

HONG KONG EXCHANGES AND CLEARING LIMITED (H.K. EXCH.)
北京京能清潔能源電力股份有限公司 (BEIJING JINGNENG CLEAN ENERGY CO., LTD.)
北京京能清潔能源電力股份有限公司 (BEIJING JINGNENG CLEAN ENERGY CO., LTD.)
北京京能清潔能源電力股份有限公司 (BEIJING JINGNENG CLEAN ENERGY CO., LTD.)



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	12.81%	30 June 2021	B9,339.8	2020.
Profit before income tax	B1,884.3	13.90%	30 June 2021	B1,884.3	2020.
Profit after income tax	B1,488.2	14.90%	30 June 2021	B1,488.2	2020.
Basic earnings per share	B18.05		30 June 2021	B18.05	2020.

RESULTS HIGHLIGHTS

The Board of Beijing Jingneng Clean Energy Co., Limited (the Company) is pleased to announce the interim results for the six months ended 30 June 2021 (the Reporting Period), as compared to the corresponding six months ended 30 June 2020 (the Reporting Period). The financial results are 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	2020				
		<i>RMB'000</i>	<i>B'000</i>				
		(Unaudited)	(Unaudited)				
	3	9,339,794	8,278,996				
	4	453,502	357,646				
Gross profit		(4,653,477)	(4,249,576)				
Distribution of dividends	8	(1,510,952)	(1,325,439)				
Other income		(412,971)	(338,735)				
Other expenses		(283,027)	(271,259)				
Other income		(434,928)	(331,179)				
Other expenses	5	(6,206)	(3,694)				
		2,491,735	2,116,760				
Income tax	6	16,479	22,857				
Fair value changes	6	(637,882)	(574,537)				
Other income		25,725	89,202				
Other expenses		(11,802)					
		1,884,255	1,654,282				
Income tax	7	(327,831)	(318,373)				
		1,556,424	1,335,909				
	8	1,556,424	1,335,909				
		1,488,178	1,295,215				
Other income		25,588	6,079				
Other expenses		42,658	34,615				
		1,556,424	1,335,909				
		1,556,424	1,335,909				
Earnings per share							
Basic (RMB)	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)
<input checked="" type="checkbox"/> Other income	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 associates		-	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 and liabilities:			
<input checked="" type="checkbox"/> Gain on disposal of financial assets		14,999	(7,075)
<input checked="" type="checkbox"/> Gain on disposal of financial liabilities		6,003	4,769
Income tax		(4,518)	(1,001)
		<u>(13,792)</u>	<u>(20,043)</u>
Net profit		<u>(13,792)</u>	<u>(11,365)</u>
Other comprehensive income			
Share of other comprehensive income of associates		1,542,632	1,324,544
Profit before income tax		<u>1,474,386</u>	<u>1,283,850</u>
Income tax		25,588	6,079
Profit after income tax		<u>42,658</u>	<u>34,615</u>
Profit after income tax and other comprehensive income		<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
Investment properties	4,301,875	4,410,754
Goodwill	190,049	190,049
Investments in associates	3,413,806	3,518,508
Long-term prepayments	108,000	117,000
Investments in subsidiaries	119,102	130,904
Long-term deposits	70,000	70,000
Derivatives	231,289	296,104
Equity investments in FCI	66,911	66,911
Other non-current assets	1,245,504	1,114,305
Deferred tax assets	1,779,300	1,072,426
Other non-current assets	46,211	50,787
Deferred tax liabilities	4,340	-
	57,257,570	55,656,303
Current Assets		
Investments	121,310	104,416
Prepayments	9,178,645	9,159,317
Accounts receivable	540,683	463,778
Goodwill	17,168	16,565
Accounts payable	87,830	170,193
Financial assets	433,688	469,666
Financial liabilities (F) (L)	200,780	196,043
Other current assets	4,533	4,577
Current tax assets	6,592,508	4,297,450
	17,177,145	14,882,005

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
Other receivables		9,269,260	12,318,322
Other payables		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
		<u>24,353,698</u>	<u>25,244,624</u>
Net Current Liabilities		<u>(7,176,553)</u>	<u>(10,362,619)</u>
Total Assets less Current Liabilities		<u>50,081,017</u>	<u>45,293,684</u>
Non-current Liabilities			
Deferred income		41,908	45,002
Other payables		14,785,426	10,896,268
Contract liabilities		4,488,679	4,488,679
Contract assets		1,999,284	1,999,284
Contract receivables		5,100	12,440
Long-term payables		188,235	193,615
Long-term receivables		437,138	435,811
Long-term assets		827,378	836,336
Other receivables		16,037	19,402
		<u>22,789,185</u>	<u>18,926,837</u>
Net Assets		<u>27,291,832</u>	<u>26,366,847</u>
Capital and Reserves			
Share capital		8,244,508	8,244,508
Reserves		17,156,306	16,249,142
Employee share options		25,400,814	24,493,650
Contract liabilities		391,448	347,615
Contract assets		1,499,570	1,525,582
		<u>27,291,832</u>	<u>26,366,847</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2021 (continued)

1. GENERAL AND BASIS OF PRESENTATION

The condensed consolidated financial statements were approved by the Board of Directors on 30 June 2021. The total number of shares of the Company issued and fully paid up as at 30 June 2021 was 7,176,553,000.

The condensed consolidated financial statements are prepared in accordance with the Accounting Standards for Enterprises issued by the Ministry of Finance of the People's Republic of China (P.R.C.) (IAS) 34 and the Listing Rules of the Shanghai Stock Exchange.

The condensed consolidated financial statements are presented in Renminbi Yuan (RMB).

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements are prepared on the accrual basis.

The condensed consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs), as issued by the International Accounting Standards Board (IASB), as amended to date, and the transitional provisions of IFRSs, as applicable to the condensed consolidated financial statements for the period ended 30 June 2021 compared with the period ended 30 June 2020.

Application of amendments to IFRSs

The condensed consolidated financial statements have been prepared in accordance with IFRSs, as issued by the IASB, as amended to date, and the transitional provisions of IFRSs, as applicable to the condensed consolidated financial statements for the period ended 30 June 2021 compared with the period ended 30 June 2020.

The condensed consolidated financial statements have been prepared in accordance with IFRSs, as issued by the IASB, as amended to date, and the transitional provisions of IFRSs, as applicable to the condensed consolidated financial statements for the period ended 30 June 2021 compared with the period ended 30 June 2020.

The condensed consolidated financial statements have been prepared in accordance with IFRSs, as issued by the IASB, as amended to date, and the transitional provisions of IFRSs, as applicable to the condensed consolidated financial statements for the period ended 30 June 2021 compared with the period ended 30 June 2020.

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 30 June 2021, the Company's operations are primarily conducted in the PRC. The Company's operations are primarily conducted in the PRC.

3B. SEGMENT INFORMATION

(a) **Segment revenue and results**

The Group's revenue is derived from the following segments: Gas-fired power and heat energy generation, Wind power generation, Photovoltaic power generation, Hydropower generation, and Others (CODM). The Group's revenue is derived from the following segments: Gas-fired power and heat energy generation, Wind power generation, Photovoltaic power generation, Hydropower generation, and Others (CODM).

Gas-fired power and heat energy generation: This segment includes the revenue generated from the sale of electricity and heat energy produced by gas-fired power plants. Wind power generation: This segment includes the revenue generated from the sale of electricity produced by wind power plants. Photovoltaic power generation: This segment includes the revenue generated from the sale of electricity produced by photovoltaic power plants. Hydropower generation: This segment includes the revenue generated from the sale of electricity produced by hydropower plants. Others (CODM): This segment includes the revenue generated from other operations.

The following table sets forth the revenue and results of the Group's segments for the periods indicated. All amounts are in RMB'000.

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	Gas-fired power and heat energy generation <i>RMB'000</i>	Wind power <i>RMB'000</i>	Photovoltaic power <i>RMB'000</i>	Hydropower <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
For the period ended 30 June 2021 (6 months)						
Revenue	6,394,678	1,541,058	1,255,347	146,616	2,095	9,339,794
Cost of sales	1,484,959	1,418,492	1,121,089	105,257	(127,110)	4,002,687
Depreciation and amortization	447,710	426,477	443,452	52,406	7,390	1,377,435
Administrative expenses	7,532	84,728	27,704	12,992	561	133,517
Financial expenses (income)	1,029,717	907,287	649,933	39,859	(135,061)	2,491,735

A. 2020年6月30日止六个月的非经常性损益情况如下表所示:

	G. 非经常性损益					
	2021年6月30日止六个月的非经常性损益		2020年6月30日止六个月的非经常性损益		2020年6月30日止六个月的非经常性损益	
	B'000	B'000	B'000	B'000	B'000	B'000
公允价值变动收益						
投资收益						
政府补助	5,996,104	1,109,536	1,028,642	143,215	1,499	8,278,996
其他收益	1,425,653	1,048,704	967,842	106,931	(106,931)	3,442,199
其他	432,280	358,656	358,011	54,994	2,435	1,206,376
资产减值损失	5,129	84,341	16,730	12,322	541	119,063
非经常性损益合计 (元)	<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) 公允价值变动收益: 2020年6月30日止六个月的非经常性损益中公允价值变动收益为人民币143,215元, 2021年6月30日止六个月的非经常性损益中公允价值变动收益为人民币5,996,104元。

4. OTHER INCOME

	For the six-month period ended 30 June	
	2021 RMB'000 (Unaudited)	2020 B'000 (Unaudited)
Government grants:		
- Capital grants (元)	279,419	199,907
- Current grants (元)	14,824	10,377
Income tax	66,435	60,007
Other non-recurring income (元)	64,726	48,650
Other	28,098	38,705
	<u>453,502</u>	<u>357,646</u>

- () 2021 年 6 月 30 日止 6 个月期间，本公司在公允价值变动损益中确认了 2,000 元公允价值变动收益，在 2021 年 6 月 30 日止 6 个月期间，本公司在公允价值变动损益中确认了 2,000 元公允价值变动收益。
- () 2021 年 6 月 30 日止 6 个月期间，本公司在公允价值变动损益中确认了 2,000 元公允价值变动收益，在 2021 年 6 月 30 日止 6 个月期间，本公司在公允价值变动损益中确认了 2,000 元公允价值变动收益。
- () 2021 年 6 月 30 日止 6 个月期间，本公司在公允价值变动损益中确认了 2,000 元公允价值变动收益，在 2021 年 6 月 30 日止 6 个月期间，本公司在公允价值变动损益中确认了 2,000 元公允价值变动收益。

5. OTHER GAINS AND LOSSES

	For the six-month period ended 30 June	
	2021 RMB'000 (Unaudited)	2020 B'000
其他收益		
公允价值变动收益	(8,689)	(9,583)
处置非流动资产损益	250	(6,619)
其他收益	6,986	(60,594)
其他收益	(4,753)	73,102
	<u>(6,206)</u>	<u>(3,694)</u>

6. INTEREST INCOME/FINANCE COSTS

	For the six-month period ended 30 June	
	2021 RMB'000 (Unaudited)	2020 B'000
利息收入	<u>16,479</u>	<u>22,857</u>
利息支出	705,846	587,058
利息支出	<u>(67,964)</u>	<u>(12,521)</u>
利息支出	<u>637,882</u>	<u>574,537</u>

7. INCOME TAX EXPENSE

	For the six-month period ended 30 June	
	2021 RMB'000 (Unaudited)	2020 B'000
Group : ☑ CE, I	<u>270,532</u>	<u>328,727</u>
Disposal : G	<u>57,299</u>	(10,354)
Intangible assets	<u>327,831</u>	<u>318,373</u>
☑ CE, I 25% 30 June 2021.		
☑ CE, I 31 Dec 2020.		
C 1 Jan 2021 31 Dec 2020. A ☑ C 50%		
☑ CE, I 15% C G 50%		
A C 北京京能未來燃氣熱電有限公司 (Beijing Jinneng Future Gas Thermal Power Co., Ltd.) (Weilai Gas) H K 2015 15% H K E 30 June 2021.		
H K (HK\$) 2 8.25% HK\$2 16.5% 16.5%		
H K G H K		
A 30%		

8. PROFIT FOR THE PERIOD

	For the six-month period ended 30 June	
	2021 RMB'000 (Unaudited)	2020 B'000
☑ : A L	<u>1,862</u> <u>26,391</u>	1,710 <u>26,630</u>
Disposal : D D A	<u>1,341,900</u> <u>35,535</u> <u>133,517</u>	1,182,044 24,332 119,063
Total	<u>1,510,952</u>	<u>1,325,439</u>

9. DIVIDENDS

(C) On 24 June 2021, the Board of Directors of the Company has approved a cash dividend of RMB567,222,000 (approximately HK\$70,000,000) to the shareholders of the Company. The dividend is payable on 30 June 2021 (30 June 2020: nil).

10. EARNINGS PER SHARE

The earnings per share of the Company for the period ended 30 June 2021 is RMB1,488,178,000 (30 June 2020: RMB1,295,215,000) (approximately HK\$186,000,000 (30 June 2020: HK\$162,000,000)).

The earnings per share of the Company for the period ended 30 June 2021 is 8,244,508,000 (30 June 2020: 8,244,508,000).

11. TRADE AND BILLS RECEIVABLES

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

As at 30 June 2021, 60% of the trade receivables are due within 30 days, 36% are due within 31 to 60 days, 2% are due within 61 to 90 days, 1% are due within 91 to 120 days, 2% are due within 121 to 180 days and 3% are due after 180 days.

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

11. 截至2021年6月30日，本集团应付账款账龄分析如下：

账龄	2021年6月30日	2020年12月31日
1年以内	1,135,590,000	1,601,100
1-2年	20,000	20,000
2-3年	99,928	103,870
3年以上	83,238	164,689
合计	1,238,756	1,890,659

截至2021年6月30日，本集团应付账款中账龄超过1年的应付账款金额为20,000元，占应付账款总额的1.61%。

截至2021年6月30日，本集团应付账款中账龄超过1年的应付账款金额为20,000元，占应付账款总额的1.61%。

12. TRADE AND OTHER PAYABLES

	As at 30 June 2021 RMB'000 (Unaudited)	As at 31 December 2020 B'000 (Audited)
应付账款	2,259,012	2,384,450
应付职工薪酬	1,591,705	1,601,100
应付利息	707,737	446,166
应付股利	20,000	20,000
其他应付款	99,928	103,870
预收账款	83,238	164,689
其他	177,670	-
合计	<u>247,664</u>	<u>338,714</u>
	<u>5,186,954</u>	<u>5,058,989</u>

	As at 30 June 2021 RMB'000 (Unaudited)	As at 31 December 2020 B'000 (Audited)
应付账款	1,019,010	1,676,193
应付职工薪酬	1,048,158	563,194
应付利息	159,677	115,688
应付股利	11,805	37,516
其他应付款	40,362	11,859
合计	<u>2,279,012</u>	<u>2,404,450</u>

MANAGEMENT DISCUSSION AND ANALYSIS

I. REVIEW OF THE POWER INDUSTRY

In 2021, C... 2021, C... A... 30 J... 2021, C... E... C... 2.26... 9.5%. A... 1.27... 4.1%;... 34.7%;... 290... 270... 23.7%;... 380... 4.7%.... 1.02... 17.8%... 45.4%... 3.2... 1.09... 2.5%... 48.2%,... 3.3...

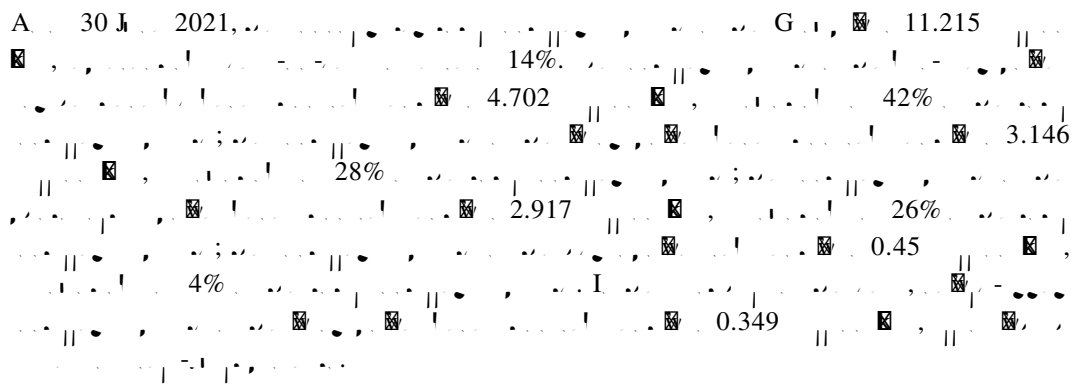
In 2021, C... 3,870... 13.7%. A... 15.0%.... 44.6%... 24.0%,... 1.4%.

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

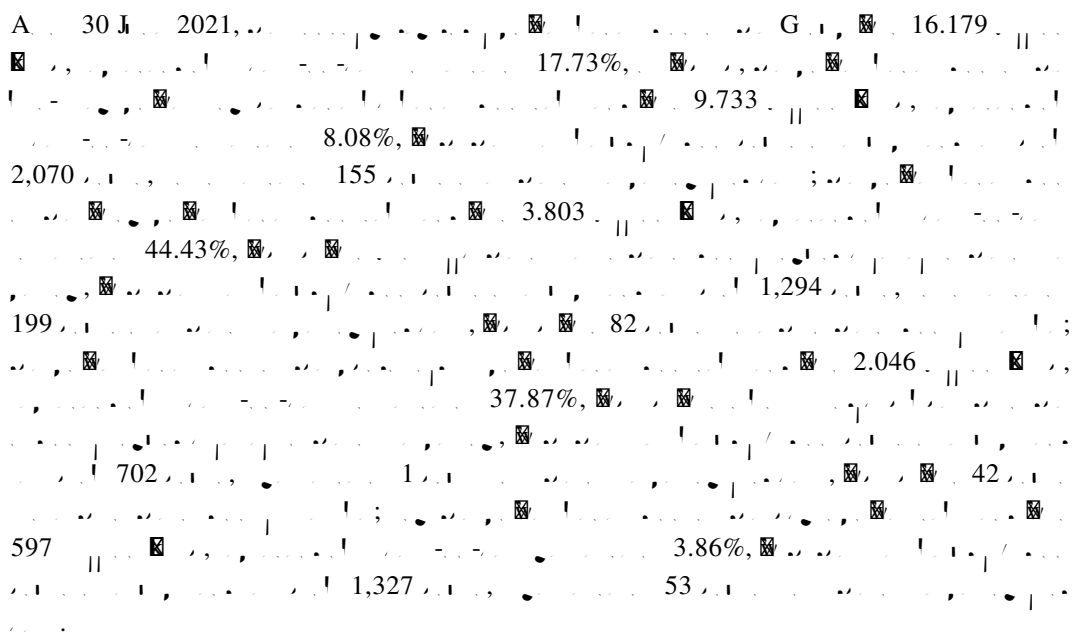
II. BUSINESS REVIEW FOR THE FIRST HALF OF 2021

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

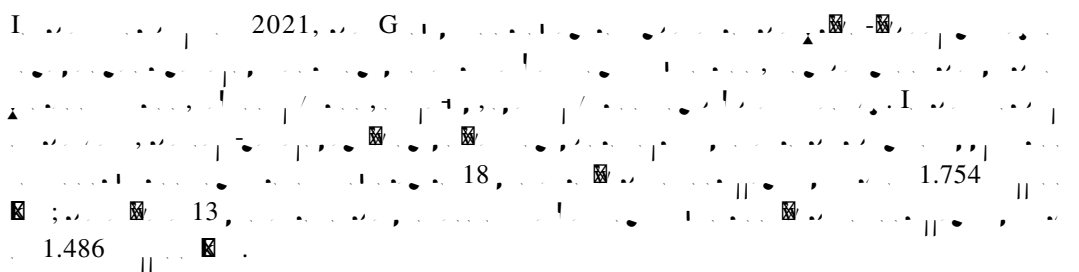
1. Steady increase in installed capacity



2. Significant increase in power generation



3. Pushing forward project development smoothly



I. 1.2 \square -B
 D
 C
 G \square -B 14. F
 C
 D 2 0.4 \square
 14. F \square G \square
 B G 4 0.8 \square
 14. F \square G
 J G 0.126 \square /0.504 \square
 H
 14. F \square H E \square

Gas-fired Power and Heat Energy Generation Segment

			6.65%
2020	B5,996.1	B6,394.7	
2021	B5,297.0	B4,868.7	8.80%
2020	B1,127.4	B1,097.7	2.63%
2021			

Wind Power Segment

			38.90%
2020	B1,541.1	B1,109.5	
2021			

Photovoltaic Power Segment

			22.04%
2020	B1,255.3	B1,028.6	
2021			

Hydro Power Segment

			2.30%
2020	B146.6	B143.3	
2021			

Other Segment

			40.00%
2020	B2.1	B1.5	
2021			

3. Other Income

			26.82%
2020	B453.5	B357.6	
2021			

4. Operating Expenses

Operating Expenses, 2021, B7,301.6, 11.99% of Revenue, 2020, B6,519.9

Ga Com mp ion

Ga Com mp ion, 2021, B4,653.5, 9.50% of Revenue, 2020, B4,249.6

Deprecia ion and Amor i a ion E pen e

Deprecia ion and Amor i a ion E pen e, 2021, B1,511.0, 14.00% of Revenue, 2020, B1,325.4

Per onnel Co

Per onnel Co, 2021, B413.0, 21.94% of Revenue, 2020, B338.7

Repair and Main enance

Repair and Main enance, 2021, B283.0, 4.31% of Revenue, 2020, B271.3

O her E pen e

O her E pen e, 2021, B434.9, 31.31% of Revenue, 2020, B331.2

7. Finance Costs

Finance costs, including interest on bank borrowings, were B637.9 million (2020: B574.5 million) or 11.04% (2020: 11.04%) of revenue. Finance income was B13.9 million (2020: B13.9 million) or 0.30% (2020: 0.30%) of revenue.

8. Share of Results of Associates and a Joint Venture

Share of results of associates and a joint venture was B89.2 million (2020: B13.9 million) or 2.00% (2020: 0.30%) of revenue. The joint venture is J. J. I. C., L.

9. Profit before Taxation

Profit before taxation was B1,654.3 million (2020: B1,884.3 million) or 13.90% (2020: 13.90%) of revenue.

10. Income Tax Expense

Income tax expense was B318.4 million (2020: B327.8 million) or 2.95% (2020: 2.95%) of revenue. The effective tax rate was 17.40% (2020: 17.40%) of profit before taxation.

11. Profit for the Period

Profit for the period was B1,335.9 million (2020: B1,556.4 million) or 16.51% (2020: 16.51%) of revenue.

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

Profit for the period attributable to equity holders of the company was B1,295.2 million (2020: B1,488.2 million) or 14.90% (2020: 14.90%) of revenue.

IV. FINANCIAL POSITION

1. Overview

As at 30 June 2021, the Group's total assets were B74,434.7 million (2020: B47,142.9 million), of which B27,291.8 million (2020: B25,400.8 million) were non-current assets.

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	E
	C	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	(
)
		G		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	B7,176.6	30 J	2021.		

4. Net Gearing Ratio

				0.44	
55.28%	31 D	2020	54.84%	30 J	2021.
	G		7.72%	B36,886.0	
	31 D	2020	B39,733.0	30 J	2021,
			B9,269.3		B9,068.8
			B4,583.9		B14,785.4
			B2,025.6		
B		G	53.40%	B4,297.5	
31 D	2020	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, B2, 179,000,000, at an interest rate of 2.65%.

On 18 July 2021, the Group issued a bank loan with a term of 12 months, B2, 238,000,000, at an interest rate of 2.80%.

On 23 August 2021, the Group issued a bank loan with a term of 12 months, B2, 270,000,000, at an interest rate of 2.99%.

On 24 July 2021, the Group issued a bank loan with a term of 12 months, B2, 266,000,000, at an interest rate of 2.68%.

2. Capital Expenditure

In 2021, the Group's capital expenditure was B2,910.5 million, of which B2,605.5 million was paid in cash and B305.0 million was accounted for as an increase in equity.

3. Acquisition and Establishment of Subsidiaries

As at 31 December 2021, the Group has acquired and established subsidiaries, including Hebei Rongzhi New Energy Power Co., Ltd.* (河北融智新源電力有限公司), Fuyuan Baobao Energy Co., Ltd.* (富源寶寶能源有限公司), Ertok Qianqi Jingri 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, 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), Bayan Zou'er Jingneng Clean Energy Power Co., Ltd.* (巴彥淖爾京能清潔能源電力有限公司), etc.

* Fuyuan Baobao Energy Co., Ltd.*

4. Contingent Liabilities

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

5. 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) through the issuance of 100,000,000 shares of the Company's ordinary shares at a price of HK\$3.8064 per share, resulting in a total consideration of HK\$380.64 million. The acquisition is accounted for as an acquisition of subsidiaries. The fair value of the shares issued is determined by reference to the closing price of the Company's shares on the Hong Kong Stock Exchange on 19 July 2021. The acquisition of Ningxia Jiatai New Energy Co., Ltd. is expected to enhance the Company's production capacity and expand its market share in the solar panel manufacturing industry.

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 conducted in the Renminbi ("RMB"). The Company's financial statements are presented in Hong Kong dollars ("HK\$"). The Company is exposed to foreign exchange risk arising from its operations in various currencies, including the RMB, HK\$, and US dollars ("USD"). The Company's foreign exchange risk is primarily related to the RMB, which is the functional currency of the majority of its subsidiaries. The Company's foreign exchange risk is managed through a combination of natural hedging and the use of financial instruments. The Company's foreign exchange risk is not considered significant as the RMB is the functional currency of the majority of its subsidiaries and the Company's operations are primarily conducted in the RMB.

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 focus on its "14th Five-Year Plan" and implement the following strategies: (1) Strengthening the Group's core competitiveness by focusing on the development of high-quality products and services; (2) Expanding the Group's market share by increasing sales and marketing efforts; (3) Improving the Group's operational efficiency by optimizing the production process and reducing costs; (4) Enhancing the Group's financial performance by increasing revenue and reducing expenses; (5) Strengthening the Group's risk management by identifying and mitigating potential risks; (6) Investing in research and development to develop new products and services; (7) Expanding the Group's international presence by increasing sales and marketing efforts in foreign markets; (8) Improving the Group's corporate governance and transparency; (9) Enhancing the Group's environmental and social performance; (10) Strengthening the Group's talent management and development. The Group is confident that these strategies will enable it to achieve its long-term goals and create sustainable value for its shareholders.

