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中国大唐集团新能源股份有限公司

China Datang Corporation Renewable Power Co., Limited*

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

(Stock Code: 01798)

FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

FINANCIAL HIGHLIGHTS

- For the year ended 31 December 2015, the revenue amounted to RMB5,588.27 million, representing an increase of 7.76% as compared with last year.
- For the year ended 31 December 2015, the profit before taxation (PBT) amounted to RMB155.29 million, representing an increase of RMB216.95 million as compared with last year.
- For the year ended 31 December 2015, the net profit attributable to the equity holders of the Company amounted to RMB13.71 million, representing an increase of RMB163.83 million as compared with last year.
- For the year ended 31 December 2015, the basic earnings per share (EPS) attributable to the equity holders amounted to RMB0.0019, representing an increase of RMB0.0225 as compared with last year.

The board of directors (the “**Board**”) of China Datang Corporation Renewable Power Co., Limited (the “**Company**”) hereby announces the consolidated results of the Company and its subsidiaries (the “**Group**” or “**we**” or “**us**”) for the year ended 31 December 2015, together with the comparable figures of 2014. The financial data of the Group for the year ended 31 December 2015 set out by the Company in the results announcement is extracted from the consolidated financial statements prepared according to the International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (“IASB”) and the disclosure requirements under Hong Kong Companies Ordinance.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2015

(Amounts expressed in thousands of RMB unless otherwise stated)

	Notes	2015	2014
Revenue	3	5,588,265	5,185,960
Other income and other gains, net	4	116,846	230,946
Depreciation and amortisation charges		(2,520,664)	(2,361,512)
Employee benefit expenses		(416,334)	(405,151)
Material costs		(39,059)	(70,441)
Repairs and maintenance expenses		(137,670)	(96,690)
Service concession construction costs		(247,244)	(7,622)
Other operating expenses		(259,654)	(351,813)
		(3,620,625)	(3,293,229)
Operating profit		2,084,486	2,123,677
Finance income	5	45,716	27,628
Finance expenses	5	(1,984,476)	(2,262,052)
Finance expenses, net	5	(1,938,760)	(2,234,424)
Share of profits and losses of investments in associates and joint ventures		9,564	49,085
Profit/(loss) before taxation		155,290	(61,662)
Income tax expense	6	(92,276)	(65,900)
Profit/(loss) for the year		63,014	(127,562)
Profit/(loss) attributable to:			
Owners of the Company		13,711	(150,115)
Non-controlling interests		49,303	22,553
		63,014	(127,562)
Basic and diluted earnings/(loss) per share attributable to ordinary equity holders of the Company (expressed in RMB per share)	7	0.0019	(0.0206)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2015

(Amounts expressed in thousands of RMB unless otherwise stated)

	2015	2014
Profit/(loss) for the year	<u>63,014</u>	<u>(127,562)</u>
Other comprehensive loss:		
<i>Other comprehensive loss to be reclassified to profit and loss in the subsequent periods:</i>		
Currency translation differences	(1,547)	(2,065)
<i>Other comprehensive loss not to be reclassified to profit and loss in the subsequent periods:</i>		
Losses arising on revaluation of financial assets at fair value through other comprehensive income	<u>(48,602)</u>	<u>(178,802)</u>
Total other comprehensive loss for the year	<u>(50,149)</u>	<u>(180,867)</u>
Total comprehensive income/(loss) for the year	<u>12,865</u>	<u>(308,429)</u>
Total comprehensive income/(loss) for the year attributable to:		
Owners of the Company	(36,265)	(330,740)
Non-controlling interests	<u>49,130</u>	<u>22,311</u>
	<u>12,865</u>	<u>(308,429)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2015

(Amounts expressed in thousands of RMB unless otherwise stated)

	Note	2015	2014
ASSETS			
Non-current assets			
Property, plant and equipment		52,523,459	48,783,400
Intangible assets		812,249	582,387
Land use rights		456,285	433,410
Investments in associates and joint ventures		660,418	666,854
Financial assets at fair value through other comprehensive income		356,640	405,242
Financial assets at fair value through profit or loss		8,900	8,900
Deferred tax assets		34,542	37,712
Value-added tax recoverable		2,098,913	2,033,101
Prepayments and other receivables		254,058	476,076
Total non-current assets		57,205,464	53,427,082
Current assets			
Inventories		48,208	35,253
Trade and bills receivables	9	1,336,866	3,279,040
Prepayments and other receivables		1,141,460	828,373
Restricted cash		4,725	–
Time deposits		–	350,000
Cash and cash equivalents		1,077,788	2,190,212
Total current assets		3,609,047	6,682,878
Total assets		60,814,511	60,109,960

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)*31 December 2015**(Amounts expressed in thousands of RMB unless otherwise stated)*

	<i>Notes</i>	2015	2014
LIABILITIES			
Current liabilities			
Trade and bills payables	10	1,318,303	433,846
Accruals and other payables		5,142,376	4,250,822
Interest-bearing bank and other borrowings	11(b)	10,573,986	6,223,399
Current income tax liabilities		27,632	43,220
Total current liabilities		17,062,297	10,951,287
Net current liabilities		(13,453,250)	(4,268,409)
Non-current liabilities			
Interest-bearing bank and other borrowings	11(a)	29,724,025	35,019,802
Deferred income tax liabilities		26,285	29,405
Accruals and other payables		422,840	461,185
Total non-current liabilities		30,173,150	35,510,392
Total liabilities		47,235,447	46,461,679
Net assets		13,579,064	13,648,281
EQUITY			
Equity attributable to owners of the Company			
Share capital		7,273,701	7,273,701
Share premium		2,080,969	2,080,969
Perpetual notes payable		1,979,325	1,979,325
Retained earnings		913,443	1,015,732
Other reserves		(1,481,976)	(1,431,364)
		10,765,462	10,918,363
Non-controlling interests		2,813,602	2,729,918
Total equity		13,579,064	13,648,281

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2015

(Amounts expressed in thousands of RMB unless otherwise stated)

	Attributable to owners of the Company						Non-controlling interests	Total equity
	Share capital	Share premium	Perpetual notes payable	Retained earnings	Other reserves	Total		
At 1 January 2014	<u>7,273,701</u>	<u>2,080,969</u>	<u>–</u>	<u>1,188,787</u>	<u>(1,251,472)</u>	<u>9,291,985</u>	<u>2,570,961</u>	<u>11,862,946</u>
Comprehensive income for the year								
(Loss)/profit for the year	–	–	–	(150,115)	–	(150,115)	22,553	(127,562)
Other comprehensive loss								
Losses arising on revaluation of financial assets at fair value through other comprehensive income	–	–	–	–	(178,802)	(178,802)	–	(178,802)
Currency translation differences	–	–	–	–	(1,823)	(1,823)	(242)	(2,065)
Total comprehensive income/(loss) for the year	<u>–</u>	<u>–</u>	<u>–</u>	<u>(150,115)</u>	<u>(180,625)</u>	<u>(330,740)</u>	<u>22,311</u>	<u>(308,429)</u>
Capital contributions	–	–	–	–	(2)	(2)	202,185	202,183
Disposal of subsidiaries	–	–	–	–	–	–	(100)	(100)
Share of reserves of investments in associates and joint ventures	–	–	–	–	735	735	–	735
Issuance of perpetual notes payable, net of issuance costs	–	–	1,979,325	–	–	1,979,325	–	1,979,325
Other appropriations	–	–	–	(1,119)	–	(1,119)	(626)	(1,745)
Dividends	–	–	–	(21,821)	–	(21,821)	(64,813)	(86,634)
	<u>–</u>	<u>–</u>	<u>1,979,325</u>	<u>(22,940)</u>	<u>733</u>	<u>1,957,118</u>	<u>136,646</u>	<u>2,093,764</u>
At 31 December 2014	<u><u>7,273,701</u></u>	<u><u>2,080,969</u></u>	<u><u>1,979,325</u></u>	<u><u>1,015,732</u></u>	<u><u>(1,431,364)</u></u>	<u><u>10,918,363</u></u>	<u><u>2,729,918</u></u>	<u><u>13,648,281</u></u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

Year ended 31 December 2015

(Amounts expressed in thousands of RMB unless otherwise stated)

	Attributable to owners of the Company						Non-controlling interests	Total equity
	Share capital	Share premium	Perpetual notes payable	Retained earnings	Other reserves	Total		
At 1 January 2015	7,273,701	2,080,969	1,979,325	1,015,732	(1,431,364)	10,918,363	2,729,918	13,648,281
Comprehensive income for the year								
Profit for the year	-	-	-	13,711	-	13,711	49,303	63,014
Other comprehensive loss								
Losses arising on revaluation of financial assets at fair value through other comprehensive income	-	-	-	-	(48,602)	(48,602)	-	(48,602)
Currency translation differences	-	-	-	-	(1,374)	(1,374)	(173)	(1,547)
Total comprehensive income/(loss) for the year	-	-	-	13,711	(49,976)	(36,265)	49,130	12,865
Capital contributions	-	-	-	-	-	-	117,807	117,807
Disposal of subsidiaries	-	-	-	-	-	-	(250)	(250)
Acquisition of non-controlling interests	-	-	-	-	(636)	(636)	(9,800)	(10,436)
Appropriation to perpetual notes holders	-	-	-	(116,000)	-	(116,000)	-	(116,000)
Dividends to non-controlling interests	-	-	-	-	-	-	(73,203)	(73,203)
	-	-	-	(116,000)	(636)	(116,636)	34,554	(82,082)
At 31 December 2015	7,273,701	2,080,969	1,979,325	913,443	(1,481,976)	10,765,462	2,813,602	13,579,064

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2015

(Amounts expressed in thousands of RMB unless otherwise stated)

	Notes	2015	2014
Cash flows generated from operating activities			
Profit/(loss) before income tax		155,290	(61,662)
Adjustments for:			
Depreciation of property, plant and equipment, amortisation of intangible assets, and amortisation of deferred income and deferred losses		2,520,664	2,361,512
Loss on disposal of property, plant and equipment	4	232	1,538
Provision for impairment of receivables	4	6,503	36,269
Foreign exchange loss, net		14,406	1,606
Interest income		(42,488)	(26,213)
Interest expense		1,970,070	2,260,446
Share of profits and losses of investments in associates and joint ventures		(9,564)	(49,085)
Others, net		595	1,438
Changes in working capital:			
Increase in inventories		(12,955)	(18,368)
Decrease in trade and bills receivables		1,880,899	532,622
Decrease in prepayments and other receivables		102,409	115,374
Increase in restricted cash		(4,725)	–
Increase in trade and bills payables		884,457	29,855
(Decrease)/increase in accruals and other payables		(56,313)	68,107
Cash generated from operations		7,409,480	5,253,439
Interest received		21,797	12,522
Income taxes paid		(71,751)	(72,907)
Net cash generated from operating activities		7,359,526	5,193,054

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)*Year ended 31 December 2015**(Amounts expressed in thousands of RMB unless otherwise stated)*

	2015	2014
Cash flows from investing activities		
Purchase of property, plant and equipment, land use rights and intangible assets	(5,218,167)	(5,512,583)
Proceeds from disposal of property, plant and equipment	13,019	25,115
Loans to related parties	(200,000)	(30,248)
Loan to a third party	(90,000)	–
Proceeds from repayments of loans and interest earned from related parties	26,897	245,290
Investments in associates and joint ventures	–	(227,119)
Dividends received from financial assets at fair value through other comprehensive income	2,480	3,930
Assets-related government grants received	7,566	17,725
Proceeds from disposal of a subsidiary	4,750	–
Collection of receivables from disposal of subsidiaries	19,000	20,300
Decrease/(increase) in time deposits	350,000	(350,000)
Dividends received from associates	20,000	–
Others, net	5	72,666
Net cash used in investing activities	(5,064,450)	(5,734,924)

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)*Year ended 31 December 2015**(Amounts expressed in thousands of RMB unless otherwise stated)*

	2015	2014
Cash flow from financing activities		
Cash proceeds from issuance of perpetual notes payable, net of issuance costs	–	1,979,325
Cash proceeds from issuance of short-term bonds, net of issuance costs	4,080,406	1,993,350
Capital contributions from non-controlling interests	117,807	191,895
Proceeds from borrowings	7,626,799	7,190,163
Repayments of borrowings	(10,747,753)	(7,177,728)
Repayments of medium-term notes and short-term bonds	(4,115,078)	–
Loans from related parties	5,514,800	–
Repayments of loans from related parties	(3,313,341)	–
Dividends paid to perpetual notes holders	(116,000)	–
Dividends paid to owners of the Company	–	(21,821)
Dividends paid to non-controlling interests	(196,157)	(55,668)
Interest paid	(2,234,639)	(2,355,054)
Repayments of working capital provided by related parties	(16,000)	(16,000)
Acquisition of non-controlling interests	(7,426)	–
Others	–	3,122
Net cash (used in)/generated from financing activities	(3,406,582)	1,731,584
Net (decrease)/increase in cash and cash equivalents	(1,111,506)	1,189,714
Cash and cash equivalents at beginning of year	2,190,212	1,001,388
Exchange loss on cash and cash equivalents	(918)	(890)
Cash and cash equivalents at end of year	1,077,788	2,190,212
Cash and bank balances	1,077,788	2,190,212

NOTES

(Amounts expressed in thousands of RMB unless otherwise stated)

1. CORPORATE INFORMATION

China Datang Corporation Renewable Power Co., Limited (中國大唐集團新能源股份有限公司) (the “**Company**”) was established as a joint stock company with limited liability in the People’s Republic of China (the “**PRC**”) on 9 July 2010, as part of the reorganisation of the wind power generation business of China Datang Group Corporation (中國大唐集團公司) (“**Datang Corporation**”), a limited liability company established in the PRC and controlled by the PRC government. At 31 December 2015, in the opinion of the directors the ultimate holding company of Company is Datang Corporation.

The Company and its subsidiaries (together, the “**Group**”) are principally engaged in generation and sales of wind power and other renewable power.

The address of the Company’s registered office is Room 149, Building 1, No. 3, Xijing Road, Badachu Hi-tech Zone of Shijingshan District, Beijing, the PRC.

The Company’s H shares were listed on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) in December 2010.

The financial statements are presented in Chinese Renminbi (“**RMB**”), unless otherwise stated.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“**IFRSs**”) (which include all International Financial Reporting Standards, International Accounting Standards and Interpretations) issued by the International Accounting Standards Board (the “**IASB**”) and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared under the historical cost convention, except for financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss, which have been measured at fair value.

NOTES (CONTINUED)

(Amounts expressed in thousands of RMB unless otherwise stated)

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements.

The financial statements are presented in RMB and all values are rounded to the nearest thousand except when otherwise indicated.

2.1.1 Going concern

As at 31 December 2015, the Group's current liabilities exceeded its current assets by approximately RMB13,453.3 million (31 December 2014: RMB4,268.4 million). The Group meets its day to day working capital requirements from cash generated from its operating activities and available financing facilities from banks. The following is the Group's available sources of funds considered by the directors of the Company:

- The Group's expected net cash inflows from operating activities in 2016;
- Unutilised banking facilities of approximately RMB62,472.7 million as at 31 December 2015, of which amounts in aggregate of RMB17,859.0 million are subject to renewal during the next 12 months from the end of reporting period. At the date the financial statements have been approved, directors of the Company were of the opinion that such covenants of unutilised banking facilities have been complied with and are confident that these banking facilities could be renewed upon expiration based on the Group's good credit standing; and
- Other available sources of financing from banks and other financial institutions given the Group's credit history.

The directors of the Company believe that the Group has adequate resources to continue operation and to repay its debts when they fall due for the foreseeable future of not less than 12 months from the end of the reporting period. The directors of the Company therefore are of the opinion that it is appropriate to adopt the going concern basis in preparing the consolidated financial statements.

NOTES (CONTINUED)

(Amounts expressed in thousands of RMB unless otherwise stated)

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

2.1.2 Basis of consolidation

The consolidated financial statements comprise of the financial statements of the Company and all of its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2015. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee, and has the ability to affect those returns through its power over the investee.

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income (“**OCI**”) are attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

NOTES (CONTINUED)

(Amounts expressed in thousands of RMB unless otherwise stated)

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

2.1.2 Basis of consolidation (continued)

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interests;
- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any resulting surplus or deficit in profit or loss; and
- Reclassifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2014, except the adoption of the following revised IFRS that are effective from 1 January 2015:

- *Amendments to IAS 19 Defined Benefit Plans: Employee Contributions*
- *Annual Improvements to IFRSs 2010–2012 Cycle*
- *Annual Improvements to IFRSs 2011–2013 Cycle*

NOTES (CONTINUED)

(Amounts expressed in thousands of RMB unless otherwise stated)

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies and disclosures (continued)

The principal effects of adopting these amendments are as follows:

IAS 19 Defined Benefit Plans: Employee Contributions

The amendments simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. If the amount of the contributions is independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction of service cost in the period in which the related service is rendered. The amendments have had no impact on the Group.

Annual Improvements to IFRSs 2010–2012 Cycle

- *IFRS 8 Operating Segments*: Clarifies that an entity must disclose the judgements made by management in applying the aggregation criteria in IFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics used to assess whether the segments are similar. The amendments also clarify that a reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker. The amendments have had no impact on the Group.
- *IAS 16 Property, Plant and Equipment* and *IAS 38 Intangible Assets*: Clarifies the treatment of gross carrying amount and accumulated depreciation or amortisation of revalued items of property, plant and equipment and intangible assets. The amendments have had no impact on the Group as the Group does not apply the revaluation model for the measurement of these assets.
- *IAS 24 Related Party Disclosures*: Clarifies that a management entity (i.e., an entity that provides key management personnel services) is a related party subject to related party disclosure requirements. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services. The amendment has had no impact on the Group as the Group does not receive any management services from other entities.

NOTES (CONTINUED)

(Amounts expressed in thousands of RMB unless otherwise stated)

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies and disclosures (continued)

Annual Improvements to IFRSs 2011–2013 Cycle

- *IFRS 3 Business Combinations*: Clarifies that joint arrangements but not just joint ventures are outside the scope of IFRS 3 and the scope exception applies only to the accounting in the financial statements of the joint arrangement itself. The amendment is applied prospectively. The amendment has had no impact on the Group as the Company is not a joint arrangement and the Group did not form any joint arrangement during the year.
- *IFRS 13 Fair Value Measurement*: Clarifies that the portfolio exception in IFRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of IFRS 9 or IAS 39 as applicable. The amendment is applied prospectively from the beginning of the annual period in which IFRS 13 was initially applied. The amendment has had no impact on the Group as the Group does not apply the portfolio exception in IFRS 13.
- *IAS 40 Investment Property*: Clarifies that IFRS 3, instead of the description of ancillary services in IAS 40 which differentiates between investment property and owner-occupied property, is used to determine if the transaction is a purchase of an asset or a business combination. The amendment is applied prospectively for acquisitions of investment properties. The amendment has had no impact on the Group as it does not own any investment properties.

In addition, the Company has adopted the amendments to the Listing Rules issued by the Hong Kong Stock Exchange relating to the disclosure of financial information with reference to the Hong Kong Companies Ordinance (Cap. 622) during the current financial year. The main impact to the financial statements is on the presentation and disclosure of certain information in the financial statements.

NOTES (CONTINUED)

(Amounts expressed in thousands of RMB unless otherwise stated)

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Issued but not yet effective International Financial Reporting Standards

The Group has not applied the following new and revised IFRSs that have been issued but are not yet effective, in the financial statements:

Amendments to IFRS 9 (2009)	<i>Financial Instruments</i> ²
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁶
Amendments to IFRS 10, IFRS 12 and IAS 28	<i>Investment entities: Applying the Consolidation Exception</i> ¹
Amendments to IFRS 11	<i>Accounting for Acquisitions of Interests in Joint Operations</i> ¹
IFRS 14	<i>Regulatory Deferral Accounts</i> ³
IFRS 15	<i>Revenue from Contracts with Customers</i> ²
Amendments to IAS 1	<i>Disclosure Initiative</i> ¹
Amendments to IAS 16 and IAS 38	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i> ¹
Amendments to IAS 16 and IAS 41	<i>Agriculture: Bearer Plants</i> ¹
Amendments to IAS 27	<i>Equity Method in Separate Financial Statements</i> ¹
Annual Improvements 2012–2014 Cycle	<i>Amendments to a number of IFRSs</i> ¹
IFRS 16	<i>Leases</i> ⁴
IAS 12 Amendments	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i> ⁵
IAS 7 Amendments	<i>Disclosure Initiative</i> ⁵

¹ Effective for annual periods beginning on or after 1 January 2016

² Effective for annual periods beginning on or after 1 January 2018

³ Effective for an entity that first adopts IFRSs for its annual financial statements beginning on or after 1 January 2016 and therefore is not applicable to the Group

⁴ Effective for annual periods beginning on or after 1 January 2019

⁵ Effective for annual periods beginning on or after 1 January 2017

⁶ No mandatory effective date is determined but available for early adoption

NOTES (CONTINUED)

(Amounts expressed in thousands of RMB unless otherwise stated)

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Issued but not yet effective International Financial Reporting Standards (continued)

Further information about those IFRSs that are expected to be applicable to the Group is as follows:

Amendments to IFRS 9 (2009)

In July 2014, the IASB issued the final version of IFRS 9, bringing together all phases of the financial instruments project to replace IAS 39 and all previous versions of IFRS 9. IFRS 9 introduces a logical model of classification and measurement of financial instruments according to the basis of the entity's business model and the features of the cash flows generated by the financial instruments themselves. Also, it introduces a new and unique impairment model of financial instruments based on the recognition of expected losses of an entity. Furthermore, IFRS 9 clarifies hedge accounting based on a more flexible approach than that set forth in IAS 39. The Group has early adopted IFRS 9 (issued in 2009) in 2012 on the classification and measurement of financial assets, and is currently assessing the impact of amendments to IFRS 9 (issued in 2009) upon adoption.

Amendments to IFRS 10 and IAS 28

The amendments to IFRS 10 and IAS 28 address an inconsistency between the requirements in IFRS 10 and in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The Group expects to adopt the amendments from 1 January 2016.

NOTES (CONTINUED)

(Amounts expressed in thousands of RMB unless otherwise stated)

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Issued but not yet effective International Financial Reporting Standards (continued)

Amendments to IFRS 11

The amendments to IFRS 11 require that an acquirer of an interest in a joint operation in which the activity of the joint operation constitutes a business must apply the relevant principles for business combinations in IFRS 3. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition of an additional interest in the same joint operation while joint control is retained. In addition, a scope exclusion has been added to IFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party. The amendments apply to both the acquisition of the initial interest in a joint operation and the acquisition of any additional interests in the same joint operation. The amendments are not expected to have any impact on the financial position or performance of the Group upon adoption on 1 January 2016.

IFRS 15

IFRS 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The standard will supersede all current revenue recognition requirements under IFRSs. In July 2015, the IASB issued an amendment to IFRS 15 regarding a one-year deferral of the mandatory effective date of IFRS 15 to 1 January 2018. The Group expects to adopt IFRS 15 on 1 January 2018 and is currently assessing the impact of IFRS 15 upon adoption.

NOTES (CONTINUED)

(Amounts expressed in thousands of RMB unless otherwise stated)

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Issued but not yet effective International Financial Reporting Standards (continued)

Amendments to IAS 1

Amendments to IAS 1 include narrow-focus improvements in respect of the presentation and disclosure in financial statements. The amendments clarify:

- (i) the materiality requirements in IAS 1;
- (ii) that specific line items in the statement of profit or loss and the statement of financial position may be disaggregated;
- (iii) that entities have flexibility as to the order in which they present the notes to financial statements; and
- (iv) that the share of other comprehensive income of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss.

Furthermore, the amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position and the statement of profit or loss and the statement of comprehensive income. The Group expects to adopt the amendments from 1 January 2016. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IAS 16 and IAS 38

Amendments to IAS 16 and IAS 38 clarify the principle in IAS 16 and IAS 38 that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through the use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendments are to be applied prospectively. The amendments are not expected to have any impact on the financial position or performance of the Group upon adoption on 1 January 2016 as the Group has not used a revenue-based method for the calculation of depreciation of its non-current assets.

NOTES (CONTINUED)

(Amounts expressed in thousands of RMB unless otherwise stated)

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Issued but not yet effective International Financial Reporting Standards (continued)

IFRS 16

IFRS 16 releases the new leasing standard, which will replace the current IAS 17, stipulating a consolidated accounting model for the lessor according to which all leases must be stated in the asset and liability statement. The concept of operating leasing is no longer included. The Group expects to adopt IFRS 16 on 1 January 2019.

Amendments to IAS 12

Amendments to IAS 12 clarify how to account for deferred tax assets related to debt instruments measured at fair value. IAS 12 provides requirements for the recognition and measurement of current or deferred tax liabilities and assets. The amendments issued further clarify the recognition of deferred tax assets for unrealised losses, to address diversity in practice. The amendments are not expected to have any impact on the financial position or performance of the Group upon adoption on 1 January 2017.

Amendments to IAS 7

Amendments to IAS 7 require companies to provide information about changes in their financing liabilities to help investors to evaluate changes in liabilities arising from financing activities, including changes from cash flows and non-cash changes. The amendments are part of the Board's Disclosure Initiative that aimed at improving the effectiveness of disclosure in financial disclosure. The amendments are not expected to have any impact on the financial position or performance of the Group upon adoption on 1 January 2017.

NOTES (CONTINUED)

(Amounts expressed in thousands of RMB unless otherwise stated)

3. REVENUE AND SEGMENT INFORMATION

(a) Revenue

The amount of each significant category of revenue recognised during the year is as follows:

	Year ended 31 December	
	2015	2014
Sales of electricity	5,263,987	5,131,501
Provision of services under energy performance contracts	36,629	43,855
Provision of services under concession arrangements	247,244	7,622
Other revenues (<i>Note</i>)	40,405	2,982
	<u>5,588,265</u>	<u>5,185,960</u>

Note:

Other revenues mainly represented rental income from power plant facilities and repair and maintenance service.

(b) Segment information

Management has determined the operating segments based on the information reviewed by the Executive Management for the purposes of allocating resources and assessing performance.

The Executive Management considers the performance of all businesses on consolidated basis as all other renewable power businesses except wind power business were relatively insignificant for the years ended 31 December 2015 and 2014. Therefore, the Group has one single reportable segment which is wind power segment.

The Company is domiciled in the PRC. During the year ended 31 December 2015, substantially all (2014: substantially all) the Group's revenue were derived from external customers in the PRC.

At 31 December 2015, substantially all (2014: substantially all) the non-current assets were located in the PRC.

For the year ended 31 December 2015, all (2014: all) revenue from the sales of electricity was charged to the provincial power grid companies in which the Group companies are operated. These power grid companies are directly or indirectly owned or controlled by the PRC government.

NOTES (CONTINUED)*(Amounts expressed in thousands of RMB unless otherwise stated)***4. OTHER INCOME AND OTHER GAINS, NET**

	Year ended 31 December	
	2015	2014
Income/(loss) from Clean Development Mechanism (“CDM”) Projects:		
– Income during the year	3,784	6,619
– Foreign exchange losses, net	(1,483)	(28,430)
– Provision for impairment of receivables	(6,503)	(36,269)
	(4,202)	(58,080)
Government grants	104,558	153,688
Dividend from financial assets at fair value through other comprehensive income	2,480	4,361
Compensation from a wind turbine supplier (<i>Note</i>)	20,545	121,184
Loss on disposal of property, plant and equipment	(232)	(1,538)
Others	(6,303)	11,331
	116,846	230,946

Note:

Compensation from a wind turbine supplier represented compensation for revenue losses incurred mainly due to the delays of provision of maintenance services, including poor conditions of spare parts, during the period within the relevant manufacturer warranty period.

NOTES (CONTINUED)*(Amounts expressed in thousands of RMB unless otherwise stated)***5. FINANCE INCOME/FINANCE COSTS**

An analysis of finance income/finance costs are as follows:

	Year ended 31 December	
	2015	2014
Finance income		
Interest income on deposits with banks and other financial institutions	21,797	13,199
Interest income on loans	20,691	13,014
Interest income from finance lease receivables	3,228	1,415
	45,716	27,628
Finance expenses		
Interest expenses	(2,224,535)	(2,370,514)
Less: Interest expenses capitalised in property, plant and equipment and intangible assets	254,465	110,068
	(1,970,070)	(2,260,446)
Foreign exchange losses, net	(14,406)	(1,606)
	(1,984,476)	(2,262,052)
Finance expenses, net	(1,938,760)	(2,234,424)
Interest capitalisation rate	4.17% to 5.55%	5.37% to 6.64%

NOTES (CONTINUED)*(Amounts expressed in thousands of RMB unless otherwise stated)***6. INCOME TAX EXPENSE**

	Year ended 31 December	
	2015	2014
Current tax		
PRC enterprise income tax	87,999	64,987
Under provision for prior years	4,227	5,037
	92,226	70,024
Deferred tax		
Recognition/(reversal) of temporary differences	50	(4,124)
Income tax expense	92,276	65,900

For the year ended 31 December 2015, except for certain subsidiaries established in the PRC which were exempted or entitled to preferential rates of 7.5% to 15% (2014: 7.5% to 15%), all other subsidiaries established in the PRC were subjected to income tax rate of 25% (2014: 25%). Tax on overseas profit has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the counties in which the Group operates.

For the year ended 31 December 2015, the associates and joint ventures were subjected to income tax rate of 25% (2014: 25%), and the share of income tax expense of associates and joint ventures of nil (2014: Nil) and RMB2.4 million (2014: RMB12.3 million) respectively, was included in “Share of profits and losses of investments in associates and joint ventures”.

NOTES (CONTINUED)

(Amounts expressed in thousands of RMB unless otherwise stated)

6. INCOME TAX EXPENSE (CONTINUED)

The tax on the Group's profit/(loss) before taxation differs from the theoretical amount that would arise using the statutory tax rate applicable to profits of the consolidated entities as follows:

	Year ended 31 December	
	2015	2014
Profit/(loss) before taxation	<u>155,290</u>	<u>(61,662)</u>
Taxation calculated at the statutory tax rate	38,822	(22,320)
Income tax effects of:		
– Preferential income tax treatments	(84,067)	(72,628)
– Income not subject to tax	(2,054)	(7,067)
– Expenses not deductible for tax purpose	3,657	767
– Tax losses and temporary differences for which no deferred income tax asset was recognised	134,544	162,680
– Utilisation of previously unrecognised tax losses and temporary differences	(2,853)	(569)
– Under provision for prior years	<u>4,227</u>	<u>5,037</u>
	<u>92,276</u>	<u>65,900</u>
Weighted average effective income tax rate	<u>59%</u>	<u>-107%</u>

The changes in weighted average effective income tax rate were primarily caused by certain tax losses for which no deferred income tax assets were recognised.

NOTES (CONTINUED)

(Amounts expressed in thousands of RMB unless otherwise stated)

7. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

(a) Basic

The basic earnings and loss per share is calculated by dividing the profit and loss attributable to owners of the Company by the weighted average number of shares in issue during the year.

	Year and 31 December	
	2015	2014
Profit/(loss) attributable to owners of the Company	<u>13,711</u>	<u>(150,115)</u>
Weighted average number of ordinary shares in issue (<i>thousands of shares</i>)	<u>7,273,701</u>	<u>7,273,701</u>
Basic earnings/(loss) per share (<i>RMB</i>)	<u>0.0019</u>	<u>(0.0206)</u>

(b) Diluted

Diluted earnings and loss per share amounts for the years ended 31 December 2015 and 2014 were the same as the basic earnings and loss per share amounts as there were no dilutive potential shares.

8. DIVIDENDS

The dividend paid by the Company in 2015 was nil (2014: RMB21.8 million, RMB0.003 per share).

The board of directors did not recommend any payment of final dividend for the years ended 31 December 2015 and 2014.

NOTES (CONTINUED)*(Amounts expressed in thousands of RMB unless otherwise stated)***9. TRADE AND BILLS RECEIVABLES**

	As at 31 December	
	2015	2014
Trade receivables	1,241,664	3,149,589
Bills receivables	97,530	131,779
	1,339,194	3,281,368
Less: Provision for doubtful debts	(2,328)	(2,328)
	1,336,866	3,279,040

Trade and bills receivables primarily represent receivables from regional or provincial grid companies for tariff revenue. These receivables are unsecured and non-interest-bearing. The carrying amounts of the trade and bills receivables of the Group are all denominated in RMB. The fair values of the trade and bills receivables approximate to their carrying amounts.

For trade and bills receivables arising from tariff revenue, the Group usually grant credit period of approximately one month to local power grid companies from the date of invoice in accordance with the relevant electricity sales contracts between the Group and the respective local grid companies.

Settlement of certain trade receivables due from the local power grid companies are subject to the allocation of government designated funds by the relevant government authorities to the local grid companies and tariff surcharge payable by the end users, which consequently takes a relatively long time for the grid companies to make settlement. Effective from March 2012, the application, approval and settlement of the tariff premium are subject to certain procedures as promulgated by Caijian [2012] No. 102 *Notice on the Interim Measures for Administration of Subsidy Funds for Tariff Premium of Renewable Energy* (“*可再生能源電價附加補助資金管理暫行辦法*”). Caijian [2013] No. 390 Notice issued in July 2013 further simplified the procedures of settlement of the tariff premium. At 31 December 2015, most of the operating projects of the Group have been approved for the tariff premium and certain projects were in the process of applying for the approval. The directors are of the opinion that these trade and bills receivables from tariff premium are fully recoverable considering there were no bad debt experiences in the past and the tariff premium is funded by the PRC government.

NOTES (CONTINUED)

(Amounts expressed in thousands of RMB unless otherwise stated)

9. TRADE AND BILLS RECEIVABLES (CONTINUED)

An ageing analysis of trade and bills receivables based on the revenue recognition date was as follows:

	As at 31 December	
	2015	2014
Within 1 year	1,173,898	1,578,810
Between 1 and 2 years	126,833	265,881
Between 2 and 3 years	28,869	53,581
Over 3 years	9,594	1,383,096
	<u>1,339,194</u>	<u>3,281,368</u>

At 31 December 2015, trade and bills receivables of RMB163.0 million (2014: RMB1,700.2 million) were past due but not impaired. The ageing analysis of these trade and bills receivables is as follows:

	As at 31 December	
	2015	2014
Past due within 1 year	126,833	265,881
Past due over 1 year	36,135	1,434,349
	<u>162,968</u>	<u>1,700,230</u>

At 31 December 2015, trade receivables of RMB2.3 million (2014: RMB2.3 million) were fully impaired, which represented a past due tariff receivable from a power grid company in dispute. It was assessed that these receivables are not recoverable.

At 31 December 2015 and 2014, the Group has pledged a proportion of their tariff collection rights as security for certain bank and other loans.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables. The Group does not hold any collateral as security.

NOTES (CONTINUED)*(Amounts expressed in thousands of RMB unless otherwise stated)***10. TRADE AND BILLS PAYABLES**

	As at 31 December	
	2015	2014
Trade payables	93,417	106,712
Bills payables	1,224,886	327,134
	<u>1,318,303</u>	<u>433,846</u>

At 31 December 2015 and 2014, substantially all trade and bills payables were aged within one year based on their invoice dates, and were denominated in RMB.

The fair values of the trade and bills payables approximate to their carrying amounts.

11. INTEREST-BEARING BANK AND OTHER BORROWINGS**(a) Long-term borrowings**

	As at 31 December	
	2015	2014
Bank loans		
– unsecured	15,326,767	16,993,331
– guaranteed (<i>Note (c)</i>)	2,593,597	5,586,735
– secured	5,400,121	3,242,463
	<u>23,320,485</u>	<u>25,822,529</u>
Other loans		
– unsecured	2,117,070	822,905
– guaranteed (<i>Note (i)</i>)	3,932,486	4,009,409
– secured (<i>Note (ii)</i>)	2,941,915	3,171,100
	<u>8,991,471</u>	<u>8,003,414</u>
Corporate bonds – unsecured	4,195,638	4,191,305
Total long-term borrowings	<u>36,507,594</u>	<u>38,017,248</u>

NOTES (CONTINUED)*(Amounts expressed in thousands of RMB unless otherwise stated)***11. INTEREST-BEARING BANK AND OTHER BORROWINGS
(CONTINUED)****(a) Long-term borrowings (continued)**

	As at 31 December	
	2015	2014
Less: Current portion of long-term borrowings (Note (b))		
– bank loans	(2,371,509)	(2,134,300)
– other loans	(216,422)	(863,146)
– corporate bonds	(4,195,638)	–
	<u>(6,783,569)</u>	<u>(2,997,446)</u>
 Total non-current portion of long-term borrowings	 <u>29,724,025</u>	 <u>35,019,802</u>
 Estimated fair value of long-term borrowings (Note (iii))	 <u>36,526,469</u>	 <u>38,062,063</u>

Notes:

- (i) At 31 December 2015, included in other loans were borrowings of RMB2,552.7 million (2014: RMB2,825.1 million) from ICBC Financial Leasing Company Limited (工银金融租賃有限公司) for the constructions of designated wind farms, among which RMB932.5 million (2014: RMB1,009.4 million) were guaranteed by the Company. Pursuant to the related loan agreements, certain property, plant and equipment of relevant wind farms are pledged as security. Prior to the period before the pre-determined criteria were met, these borrowings were all guaranteed by the Company. At 31 December 2015, cash amounting to RMB48.7 million (2014: RMB50.0 million) was held in a deposit account with ICBC Financial Leasing Company Limited.

In addition, at 31 December 2015, the borrowings from Pingan Assets Management Co., Ltd. amounting to RMB3 billion (2014: RMB3 billion) were guaranteed by Datang Corporation.

NOTES (CONTINUED)

(Amounts expressed in thousands of RMB unless otherwise stated)

11. INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

(a) Long-term borrowings (continued)

Notes: (continued)

- (ii) At 31 December 2015, included in secured other loans were borrowings amounting to RMB1,093.6 million (31 December 2014: RMB1,189.9 million) due to Datang Financial Leasing and RMB1,620.2 million (31 December 2014: RMB1,815.7 million) from ICBC Financial Leasing Company Limited, which allows certain subsidiaries of the Company sell and lease back certain property, plant and equipment to and from the lenders for a period ranging from 10 to 13 years. The underlying property, plant and equipment will be transferred to the relevant group companies at a notional consideration of RMB1.00 at the end of the lease term. In accordance with *Standing Interpretations Committee (SIC) Interpretation 27 “Evaluating the Substance of Transactions Involving the Legal Form of a Lease”*, proceeds received under this agreement should be accounted for as borrowings secured by the relevant property, plant and equipment as the substance of this arrangement is considered as a financing arrangement.

At 31 December 2015 and 2014, deferred loss and revenue recognised represented the adjustments for the present values of these borrowings, and were included in “Prepayments and other receivables” and “Accruals and other payables” in the consolidated statement of financial position, respectively.

- (iii) Except for the fair values of corporate bonds were based on these closing prices quoted as of 31 December 2015 on the Shanghai Stock Exchange, which were within level 1 of the fair value hierarchy, the estimated fair values of long-term loans (including current portion) were calculated based on discounted cash flow using applicable discount rates from prevailing market interest rates offered to the Group for loans with substantially the same characteristics and maturity dates. The annual discount rates applied as at 31 December 2015 were ranging 4.15% to 7.21% (2014: 4.07% to 7.34%). The fair values of long-term loans (including current portion and excluding corporate bonds) were within level 2 of the fair value hierarchy.

NOTES (CONTINUED)*(Amounts expressed in thousands of RMB unless otherwise stated)***11. INTEREST-BEARING BANK AND OTHER BORROWINGS
(CONTINUED)****(b) Short-term borrowings**

	As at 31 December	
	2015	2014
Bank loans		
– unsecured	473,000	20,014
	473,000	20,014
Short-term bonds – unsecured (<i>Note</i>)	2,017,417	2,052,089
Other loans – unsecured	1,300,000	1,153,850
Current portion of long-term borrowings (<i>Note (a)</i>)	6,783,569	2,997,446
	10,573,986	6,223,399

Note:

On 15 September 2015, the Company issued short-term bonds with a par value of RMB100 each for cash of RMB2,000.0 million, net of issuance cost of RMB3.0 million. These bonds have an annual coupon rate of 3.10%, and are matured in March 2016.

The estimated fair values of short-term borrowings approximate their carrying amounts.

NOTES (CONTINUED)*(Amounts expressed in thousands of RMB unless otherwise stated)***11. INTEREST-BEARING BANK AND OTHER BORROWINGS
(CONTINUED)****(c) Other disclosures in relation to the Group's borrowings**

At 31 December 2015, effective interest rates per annum on borrowings are as follows:

	Year ended 31 December	
	2015	2014
Long-term		
Bank loans	4.17% -6.56%	4.07%-6.56%
Other loans	4.15% -7.21%	5.54%-7.34%
Corporate bonds	5.4%	5.4%
Short-term		
Bank loans	3.92% -4.90%	5.04%-6.60%
Other loans	4.14% -4.59%	5.04%-6.00%
Short-term bonds	3.08%	5.32%

At 31 December 2015, details of the Group's guaranteed borrowings are as follows:

	As at 31 December	
	2015	2014
Guarantor		
– The Company*	2,159,425	3,454,137
– Non-controlling interests of subsidiaries and ultimate holding companies of non-controlling interests	434,172	2,132,598
	<u>2,593,597</u>	<u>5,586,735</u>

* At 31 December 2015, guaranteed loans by the Company amounting to RMB50.0 million (2014: RMB58.0 million) were counter guaranteed by non-controlling interests of a subsidiary.

NOTES (CONTINUED)*(Amounts expressed in thousands of RMB unless otherwise stated)***11. INTEREST-BEARING BANK AND OTHER BORROWINGS
(CONTINUED)****(c) Other disclosures in relation to the Group's borrowings (continued)**

At 31 December 2015, the Group has pledged certain assets as collateral to certain secured borrowings and a summary of these pledged assets is as follows:

	Bank loans		Other loans	
	As at 31 December		As at 31 December	
	2015	2014	2015	2014
Property, plant and equipment	2,601,891	1,068,263	2,970,555	3,277,151
Concession assets	260,496	275,777	–	–
Tariff collection rights	181,384	485,873	63,196	531,874
	<u>3,043,771</u>	<u>1,829,913</u>	<u>3,033,751</u>	<u>3,809,025</u>

At 31 December 2015, long-term borrowings were repayable as follows:

	As at 31 December	
	2015	2014
Within 1 year	6,783,569	2,997,446
After 1 year but within 2 years	2,763,218	7,225,417
After 2 years but within 5 years	10,819,383	10,274,434
After 5 years	16,141,424	17,519,951
	<u>36,507,594</u>	<u>38,017,248</u>

At 31 December 2015, the carrying amounts of borrowings were denominated in the following currencies:

	As at 31 December	
	2015	2014
RMB	40,166,284	41,077,697
USD	131,727	165,504
	<u>40,298,011</u>	<u>41,243,201</u>

MANAGEMENT DISCUSSION AND ANALYSIS

I. Industry Overview

In 2015, according to the data published by National Energy Administration, the total electricity consumption was 5,550 TWh, representing a year-on-year increase of 0.5% and 3.3 percentage points of decrease of the growth rate. The Chinese wind power industry maintained a strong momentum of growth; the newly installed wind power capacity was 32.97 GW in the year, reaching a record high; the accumulated grid-connected installed capacity reached 129 GW, accounting for 8.6% of the total installed generation capacity. In 2015, the wind power generation capacity was 186.3 TWh, accounting for 3.3% of the total. In the year, the newly approved wind power capacity was 43 GW, representing a year-on-year growth of 7 GW; the accumulated approved capacity was 216 GW, and accumulated approved capacity under construction was 87.07 GW.

In 2015, the average utilisation time of wind power in China was 1,728 hours, representing a year-on-year decrease of 172 hours. The wind curtailment and electricity limitation tendency became intensified, representing a year-on-year growth of 7%.

In 2015, the reform in electricity was promoted by the State with the issuance of the Several Opinions on Further Deepening the Reform of the Electric Power System (《關於進一步深化電力體制改革的若干意見》) and the Guidance on Improving Power Sector Operation to Enable More Generation and Full Generation of Clean Energy (《關於改善電力運行調節促進清潔能源多發滿發的指導意見》). In the meanwhile, the Notice on Grid Connection and Consumption of Wind Power in 2015 (《關於做好2015年度風電併網消納有關工作的通知》) was issued and 6 supporting documents regarding the reform of the electric power system were prepared with the purpose of guaranteeing the sound and sustained development of the new energy industry.

II. Business Overview

As at 31 December 2015, the Group's consolidated installed capacity amounted to 7,151 MW, representing an increase of 18.44% over last year. Electricity generation for the year amounted to 10,761 GWh, representing a year-on-year increase of 4.12%. The Group's average on-grid tariff (tax inclusive) was RMB593.51 per MWh. Profit attributable to the equity holders of the Company amounted to RMB13.71 million.

1. *Stabilize production safety*

Throughout 2015, the Group always put the safe production in the first place, continuously promoting the construction of safe production supervision system and assurance system and paying special attention to safe production responsibility and system implementation. The enhancement of special management of equipment considerably decreased the failure rate. The availability of wind turbine was maintained at a high level.

For the year of 2015, the power generation capacity totaled 10,761 GWh, seeing a year-on-year rise of 4.12%. The wind power generation capacity reached 10,551 GWh, seeing a year-on-year rise of 4.32%. The wind power curtailment ratio increased from 12.90% in 2014 to 19.73%. The utilisation hours of wind power throughout the year reached 1,745.22 hours, decreasing by 57.87 hours compared with that of last year, seeing a year-on-year decrease of 3.21%.

As at 31 December 2015, the consolidated wind power generation of the Group by geographical area was as follows:

Region	Consolidated wind power generation as at the end of 2015 (MWh)	Consolidated wind power generation as at the end of 2014 (MWh)	Rate of change in consolidated wind power generation
Inner Mongolia	4,646,158	4,635,558	0.23%
Heilongjiang	612,409	677,553	-9.61%
Jilin	966,793	972,074	-0.54%
Liaoning	534,439	563,419	-5.14%
Hebei	95,779	78,826	21.51%
Gansu	685,358	583,724	17.41%
Ningxia	413,493	469,684	-11.96%
Henan	240,105	221,483	8.41%
Shanxi	457,536	389,385	17.50%
Shaanxi	170,132	158,215	7.53%
Yunnan	324,480	234,150	38.58%
Shandong	877,708	798,250	9.95%
Guangdong	75,832	88,406	-14.22%
Shanghai	340,533	223,779	52.17%
Anhui	66,805	19,984	—
Guangxi	43,718	—	—
Total	10,551,280	10,114,490	4.32%

As at 31 December 2015, the average utilisation hours of the Group's wind farms by region were as follows:

Region	Average wind farms utilisation hours in 2015 (hours)	Average wind farms utilisation hours in 2014 (hours)	Rate of change in average utilisation hours of wind farms
Inner Mongolia	1,930.63	1,955.98	-1.30%
Heilongjiang	1,527.21	1,689.66	-9.61%
Jilin	1,491.73	1,499.88	-0.54%
Liaoning	1,640.39	1,729.34	-5.14%
Hebei	1,725.75	1,592.43	8.37%
Gansu	1,173.96	1,412.72	-16.90%
Ningxia	1,550.17	1,897.71	-18.31%
Henan	2,383.18	2,198.35	8.41%
Shanxi	1,859.90	1,966.59	-5.42%
Shaanxi	1,718.51	1,598.13	7.53%
Yunnan	2,364.15	2,383.21	-0.80%
Shandong	1,652.93	1,612.63	2.50%
Guangdong	1,531.95	1,785.98	-14.22%
Shanghai	2,727.75	2,193.91	24.33%
Anhui	1,391.77	1,665.30	-16.43%
Guangxi	1,987.17	—	—
Total	<u>1,745.22</u>	<u>1,803.09</u>	<u>-3.21%</u>

As at 31 December 2015, the consolidated solar power generation of the Group by region was as follows:

Region	Consolidated solar power generation as at the end of 2015 (MWh)	Consolidated solar power generation as at the end of 2014 (MWh)	Rate of change in consolidated solar power generation
Jiangsu	17,092	17,972	-4.90%
Ningxia	71,866	80,336	-10.54%
Qinghai	92,430	95,920	-3.64%
Total	<u>181,388</u>	<u>194,228</u>	<u>-6.61%</u>

As at 31 December 2015, the average utilisation hours of the Group's solar power stations by region were as follows:

Region	Average utilisation hours of solar power stations in 2015 (hours)	Average utilisation hours of solar power stations in 2014 (hours)	Rate of change in average utilisation hours of solar power stations
Jiangsu	925.37	973.05	-4.90%
Ningxia	1,466.66	1,639.51	-10.54%
Qinghai	1,848.59	1,918.39	-3.64%
Total	<u>1,544.12</u>	<u>1,653.43</u>	<u>-6.61%</u>

2. *New progress in early stage development*

In 2015, The Group focused on the development requirement of optimisation and adjustment, continuously optimizing regional structure and industrial structure. The capacity of approved projects was 1,308.7 MW; the proportion of approved project in regions not subject to electricity limitation was 92%. Under the tendency of continuous decreasing price of onshore wind power in China, the Group strengthened the development of offshore wind power project with stable electricity price and achieved great progress; the change of the licensed 300 MW coastal wind power project into regular offshore wind power project was approved by National Energy Administration and the conditions for commencement are available.

In 2015, the capacity of newly approved capacity of wind power projects of the Group was 1,308.7 MW. As at 31 December 2015, the Group had accumulated approved capacity of wind power of 11,486.4 MW in aggregate, among which, the capacity of projects approved but not put into production was 4,459.45 MW.

Region	Capacity included in the national approval plan (MW)	Cumulative approved capacity (MW)	Unapproved capacity included in the national wind power approval plan (MW)
Inner Mongolia	678.00	3,254.70	—
Heilongjiang	250.00	738.50	—
Jilin	200.00	697.60	100.00
Liaoning	243.00	559.30	48.00
Hebei	397.50	447.00	—
Gansu	349.50	843.80	—
Ningxia	99.50	793.00	—
Henan	42.00	145.80	—
Shanxi	578.50	826.00	—
Shaanxi	198.50	198.50	—
Yunnan	495.50	393.80	—
Shandong	643.00	1,004.50	48.00
Guangdong	89.00	49.50	89.00
Shanghai	10.00	204.20	10.00
Jiangsu	147.00	348.00	97.50
Zhejiang	46.00	—	—
Anhui	241.50	241.00	—
Fujian	126.00	96.00	—
Jiangxi	46.00	—	—
Hubei	147.50	48.00	48.00
Hunan	149.00	—	49.90
Guangxi	297.50	297.00	—
Guizhou	97.50	96.00	—
Qinghai	50.00	49.50	—
Beijing	49.70	49.70	—
Chongqing	99.00	99.00	—
Hainan	—	6.00	—
Total	<u>5,771.10</u>	<u>11,486.40</u>	<u>490.40</u>

In 2015, the Group initiated solar power and other businesses while focusing on development of wind power business. As at 31 December 2015, the Group's solar power approved but not put into production was 125 MW.

3. *Rapid growth of capacity put into operation*

In 2015, the Group promoted the construction of high-quality projects through a variety of methods and achieved rapid growth of capacity put into operation through optimised design, arrangement of construction period in a scientific manner and refined process management. By the end of the year, the installed capacity put into operation amounted to 1,113.4 MW.

As at 31 December 2015, the Group's total consolidated installed capacity increased by 18.44% over the last year to 7,151.42 MW, in which the consolidated wind power installed capacity was 7,028.95 MW, representing a year-on-year increase of 18.82%, and the consolidated installed capacity of solar power and other renewable energy were 117.47 MW and 5 MW respectively.

As at 31 December 2015, the consolidated installed capacity of wind power of the Group by region was as follows:

Region	Consolidated installed capacity as at the end of 2015 (MW)	Consolidated installed capacity as at the end of 2014 (MW)	Rate of change in consolidated installed capacity
Inner Mongolia	2,605.55	2,507.35	3.92%
Heilongjiang	401.00	401.00	—
Jilin	648.10	648.10	—
Liaoning	325.80	325.80	—
Hebei	99.00	49.50	100.00%
Gansu	845.80	542.80	55.82%
Ningxia	497.50	247.50	101.01%
Henan	100.75	100.75	—
Shanxi	297.00	198.00	50.00%
Shaanxi	99.00	99.00	—
Yunnan	197.25	98.25	100.76%
Shandong	561.00	495.00	13.33%
Guangdong	49.50	49.50	—
Shanghai	204.20	102.00	100.20%
Anhui	48.00	48.00	—
Guangxi	49.50	3.00	1,550.00%
Total	7,028.95	5,915.55	18.82%

As at 31 December 2015, the consolidated installed capacity of solar power of the Group by region was as follows:

Region	As at 31 December 2015 (MW)	As at 31 December 2014 (MW)	Year-on-year change
Jiangsu	18.47	18.47	–
Ningxia	49.00	49.00	–
Qinghai	50.00	50.00	–
Total	117.47	117.47	–

4. Significant improvement of operating situations

In 2015, the Group intensified the supervision, assessment and management of wind curtailment and electricity limitation, so as to minimise the resultant loss. The overall planning management was further enhanced, guaranteeing the construction schedule and the electricity price for projects. The recovery of electricity subsidies was intensified, with the shortfalls in the previous years basically recovered. The comprehensive budget management was strengthened, the favorable opportunity of interest rate reduction was seized, the controllable expense was reduced and the operation costs were lowered, significantly improving the state of business operation.

5. New achievements in technological innovation

In 2015, the Group built the technical service system for upstream and downstream industries of wind power, the wind and solar resource assessment reached the advanced level in China. New progress was made in the technological research of wind turbine efficiency improvement. In addition to achievements made in the research of blade extending and intensifying assemblies for efficiency improvement, it also made the technical breakthrough in tip vane and extension vane. The technical achievement of optimising pitch control strategy was approved by Wind Machinery Association. The Group independently researched and developed the universal wind turbine control system for use in the strategic master control system, and made new achievements in the patent development and technical standard declaration. In 2015, the Company was granted 63 new patents, including 7 invention patents, and was selected as a patent demonstration enterprise in Beijing. In an effort to further enhance its influence and have more say in the field of new energy technologies, the Group successfully applied for one IEEE international standard and 2 PV industrial standards as the chief editorial unit, and was approved as the first Chinese technical counterpart to IEC/TC 117 by Standardization Administration of China, joined in the formulation of international photo-thermal standards on behalf of China and was the first among the five power generation groups to be domestic counterpart to the International Organization for Standardisation.

III. Management Discussion and Analysis on Financial Position and Operating Results

The following discussion should be read in conjunction with the financial information of the Group together with the accompanying notes included in this announcement and other sections therein.

1. Overview

The Group's profit for 2015 amounted to RMB63.01 million, representing an increase of RMB190.58 million as compared with a loss of RMB127.56 million in 2014. Profit attributable to the owners of the Company amounted to RMB13.71 million.

2. Revenue

The Group's revenue increased by 7.76% to RMB5,588.27 million in 2015 compared with RMB5,185.96 million in 2014, primarily due to increase in revenue from sales of electricity and from provision of services under concession arrangements.

The Group's electricity sales revenue increased by 2.58% to RMB5,263.99 million in 2015 compared to RMB5,131.50 million in 2014, primarily due to the increase in capacity put into operation.

3. Other income and other gains, net

The Group's other income and other gains, net decreased by 49.41% to RMB116.85 million in 2015 compared to RMB230.95 million in 2014, primarily due to the decrease in government grants obtained and certain compensation received from a wind turbine supplier.

The Group's government grants decreased by 31.97% to RMB104.56 million in 2015 compared to RMB153.69 million in 2014, primarily due to the decrease in value-added tax refund received during the year.

4. *Operating expenses*

The Group's operating expenses (excluding service concession construction costs) increased by 2.67% to RMB3,373.38 million in 2015 compared to RMB3,285.61 million in 2014, mainly due to the increase in depreciation and amortisation charges as a result of higher installed capacity.

The Group's depreciation and amortisation charges increased by 6.74% to RMB2,520.66 million in 2015 compared to RMB2,361.51 million in 2014, primarily due to the increase in installed capacity.

The Group's employee benefit expenses increased by 2.76% to RMB416.33 million in 2015 compared to RMB405.15 million in 2014, primarily due to the increase in expensed labour cost as a result of increase in capacity put into operation.

The Group's other operating expenses decreased by 26.20% to RMB259.65 million in 2015 compared to RMB351.81 million in 2014, primarily due to the strengthening of cost control and control of administrative expenses.

5. *Operating profit*

The Group's operating profit decreased by 1.85% to RMB2,084.49 million in 2015 compared to RMB2,123.68 million in 2014, mainly due to the decrease in average utilisation hours of wind turbines.

6. *Finance expenses, net*

The Group's net finance expenses decreased by 13.23% to RMB1,938.76 million compared with RMB2,234.42 million in 2014, primarily due to interest rate reduction by the People's Bank of China and debt restructuring by the Group.

7. *Share of profit of investments in associates and joint ventures*

The Group recorded a profit of RMB9.49 million in share of profit of associates in 2015 as compared with RMB50.66 million in share of profit of associates in 2014.

The Group recorded a profit of RMB0.08 million in share of profit of joint ventures in 2015 as compared with RMB1.57 million in share of loss of joint ventures in 2014.

8. *Income tax expense*

The Group's income tax expense was RMB92.28 million in 2015, representing an increase by 40.02% from RMB65.90 million in 2014. This was mainly due to the fluctuation in profits of, and the mixed commencement and expiration of tax reliefs for certain subsidiaries of the Company located in regions with preferential income tax rates.

9. *Profit/(loss) for the year*

The Group's profit for the year increased by RMB190.58 million to RMB63.01 million in 2015 compared to a loss of RMB127.56 million in 2014. For the year ended 31 December 2015, the Group's profit for the year as a percentage of its total revenue (excluding revenue from provision of services under concession arrangements) increased to 1.18% as compared with that of -2.46% in 2014.

10. *Profit attributable to the owners of the Company*

The profit attributable to the owners of the Company increased by RMB163.83 million to RMB13.71 million in 2015 compared to a loss of RMB150.12 million in 2014.

11. *Profit attributable to non-controlling interests*

The profit attributable to non-controlling interests of the Group increased by 118.61% to RMB49.30 million in 2015 compared to RMB22.55 million in 2014.

12. *Liquidity and capital sources*

As at 31 December 2015, the Group's cash and cash equivalents decreased by 50.79% to RMB1,077.79 million compared to RMB2,190.21 million as at 31 December 2014. The main sources of the Group's operating capital are revenue from the sales of electricity.

As at 31 December 2015, the Group's borrowings decreased by 2.29% to RMB40,298.01 million compared to RMB41,243.20 million as at 31 December 2014. In particular, RMB10,573.99 million (including RMB6,783.57 million of long-term borrowings due within one year) was short-term borrowings, and RMB29,724.03 million was long-term borrowings. The above borrowings include borrowings of RMB40,166.28 million denominated in RMB and borrowings of RMB131.73 million denominated in USD.

As at 31 December 2015, the Group has unutilised financing facilities amounting to approximately RMB62,472.73 million, of which approximately RMB17,859.00 million are subject to renewal in the next 12 months from the end of the reporting period.

13. *Capital expenditure*

The Group's capital expenditure increased by 18.43% to RMB6,649.21 million in 2015 compared to RMB5,614.26 million in 2014. Capital expenditure mainly comprises construction costs including acquisition or construction of property, plant and equipment, land use rights and intangible assets.

14. *Net gearing ratio*

The Group's net gearing ratio (net debt (total borrowings less cash and cash equivalents) divided by the sum of net debt and total equity) was 74.28% in 2015, 0.18 percentage points higher than 74.10% as in 2014.

15. *Significant investment*

In 2015, the Group made no significant investment.

16. *Material acquisition and disposal*

In 2015, the Group had no material acquisition or disposal.

17. *Pledge of assets*

Some of our bank loans and other loans are secured by property, plant and equipment, intangible assets and electricity tariff collection rights. As at 31 December 2015, net carrying value of the pledged assets amounted to RMB6,077.52 million.

18. *Contingent liabilities*

As at 31 December 2015, the Group had no material contingent liabilities.

IV. Risk Factors and Risk Management

1. *Policy risk*

Since 2005, the Chinese government has increasingly strengthened the policy support to the renewable energy industry and implemented a series of preferential measures to bolster the development of domestic wind power projects, including compulsory grid connections, on-grid tariff subsidies and preferential tax policies. Although the Chinese government has repeatedly reiterated that it would continue to intensify its support for the development of the wind power industry, it is possible that the current preferential measures and favourable policies will be altered or repealed without any prior notice. In addition, the Chinese government has recently been continuously deepening the reform of electric power system, and the competition mechanism among power-generation enterprises, including renewable energy, is taking shape at a fast pace. On 24 December 2015, the National Development and Reform Commission issued the Notice on Improving the Benchmark Feed-in Tariff Policy for Grid Connection of Onshore Wind Power and PV Power 《關於完善陸上風電、光伏發電上網標桿電價政策的通知》, the electricity price of future new energy projects will be gradually reduced and hence has an indefinite influence on the income of the Company.

2. *Grid curtailment risk*

As some of the Group's wind farm construction progress did not match with progress of grid construction, it is difficult to transmit all the potential electricity that could be generated when wind farms run at full load, thus hindering the power transmission upon completion of relevant projects of the Group. In addition, the increasingly intensified contradiction between the slow increase in social power consumption and the rapid increase in generation capacity might result in the failure of full consumption of energy output from the Group's power generating projects operating at full load.

3. *Technological risk*

The energy industry develops rapidly amid fierce competition. Technology advancement may result in the reduction of various types of energy development costs, and render the existing wind power projects and technologies uncompetitive or obsolete. Failure to timely adopt newly-developed technologies may create an adverse impact on our business, financial position and operating results.

4. *Competition risk*

Currently, there are more investment entities participating in the domestic wind power development projects, all of which are actively capturing the resources, leading to more fierce competition. As a result, the Group will continue to adjust its portfolio scientifically, consolidate existing resource reserves, explore new area of resources and further expand resource reserves. Meanwhile, the Company will enhance efforts in technology and management innovation and will continuously improve its core competitiveness by making use of its existing strengths.

5. *Development risk of clean development mechanism (CDM) projects*

In 2015, the trading prices of the CDM emission reductions remained in a prolonged doldrums and would not rise in the short term. The difficulty of performance negotiations and the risk of lack of emission reduction funds increase. Up to now, there is still part of the CDM arrears not yet been recovered. In 2016, the Company will take various actions to enhance the recovery of arrears.

According to the Notice on Making Key Preparations for Starting the National Carbon Emissions Trading Market issued by the National Development and Reform Commission 《關於切實做好全國碳排放權交易市場啟動重點工作的通知》, the national carbon emissions trading is expected to commence in 2017. However, since the national carbon market was still under construction at present, the allocation plan of carbon quota, trade activity and price expectation involve some uncertainty. As such, the Group will closely keep track of and analyse the carbon market, and set out practicable working frames and implementation plans to promote the full project development in an orderly manner and to ensure the Group's income from carbon assets unharmed.

6. *Risks related to geographical concentration of wind power projects*

The Group's wind power projects are principally located in "Three Northern" regions. Although these regions offer abundant wind resources for developing wind power projects, the electricity output of the Group's wind power projects in these regions are currently adversely affected by the restrictions in electricity consumption and transmission in these regions. Any change that creates adverse effect to the local wind conditions, local grid transmission capacity, on-grid tariffs and changes in government policy in "Three Northern" regions could reduce the electricity we generate and have an adverse impact on our power generation business. To cope with this, the Group will timely adjust its project portfolio in response to the changes in its business strategy, government policy and other factors.

7. *Climate risk*

The commercial viability and profitability of the Group's wind farms are highly dependent on suitable wind resources and weather conditions. The electricity and revenue generated from a wind power project are highly dependent on local climatic conditions, particularly the conditions of wind resources which vary substantially in different seasons and geographical regions and are difficult to predict. Turbines will only start to operate when the wind speed reaches a certain threshold; and must stop running when the wind speed exceeds velocity limit of turbines to avoid damage to the equipment. The Group's investment decisions for each wind power project are based on the findings of feasibility studies conducted on site before starting construction. However, the actual climatic conditions at a project site, particularly the wind resource conditions, may not conform to the findings of these feasibility studies. Therefore, the wind power projects may not meet anticipated production levels, and adversely affect our forecasted profitability.

8. *Project construction risk*

Amid the Group's expansion of areas of wind power projects in the southern coastal regions, where the number of regions difficult for wind farm construction further increase, a circumstance under which the Group may encounter such risks as relatively long construction period of wind power projects, and relatively high total construction costs, etc.

9. *Risks related to safety management*

The Group has transformed its business from solely focusing on wind power generation to primarily focusing on wind power with a diversified portfolio including solar power, biomass, CBM, and EPC. In light of increasing hazard sources and hidden hazards, the Group will put more efforts in scientific research and promote the establishment and improvement of our production safety management system through thorough integrating studies and practical experience.

10. *Interest risk*

Interest risk may result from fluctuations in bank loan rates. Such interest rate changes will have impact on our capital expenditure and finance expenses and will eventually affect our operating results. As the Group highly relies on external financing in order to obtain investment capital to expand wind power business, we are particularly sensitive to the capital cost in securing such loans.

11. *Exchange rate risk*

Fluctuations of RMB exchange rates could adversely affect the Group's financial position and operating results. Although the Group conducts substantially all of its business operations in the PRC and its major revenue is denominated in RMB, the Group also obtains revenue from the sales of CERs which is denominated in foreign currencies or obtains overseas financing. Meanwhile, we convert RMB into foreign currencies to purchase equipment and services from abroad, make overseas investments and foreign acquisitions, or pay dividends to our shareholders. We are therefore subject to risks associated with foreign currency exchange rate fluctuations. Fluctuations in the value of RMB against foreign currencies may reduce our RMB revenue from the sales of CERs, increase our RMB costs for foreign acquisitions and foreign currency borrowings, or affect the prices of our imported equipment and materials. Accordingly, the Group will pay active attention to the research of market exchange rates variation, and adopt various means to enhance our control over exchange rate risk.

12. *Risks related to high gearing ratio*

The Group operates in a capital-intensive industry, and a significant increase in capital costs could have a material adverse effect on the Group's business, financial condition or operating results. The Group has significant construction and capital expenditure requirements, and the recovery of the capital investment in a wind farm or other renewable energy facility takes a long period of time. Meanwhile, the capital investment required to develop and construct a wind power project generally varies based on the cost of the necessary fixed assets. A significant increase in the costs of developing and constructing the Group's wind power projects could have a material adverse effect on the Group's ability to achieve the Group's targets and on the Group's business, financial condition and operating results. The Group will monitor the market dynamics timely and make adjustment to the Group's strategy accordingly. Meanwhile, the Group will explore on various financing channels to adjust the finance structure.

V. Outlook on the Group's Future Development

1. *Opportunities faced by the group*

The Fifth Plenary Session of the 18th Central Committee of the Communist Party of China first put forward a new concept of green development, and that to accelerate the development of non-fossil fuels will be the keynote of the energy development in the Thirteenth Five-year Plan. According to the wind power project of the Thirteenth Five-year Plan, China's installed wind power capacity is expected to reach 250 GW to 280 GW by 2020, and the installed solar power capacity is expected to reach 160 GW.

In 2016, a new round of electric power system reform has entered the stage of all-sided implementation to ensure that the purchasing of electricity generated from renewable energy in full amount is regarded as a core task, and relevant supporting documents come out successively. The implementation of favourable policies such as the Administrative Measures for Purchasing of Electricity Generated from Renewable Energy in Full Amount (《可再生能源發電全額保障性收購管理辦法》) and the Measures for Quota Assessment on the Electricity Generated from Renewable Energy (《可再生能源電力配額考核辦法》) are expected to be accelerated. The bottleneck of electricity limitation which hampered the new energy development is likely to be overcome.

In 2016, the State Grid Corporation of China will speed up the UHV project construction. Two extra-high voltage AC lines and one extra-high voltage DC line, that is, Huainan-Nanjing-Shanghai line, Xilingol-Shandong line and Ningdong-Zhejiang line, will be completed and put into operation in 2016, which will positively drive the development of wind power industry.

China will launch a national carbon emission trading system in 2017. The construction of national carbon market will speed up fully. The income from carbon reduction will become a new revenue growth opportunity for the new energy project.

In 2016, China will continue its proactive fiscal policy and prudent monetary policy, implement structural tax reduction, promote the pilot reform of “replacing the business tax with a value-added tax”, and be expected to cut the deposit reserve ratio and lower the benchmark interest rate. The prices of bulk commodities such as steel are estimated to remain on a relatively low level. Meanwhile, the Ministry of Finance of China raised the collection standard for development funds of renewable sources from 1.5 fens up to 1.9 fens per kWh, increasing the financial support for renewable source enterprises and providing a favourable business environment for the rapid development of the Company.

In 2016, with China’s innovation-driven development strategy, the integration and application of Internet Plus and smart energies are expedited, breakthroughs are expected in distributed generation, energy storage and smart grid technology, the smart level of wind farm is improved continuously, the transformation efficiency of wind power is increased continuously, and the power generation cost is further lowered, which provides us with technological support to accelerate the structural adjustment and enhance the efficiency of wind farm.

MAIN TASKS IN 2016

In 2016, we will take the profitability enhancement as the center of all our work. In connection with this, we will firmly follow the two mainstreams of structural adjustment and management improvement, reinforce safe production management, solution to electric quantity issues and technological innovation, regard deepening enterprise reform as impetus, take the strict corporate governance by laws as safeguard and improve the profitability and sustainability comprehensively. In 2016, special attention will be paid to the following main tasks:

(I) Paying high attention to safety management, improving equipment performance and guaranteeing benefits of power generation

First, more effort will be put in marketing enhancement and the on-grid space will be vigorously expanded; second, the equipment management will be deepened and the comprehensive equipment performance will be improved; third, the management of production materials will be strengthened and the field guarantee capability will be enhanced; fourth, the risk control assessment will be deepened to continuously reduce the safety risks.

(II) Accelerating construction, providing excellent projects and guaranteeing production benefits

First, the construction progress will be accelerated to guarantee continuous growth of production scale; second, attention will be paid to the production benefits and excellent projects will be provided; third, the construction standards will be upgraded to guarantee the key projects completed on schedule.

(III) Establishing awareness of development, accelerating structural adjustment and improving development quality

First, the optimization of onshore wind power layout will be accelerated; second, the diversified development will be further promoted; third, the development of offshore and overseas projects will be quickened.

(IV) Enhancing operation management, guaranteeing reduction in costs and increase in benefits, and upgrading profitability

First, the operation management will be enhanced and the operation management and control will be upgraded; second, The fund management will be strengthened to reduce fund costs; and third, the recovery of electricity expense will be expedited and the tax planning will be improved to guarantee reduction in costs and increase in benefits.

(V) Relying on technological progress, intensifying technological innovation and upgrading professional skills

First, the scientific & technological researches will be deepened and the technical supports will be upgraded; second, the professional service management will be deepened to improve the capacity of industrial development; and third, more investment will be made in science and technology to guarantee the promotion and application of patents.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

For the year ended 31 December 2015, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

FINAL DIVIDEND

The Board does not recommend any payment of final dividend to shareholders for the year ended 31 December 2015.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE SET OUT IN APPENDIX 14 OF THE LISTING RULES

The Company has always been committed to compliance with the principles and requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”). As of 31 December 2015, the Company was not involved in any material litigation for which the responsibility should be taken by any director (“**Director(s)**”). Each Director has the necessary qualification and experience required for performing his duty as a Director of the Company. The Company estimates that in the reasonably foreseeable future, there is little risk that there would be any event for which any Director shall take responsibility. Therefore, the Company confirms that no liability insurance has been arranged for the Directors.

On 17 November 2014, Mr. Ma Zhizhong resigned as an independent non-executive Director of the Company due to other work arrangement. Later, the candidate for independent non-executive Director was confirmed in March 2015. On 12 March 2015, the Company issued the circular for the first extraordinary general meeting for 2015 to propose appointment of Mr. Yu Shunkun as an independent non-executive Director. The appointment of Mr. Yu Shunkun as an independent non-executive Director was approved at the extraordinary general meeting on 27 March 2015. For the year ended 31 December 2015, save as disclosed above, the Company has been in strict compliance with the principles and provisions contained in the Corporate Governance Code set out in Appendix 14 to the Listing Rules, as well as certain recommended best practices.

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

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules as the code of conduct for dealing in the securities of the Company by the Directors, supervisors and related employees (as defined in the Corporate Governance Code). Having made specific inquiries of all Directors and supervisors of the Company (“**Supervisor(s)**”), each Director and Supervisor confirmed that she/he had strictly complied with the standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers for the year ended 31 December 2015.

AUDITORS

Ernst & Young and Ernst & Young Hua Ming LLP were appointed as international and domestic auditors respectively of the Company for the year ended 31 December 2015. The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and the related notes thereto as at and for the year ended 31 December 2015 as set out in the announcement have been agreed by the Company’s auditors to the amounts set out in the Group’s consolidated financial statements for the year. The work performed by the Company’s auditors in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the Company’s auditors on the announcement.

AUDIT COMMITTEE

The Group’s 2015 annual results and the financial statements for the year ended 31 December 2015 prepared in accordance with the IFRSs have been reviewed by the audit committee of the Company.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement will be available on the websites of The Stock Exchange of Hong Kong Limited (“SEHK”) (<http://www.hkexnews.hk>) and the Company (<http://www.cdt-re.com>).

The Company will dispatch in due course to shareholders the annual report for 2015 containing all the information as required by the Listing Rules, and publish it on the websites of the Company and SEHK.

By order of the Board
China Datang Corporation Renewable Power Co., Limited*
Wang Yeping
Chairman

Beijing China, 25 March 2016

As at the date of this announcement, the Board comprises Mr. Zhang Chunlei and Mr. Hu Guodong as executive Directors; Mr. Wang Yeping, Mr. Kou Bing'en, Mr. An Hongguang and Mr. Guo Shuping as non-executive Directors; and Mr. Liu Chaoan, Mr. Lo Mun Lam, Raymond and Mr. Yu Shunkun as independent non-executive Directors.

* For identification purposes only