,000, and the goodwill was RMB2,210,000. The Group has also acquired a subsidiary, which is a company incorporated in the Cayman Islands. The acquisition was completed on 1 January 2019. The Group has accounted for this acquisition as an acquisition of a subsidiary under the acquisition method. The identifiable intangible assets acquired were valued at RMB1,551,577,000, and the goodwill was RMB2,210,000.

## 45. CAPITAL COMMITMENTS

At 31 December 2020, the Group has the following capital commitments:

	At 31 December	
	2020 RMB'000	2019 RMB'000
Capital commitments for the acquisition of subsidiaries	3,657,075	2,741,000
Capital commitments for the acquisition of subsidiaries (Note 22(a))	-	1,222,000
	<b>3,657,075</b>	<b>3,963,000</b>

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 46. PLEDGE OF ASSETS

(a) The following table summarizes the assets pledged to secure bank borrowings as at 31 December 2020 and 2019.

	At 31 December	
	2020 RMB'000	2019 RMB'000
Land and buildings	2,353,117	1,012,115
Transportation equipment	135,878	210,000
Other assets	52,259	5,000
	<u>2,541,254</u>	<u>1,227,115</u>

### (b) Shares pledged

As at 31 December 2020, the Company has pledged 100% of the shares held by the Company in the subsidiary, Beijing Jingneng Clean Energy Co., Limited (the "Subsidiary").

## 47. RETIREMENT BENEFIT SCHEME CONTRIBUTIONS

The Company has participated in the retirement benefit scheme for the year ended 31 December 2020, contributing RMB 1,000 (2019: RMB 107,751,000) to the retirement benefit scheme. The Company has also contributed RMB 1,000 (2019: RMB 150,000) to the retirement benefit scheme for the year ended 31 December 2020.

The Company has also contributed RMB 1,000 (2019: RMB 107,751,000) to the retirement benefit scheme for the year ended 31 December 2020. The Company has also contributed RMB 1,000 (2019: RMB 150,000) to the retirement benefit scheme for the year ended 31 December 2020.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 48. RELATED PARTY BALANCES AND TRANSACTIONS

(a) The following table shows the related party balances and transactions for the year ended 31 December 2020 and 2019.

	At 31 December	
	2020 RMB'000	2019 RMB'000
Accounts receivable	2,016	1,501
Accounts payable	153	111
Prepaid expenses	93	170
Other receivables	167,931	50,100
	<b>170,193</b>	<b>40,771</b>
Other payables (note)	169,536	50,711
Other receivables (note)	657	7,057
	<b>170,193</b>	<b>40,771</b>

Note: The above table shows the related party balances and transactions for the year ended 31 December 2020 and 2019. The balances are in RMB'000.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 48. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

(b)

	At 31 December	
	2020 RMB'000	201 RMB'000
Accounts receivable	184,114	124,111
Accounts payable	5,424	1,220
	1	1
	<b>189,539</b>	<b>125,332</b>
Trade receivables (note)	170,400	122,444
Trade payables	13,207	1,743
Other receivables (note)	5,932	,112
	<b>189,539</b>	<b>124,299</b>

Note: Trade receivables and trade payables are measured at amortised cost. Other receivables are measured at fair value through profit or loss.

(c) Trade receivables are measured at amortised cost. Trade payables are measured at amortised cost. Other receivables are measured at fair value through profit or loss. The following table shows the carrying amounts of trade receivables, trade payables and other receivables at the end of the reporting period.



# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 48. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

### (d) Transactions

During the year ended 31 December 2020, the Group entered into various transactions with related parties. The transactions were conducted on an arm's length basis and in accordance with the applicable accounting standards. The transactions are summarized as follows:

#### (i) Equipment maintenance services from related parties

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Equipment maintenance services	238,044	17,022

#### (ii) Administration services from a related party

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Administration services	47,411	

#### (iii) Leasing properties from related parties

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Leasing properties	46,198	1,007

#### (iv) Commission for entrusted loan service from a related non-bank financial institution

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Commission for entrusted loan service	17,373	17,501

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 48. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

(d) Transactions (continued)

(v) Interest income from a related non-bank financial institution

	Year ended 31 December	
	2020 RMB'000	201 RMB'000
Accounts receivable	27,717	14,141

(vi) Property management fee charged by a related party

	Year ended 31 December	
	2020 RMB'000	201 RMB'000
Accounts payable	62,256	5,711

(vii) Heat energy sold to related parties

	Year ended 31 December	
	2020 RMB'000	201 RMB'000
Accounts receivable	1,845,035	1,707,777

(viii) Equipment purchase framework agreement

	Year ended 31 December	
	2020 RMB'000	201 RMB'000
Accounts payable	143,683	12,410

FOR THE YEAR ENDED 31 DECEMBER 2020

(d) T n\_s n\_s (continued)

## Year ended 31 December

	2020 RMB'000	2019 RMB'000
Other income	9,366	14,420

## Year ended 31 December

	2020 RMB'000	2019 RMB'000
Other income	4,568	1,827

## Year ended 31 December

					2020 RMB'000	2019 RMB'000
n n	\$	4	\$	\$	247,730	

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## Year ended 31 December

	2020	2019
	RMB'000	RMB'000
4 5 5	10,243	

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 48. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

### (e) Compensation of key management personnel

	Year ended 31 December	
	2020 RMB'000	2019 RMB'000
Salaries and bonuses	500	500
Short-term employee benefits	7,003	5,015
Long-term employee benefits	29	290
	<b>7,532</b>	<b>5,805</b>

The compensation of key management personnel is determined by the Board of Directors based on the performance of the company and the individual. The compensation is subject to the approval of the shareholders.

(f) The compensation of key management personnel is determined by the Board of Directors based on the performance of the company and the individual. The compensation is subject to the approval of the shareholders.

## 49. CAPITAL RISK MANAGEMENT

The company's capital risk management is to ensure that the company has sufficient capital to meet its obligations and to maintain a strong financial position.

The company's capital risk management is to ensure that the company has sufficient capital to meet its obligations and to maintain a strong financial position.

The company's capital risk management is to ensure that the company has sufficient capital to meet its obligations and to maintain a strong financial position.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 50. FINANCIAL INSTRUMENTS

### (a) Categories of financial instruments

	At 31 December	
	2020 RMB'000	2019 RMB'000
Financial assets		
Monetary financial assets	14,267,440	14,500,000
Equity investments	196,043	25,000
Debt investments	66,911	12,000
Financial liabilities	-	7,570
Financial assets and liabilities	41,865,964	41,500,570
Non-financial assets and liabilities	64,578	71,000

### (b) Financial risk management objectives and policies

The Group's financial risk management objectives and policies are to manage the financial risks arising from the Group's financial instruments. The Group's financial risk management objectives and policies are to manage the financial risks arising from the Group's financial instruments. The Group's financial risk management objectives and policies are to manage the financial risks arising from the Group's financial instruments.

#### Market risk

The Group's market risk management objectives and policies are to manage the market risks arising from the Group's financial instruments. The Group's market risk management objectives and policies are to manage the market risks arising from the Group's financial instruments. The Group's market risk management objectives and policies are to manage the market risks arising from the Group's financial instruments.

FOR THE YEAR ENDED 31 DECEMBER 2020

(b) Financial risk management objectives and policies (continued)

(i) *Interest rate risk management*

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 50. FINANCIAL INSTRUMENTS (continued)

### (b) Financial risk management objectives and policies (continued)

#### Market risk (continued)

#### (ii) Foreign currency risk management

##### Currency risk

The Group's currency risk arises from its operations in foreign currencies. The Group's currency risk is managed by the Group's treasury department. The Group's currency risk is managed by the Group's treasury department. The Group's currency risk is managed by the Group's treasury department.

##### Currency sensitivity

The Group's currency risk is managed by the Group's treasury department. The Group's currency risk is managed by the Group's treasury department. The Group's currency risk is managed by the Group's treasury department.

	Liabilities		Assets	
	31 December 2020 RMB'000	2019 RMB'000	31 December 2020 RMB'000	2019 RMB'000
	25,307	10,000	-	-
\$	-	-	1,060	1,072
\$	-	-	5,139	4,200
A \$	-	-	6,069	5,577

FOR THE YEAR ENDED 31 DECEMBER 2020

(b) Financial risk management objectives and policies (continued)

(ii) *Foreign currency risk management (continued)*

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			Year ended 31 December	
			2020	2019
			RMB'000	RMB'000
Income	Income	( )	1,027	5
Cost of sales	Cost of sales	( \$ )	(43)	(51)
Operating expenses	Operating expenses	( \$ )	(208)	(255)
Finance income	Finance income	(A \$)	(246)	(1,391)



# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 50. FINANCIAL INSTRUMENTS (continued)

### (b) Financial risk management objectives and policies (continued)

#### Market risk (continued)

##### (iii) Other price risks

The Group is exposed to price risk in relation to its investments in equity securities. The Group's investments in equity securities are classified as available-for-sale financial assets. The Group's investments in equity securities are measured at fair value, which is determined by reference to the closing price of the securities on the last trading day of the reporting period. The Group's investments in equity securities are classified as available-for-sale financial assets. The Group's investments in equity securities are measured at fair value, which is determined by reference to the closing price of the securities on the last trading day of the reporting period.

#### Equity price sensitivity analysis

The following table shows the sensitivity of the Group's equity securities to a 15% increase and a 15% decrease in the closing price of the securities on the last trading day of the reporting period. The Group's equity securities are classified as available-for-sale financial assets. The Group's investments in equity securities are measured at fair value, which is determined by reference to the closing price of the securities on the last trading day of the reporting period.

Equity securities	2020	2019
Equity securities	2,550,000	2,550,000

#### Credit risk and impairment assessment

The Group is exposed to credit risk in relation to its investments in equity securities. The Group's investments in equity securities are classified as available-for-sale financial assets. The Group's investments in equity securities are measured at fair value, which is determined by reference to the closing price of the securities on the last trading day of the reporting period.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 50. FINANCIAL INSTRUMENTS (continued)

### (b) Financial risk management objectives and policies (continued)

#### Credit risk and impairment assessment (continued)

		At 31 December	
	12-month or lifetime ECL	2020 Gross carrying amount RMB'000	2019 Gross carrying amount RMB'000
<b>Financial assets at amortised cost</b>			
Trade receivables	12	357,193	21,871
Other receivables	12	4,352,814	1,110,477
Prepaid expenses and other receivables	12	398,116	220,444
Financial assets at amortised cost	( - )	24,778	2,700
Trade payables	(Note ii)	8,881,911	1,110,477
Other payables	(Note ii)	294,875	1,110,477

Notes:

1. Trade receivables are recognised at the gross amount less expected credit losses. The expected credit losses are estimated based on the historical credit loss experience, adjusted for current and future economic conditions. The expected credit losses are recognised as an expense in the consolidated income statement.

2. Other receivables include receivables from related parties, receivables from subsidiaries, and receivables from other entities. The expected credit losses are estimated based on the historical credit loss experience, adjusted for current and future economic conditions. The expected credit losses are recognised as an expense in the consolidated income statement.

3. Prepaid expenses and other receivables include prepaid expenses, receivables from related parties, receivables from subsidiaries, and receivables from other entities. The expected credit losses are estimated based on the historical credit loss experience, adjusted for current and future economic conditions. The expected credit losses are recognised as an expense in the consolidated income statement.

4. Trade payables are recognised at the gross amount less expected credit losses. The expected credit losses are estimated based on the historical credit loss experience, adjusted for current and future economic conditions. The expected credit losses are recognised as an expense in the consolidated income statement.

5. Other payables include payables to related parties, payables to subsidiaries, and payables to other entities. The expected credit losses are estimated based on the historical credit loss experience, adjusted for current and future economic conditions. The expected credit losses are recognised as an expense in the consolidated income statement.

FOR THE YEAR ENDED 31 DECEMBER 2020

(b) Financial risk management objectives and policies (continued)

*Trade and bills receivables arising from contracts with customers*

### Other receivables and deposits

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FOR THE YEAR ENDED 31 DECEMBER 2020

(b) Financial risk management objectives and policies (continued)

*Restricted bank deposits and cash and cash equivalents*

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# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 50. FINANCIAL INSTRUMENTS (*continued*)

### (b) Financial risk management objectives and policies (*continued*)

#### *Liquidity risk management*

The Group's liquidity risk management policy is to ensure that it is able to meet its financial obligations as they fall due. The Group monitors its liquidity position and manages its liquidity risk by maintaining a sufficient level of cash and cash equivalents, and by ensuring that it has access to sufficient credit facilities to meet its financial obligations.

At 31 December 2020, the Group's cash and cash equivalents were HK\$1,174,000,000 (2019: HK\$2,205,000,000). The Group's cash and cash equivalents are held in Hong Kong and the PRC.

The Group's cash and cash equivalents are held in Hong Kong and the PRC. At 31 December 2020, the Group's cash and cash equivalents were HK\$1,174,000,000 (2019: HK\$2,205,000,000).

#### *Liquidity risk*

The Group's liquidity risk is managed by ensuring that it has sufficient cash and cash equivalents to meet its financial obligations as they fall due. The Group monitors its liquidity position and manages its liquidity risk by maintaining a sufficient level of cash and cash equivalents, and by ensuring that it has access to sufficient credit facilities to meet its financial obligations.

The Group's cash and cash equivalents are held in Hong Kong and the PRC. At 31 December 2020, the Group's cash and cash equivalents were HK\$1,174,000,000 (2019: HK\$2,205,000,000).

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 50. FINANCIAL INSTRUMENTS (continued)

### (b) Financial risk management objectives and policies (continued)

#### Liquidity risk (continued)

	Weighted average effective interest rate %	Within 1 year RMB'000	1 year to 2 years RMB'000	2 years to 3 years RMB'000	3 years to 5 years RMB'000	Over 5 years RMB'000	Total undiscounted cash flow RMB'000	Carrying amount RMB'000
At 31 December 2020								
Trade receivables	-	4,351,400	317,080	121,950	-	-	4,790,430	4,790,430
Trade payables	3.89	8,795,910	2,377,019	2,056,726	2,688,075	3,315,301	19,233,031	17,441,753
Other receivables	3.46	4,179,528	410,618	126,717	908,137	347,388	5,972,388	5,772,837
Other payables	2.51	7,148,844	-	-	-	-	7,148,844	7,060,658
Due from subsidiaries	5.01	231,671	2,231,671	1,616,011	1,033,915	-	5,113,268	4,585,335
Due to subsidiaries	3.37	67,036	1,067,036	430,278	619,535	-	2,183,885	2,025,412
Accounts receivable	-	189,539	-	-	-	-	189,539	189,539
Accounts payable	4.77	76,684	100,643	95,846	123,966	900,394	1,297,533	900,995
Other financial assets	-	19,576	-	-	43,510	1,492	64,578	64,578
		<u>25,060,188</u>	<u>6,504,067</u>	<u>4,447,528</u>	<u>5,417,138</u>	<u>4,564,575</u>	<u>45,993,496</u>	<u>42,831,537</u>
At 31 December 2019								
Trade receivables	-	4,351,400	317,080	121,950	-	-	4,790,430	4,790,430
Trade payables	3.89	8,795,910	2,377,019	2,056,726	2,688,075	3,315,301	19,233,031	17,441,753
Other receivables	3.46	4,179,528	410,618	126,717	908,137	347,388	5,972,388	5,772,837
Other payables	2.51	7,148,844	-	-	-	-	7,148,844	7,060,658
Due from subsidiaries	5.01	231,671	2,231,671	1,616,011	1,033,915	-	5,113,268	4,585,335
Due to subsidiaries	3.37	67,036	1,067,036	430,278	619,535	-	2,183,885	2,025,412
Accounts receivable	-	189,539	-	-	-	-	189,539	189,539
Accounts payable	4.77	76,684	100,643	95,846	123,966	900,394	1,297,533	900,995
Other financial assets	-	19,576	-	-	43,510	1,492	64,578	64,578
		<u>25,060,188</u>	<u>6,504,067</u>	<u>4,447,528</u>	<u>5,417,138</u>	<u>4,564,575</u>	<u>45,993,496</u>	<u>42,831,537</u>

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 50. FINANCIAL INSTRUMENTS (continued)

### (c) Fair value

Financial assets/ financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique and key input
	31 December 2020	31 December 2019		
(1) <i>See Note 30</i>	Listed equity securities in Hong Kong: Electric power industry - RMB196,043,000	25,000,000	1	Market price
(2) <i>See Note 37</i>	Liabilities - RMB21,068,000	7,570,000	2	Market price
(3) <i>See Note 25</i>	Private equity investments in the PRC: (i) Electric power industry - RMB66,911,000	1,000,000	3	Market price
(4) <i>See Note 37</i>	Liabilities - RMB43,510,000	1,010,000	(note)	Market price

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 50. FINANCIAL INSTRUMENTS (continued)

### (c) Fair value (continued)

Note: The Company has entered into a swap agreement with a bank to hedge its foreign currency exposure. The swap agreement is a forward contract with a notional amount of RMB 2,121,000 (2019: RMB 2,121,000). The swap agreement is classified as a derivative financial instrument and is measured at fair value.

The swap agreement is a forward contract with a notional amount of RMB 2,121,000 (2019: RMB 2,121,000). The swap agreement is classified as a derivative financial instrument and is measured at fair value.

The swap agreement is a forward contract with a notional amount of RMB 2,121,000 (2019: RMB 2,121,000). The swap agreement is classified as a derivative financial instrument and is measured at fair value.

Fixed forward commodity contract

Year ended 31 December

2020  
RMB'000

2019  
RMB'000



# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 51. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

		Bank and other borrowings RMB'000	Short-term debentures RMB'000	Medium- term notes RMB'000	Corporate bond RMB'000	Lease liabilities RMB'000	Total RMB'000
At 31 December 2019		10,119,184	4,094,994	8,570,284		20,872	22,555,144
Increase during the year		(1,170,744)	(69,994)	(60,194)	1,000,000	(18,541)	(2,058,473)
Decrease during the year		1,555	74,194	70,284	,515	12,141	1,110,589
At 31 December 2020		2,145					2,145
At 31 December 2019 (Note 44)						14,212	14,212
At 31 December 2020		14,840				21,141	1,102,141
At 31 December 2019		1,278,807	4,074,194	8,510,877	1,004,515	587,400	20,502,500
At 31 December 2020		19,273,307	6,076,941	3,560,377	1,004,515	587,400	30,502,540
Increase during the year		3,592,943	923,059	928,302	994,769	(49,321)	6,389,752
Decrease during the year		29,651	60,658	96,656	26,128	27,927	241,020
At 31 December 2019		(62,261)	-	-	-	-	(62,261)
At 31 December 2020		-	-	-	-	309,844	309,844
At 31 December 2019 (Note 44)		380,950	-	-	-	25,145	406,095
At 31 December 2020		23,214,590	7,060,658	4,585,335	2,025,412	900,995	37,786,990

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 52. SUBSIDIARIES

Name of subsidiary	Place of registration and operation	Paid up issued/ registered capital	Equity interest attributable to the Company				Proportion of voting rights held by the Group		Principal activities
			Direct		Indirect		2020	201	
			2020	201	2020	201			
北京太陽宮燃氣熱電有限公司 (北京太陽宮燃氣熱電有限公司) (T n n q i s i i .)*		77,270,000	74%	7 %	-		74%	7 %	發電 供熱
北京京橋熱電有限公司 (北京京橋熱電有限公司) (T n n q i s i i .)*		77,700,000	100%	100%	-		100%	100%	發電 供熱
北京京豐燃氣發電有限公司 (北京京豐燃氣發電有限公司) (T n n n u i s i i .)*		25,770,000	100%	100%	-		100%	100%	發電 供熱
北京京能高安屯燃氣熱電有限公司 (北京京能高安屯燃氣熱電有限公司) (T n n n n u n i s i i .)*		70,512,000	100%	100%	-		100%	100%	發電 供熱
北京京西燃氣熱電有限公司 (北京京西燃氣熱電有限公司) (T n n n n n s i i .)*		1,010,000,000	100%	100%	-		100%	100%	發電 供熱
北京京能熱電有限公司 (北京京能熱電有限公司) (T n n n n n s i i .)*		775,500,000	100%	100%	-		100%	100%	發電 供熱
北京京能熱電有限公司 (北京京能熱電有限公司) (T n n n n n s i i .)*		201,770,000	100%	100%	-		100%	100%	發電 供熱
盈江華富水電開發有限公司 (Yn n u u i s i i .)*		100,000,000	100%	100%	-		100%	100%	發電
騰冲縣猴橋永興河水電開發有限公司 (騰冲縣猴橋永興河水電開發有限公司) (T n n q u n u y n n i s i i .)*		77,000,000	100%	100%	-		100%	100%	發電
北京京能熱電有限公司 (北京京能熱電有限公司) (T n n n n n s i i .)*		100,000,000	100%	100%	-		100%	100%	發電
北京京能熱電有限公司 (北京京能熱電有限公司) (T n n n n n s i i .)*		0,000,000	100%	100%	-		100%	100%	發電
成都金華電力實業有限公司 (成都金華電力實業有限公司) (T n n n n n i s i i .)*		0,000,000	-		100%	100%	100%	100%	發電 供熱

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 52. SUBSIDIARIES (continued)

(continued)

Name of subsidiary	Place of registration and operation	Paid up issued/ registered capital	Equity interest attributable to the Company				Proportion of voting rights held by the Group		Principal activities
			Direct		Indirect		2020	201	
			2020	201	2020	201	2020	201	
內蒙古京能商都風力發電有限責任公司 (nn 4 n n n n u n 4 ) <sup>*</sup>		207,520,000	100%	100%	-		100%	100%	n 4 n 4
n		2,71 0,000	100%	100%	-		100%	100%	n 3 n n n n n 4 n 4
內蒙古京能察右中風力發電有限責任公司 (nn 4 n n n 4 4 n ) <sup>*</sup>		101 1,000	100%	100%	-		100%	100%	n 4 n 4
錫林郭勒吉相華亞風力發電有限責任公司 (n u 4 n u n 4 4 ) <sup>*</sup>		101 0,000	100%	100%	-		100%	100%	n 4 n 4
內蒙古京能烏蘭伊更風力發電有限責任公司 (nn 4 n n n u n n 4 ) <sup>*</sup>		7 2 50,000	100%	100%	-		100%	100%	n 4 n 4 4 4 n 4
左雲京能風力發電有限責任公司 (u n n n n n 4 4 ) <sup>*</sup>		5,7 0,000	100%	100%	-		100%	100%	n 4 n 4
內蒙古京能文貢拉風力發電有限公司 (nn 4 n n n n n 4 u n 4 ) <sup>*</sup>		11 0,000	100%	100%	-		100%	100%	n 4 n 4 4 4 n 4
內蒙古霍林郭勒風力發電有限責任公司 (nn 4 u 4 u 4 n 4 4 ) <sup>*</sup>		12 220,000	100%	100%	-		100%	100%	n 4 n 4
內蒙古京能巴林右風力發電有限責任公司 (nn 4 n n n n 4 n 4 ) <sup>*</sup>		1 2 0,000	100%	100%	-		100%	100%	n 4 n 4
內蒙古京能科右中風力發電有限責任公司 (nn 4 n n n 4 4 n 4 ) <sup>*</sup>		7 0,000	100%	100%	-		100%	100%	n 4 n 4
內蒙古京能旗杆風力發電有限公司 (nn 4 n n n n n 4 ) <sup>*</sup>		7 000,000	100%	100%	-		100%	100%	n 4 n 4

FOR THE YEAR ENDED 31 DECEMBER 2020

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204 Beijing Jingneng Clean Energy Co., Limited

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 52. SUBSIDIARIES (continued)

(continued)

Name of subsidiary	Place of registration and operation	Paid up issued/ registered capital	Equity interest attributable to the Company		Proportion of voting rights held by the Group		Principal activities
			Direct	Indirect	2020	201	
	Aus	A \$12,400,000	-	100%	100%	100%	100%
	Aus	A \$1,500,000	-	100%	100%	100%	100%
深圳京能清潔能源融資租賃有限公司 ( )*		¥5,000,000	-	100%	100%	100%	100%
府谷縣京能新能源有限公司 ( )*		151,400,000	100%	100%	-	100%	100%
共和京能清潔能源有限公司 ( )*		155,420,000	100%	100%	-	100%	100%
寧夏海原京能新能源有限公司 ( )*		¥1,100,000	100%	100%	-	100%	100%
大同京能新能源有限公司 ( )*		170,000,000	100%	100%	-	100%	100%
靖遠京能新能源有限公司 ( )*		7,500,000	100%	100%	-	100%	100%
徐聞京能新能源有限公司 ( )*		100,000,000	100%	100%	-	100%	100%
北票京能新能源有限公司 ( )*		5,110,000	100%	100%	-	100%	100%
朝陽縣京能新能源有限公司 ( )*		¥1,000,000	100%	100%	-	100%	100%
綏遠縣京能新能源有限公司 ( )*		21,010,000	100%	100%	-	100%	100%
葫蘆島南票京能新能源有限公司 ( )*		¥1,000,000	100%	100%	-	100%	100%

FOR THE YEAR ENDED 31 DECEMBER 2020

206 Beijing Jingneng Clean Energy Co., Limited

## Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 52. SUBSIDIARIES (continued)

(continued)

Name of subsidiary	Place of registration and operation	Paid up issued/ registered capital	Equity interest attributable to the Company				Proportion of voting rights held by the Group		Principal activities
			Direct		Indirect		2020	201	
			2020	201	2020	201			
常德瑞豐新能源有限公司 (常德市澧縣縣城鎮工業集中區) *		11,070,000	100%	100%	-		100%	100%	新能源材料生產
常德宏源新能源有限公司 (常德市澧縣縣城鎮工業集中區) *		10,000,000	100%	100%	-		100%	100%	新能源材料生產
常德瑞豐新能源有限公司 (常德市澧縣縣城鎮工業集中區) *		10,000,000	100%	100%	-		100%	100%	新能源材料生產
漢壽縣鴻鑫新能源有限公司 (常德市漢壽縣縣城鎮工業集中區) *		1,150,000	100%	100%	-		100%	100%	新能源材料生產
陽西清芸陽光新能源科技有限公司 (陽江清芸鎮鎮區工業集中區) *		27,200,000	100%	100%	-		100%	100%	新能源材料生產
惠州市永景新能源科技有限公司 (惠州仲愷鎮鎮區工業集中區) *			100%	100%	-		100%	100%	新能源材料生產
陽江華晶綠色能源科技有限公司 (陽江清芸鎮鎮區工業集中區) *		10,170,000	100%	100%	-		100%	100%	新能源材料生產
張北京能清潔能源有限公司 (北京通州區通州鎮工業集中區) *		100,700,000	100%	100%	-		100%	100%	新能源材料生產
尚義京能新能源有限公司 (尚義縣縣城鎮工業集中區) *		150,000,000	100%	100%	-		100%	100%	新能源材料生產
康保新能清潔能源有限公司 (康保縣縣城鎮工業集中區) *		20,000,000	100%	100%	-		100%	100%	新能源材料生產

\* 本公司持有該子公司100%股權

Note: A 100% share of the subsidiary is held by the Company. The subsidiary is a wholly owned subsidiary of the Company.



FOR THE YEAR ENDED 31 DECEMBER 2020

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[illegible]2020 ANNUAL REPORT 209

FOR THE YEAR ENDED 31 DECEMBER 2020

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As of 1 January 2021, the number of people in the United Kingdom who have been vaccinated against COVID-19 is 1,207,810, or 0.22% of the population. The number of people who have been vaccinated against COVID-19 in the United Kingdom is shown in the following chart.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 54. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

	At 31 December	
	2020 RMB'000	2019 RMB'000
<b>Non-current assets</b>		
Land and buildings	1,190,407	1,100,000
Investment properties	15,742	21,152
Intangible assets	19,571	1,520
Prepaid expenses and deposits	16,857,908	15,700,010
Due from subsidiaries	2,410,328	17,000
Due from associates	117,000	10,000
Due from joint ventures	130,904	152,117
Due from other related parties	70,000	15,000
Due from other parties	4,257,500	2,100,000
Other non-current assets	37,913	1,112
Deferred tax assets	-	1,000
Due to subsidiaries	3,423	1,211
Due to other related parties	8,319	172,250
	<b>25,119,015</b>	<b>21,201,002</b>
<b>Current assets</b>		
Due from subsidiaries	1,652	2,051
Due from associates	361,035	212,152
Due from joint ventures	266,875	110,501
Due from other related parties	-	10,000
Due from other parties	11,399,500	10,111,500
Accounts receivable	2,496	1,117
Accounts payable	6,370,820	5,712,217
Due to other related parties	5,425	5,070
Due to other parties	847,395	75,000
	<b>19,255,198</b>	<b>11,111,002</b>

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 54. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (continued)

	At 31 December	
	2020 RMB'000	201 RMB'000
<b>Current liabilities</b>		
Trade payables	140,202	140,202
Accounts payable	2,910	2,570
Accounts receivable	771,264	2,275,111
Other payables	6,770,277	2,717,000
Other liabilities	7,060,658	1,071,111
Provisions	96,656	70,200
Deferred income	26,128	7,700
Other income	497	1,511
Other assets	4,377	7,111
Other liabilities	1,949	1,270
	<b>14,874,918</b>	<b>11,555,111</b>
<b>Net current assets</b>	<b>4,380,280</b>	<b>5,000,111</b>
<b>Total assets less current liabilities</b>	<b>29,499,295</b>	<b>21,100,277</b>
<b>Non-current liabilities</b>		
Long-term payables	1,029,500	2,100,250
Long-term liabilities	4,488,679	1,000,000
Long-term assets	1,999,284	1,111,111
Long-term liabilities	2,792	2,050
Long-term assets	84,099	1,250
Long-term liabilities	11,806	15,511
	<b>7,616,160</b>	<b>7,200,111</b>
<b>Net assets</b>	<b>21,883,135</b>	<b>13,899,166</b>
<b>Capital and reserves</b>		
Share capital	8,244,508	8,244,508
Reserves	12,113,045	11,151,111
Other reserves	1,525,582	1,525,582
<b>Total equity</b>	<b>21,883,135</b>	<b>13,899,166</b>

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2020

## 54. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (continued)

	Capital reserve RMB'000	Statutory surplus reserve RMB'000	Other reserve RMB'000	Fair value through other comprehensive income reserve RMB'000	Retained profits RMB'000	Total RMB'000
At 1 January 2019	2,277,011	2,257		12,750	7,705,211	10,046,229
Profit for the year				8,678	1,701,113	1,709,791
Other comprehensive income				(4,666)		(4,666)
Dividends paid					(152,240)	(152,240)
Transfer to reserves		152,240			(152,240)	
Transfer from reserves					(595,253)	(595,253)
At 31 December 2019	4,287,401	1,162,056		15,750	5,686,658	11,151,865
Profit for the year				8,678	1,561,113	1,569,791
Other comprehensive income				(4,666)		(4,666)
Dividends paid					(152,240)	(152,240)
Transfer to reserves		152,240			(152,240)	
Transfer from reserves					(595,253)	(595,253)
At 31 December 2020	4,287,401	1,314,296	(8,692)	(4,666)	6,524,706	12,113,045

## Definitions

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北京市熱力集團有限責任公司 ( n 5 n ( 4 )  
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北京能源集團有限責任公司 ( n n 4 n 4 )

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## Definitions

<p>             本公司之附屬公司，指本公司擁有其已發行股本之半數或以上的公司，或本公司對其有財務及行政上的控制權。           </p>	<p>             附屬公司，指本公司擁有其已發行股本之半數或以上的公司，或本公司對其有財務及行政上的控制權。           </p>
<p>             21 A 2021, n           </p>	<p>             21 A 2021, n           </p>
<p>             本公司之附屬公司，指本公司擁有其已發行股本之半數或以上的公司，或本公司對其有財務及行政上的控制權。           </p>	<p>             本公司之附屬公司，指本公司擁有其已發行股本之半數或以上的公司，或本公司對其有財務及行政上的控制權。           </p>
<p>             中國人民銀行 ( )           </p>	<p>             中國人民銀行 ( )           </p>
<p>             A A           </p>	<p>             國務院國有資產監督管理委員會 ( )           </p>
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# Corporate Information

Registered Name	北京京能清洁能源股份有限公司
Directors	
Executive Director	<ul style="list-style-type: none"> <li>姚 俊 良 (Chairman)</li> <li>王 建 宇 (General Manager)</li> <li>姚 宇 坤</li> <li>姚 俊 强</li> </ul>
Non-executive Directors	<ul style="list-style-type: none"> <li>王 建 宇</li> <li>王 建 宇</li> <li>姚 俊 良</li> </ul>
Independent Non-executive Directors	<ul style="list-style-type: none"> <li>姚 俊 良</li> <li>姚 宇 坤</li> <li>姚 俊 强</li> <li>王 建 宇</li> </ul>
Strategy Committee	<ul style="list-style-type: none"> <li>姚 俊 良 (Chairman)</li> <li>姚 宇 坤</li> <li>姚 俊 强</li> <li>王 建 宇</li> <li>姚 俊 良</li> </ul>
Remuneration and Nomination Committee	<ul style="list-style-type: none"> <li>姚 俊 良 (Chairman)</li> <li>姚 俊 强</li> <li>王 建 宇</li> </ul>
Audit Committee	<ul style="list-style-type: none"> <li>姚 宇 坤 (Chairman)</li> <li>王 建 宇</li> <li>姚 俊 良</li> </ul>
Legal and Compliance Management Committee	<ul style="list-style-type: none"> <li>姚 俊 良 (Chairman)</li> <li>王 建 宇</li> <li>姚 宇 坤</li> </ul>
Supervisors	<ul style="list-style-type: none"> <li>姚 俊 良</li> <li>王 建 宇</li> <li>姚 宇 坤</li> </ul>
Company Secretary	姚 俊 良



## Authorized Representatives

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## Registered Office

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## Principal Place of Business in the PRC

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## Principal Place of Business in Hong Kong

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## Principal Bankers

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## Corporate Information

### International Auditors

德勤华永会计师事务所(特殊普通合伙)  
 中国北京 100001  
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### Domestic Auditors

天健会计师事务所(特殊普通合伙)  
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### Hong Kong Legal Advisors

德勤华永会计师事务所(香港)  
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### PRC Legal Advisors

天演律师事务所  
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### H Share Registrar

中国证券登记结算有限责任公司  
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### Stock Code

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### Company's Website

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### Listing Place

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