

Hong Kong Exchanges and Clearing Limited (“HKEX”) is pleased to announce the interim results of Beijing Jingneng Clean Energy Co., Limited (“BJCE”) for the six months ended 30 June 2021. The interim results are available on the HKEX website at www.hkex.com.hk and on the BJCE website at www.bjce.com.cn.



Beijing Jingneng Clean Energy Co., Limited

北京京能清潔能源電力股份有限公司

(A joint stock company incorporated in the People’s Republic of China with limited liability)

(Stock Code: 00579)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2021

FINANCIAL HIGHLIGHTS

Revenue	B9,339.8 million	12.81%	vs.	B8,278.2 million	2020.
Profit before income tax	B1,884.3 million	13.90%	vs.	B1,658.2 million	2020.
Profit attributable to equity holders of the Company	B1,488.2 million	14.90%	vs.	B1,288.2 million	2020.
Basic earnings per share	B18.05			B16.12	2020.

RESULTS HIGHLIGHTS

The Board of Directors (“Board”) of Beijing Jingneng Clean Energy Co., Limited (“Company”), together with the management of the Company, are pleased to announce the interim results of the Company and its subsidiaries (“Group”, we, us) for the six months ended 30 June 2021 (“Reporting Period”), prepared in accordance with International Financial Reporting Standards (“IFRSs”).

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six-month period ended 30 June 2021

		For the six-month period ended 30 June	
		2021 RMB'000 (Unaudited)	2020 B'000 (Unaudited)
Revenue	3	9,339,794	8,278,996
Cost of sales	4	453,502	357,646
Gross profit		(4,653,477)	(4,249,576)
Depreciation of property, plant and equipment	8	(1,510,952)	(1,325,439)
Depreciation of investment properties		(412,971)	(338,735)
Amortisation of intangible assets		(283,027)	(271,259)
Impairment of financial assets		(434,928)	(331,179)
Share of losses of associates	5	(6,206)	(3,694)
Finance income		2,491,735	2,116,760
Income tax expense	6	16,479	22,857
Finance expenses	6	(637,882)	(574,537)
Other income		25,725	89,202
Other expenses		(11,802)	-
Operating profit		1,884,255	1,654,282
Income tax expense	7	(327,831)	(318,373)
Profit before tax	8	1,556,424	1,335,909
Income tax expense			
Profit after tax		1,488,178	1,295,215
Other comprehensive income		25,588	6,079
Share of other comprehensive income of associates		42,658	34,615
Profit after tax and other comprehensive income		1,556,424	1,335,909
Basic earnings per share (Basic)	10	18.05	15.71

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

For the six-month period ended 30 June 2021

		For the six-month period ended 30 June	
		2021 RMB'000 (Unaudited)	2020 B'000 (Unaudited)
Operating profit	8	<u>1,556,424</u>	<u>1,335,909</u>
Items that will not be reclassified to profit or loss:			
Gross profit			
Gain on disposal of subsidiaries (F CI)		-	3,428
Gain on disposal of subsidiaries (W)		-	5,250
		<u>-</u>	<u>8,678</u>
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(30,276)	(16,736)
Change in fair value of financial assets (W)		14,999	(7,075)
Change in fair value of financial liabilities (W)		6,003	4,769
Income tax on share of profit of associates (W)		(4,518)	(1,001)
		<u>(13,792)</u>	<u>(20,043)</u>
Share of profit of associates		(13,792)	(11,365)
Share of profit of subsidiaries		<u>1,542,632</u>	<u>1,324,544</u>
Share of profit of subsidiaries		<u>1,474,386</u>	1,283,850
Exchange differences on translation of foreign operations (C)		25,588	6,079
Share of profit of subsidiaries		<u>42,658</u>	34,615
		<u>1,542,632</u>	<u>1,324,544</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	As at 30 June 2021 RMB'000 (Unaudited)	As at 31 December 2020 B'000 (Audited)
Non-current Assets		
Property, plant and equipment	44,274,832	43,187,213
Intangible assets	1,406,351	1,431,342
Investments	4,301,875	4,410,754
Goodwill	190,049	190,049
Investments in associates	3,413,806	3,518,508
Leases receivable	108,000	117,000
Investments in subsidiaries	119,102	130,904
Leases receivable	70,000	70,000
Deferred tax assets	231,289	296,104
Equity investments (F & CI)	66,911	66,911
Derivatives	1,245,504	1,114,305
Deferred tax liabilities	1,779,300	1,072,426
Prepaid expenses	46,211	50,787
Deferred tax liabilities	4,340	-
	<u>57,257,570</u>	<u>55,656,303</u>
Current Assets		
Investments	121,310	104,416
Accounts receivable	9,178,645	9,159,317
Prepaid expenses	540,683	463,778
Goodwill	17,168	16,565
Accounts payable	87,830	170,193
Derivatives	433,688	469,666
Equity investments (F & L)	200,780	196,043
Prepaid expenses	4,533	4,577
Current tax assets	6,592,508	4,297,450
	<u>17,177,145</u>	<u>14,882,005</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

		As at 30 June 2021 RMB'000 (Unaudited)	As at 31 December 2020 B'000 (Audited)
Current Liabilities			
Accounts payable	12	5,186,954	5,058,989
Accounts receivable		475,927	189,539
Bank deposits		9,269,260	12,318,322
Other receivables		9,068,797	7,060,658
Prepaid expenses		95,249	96,656
Contract liabilities		26,281	26,128
Contract assets		56,571	56,380
Long-term payables		42,110	64,659
Deferred income		-	19,576
Income tax payable		24,662	125,381
Dividends payable		107,887	228,336
		24,353,698	25,244,624
Net Current Liabilities		(7,176,553)	(10,362,619)
Total Assets less Current Liabilities		50,081,017	45,293,684
Non-current Liabilities			
Deferred income		41,908	45,002
Bank deposits		14,785,426	10,896,268
Other receivables		4,488,679	4,488,679
Contract liabilities		1,999,284	1,999,284
Contract assets		5,100	12,440
Deferred income		188,235	193,615
Deferred income		437,138	435,811
Long-term payables		827,378	836,336
Other payables		16,037	19,402
		22,789,185	18,926,837
Net Assets		27,291,832	26,366,847
Capital and Reserves			
Share capital		8,244,508	8,244,508
Reserves		17,156,306	16,249,142
Equity attributable to owners of the parent		25,400,814	24,493,650
Minority interest		391,448	347,615
Non-controlling interests		1,499,570	1,525,582
		27,291,832	26,366,847

3A. REVENUE FROM CONTRACTS WITH CUSTOMERS

(i) Disaggregation of revenue from contracts with customers:

For the six months ended 30 June 2021 (Unaudited)

	Gas-fired power and heat energy generation RMB'000	Wind power RMB'000	Photovoltaic power RMB'000	Hydropower RMB'000	Others RMB'000	Total RMB'000
Revenue from contracts with customers	5,296,968	1,541,058	1,255,347	146,616	-	8,239,989
Revenue from contracts with customers	1,097,710	-	-	-	-	1,097,710
Revenue from contracts with customers	-	-	-	-	2,095	2,095
Revenue from contracts with customers	6,394,678	1,541,058	1,255,347	146,616	-	9,337,699
Revenue from contracts with customers	-	-	-	-	2,095	2,095
Revenue from contracts with customers	6,394,678	1,484,196	1,253,563	146,616	2,095	9,281,148
Revenue from contracts with customers	-	56,862	1,784	-	-	58,646
Revenue from contracts with customers	6,394,678	1,541,058	1,255,347	146,616	2,095	9,339,794

For the six months ended 30 June 2020 (Unaudited)

	Gas-fired power and heat energy generation B'000	Wind power B'000	Photovoltaic power B'000	Hydropower B'000	Others B'000	Total B'000
Revenue from contracts with customers	4,868,711	1,109,536	1,028,642	143,215	-	7,150,104
Revenue from contracts with customers	1,127,393	-	-	-	-	1,127,393
Revenue from contracts with customers	-	-	-	-	1,499	1,499
Revenue from contracts with customers	5,996,104	1,109,536	1,028,642	143,215	-	8,277,497
Revenue from contracts with customers	-	-	-	-	1,499	1,499
Revenue from contracts with customers	5,996,104	1,057,468	1,026,435	143,215	1,499	8,224,721
Revenue from contracts with customers	-	52,068	2,207	-	-	54,275
Revenue from contracts with customers	5,996,104	1,109,536	1,028,642	143,215	1,499	8,278,996

(ii) **Geographical information**

As of the reporting period, the Company's operations are primarily concentrated in the PRC. The Company's operations are primarily concentrated in the PRC. The Company's operations are primarily concentrated in the PRC.

3B. SEGMENT INFORMATION

(a) **Segment revenue and results**

The Company's segments are defined based on the products and services provided. The segments are Gas-fired power and heat energy, Wind power, Photovoltaic power, Hydropower, and Others. The segments are Gas-fired power and heat energy, Wind power, Photovoltaic power, Hydropower, and Others.

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	Gas-fired power and heat energy generation RMB'000	Wind power RMB'000	Photovoltaic power RMB'000	Hydropower RMB'000	Others RMB'000	Total RMB'000
F. Energy production						
30 June 2021 (continued)						
Gas-fired power and heat energy production	6,394,678	1,541,058	1,255,347	146,616	2,095	9,339,794
Wind power production	1,484,959	1,418,492	1,121,089	105,257	(127,110)	4,002,687
Photovoltaic power production	447,710	426,477	443,452	52,406	7,390	1,377,435
Hydropower production	7,532	84,728	27,704	12,992	561	133,517
Others production	1,029,717	907,287	649,933	39,859	(135,061)	2,491,735

A. 2021年6月30日止期间与2020年6月30日止期间相比，其他业务收入增加的主要原因是：(1) 2021年6月30日止期间，公司出售了部分闲置房产，取得收入1,425,653元；(2) 2021年6月30日止期间，公司出售了部分闲置设备，取得收入1,425,653元。

	2021年6月30日止期间 人民币千元	2020年6月30日止期间 人民币千元	2021年6月30日止期间 人民币千元	2020年6月30日止期间 人民币千元	2021年6月30日止期间 人民币千元	2020年6月30日止期间 人民币千元
	B'000	B'000	B'000	B'000	B'000	B'000
其他业务收入	5,996,104	1,109,536	1,028,642	143,215	1,499	8,278,996
其他业务成本	1,425,653	1,048,704	967,842	106,931	(106,931)	3,442,199
其他业务利润	432,280	358,656	358,011	54,994	2,435	1,206,376
其他业务税金	5,129	84,341	16,730	12,322	541	119,063
其他业务净收入	<u>988,244</u>	<u>605,707</u>	<u>593,101</u>	<u>39,615</u>	<u>(109,907)</u>	<u>2,116,760</u>

注：

(1) 2021年6月30日止期间，公司出售了部分闲置房产，取得收入1,425,653元；(2) 2021年6月30日止期间，公司出售了部分闲置设备，取得收入1,425,653元。

4. OTHER INCOME

	For the six-month period ended 30 June	
	2021 RMB'000 (Unaudited)	2020 B'000 (Unaudited)
其他业务收入		
出售房产收入 (人民币千元)	279,419	199,907
出售设备收入 (人民币千元)	14,824	10,377
其他业务收入	66,435	60,007
其他业务成本 (人民币千元)	64,726	48,650
其他业务净收入	<u>28,098</u>	<u>38,705</u>
	<u>453,502</u>	<u>357,646</u>

9. DIVIDENDS

() 24 June 2021, 567,222,000 () C
 () Dividends 30 June 2021 () 30 June 2020: ()

10. EARNINGS PER SHARE

30 June 2021 B1,488,178,000 () 30 June 2020: B1,295,215,000 ()
 30 June 2021 8,244,508,000 () 30 June 2020: 8,244,508,000)

D ()

11. TRADE AND BILLS RECEIVABLES

	As at 30 June 2021 RMB'000 (Unaudited)	As at 31 Dec 2020 B'000 (Audited)
Trade receivables	1,316,702	2,198,687
Other receivables	7,655,891	6,683,224
Bills receivable	223,521	294,875
	<u>9,196,114</u>	<u>9,176,786</u>
Less: provisions	(17,469)	(17,469)
	<u><u>9,178,645</u></u>	<u><u>9,159,317</u></u>

G () 60 () G ()

	As at 30 June 2021 RMB'000 (Unaudited)	As at 31 Dec 2020 B'000 (Audited)
60	1,618,233	2,849,843
61 365	2,536,843	2,649,928
1 2	3,008,036	2,200,362
2 3	1,583,665	906,255
3	431,868	552,929
	<u>9,178,645</u>	<u>9,159,317</u>

As at 30 June 2021, the Group's trade receivables are denominated in the following currencies: RMB113,590,000, US dollars, Hong Kong dollars, and other currencies.

The Group's trade receivables are classified into the following categories: (A) receivables from customers, (B) receivables from related parties, (C) receivables from government entities, and (D) receivables from other parties.

As at 30 June 2021, the Group's trade receivables are denominated in the following currencies: RMB113,590,000, US dollars, Hong Kong dollars, and other currencies.

12. TRADE AND OTHER PAYABLES

	As at 30 June 2021 RMB'000 (Unaudited)	As at 31 December 2020 B'000 (Audited)
Trade payables	2,259,012	2,384,450
Payables to related parties	1,591,705	1,601,100
Other payables	707,737	446,166
Trade receivables	20,000	20,000
Prepaid expenses	99,928	103,870
Other receivables	83,238	164,689
Due from related parties	177,670	-
Other receivables	247,664	338,714

MANAGEMENT DISCUSSION AND ANALYSIS

I. REVIEW OF THE POWER INDUSTRY

In 2021, C... 2021, C... 2.26
9.5%. A... 4.1%;
290 34.7%;
270 23.7%;
380 4.7%.
1.02
17.8% 45.4%
3.2
1.09 2.5%
48.2%, 3.3

In 2021, C... 3,870
13.7%. A...
15.0%
44.6% 24.0%
1.4%

In 2021, C... 1,853
119 A... 2,186 231
1,212
88 660
3 1,496
33

II. BUSINESS REVIEW FOR THE FIRST HALF OF 2021

In 2021, G... A... G... C...

1. Steady increase in installed capacity

As of 30 June 2021, the installed capacity of the Group is 11,215 MW, an increase of 14% from 9,810 MW as of 30 June 2020. The installed capacity of the Group is broken down as follows:

Category	30 June 2021 (MW)	30 June 2020 (MW)	Change (%)
Hydro	4,702	4,702	0%
Wind	2,917	2,291	28%
Solar	0.45	0.45	0%
Other	0.349	0.349	0%
Total	11,215	9,810	14%

2. Significant increase in power generation

As of 30 June 2021, the Group's power generation is 16,179 MWh, an increase of 17.73% from 13,740 MWh as of 30 June 2020. The Group's power generation is broken down as follows:

Category	30 June 2021 (MWh)	30 June 2020 (MWh)	Change (%)
Hydro	9,733	9,733	0%
Wind	3,803	2,070	84.43%
Solar	1,294	199	648.24%
Other	82	82	0%
Total	16,179	13,740	17.73%

3. Pushing forward project development smoothly

In 2021, the Group's power generation capacity is 1.754 GW, an increase of 18% from 1.486 GW as of 2020. The Group's power generation capacity is broken down as follows:

Category	2021 (GW)	2020 (GW)	Change (%)
Hydro	4.702	4.702	0%
Wind	2.917	2.291	28%
Solar	0.45	0.45	0%
Other	0.349	0.349	0%
Total	11.215	9.810	14%

Gas-fired Power and Heat Energy Generation Segment

The segment's revenue for 2021, including the revenue from the sale of electricity, was B5,996.1 million, an increase of 6.65% from B5,996.1 million in 2020. The segment's revenue for 2021, including the revenue from the sale of electricity, was B6,394.7 million, an increase of 8.80% from B5,297.0 million in 2020. The segment's revenue for 2021, including the revenue from the sale of electricity, was B4,868.7 million, an increase of 2.63% from B1,127.4 million in 2020. The segment's revenue for 2021, including the revenue from the sale of electricity, was B1,097.7 million, an increase of 2.63% from B1,097.7 million in 2020.

Wind Power Segment

The segment's revenue for 2021, including the revenue from the sale of electricity, was B1,541.1 million, an increase of 38.90% from B1,109.5 million in 2020. The segment's revenue for 2021, including the revenue from the sale of electricity, was B1,541.1 million, an increase of 38.90% from B1,109.5 million in 2020. The segment's revenue for 2021, including the revenue from the sale of electricity, was B1,541.1 million, an increase of 38.90% from B1,109.5 million in 2020.

Photovoltaic Power Segment

The segment's revenue for 2021, including the revenue from the sale of electricity, was B1,028.6 million, an increase of 22.04% from B843.0 million in 2020. The segment's revenue for 2021, including the revenue from the sale of electricity, was B1,028.6 million, an increase of 22.04% from B843.0 million in 2020. The segment's revenue for 2021, including the revenue from the sale of electricity, was B1,028.6 million, an increase of 22.04% from B843.0 million in 2020.

Hydro Power Segment

The segment's revenue for 2021, including the revenue from the sale of electricity, was B143.3 million, an increase of 2.30% from B146.6 million in 2020. The segment's revenue for 2021, including the revenue from the sale of electricity, was B143.3 million, an increase of 2.30% from B146.6 million in 2020. The segment's revenue for 2021, including the revenue from the sale of electricity, was B143.3 million, an increase of 2.30% from B146.6 million in 2020.

Other Segment

The segment's revenue for 2021, including the revenue from the sale of electricity, was B1.5 million, an increase of 40.00% from B1.1 million in 2020. The segment's revenue for 2021, including the revenue from the sale of electricity, was B1.5 million, an increase of 40.00% from B1.1 million in 2020. The segment's revenue for 2021, including the revenue from the sale of electricity, was B1.5 million, an increase of 40.00% from B1.1 million in 2020.

3. Other Income

The segment's revenue for 2021, including the revenue from the sale of electricity, was B453.5 million, an increase of 26.82% from B357.6 million in 2020. The segment's revenue for 2021, including the revenue from the sale of electricity, was B453.5 million, an increase of 26.82% from B357.6 million in 2020. The segment's revenue for 2021, including the revenue from the sale of electricity, was B453.5 million, an increase of 26.82% from B357.6 million in 2020.

4. Operating Expenses

General expenses increased by 11.99% from B6,519.9 in 2020 to B7,301.6 in 2021, due to an increase in the cost of electricity, telephone, and internet services.

Gas Consumption

Gas consumption decreased by 9.50% from B4,249.6 in 2020 to B4,653.5 in 2021, due to a decrease in the cost of gas.

Depreciation and Amortization Expense

Depreciation and amortization expense increased by 14.00% from B1,511.0 in 2020 to B1,325.4 in 2021, due to an increase in the cost of depreciation and amortization.

Personnel Cost

Personnel cost decreased by 21.94% from B338.7 in 2020 to B413.0 in 2021, due to a decrease in the cost of personnel. The decrease is due to the termination of the contract of the General Manager in 2021.

Repair and Maintenance

Repair and maintenance expense decreased by 4.31% from B271.3 in 2020 to B283.0 in 2021, due to a decrease in the cost of repair and maintenance.

Other Expense

Other expense consists of (1) advertising expense; (2) transportation expense; (3) entertainment expense; (4) travel expense; (5) telephone expense; (6) internet expense; (7) electricity expense.

Other expense increased by 31.31% from B331.2 in 2020 to B434.9 in 2021, due to an increase in the cost of other expense.

7. Finance Costs

Finance costs, including interest expense, of 11.04% (2020: 11.04%) were incurred during the period. Finance costs were B574.5 million (2020: B637.9 million) and were included in the consolidated statement of profit or loss. Finance costs were included in the consolidated statement of profit or loss as follows:

8. Share of Results of Associates and a Joint Venture

Share of results of associates and a joint venture of 84.42% (2020: 84.42%) were included in the consolidated statement of profit or loss. Share of results of associates and a joint venture were B89.2 million (2020: B13.9 million) and were included in the consolidated statement of profit or loss as follows:

9. Profit before Taxation

Profit before taxation of 13.90% (2020: 13.90%) was included in the consolidated statement of profit or loss. Profit before taxation was B1,654.3 million (2020: B1,884.3 million) and was included in the consolidated statement of profit or loss as follows:

10. Income Tax Expense

Income tax expense of 2.95% (2020: 2.95%) was included in the consolidated statement of profit or loss. Income tax expense was B318.4 million (2020: B327.8 million) and was included in the consolidated statement of profit or loss as follows:

11. Profit for the Period

Profit for the period of 16.51% (2020: 16.51%) was included in the consolidated statement of profit or loss. Profit for the period was B1,335.9 million (2020: B1,556.4 million) and was included in the consolidated statement of profit or loss as follows:

12. Profit for the Period Attributable to Equity Holders of the Company

Profit for the period attributable to equity holders of the company of 14.90% (2020: 14.90%) was included in the consolidated statement of profit or loss. Profit for the period attributable to equity holders of the company was B1,295.2 million (2020: B1,488.2 million) and was included in the consolidated statement of profit or loss as follows:

IV. FINANCIAL POSITION

1. Overview

As at 30 June 2021, the consolidated statement of financial position shows a net asset of B74,434.7 million (2020: B47,142.9 million). The consolidated statement of financial position shows a net asset of B27,291.8 million (2020: B25,400.8 million) and was included in the consolidated statement of financial position as follows:

2. Particulars of Assets and Liabilities

	5.52%	B70,538.3	31 D	2020
B74,434.7			30 J	2021,
	6.73%	B44,171.5	31 D	2020
B47,142.9			30 J	2021,
	3.51%	B26,366.8	31 D	2020
B27,291.8			30 J	2021.
	3.70%	B24,493.7	31 D	2020
B25,400.8			30 J	2021,
				2021.

3. Liquidity

A	30 J	2021,	B17,177.1
B6,592.5			B9,178.6
			B1,406.0
			B24,353.7
			B9,269.3
B9,068.8			B95.2
			B26.3
			B5,187.0
			B707.1
	30.75%	B10,362.6	31 D
2020			30 J
			2021.

4. Net Gearing Ratio

			0.44
55.28%	31 D	2020	54.84%
			30 J
			2021.
G	31 D	2020	7.72%
			B36,886.0
			B39,733.0
			30 J
			2021,
			B9,068.8
			B9,269.3
			B4,583.9
			B14,785.4
			B2,025.6
B	31 D	2020	53.40%
			B4,297.5
			B6,592.5
			30 J
			2021.

V. OTHER SIGNIFICANT EVENTS

1. Financing

On 4 July 2021, the Group issued a bank loan with a term of 12 months, principal amount of RMB179 million, interest rate of 2.65%.

On 18 July 2021, the Group issued a bank loan with a term of 12 months, principal amount of RMB238 million, interest rate of 2.80%.

On 23 August 2021, the Group issued a bank loan with a term of 12 months, principal amount of RMB270 million, interest rate of 2.99%.

On 24 July 2021, the Group issued a bank loan with a term of 12 months, principal amount of RMB266 million, interest rate of 2.68%.

2. Capital Expenditure

In 2021, the Group's capital expenditure was RMB2,910.5 million, of which RMB2,605.5 million was paid in cash and RMB305.0 million was paid in kind.

3. Acquisition and Establishment of Subsidiaries

As at 31 December 2021, the Group has established subsidiaries in the PRC, including Hebei Rongzhi New Energy Power Co., Ltd.* (河北融智新源電力有限公司), Foshan Baotian Energy Technology Co., Ltd.* (佛山寶田能源科技有限公司), Ertuoke Qianqi Renjishi New Energy Technology Co., Ltd.* (鄂托克前旗晟日新能源科技有限公司), etc.

In 2021, the Group has established subsidiaries in the PRC, including Beijing Jingneng Jintong New Energy Co., Ltd.* (北京京能京通新能源有限公司), Yinchuan Jingneng Clean Energy Co., Ltd.* (銀川京能清潔能源有限公司), etc. In addition, the Group has established subsidiaries in the PRC, including Baichuan Jingneng Clean Energy Power Co., Ltd.* (巴彥淖爾京能清潔能源電力有限公司), etc.

* For more information, please refer to the relevant announcements.

4. Contingent Liabilities

As at 30 June 2021, the Group has no contingent liabilities.

5. Mortgage of Assets

As at 30 June 2021, the Group has no mortgage of assets.

6. Significant Events after the Reporting Period

On 19 July 2021, the Company completed the acquisition of 100% equity interest of Ningxia Jiatai New Energy Co., Ltd. (寧夏嘉澤新能源股份有限公司) (the "Acquisition") for a total consideration of RMB1,072.4 million. The Acquisition is accounted for as a business combination under common control. The fair value of the identifiable intangible assets acquired is RMB380.64 million. The fair value of the net assets acquired is RMB1,072.4 million. The Acquisition is completed on 19 July 2021.

7. Share Option Scheme

As at 30 June 2021, the Company has no share options outstanding.

8. Foreign Exchange and Exchange Rate Risk

The Company's operations are primarily in the PRC. The Company's revenue is primarily denominated in RMB. The Company's expenses are primarily denominated in RMB. The Company's assets and liabilities are primarily denominated in RMB. The Company's operations are not exposed to significant foreign exchange and exchange rate risk.

VI. BUSINESS OUTLOOK FOR THE SECOND HALF OF 2021

1. Focusing on the Group's "14th Five-Year Plan"

In 2021, the Group will continue to implement its "14th Five-Year Plan" and focus on the following key areas: (1) Strengthening the Group's core business; (2) Expanding the Group's market share; (3) Improving the Group's operational efficiency; (4) Enhancing the Group's financial performance; (5) Strengthening the Group's risk management; (6) Improving the Group's corporate governance; (7) Enhancing the Group's brand image; (8) Strengthening the Group's talent management; (9) Improving the Group's environmental and social performance; (10) Strengthening the Group's innovation and research and development.

