華電國際電力股份有限公司
Huadian Power International Corporation Limited*

(A Sino-foreign investment joint stock company limited by shares incorporated in the People's Republic of China)

(Stock Code: 1071)

2017 INTERIM RESULTS ANNOUNCEMENT

The board of directors (the "**Board**") of Huadian Power International Corporation Limited* (the "**Company**") hereby announces the summary of the unaudited interim consolidated financial results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2017 (the "**Period**") prepared in accordance with the International Accounting Standards 34 "Interim Financial Reporting".

FINANCIAL AND BUSINESS SUMMARIES

- Power generation amounted to approximately 88.57 million MWh, representing an increase of approximately 2.33% over the corresponding period in 2016;
- The on-grid power sold amounted to approximately 82.83 million MWh, representing an increase of approximately 2.29% over the corresponding period in 2016;
- Turnover amounted to approximately RMB36,423 million, representing an increase of approximately 24.00% over the corresponding period in 2016;
- Loss attributable to equity shareholders of the Company for the Period amounted to approximately RMB181 million, representing a decrease of approximately 107.32% over the corresponding period in 2016; and
- Basic loss per share was approximately RMB0.018.

The Board hereby announces the unaudited operating results for the Period and the comparison between such results and the relevant results of the corresponding period in 2016. During the Period, the turnover of the Group amounted to approximately RMB36,423 million, representing an increase of approximately 24.00% over the corresponding period in 2016. As forecast in the announcement of the 2017 first quarterly results published by the Company on 28 April 2017, the accumulated net profit of the Group for the Period experienced a sharp decrease as compared with the corresponding period of last year. Specifically, the loss attributable to equity shareholders of the Company for the Period amounted to approximately RMB181 million, representing a decrease of approximately 107.32% over the corresponding period in 2016; the basic loss per share was approximately RMB0.018; the net asset value per share (excluding non-controlling interests) amounted to approximately RMB4.29.

The Board did not recommend declaring any interim dividends for the Period.

The Group's interim financial statements for the Period are unaudited, but they have been reviewed by Deloitte Touche Tohmatsu, the auditor of the Company, in accordance with the Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. The unmodified review report addressed by the auditor to the Board will be included in the interim report to be despatched to the Company's shareholders in due course. The audit committee of the Company (the "**Audit Committee**") has also reviewed the 2017 interim results and the relevant financial information of the Group.

MAJOR ASSETS

The Group is one of the largest comprehensive energy companies in the People's Republic of China ("**China"** or the **"PRC**"), primarily engaged in the construction and operation of power plants, including large-scale efficient coal- or gas-fired generating units and various renewable energy projects. The Group's power generating assets are located in 14 provinces, autonomous regions and municipalities across China, mainly in the electricity and heat load centres or regions with abundant coal resources. As at the date of this announcement, the Group had 61 controlled power plants which have commenced operations involving a total of 48,498.9 MW controlled installed capacity, with 38,540 MW attributable to coal-fired generating units, 4,426.5 MW attributable to gas-fired generating units and 5,532.4 MW attributable to renewable energy generating units such as hydropower, wind power and solar power generating units.

Details of the Group's major power generating assets which have commenced operations as at the date of this announcement are as follows:

1) Details of controlled coal- or gas-fired generating units are as follows:

	Name of power plant/company	Installed capacity *(MW)*	Equity interest held by the Company	Generating units
1	Zouxian Plant	2,575	100%	1 x 635 MW + 1 x 600 MW + 4 x 335 MW
2	Shiliquan Plant	2,060	100%	1 x 660 MW + 1 x 600 MW + 2 x 330 MW + 1 x 140 MW
3	Laicheng Plant	1,200	100%	4 x 300 MW
4	Shuozhou Thermal Power Branch	700	100%	2 x 350 MW
5	Huadian Zouxian Power Generation Company Limited ("**Zouxian Company**")	2,000	69%	2 x 1,000 MW
6	Huadian Laizhou Power Generation Company Limited ("**Laizhou Company**")	2,000	75%	2 x 1,000 MW
7	Huadian Weifang Power Generation Company Limited ("**Weifang Company**")	2,000	45%	2 x 670 MW + 2 x 330 MW
8	Huadian Qingdao Power Generation Company Limited ("**Qingdao Company**")	1,220	55%	1 x 320 MW + 3 x 300 MW
9	Huadian Zibo Thermal Power Company Limited ("**Zibo Company**")	950	100%	2 x 330 MW + 2 x 145 MW
10	Huadian Zhangqiu Power Generation Company Limited ("**Zhangqiu Company**")	925	87.5%	1 x 335 MW + 1 x 300 MW + 2 x 145 MW
11	Huadian Tengzhou Xinyuan Thermal Power Company Limited ("**Tengzhou Company**")	930	93.257%	2 x 315 MW + 2 x 150 MW
12	Hudian Longkou Power Generation Company Limited ("**Longkou Company**")	880	84.31%	4 x 220 MW

	Name of power plant/company	Installed capacity *(MW)*	Equity interest held by the Company	Generating units
13	Huadian Ningxia Lingwu Power Generation Company Limited (“**Lingwu Company**”)	3,320	65%	2 x 1,060 MW + 2 x 600 MW
14	Sichuan Guang’an Power Generation Company Limited (“**Guang’an Company**”)	2,400	80%	2 x 600 MW + 4 x 300 MW
15	Huadian Xinxiang Power Generation Company Limited (“**Xinxiang Company**”)	1,320	90%	2 x 660 MW
16	Huadian Luohe Power Generation Company Limited (“**Luohe Company**”)	660	75%	2 x 330 MW
17	Huadian Qudong Power Generation Company Limited (“**Qudong Company**”)	660	90%	2 x 330 MW
18	Anhui Huadian Suzhou Power Generation Company Limited (“**Suzhou Company**”)	1,260	97%	2 x 630 MW
19	Anhui Huadian Wuhu Power Generation Company Limited (“**Wuhu Company**”)	1,320	65%	2 x 660 MW
20	Anhui Huadian Lu’an Power Generation Company Limited (“**Lu’an Company**”)	1,320	95%	2 x 660 MW
21	Hangzhou Huadian Banshan Power Generation Company Limited (“**Hangzhou Banshan Company**”)	2,415	64%	3 x 415 MW + 3 x 390 MW
22	Hangzhou Huadian Xiasha Thermal Power Company Limited (“**Xiasha Company**”)	246	56%	1 x 88 MW + 2 x 79 MW
23	Hangzhou Huadian Jiangdong Thermal Power Company Limited (“**Jiangdong Company**”)	960.5	70%	2 x 480.25 MW
24	Huadian Zhejiang Longyou Thermal Power Company Limited (“**Longyou Company**”)	405	100%	2 x 127.6 MW + 1 x 130.3 MW + 1 x 19.5 MW

	Name of power plant/company	Installed capacity *(MW)*	Equity interest held by the Company	Generating units
25	Hebei Huadian Shijiazhuang Thermal Power Company Limited ("**Shijiazhuang Thermal Power Company**")	475	82%	2 x 200 MW + 3 x 25 MW
26	Hebei Huadian Shijiazhuang Yuhua Thermal Power Company Limited ("**Yuhua Company**")	600	100%	2 x 300 MW
27	Hebei Huadian Shijiazhuang Luhua Thermal Power Company Limited ("**Luhua Company**")	660	90%	2 x 330 MW
28	Hebei Huarui Energy Group Corporation Limited ("**Huarui Company**") *(Note 1)*	1,584.6	100%	–
29	Shaoguan City Pingshi Electric Power Plant Company Limited (Plant B) ("**Pingshi Power Company**")	725	100%	2 x 300 MW + 1 x 125 MW
30	Tianjin Huadian Fuyuan Thermal Power Company Limited ("**Fuyuan Thermal Power Company**")	400	100%	2 x 200 MW
31	Huadian Hubei Power Generation Company Limited ("**Hubei Company**") *(Note 2)*	5,330	82.56%	2 x 680 MW + 2 x 640 MW + 6 x 330 MW + 1 x 300 MW + 1 x 200 MW + 40 x 2 MW + 30 MW + 100 MW
32	Fengjie Plant	1,200	100%	2 x 600 MW

Note 1: As at the date of this announcement, the Company's interest in the installed capacity of Huarui Company amounted to 1,584.6 MW. The installed capacity of wind power of Hebei Huadian Yuzhou Wind Power Company Limited, a wholly-owned subsidiary of Huarui Company, amounted to 99 MW.

Note 2: Details of the installed generating units of Hubei Company are as follows:

Name of power plant/company	Installed capacity *(MW)*	Shareholding percentage of Hubei company	Generating units
Huadian Hubei Power Generation Company Limited Huangshi Thermal Power Plant ("**Huangshi Thermal Power Plant**")	530	100%	1 x 330 MW + 1 x 200 MW
Hubei Xisaishan Power Generation Company Limited ("**Xisaishan Company**")	660	50%	2 x 330 MW
Hubei Huadian Xisaishan Power Generation Company Limited ("**Huadian Xisaishan Company**")	1,360	50%	2 x 680 MW
Hubei Huadian Xiangyang Power Generation Company Limited ("**Xiangyang Company**")	2,570	60.10%	2 x 640 MW + 3 x 330 MW + 1 x 300 MW
Hubei Huadian Wuxue New Energy Company Limited ("**Wuxue New Energy Company**")	80	100%	40 x 2 MW
Hubei Huadian Suixian Yindian Photovoltaic Power Generation Company Limited ("**Suixian Photovoltaic Power Generation Company**")	30	100%	30 MW
Hubei Huadian Zaoyang Photovoltaic Power Generation Company Limited ("**Zaoyang Photovoltaic Power Generation Company**")	100	100%	100 MW

2) Details of controlled renewable energy generating units are as follows:

	Name of power plant/ company	Installed Capacity *(MW)*	Equity interest held by the Company	Generating units
1	Sichuan Huadian Luding Hydropower Company Limited ("**Luding Hydropower Company**")	920	100%	4 x 230 MW
2	Sichuan Huadian Za-gunao Hydroelectric Development Company Limited ("**Za-gunao Hydroelectric Company**")	591	64%	3 x 65 MW + 3 x 56 MW + 3 x 46 MW + 3 x 30 MW
3	Lixian Xinghe Power Company Limited ("**Lixian Company**")	67	100%	4 x 8.5MV + 3 x 11 MW

	Name of power plant/ company	Installed Capacity *(MW)*	Equity interest held by the Company	Generating units
4	Sichuan Liangshan Shuiluohe Hydropower Development Company Limited ("**Shuiluohe Company**")	324	57%	3 x 70 MW + 3 x 38 MW
5	Hebei Huadian Complex Pumping-storage Hydropower Company Limited ("**Hebei Hydropower Company**")	57	100%	1 x 16 MW + 2 x 15 MW + 1 x 11 MW
6	Inner Mongolia Huadian Mengdong Energy Company Limited ("**Mengdong Energy Company**")	399	100%	262 x 1.5 MW + 2 x 3 MW
7	Huadian Kezuozhongqi Wind Power Company Limited ("**Kezuozhongqi Wind Power Company**")	49.5	100%	33 x 1.5 MW
8	Huadian Power International Ningxia New Energy Power Company Limited ("**Ningxia New Energy Company**")	1,311.5	100%	147 x 2 MW + 665 x 1.5 MW + 20 MW
9	Hebei Huadian Guyuan Wind Power Company Limited ("**Guyuan Wind Power Company**")	290.5	100%	167 x 1.5 MW + 40 MW
10	Hebei Huadian Kangbao Wind Power Company Limited ("**Kangbao Wind Power Company**")	129	100%	48 x 2 MW + 2 x 1.5 MW + 30 MW
11	State Development Zhangjiakou Wind Power Company Limited ("**Zhangjiakou Wind Power Company**")	201	100%	134 x 1.5 MW
12	Huadian Laizhou Wind Power Company Limited ("**Laizhou Wind Power Company**")	40.5	55%	27 x 1.5 MW
13	Huadian Laizhou Wind Power Generation Company Limited ("**Laizhou Wind Company**")	48	100%	24 x 2 MW

	Name of power plant/ company	Installed Capacity *(MW)*	Equity interest held by the Company	Generating units
14	Huadian Laizhou Wind Energy Power Company Limited ("**Laizhou Wind Energy Company**")	99.6	55%	48 x 2 MW + 2 x 1.8 MW
15	Huadian Changyi Wind Power Company Limited ("**Changyi Wind Power Company**")	97.5	100%	24 x 2 MW + 33 x 1.5 MW
16	Huadian Zibo Wind Power Company Limited ("**Zibo Wind Power Company**")	48	100%	24 x 2 MW
17	Huadian Longkou Wind Power Company Limited ("**Longkou Wind Power Company**")	99.3	65%	23 x 1.5 MW + 6 x 2.5 MW + 24 x 2 MW + 1 x 1.8 MW
18	Huadian Zaozhuang New Energy Power Generation Company Limited ("**Zaozhuang New Energy Company**")	50	100%	25 x 2 MW
19	Huadian Feicheng New Energy Power Generation Company Limited ("**Feicheng New Energy Company**")	149.7	100%	72 x 2 MW + 3 x 1.9 MW
20	Huadian Laixi New Energy Power Generation Company Limited ("**Laixi New Energy Company**")	49.8	100%	24 x 2 MW + 1 x 1.8 MW
21	Longkou Dongyi Wind Power Company Limited ("**Longkou Dongyi Wind Power Company**")	30	100%	20 x 1.5 MW
22	Huadian Yiyuan New Energy Power Generation Company Limited ("**Yiyuan New Energy Company**")	48	100%	24 x 2 MW
23	Huadian Xuwen Wind Power Company Limited ("**Xuwen Wind Power Company**")	49.5	100%	24 x 2 MW + 1 x 1.5 MW

	Name of power plant/ company	Installed Capacity *(MW)*	Equity interest held by the Company	Generating units
24	Huadian Ningxia Ningdong Shangde Solar Power Company Limited ("**Shangde Solar Company**")	10	60%	10 MW
25	Huadian Zhangqiu New Energy Power Generation Company Limited ("**Zhangqiu New Energy Company**")	10	100%	10 MW
26	Huadian Zhangjiakou Saibei New Energy Power Generation Company Limited ("**Zhangjiakou Saibei New Energy Company**")	4	100%	4 MW
27	Huadian Ningbo New Energy Power Generation Company Limited ("**Ningbo New Energy Company**")	10	100%	10 MW
28	Zhejiang Huzhou New Energy Power Generation Company Limited ("**Huzhou New Energy Company**")	15	100%	15 MW
29	Huadian Suzhou Biomass Energy Power Generation Company Limited ("**Suzhou Biomass Energy Company**")	25	78%	2 x 12.5 MW

ADDITIONAL INSTALLED CAPACITY

From 1 January 2017 up to the date of this announcement, the details of the Group's newly-installed generating units are set out as follows:

Projects	**Category**	**Capacity** *(MW)*
Shiliquan Plant	Coal-fired	660
Zhangjiakou Wind Power Company	Wind Power	100.5
Longkou Wind Power Company	Wind Power	49.8
Changyi Wind Power Company	Wind Power	48
Ningxia New Energy Company	Wind Power	49.5
Yiyuan New Energy Company	Wind Power	48
Wuxue New Energy Company	Wind Power	26
Feicheng New Energy Company	Wind Power	49.9
Guyuan Wind Power Company	Photovoltaic Power	20
Huzhou New Energy Company	Photovoltaic Power	15
Zaoyang Photovoltaic Power Generation Company	Photovoltaic Power	70
Ningbo New Energy Company	Photovoltaic Power	10
Total		**1,146.7**

PROJECTS APPROVED, FILED AND UNDER CONSTRUCTION

As at the date of this announcement, the Group's major generating units which have been approved, filed and under construction are as follows:

Type of generating units	**Planned installed capacity** *(MW)*
Coal-fired generating units	8,744
Gas-fired generating units	5,118.8
Hydropower generating units	492
Wind power generating units	2,137.1
Photovoltaic power generating units	886
Total	**17,377.9**

The Company will manage the construction of its projects and the pace of their operation in accordance with the national and local energy policies, the conditions of the power market and the Company's overall strategy.

MANAGEMENT DISCUSSION AND ANALYSIS

(1) Macroeconomic conditions and electricity demand

According to the relevant information and statistics, in the first half of 2017, the gross domestic product of the PRC amounted to RMB38,149.0 billion, representing an increase of 6.9% over the corresponding period in 2016 based on comparable prices. Power consumption of the entire society in the PRC totaled 2,950.8 million MWh, representing an increase of 6.3% over the corresponding period in 2016, with a year-on-year increase of approximately 3.6 percentage points in the growth rate. Specifically, consumption by the primary industry represented a year-on-year increase of 7.2%, consumption by the secondary industry represented a year-on-year increase of 6.1% and consumption by the tertiary industry represented a year-on-year increase of 9.3%, while the household consumption by urban and rural residents represented a year-on-year increase of 4.5%.

(2) Power generation

During the Period, the power generated by the Group amounted to approximately 88.57 million MWh, representing an increase of approximately 2.33% over the corresponding period in 2016; the on-grid power sold amounted to approximately 82.83 million MWh, representing an increase of approximately 2.29% over the corresponding period in 2016. Such increases in the power generated and on-grid power sold were mainly attributable to the power contribution from the newly-added generating units of the Group. The average utilization hours of the generating units were 1,862 hours, among which the average utilization hours of coal-fired generating units were 2,095 hours and the coal consumption for power supply was 298.65 g/KWh that was remarkably lower than the national average.

(3) Turnover and profit

The turnover of the Group for the Period amounted to approximately RMB36,423 million, representing an increase of approximately 24.00% over the corresponding period in 2016, mainly due to the increases in the revenue generated from the sale of coal. The revenue generated from the sale of electricity of the Group amounted to approximately RMB28,138 million, representing an increase of approximately 5.19% over the corresponding period in 2016. The revenue generated from the sale of heat amounted to approximately RMB2,245 million, representing an increase of approximately 17.89% over the corresponding period in 2016. The revenue generated from the sale of coal amounted to approximately RMB6,040 million, representing an increase of approximately 739.31% over the corresponding period in 2016, which was primarily due to the increase in the trading volume and significant increase in the purchase price of coal.

The Group's operating profit for the Period amounted to approximately RMB1,769 million, representing a decrease of approximately 72.92% over the corresponding period in 2016. The loss attributable to equity shareholders of the Company for the Period amounted to approximately RMB181 million, representing a decrease of approximately 107.32% over the corresponding period in 2016. The basic loss per share was approximately RMB0.018. Such loss was mainly due to the significant increase in the purchase price of coal.

(4) Major operating expenses

Fuel cost is the major operating expense of the Group. Fuel cost of the Group for the Period amounted to approximately RMB18,530 million, representing an increase of approximately 65.91% over the corresponding period in 2016. This was mainly due to significant increase in purchase price of coal.

During the Period, the cost of coal sold of the Group amounted to approximately RMB5,821 million, representing an increase of approximately 767.14% over the corresponding period in 2016. This was mainly due to the increase in the trading volume and the significant increase in purchase price of coal.

During the Period, the depreciation and amortization expenses of the Group amounted to approximately RMB5,262 million, representing an increase of approximately 1.19% over the corresponding period in 2016. This was mainly due to the commencement of operation of new generating units and assets transferred from technical reforms.

During the Period, the repairs, maintenance and inspection costs of the Group amounted to approximately RMB1,235 million, representing a decrease of approximately 29.38% over the corresponding period in 2016. This was mainly due to the optimized time for repairing generating units and stricter cost control.

During the Period, the staff costs of the Group amounted to approximately RMB2,104 million, representing a decrease of approximately 10.45% over the corresponding period in 2016. This was mainly due to the control on remuneration payment of some affiliated entities .

During the Period, the administration expenses of the Group amounted to approximately RMB736 million, representing a decrease of approximately 19.02% over the corresponding period in 2016. This was mainly due to the adjustments of real estate tax and other expenses from administrative expenses to tax and surcharges according to relevant requirements of the Ministry of Finance of the PRC, and the Group's stricter cost control.

During the Period, tax and surcharges of the Group amounted to approximately RMB446 million, representing an increase of approximately 11.97% over the corresponding period in 2016. This was mainly due to the adjustments of real estate tax and other expenses from administrative expenses to tax and surcharges according to relevant requirement of the Ministry of Finance of the PRC.

During the Period, other operating expenses of the Group amounted to approximately RMB520 million, representing an increase of approximately 31.21% over the corresponding period in 2016. This was mainly due to the increases in heat purchase charges as a result of expanded heat supply market.

(5) Other revenue and net income

During the Period, the other revenue and net income of the Group amounted to approximately RMB299 million, representing a decrease of approximately 29.10% over the corresponding period in 2016. This was mainly due to the decrease in government grants.

(6) Finance costs

During the Period, finance costs of the Group amounted to approximately RMB2,466 million, representing a decrease of approximately 2.16% over the corresponding period in 2016. This was mainly due to the decrease in the rate of capital cost as a result of stronger management adopted by the Group.

(7) Share of results of associates and joint ventures

During the Period, the share of results of associates and joint ventures of the Group amounted to approximately RMB329 million, representing an increase of approximately 307.99% over the corresponding period in 2016. This was mainly due to the increase in income of coal mining enterprises invested by the Group.

(8) Income tax

Income tax of the Group for the Period amounted to approximately RMB155 million, representing a decrease of approximately 86.34% over the corresponding period in 2016. This was mainly due to the decrease in the Group's profit.

(9) Pledge and mortgage of assets

As at 30 June 2017, the Company and its subsidiaries have pledged their income stream in respect of the sale of electricity to secure loans amounting to approximately RMB20,156 million.

As at 30 June 2017, some subsidiaries of the Company have mortgaged their generating units and relevant equipment, land use rights and mining rights to secure loans amounting to RMB3,506 million.

(10) Indebtedness

As at 30 June 2017, the total borrowings of the Group amounted to approximately RMB98,842 million, of which borrowings denominated in US dollars and Euro amounted to approximately US$64 million and approximately EUR15 million, respectively. The liabilities to assets ratio was approximately 73.29%, representing an increase of 0.68 percentage points compared to the end of 2016. Borrowings of the Group were mainly of floating rates. In addition, the closing balance of super short-term debentures payable, medium-term notes payable (including the portion due within one year), debt financing instruments issued through non-public offering to target subscribers (including the portion due within one year) and obligations payable under finance lease amounted to approximately RMB3,561 million, RMB10,049 million, RMB6,993 million and RMB3,065 million, respectively.

(11) Contingent liabilities

As at 30 June 2017, Guang'an Company, a subsidiary of the Group, provided guarantees to banks for loans amounting to approximately RMB43.65 million which were granted to Sichuan Huayingshan Longtan Coal Company Limited.

(12) Cash and cash equivalents

As at 30 June 2017, the Group had cash and cash equivalents of approximately RMB6,302 million.

Save as disclosed herein, information with respect to the Group's other matters as set out in paragraph 32 of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Listing Rules**") (The Stock Exchange of Hong Kong Limited is referred as the "**Hong Kong Stock Exchange**") has not changed materially from that included in the Company's 2016 annual report.

BUSINESS OUTLOOK

Though the stable foundation of China's economy is and will be enhanced at present and in the upcoming period, the operation of the Group still faces a relatively complicated and grim landscape. Firstly, in terms of the power market, the newly installed capacity across the PRC is expected to grow faster than the power demand in 2017, threatening to exacerbate the overcapacity. Besides, as the reform of power system advances, the market trading scale will be further expanded with increasingly diversified trading methods, which will result in fiercer competitions in the power market. Secondly, the coal production will be released in a relatively stable manner, as the government facilitates the release of high quality capacity in the context of deepening the reduction of excessive coal capacity and as environmental protection and safety concerns create constraints. At the same time, consumption of thermal coal will grow in a slower manner. As such, supply and demand on the coal market will be balanced on the whole, which will alleviate the pressure of lingering high coal price partially. Thirdly, in terms of the capital market, China implements a proactive and effective fiscal policy as well as a prudent and moderate monetary policy. With a tendency to seek the signal of "stability", the monetary policy will strike a balance between the loose and the tight sides, which may squeeze the capital source of the Company.

With a strategic vision as well as scientific and pragmatic attitudes, the Group will grasp the developing trends of the macro economy and the energy industry accurately and cope with difficulties and challenges actively with the following emphases. Firstly, the Group will spare no effort to control power market risks by a number of measures. Specifically, it will actively take part in the power system reforms, proactively conduct research on the supply and demand on power market and enhance marketing management. Moreover, it will call for better linkage between the coal and electricity industries through communication with the relevant government authorities. Secondly, the Group will vigorously control the cost of fuel procurement. It will track the dynamics between supply and demand on both domestic and overseas coal markets, ramp up centralized procurement, adjust the procurement strategies for thermal coal from time to time, keep optimizing the channels of coal procurement, and step up fuel refinement management such as practicing blending and combustion. Thirdly, the Group will prevent debt risks. It will monitor the changes of capital market closely and expand new financing channels earnestly. It will also impose strict restriction on capital cost on the condition that its capital demand is duly satisfied and lower the liabilities to assets ratio of the Company. Fourthly, the Group will uphold management innovation. Focusing closely on the market, it will improve management by vigorously enhancing the adaptability of its management structure, management mode and management procedures in face of the changing situations. Fifthly, the Group will adhere to the principle of strengthening the enterprise by recruiting talents. It will build up a stronger management team, reinforce talent development and training, and introduce innovative incentive schemes for talents. In addition, it will transform the strength in the talents into advantages in production, operation, development and market competition. These efforts will help create good returns for shareholders of the Company continuously.

SIGNIFICANT EVENTS AND SUBSEQUENT EVENTS

(1) Amendments to the Articles of Association of the Company

In order to adapt to the business needs of the Company, paragraph 2 of Article 11 of the Articles of Association of the Company has been revised to read as "The Company's scope of business includes construction, operation and management of power plants and businesses related to power generation, technological service and information consultation relating to the power business, sale, purchase and service of power and thermal products, design and construction of electric power engineering, and operation of power distribution networks." The amendment has been considered and approved at the 2016 annual general meeting of the Company which was held on 30 June 2017 (the "**2016 AGM**").

For details, please refer to the announcements of the Company dated 28 March 2017 and 30 June 2017, as well as the circular of the Company dated 9 June 2017.

(2) Renewal of the Finance Lease Framework Agreement (the "Finance Lease Framework Agreement") with Huadian Financial Leasing Company Limited ("Huadian Financial Leasing") and Further Amendments

On 28 March 2017, the Company renewed the Finance Lease Framework Agreement with Huadian Financial Leasing, pursuant to which Huadian Financial Leasing agreed to provide finance lease services to the Group subject to the terms and conditions provided therein. These services included direct lease services and sale and leaseback services. In respect of each finance lease, the relevant member(s) of the Group and Huadian Financial Leasing agreed to enter into separate implementation contract(s). The aggregate finance amount outstanding from time to time in respect of all finance leases will not exceed RMB1.25 billion.

On 10 May 2017, the Company increased the cap of aggregate finance amount outstanding from time to time in respect of all finance leases to RMB6.0 billion, and revised the contractual period to a period from 1 July 2017 to 30 June 2020. The revisions have been approved by the shareholders at the 2016 AGM. Huadian Financial Leasing is a subsidiary of China Huadian Corporation*("**China Huadian**"), the controlling shareholder of the Company and thus a connected person of the Company. Therefore, the continuing transactions under the Finance Lease Framework Agreement constituted continuing connected transactions of the Company.

For details, please refer to the announcements of the Company dated 28 March 2017, 10 May 2017, and 30 June 2017, as well as the circular of the Company dated 9 June 2017.

(3) Capital Increase in Huadian Group Beijing Fuel Logistics Co., Ltd.* ("Beijing Fuel Logistics")

On 13 April 2017, Beijing Fuel Logistics held a shareholders' meeting which resolved to increase the registered capital of Beijing Fuel Logistics to RMB1 billion with relevant contributions to be made by China Huadian and the Company in cash phase by phase. Upon completion of the capital increase, China Huadian will contribute a total of RMB90 million, accounting for 9% of the registered capital of Beijing Fuel Logistics; while the Company will contribute a total of RMB910 million, accounting for 91% of registered capital of Beijing Fuel Logistics.

For details, please refer to the announcement of the Company dated 13 April 2017.

(4) Capital Increase in Huadian Jinsha River Upstream Hydropower Development Co., Ltd.* ("Huadian Jinsha River")

On 13 June 2017, the Company entered into a capital increase agreement (the "**Capital Increase Agreement**") with Huadian Jinsha River. Immediately after the capital increase, the registered capital of Huadian Jinsha River will be increased from RMB1.1 billion to RMB3 billion, which will be funded entirely by capital contributions by the existing shareholders of Huadian Jinsha River on a pro-rata basis and will be completed on or before 31 December 2020. The Company will contribute an amount of RMB380 million in cash and pay up the outstanding unpaid capital contribution of RMB4.2 million to Huadian Jinsha River, both on a pro-rata basis, totaling RMB384.2 million. Upon completion of the capital increase, the equity interests held by the Company in the then enlarged registered capital of Huadian Jinsha River are expected to remain as 20%. Huadian Jinsha River is a subsidiary of China Huadian, the Company's controlling shareholder, and thus a connected person of the Company. The Capital Increase Agreement and the transactions contemplated thereunder therefore constituted a connected transaction of the Company as defined under Chapter 14A of the Hong Kong Listing Rules.

For details, please refer to the announcement of the Company dated 13 June 2017.

(5) Re-election of Directors and Supervisors, Change of Employee Representative Supervisors and Resignation of Chief Financial officer

On 30 June 2017, the Company held the 2016 AGM, on which Mr. Zhao Jianguo, Mr. Chen Bin, Ms. Wang Yingli, Mr. Tian Hongbao, Mr. Gou Wei, Mr. Chu Yu and Mr. Zhang Ke were re-elected as directors of the eighth session of the Board; Mr. Ding Huiping, Mr. Wang Dashu, Mr. Wang Chuanshun and Mr. Zong Wenlong were re-elected as independent non-executive directors of the eighth session of the Board; Mr. Li Xiaopeng, Mr. Peng Xingyu and Mr. Zha Jianqiu were re-elected as supervisors (not representing the employees of the Company) of the eighth session of the supervisory committee of the Company (the "**Supervisory Committee**"); and the Board was authorised to determine and finalize the remuneration of the directors. The above directors will serve a term of three years commencing from the conclusion of the 2016 AGM and expiring at the conclusion of the general meeting electing the ninth session of the Board; and the above supervisors will serve a term of three years commencing from the conclusion of the 2016 AGM and expiring at the conclusion of the general meeting electing the ninth session of the Supervisory Committee (not representing the employees of the Company) to be held by the Company.

Ms. Wei Aiyun (魏愛雲) ("**Ms. Wei**"), an employee representative supervisor of the seventh session of the Supervisory Committee, ceased to act as an employee representative supervisor of the Company as she has reached the age of retirement. The employees of the Company democratically elected Mr. Ma Jing'an (馬敬安) to replace Ms. Wei as an employee representative supervisor of the eighth session of the Supervisory Committee for a term from 30 June 2017 upon conclusion of the annual general meeting to the expiry of the eighth session of the Supervisory Committee.

For details, please refer to the announcement of the Company dated 30 June 2017.

Mr. Li Zengfang (李增昉) ("**Mr. Li**") resigned as the chief financial officer of the Company with effect from 21 August 2017 due to personal work arrangements. Mr. Li confirmed that he has no disagreement with the Board and there were no matters that need to be brought to the attention of the shareholders of the Company in connection with his resignation as the chief financial officer of the Company. The Board would like to express sincere appreciation to Mr. Li for his contribution to the Company's operation and development.

SHAREHOLDINGS OF SUBSTANTIAL SHAREHOLDERS

So far as the directors of the Company are aware, each of the following persons, not being a director, supervisor, chief executive or member of the senior management of the Company, had an interest or short position as at 30 June 2017 in the Company's shares or underlying shares (as the case may be) which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (the "**SFO**"), or was otherwise interested in 5% or more of any class of issued share capital of the Company as at 30 June 2017, or was a substantial shareholder (as defined in the Hong Kong Listing Rules) of the Company as at 30 June 2017:

			Equity interest as at 30 June 2017		
Name of shareholder	**Class of shares**	**Number of shares held**	**Approximate percentage of the total number of shares of the Company in issue**	**Approximate percentage of the total number of A shares of the Company in issue**	**Approximate percentage of the total number of H shares of the Company in issue**
China Huadian	A Shares	4,534,199,224 (L)	45.97%	55.66%	–
	H Shares	85,862,000 (L) *(Note)*	0.87%	–	5.00%
Shandong International Trust Co., Ltd	A Shares	800,766,729 (L)	8.12%	9.83%	–
JPMorgan Chase & Co.	H Shares	188,852,397 (L)	1.91%	–	10.99%
		2,600,000 (S)	0.03%	–	0.15%
		10,710,000 (P)	0.11%	–	0.62%
BlackRock, Inc.	H Shares	92,397,665 (L)	0.94%	–	5.38%

(L): Long position
(S): Short position
(P): Lending pool

Note: So far as the directors of the Company are aware or are given to understand, these 85,862,000 H shares were directly held by China Huadian Hong Kong Company Limited, a wholly-owned subsidiary of China Huadian, through CCASS in the name of HKSCC Nominees Limited.

Save as disclosed above and so far as the directors of the Company are aware, as at 30 June 2017, no other person (other than the directors, supervisors, chief executive or members of senior management of the Company) had any interest or short position in the Company's shares or underlying shares (as the case may be) which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept under Section 336 of the SFO, or was otherwise a substantial shareholder (as defined in the Hong Kong Listing Rules) of the Company.

INTERESTS OF DIRECTORS, SUPERVISORS, CHIEF EXECUTIVES OR SENIOR MANAGEMENT IN THE SECURITIES

As at 30 June 2017, the interests or short positions of the directors, supervisors, chief executives or members of the senior management of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (as defined in Part XV of the SFO) which were notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Hong Kong Listing Rules adopted by the Company (the "**Model Code**"), to be notified to the Company and the Hong Kong Stock Exchange, were as follows:

Name	**Position in the Company**	**Number of A Shares of the Company held as personal interest**	**Capacity in A Shares**
Gou Wei	Non-executive director	10,000 *(Note)*	Beneficial owner

Note: Accounted for approximately 0.0001% of the total issued A shares of the Company on 30 June 2017.

Save as disclosed above, as at 30 June 2017, none of the directors, supervisors, chief executives or members of the senior management of the Company and their respective associates had any interest or short position in the shares, underlying shares and/or debentures (as the case may be) of the Company and/or any of its associated corporations (within the meaning of Part XV of the SFO) which was (i) required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interest or short position which any such director, supervisor, chief executive or members of senior management of the Company was taken or deemed to have under such provisions of the SFO) or was (ii) required to be entered in the register of interests required to be kept by the Company pursuant to Section 352 of the SFO, or which was otherwise (iii) required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code (which for this purpose shall be deemed to apply to the supervisors of the Company to the extent as it applies to the directors of the Company).

During the Period, the Company has adopted a code of conduct regarding transactions of the directors of the Company in the Company's securities on terms identical to those of the Model Code. Having made specific enquiries of all directors and supervisors of the Company, the Company understands that all of the directors and supervisors have complied with the required standard set out in the Model Code.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Saved as disclosed in this announcement, during the Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of its issued securities ("**securities**" having the meaning as ascribed thereto under paragraph 1 of Appendix 16 to the Hong Kong Listing Rules).

DESIGNATED DEPOSITS AND OVERDUE TIME DEPOSITS

As at 30 June 2017, the Group's deposits placed with financial institutions or other parties did not include any designated or trust deposits, or any material time deposits which could not be collected by the Group upon maturity.

MATERIAL LITIGATION

As of 30 June 2017, certain members of the Group were party to certain litigations arising from the Group's ordinary course of business or acquisition of assets. However, the management of the Group believes that any possible legal liability which incurred or may incur from the aforesaid cases will not have any material adverse effect on the financial position and operating results of the Group.

AUDIT COMMITTEE

The unaudited condensed consolidated financial statements for the Period prepared under the International Accounting Standard 34 "Interim Financial Reporting" have been reviewed by the Audit Committee.

CORPORATE GOVERNANCE

The Company has always attached great importance to corporate governance and has continuously implemented management innovation. In strict compliance with the Company Law of the PRC, the Securities Law of the PRC, the Rules Governing the Listing of Securities on the Shanghai Stock Exchange, the Hong Kong Listing Rules and relevant provisions promulgated by domestic and overseas securities regulatory institutions, the Company has improved the structure of corporate governance, enhanced the level of the Company's governance and endeavored to achieve growth and harmonious development of the interest of its shareholders.

The codes on corporate governance practices adopted by the Company include, but not limited to, its Articles of Association, Code on Shareholders' Meetings, Code on Board Practices, Code on Supervisory Committee, the Terms of Reference for the Audit Committee under the Board, the Terms of Reference for the Remuneration and Appraisal Committee under the Board, and the Terms of Reference for the Nomination Committee under the Board, etc.

The Company has established and improved the standardized operating systems of the shareholders' meetings, meetings of board of directors and supervisory committees of the Company and its subsidiaries. The independent directors, the Audit Committee and the Supervisory Committee have actively supervised the preparation of regular reports, whereas non-executive directors and supervisors have performed their duties by carrying out annual reviews and the Supervisory Committee has further improved its supervisory duties. The Company has upheld transparency and compliance with information disclosures. Trainings regarding corporate governance and regulatory compliance were provided to the directors, supervisors and secretaries to the board of the Company and its subsidiaries. In accordance with the relevant requirements of the internal control and risk management of the Company, regular assessments were made on the internal control and risk management of the Company. On July 2017, Mr. Zhou Lianqing, secretary to the Board and company secretary to the Company, became a member of Hong Kong Institute of Chartered Secretaries.

The Group has further improved the system construction in respect of the environmental, social and governance indicator system and auxiliary support in accordance with the requirement of the Hong Kong Listing Rules in the first half of the year.

The Board adheres to the principles of corporate governance in order to achieve prudent management and enhancement of shareholders' value. Transparency, accountability and independence are enshrined under these principles. The Board has reviewed the relevant requirements prescribed under the codes on corporate governance practices adopted by the Company and its actual operations, and has taken the view that the corporate governance practices of the Company during the Period have met the requirements under the code provisions in the Corporate Governance Code as contained in Appendix 14 to the Hong Kong Listing Rules. The Company has also adopted the board member diversity policy. In certain aspects, the corporate governance codes adopted by the Company are more stringent than the code provisions set out in the Corporate Governance Code, the major particulars of which are as follows:

– The Company has formulated the Code on Trading in Securities of Huadian Power International Corporation Limited for Directors and Supervisors and the Code on Trading in Securities of Huadian Power International Corporation Limited for Employees, which are on terms no less lenient than those set out in the Model Code.

– In addition to the Audit Committee, the Remuneration and Appraisal Committee and the Nomination Committee, the Company has established the Strategic Committee and has stipulated the Terms of Reference for the Strategic Committee.

– The Audit Committee comprises five members, including two non-executive directors and three independent non-executive directors.

By order of the Board
Huadian Power International Corporation Limited*
Zhao Jianguo
Chairman

As at the date of this announcement, the Board comprises:

Zhao Jianguo (Chairman, Non-executive Director), Chen Bin (Vice Chairman, Executive Director), Wang Yingli (Vice Chairman, Non-executive Director), Tian Hongbao (Executive Director), Gou Wei (Non-executive Director), Chu Yu (Non-executive Director), Zhang Ke (Non-executive Director), Ding Huiping (Independent Non-executive Director), Wang Dashu (Independent Non-executive Director), Wang Chuanshun (Independent Non-executive Director) and Zong Wenlong (Independent Non-executive Director).

Beijing, the PRC
30 August 2017

* *For identification purposes only*

I. SUMMARY OF FINANCIAL INFORMATION IN THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS PREPARED UNDER IFRSs

The consolidated financial information set out below is extracted from the report on review of unaudited condensed consolidated financial statements prepared under IFRSs of the Group as set out in its 2017 interim report.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2017
(Expressed in Renminbi)

		Six months ended 30 June	
		2017	2016
	Notes	***RMB'000***	*RMB'000*
		(unaudited)	(unaudited)
Turnover	3	**36,423,499**	29,374,186
Operating expenses			
Fuel costs		**(18,530,363)**	(11,169,029)
Cost of coal sold		**(5,821,164)**	(671,307)
Depreciation and amortization		**(5,261,548)**	(5,199,522)
Repairs, maintenance and inspection		**(1,235,228)**	(1,749,186)
Personnel costs		**(2,103,904)**	(2,349,452)
Administration expenses		**(736,346)**	(909,285)
Tax and surcharges		**(445,792)**	(398,140)
Other operating expenses		**(520,321)**	(396,564)
		(34,654,666)	(22,842,485)
Operating profit		**1,768,833**	6,531,701
Investment income/(loss)	4	**14,419**	(107,061)
Other revenue and net income		**298,953**	421,664
Interest income from bank deposits		**46,182**	58,183
Finance costs	5	**(2,466,304)**	(2,520,666)
Share of results of associates and joint ventures		**328,960**	80,629
(Loss)/profit before taxation	6	**(8,957)**	4,464,450
Income tax	7	**(155,213)**	(1,136,270)
(Loss)/profit for the period		**(164,170)**	3,328,180

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(CONTINUED)*

For the six months ended 30 June 2017
(Expressed in Renminbi)

		Six months ended 30 June	
		2017	2016
	Notes	***RMB'000***	*RMB'000*
		(unaudited)	(unaudited)
Other comprehensive expense for the period (net of tax):	8	**(1,791)**	(22,449)
Items that may be subsequently reclassified to profit or loss:			
Net fair value gain/(loss) on available-for-sale investments		**2,307**	(4,791)
Share of net fair value loss on available-for-sale investments of associates		**(4,098)**	(17,658)
Total comprehensive (expense)/ income for the period		**(165,961)**	3,305,731
(Loss)/profit for the period attributable to:			
Equity shareholders of the Company		**(180,842)**	2,469,348
Non-controlling interests		**16,672**	858,832
		(164,170)	3,328,180
Total comprehensive (expense)/ income for the period attributable to:			
Equity shareholders of the Company		**(182,496)**	2,447,490
Non-controlling interests		**16,535**	858,241
		(165,961)	3,305,731
Basic (loss)/earnings per share	9	**RMB(0.018)**	RMB0.250

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2017
(Expressed in Renminbi)

	Notes	**At 30 June 2017** **RMB'000** **(unaudited)**	At 31 December 2016 *RMB'000* (audited)
Non-current assets			
Property, plant and equipment		**142,640,854**	146,701,724
Construction in progress		**23,086,112**	22,214,934
Lease prepayments		**2,917,417**	2,902,835
Intangible assets		**5,972,850**	6,114,886
Goodwill		**1,432,780**	1,432,780
Interests in associates and joint ventures		**10,386,659**	9,411,044
Available-for-sale investments		**290,046**	281,970
Other non-current assets		**2,500,660**	2,673,055
Deferred tax assets		**285,836**	178,772
		189,513,214	191,912,000
Current assets			
Inventories		**2,976,529**	2,737,360
Trade debtors and bills receivable	10	**7,601,700**	7,254,884
Deposits, other receivables and prepayments		**3,840,618**	4,383,316
Tax recoverable		**208,496**	221,387
Restricted deposits		**231,043**	105,121
Lease prepayments		**106,726**	103,030
Cash and cash equivalents		**6,301,768**	6,358,618
		21,266,880	21,163,716

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(CONTINUED)*

At 30 June 2017
(Expressed in Renminbi)

	Notes	At 30 June 2017 RMB'000 (unaudited)	At 31 December 2016 RMB'000 (audited)
Current liabilities			
Bank loans		**32,930,401**	17,724,554
State loans		**9,938**	9,479
Other loans		**4,305,070**	5,025,620
Short-term debentures payable		**3,560,674**	19,754,377
Long-term debentures payables-current portion		**3,493,880**	1,996,900
Amount due to the parent company		**47,622**	31,191
Obligations under finance leases	11	**797,891**	735,430
Trade creditors and bills payable	12	**16,877,178**	20,796,385
Other payables		**6,784,074**	7,899,531
Dividend payable		**1,317,131**	–
Tax payable		**132,185**	180,963
		70,256,044	74,154,430
Net current liabilities		**(48,989,164)**	(52,990,714)
Total assets less current liabilities		**140,524,050**	138,921,286
Non-current liabilities			
Bank loans		**53,801,627**	52,916,289
Loans from shareholders		**2,028,666**	1,778,666
State loans		**65,866**	66,214
Other loans		**5,700,011**	4,932,920
Long-term debentures payable		**13,548,774**	11,053,323
Obligations under finance leases	11	**2,266,816**	2,692,366
Long-term payables		**320,265**	360,135
Provisions		**104,879**	100,845
Deferred government grants		**1,273,235**	1,306,819
Deferred income		**2,430,677**	2,469,687
Deferred tax liabilities		**2,654,967**	2,849,680
Long-term wages payable		**21,933**	23,418
		84,217,716	80,550,362
Net assets		**56,306,334**	58,370,924

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(CONTINUED)*

At 30 June 2017
(Expressed in Renminbi)

	Notes	At 30 June 2017	At 31 December 2016
		RMB'000	*RMB'000*
		(unaudited)	(audited)
Capital and reserves			
Share capital		**9,862,977**	9,862,977
Reserves		**32,449,769**	33,975,340
Total equity attributable to equity shareholders of the Company		**42,312,746**	43,838,317
Non-controlling interests		**13,993,588**	14,532,607
Total equity		**56,306,334**	58,370,924

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard ("**IAS**") 34 "Interim Financial Reporting" as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values.

2. PRINCIPAL ACCOUNTING POLICIES

Excepted as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2017 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2016.

During the current interim period, the Group has applied, for the first time, the following amendments to International Financial Reporting Standards ("**IFRSs**") for the preparation of the Group's condensed consolidated financial statements.

- Amendments to IAS 7 – Disclosure Initiative
- Amendments to IAS 12 – Recognition of Deferred Tax Assets for Unrealised Losses
- Amendments to IFRSs – Annual Improvements to IFRS Standards 2014–2016 Cycle

The application of the above amendments to IFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements. Additional disclosures relating to the reconciliation of liabilities arising from financing activities will be provided in the consolidated financial statements for the year ending 31 December 2017 in accordance with the Amendments to IAS 7.

3. TURNOVER

Turnover represents the sale of electricity, heat and coal. Major components of the Group's turnover are as follows:

	Six months ended 30 June	
	2017	2016
	RMB'000	*RMB'000*
Sale of electricity	**28,138,106**	26,749,921
Sale of heat	**2,245,451**	1,904,630
Sale of coal	**6,039,942**	719,635
	36,423,499	29,374,186

The chief operating decision makers review the Group's revenue and profit as a whole, which is determined in accordance with the Group's accounting policies, for resources allocation and performance assessment. Therefore, the Group has only one operating and reportable segment and no further segment information is presented in the condensed consolidated financial statements. The Group's major customers are the power grid operators in relation to the sale of electricity. The Group's assets are mainly located in the PRC.

4. INVESTMENT INCOME/(LOSS)

	Six months ended 30 June	
	2017	2016
	RMB'000	*RMB'000*
Loss on deemed disposal of part of the interest in an associate	**–**	(144,024)
Gain on loss of control of a subsidiary	**6,304**	–
Dividend income from available-for-sale investments	**926**	30,250
Interest income from other long-term receivables	**7,189**	6,713
	14,419	(107,061)

5. FINANCE COSTS

	Six months ended 30 June	
	2017	2016
	RMB'000	*RMB'000*
Interest on loans and other financial liabilities	**2,658,395**	2,628,762
Less: interest capitalised	**(296,812)**	(233,126)
	2,361,583	2,395,636
Net foreign exchange (gain)/loss	**(3,257)**	17,878
Amortisation on unrecognised finance charges	**97,193**	94,118
Other finance costs	**10,785**	13,034
	2,466,304	2,520,666

The borrowing costs have been capitalised at an average rate of 4.70% per annum (six months ended 30 June 2016: 5.04% per annum) for construction in progress.

6. (LOSS)/PROFIT BEFORE TAXATION

(Loss)/profit before taxation is arrived at after charging/(crediting):

	Six months ended 30 June	
	2017	2016
	RMB'000	*RMB'000*
Amortisation		
– lease prepayments	**52,465**	47,270
– intangible assets	**90,821**	85,380
Depreciation of property, plant and equipment	**5,118,262**	5,066,872
Total depreciation and amortisation	**5,261,548**	5,199,522
Cost of inventories	**25,408,174**	13,386,252
Operating lease charges in respect of land and buildings	**116,353**	57,213
Government grants included in other revenue and net income	**(74,361)**	(238,942)
Research and development costs recognised as expense	**3,580**	2,610
Net (gain)/loss on disposal of property, plant and equipment	**(8,242)**	2,240
Net income from sale of materials	**(137,549)**	(101,136)

7. INCOME TAX

	Six months ended 30 June	
	2017	2016
	RMB'000	*RMB'000*
Current tax		
Charge for the PRC enterprise income tax for the period	**329,349**	1,161,764
Under provision in respect of prior years	**22,151**	9,078
	351,500	1,170,842
Deferred tax		
Origination and reversal of temporary differences and tax losses	**(196,287)**	(34,572)
	155,213	1,136,270

8. OTHER COMPREHENSIVE EXPENSES

	Six months ended 30 June	
	2017	2016
	RMB'000	*RMB'000*
Net increase/(decrease) in fair value on available-for-sale investments	**3,076**	(6,388)
Net deferred tax (charged)/credited to other comprehensive income	**(769)**	1,597
	2,307	(4,791)
Share of net fair value loss on available-for-sale investments of associates	**(4,098)**	(17,658)
Other comprehensive expense, net of income tax	**(1,791)**	(22,449)

9. (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per share

The calculation of basic (loss)/earnings per share is based on the loss attributable to equity shareholders of the Company for the six months ended 30 June 2017 of RMB181 million (six months ended 30 June 2016: profit of RMB2,469 million) and the 9,862,976,653 ordinary shares in issue during the period (six months ended 30 June 2016: 9,862,976,653 shares).

(b) Diluted earnings per share

No diluted earnings per share was presented as there were no potential ordinary shares outstanding during the six months ended 30 June 2017 and 2016.

10. TRADE DEBTORS AND BILLS RECEIVABLE

	At 30 June 2017 *RMB'000*	At 31 December 2016 *RMB'000*
Trade debtors and bills receivable for the sale of electricity	**6,051,371**	6,468,848
Trade debtors and bills receivable for the sale of heat	**519,323**	370,486
Trade debtors and bills receivable for the sale of coal	**1,283,962**	668,506
	7,854,656	7,507,840
Less: allowance for doubtful debts	**(252,956)**	(252,956)
	7,601,700	7,254,884

The ageing analysis of trade debtors and bills receivable (net of allowance for doubtful debts), presented based on the invoice date, which approximated to the revenue recognition date, is as follows:

	At 30 June 2017 *RMB'000*	At 31 December 2016 *RMB'000*
Within 1 year	**7,222,175**	6,866,465
1 to 2 years	**328,408**	318,586
2 to 3 years	**12,234**	69,309
Over 3 years	**38,883**	524
	7,601,700	7,254,884

11. OBLIGATIONS UNDER FINANCE LEASES

The Group had obligations under finance leases payable as follows:

	At 30 June 2017		At 31 December 2016	
	Present value of the minimum lease payments	**Total minimum lease payments**	Present value of the minimum lease payments	Total minimum lease payments
	RMB'000	***RMB'000***	*RMB'000*	*RMB'000*
Within 1 year	**797,891**	**930,457**	735,430	890,134
After 1 year but within 2 years	**868,528**	**959,733**	829,924	945,850
After 2 years but within 5 years	**1,299,193**	**1,384,030**	1,744,258	1,878,385
After 5 years	**99,095**	**108,295**	118,184	125,509
	2,266,816	**2,452,058**	2,692,366	2,949,744
	3,064,707	**3,382,515**	3,427,796	3,839,878
Less: total future interest expenses		**(317,808)**		(412,082)
Present value of finance lease obligations		**3,064,707**		3,427,796

During the current interim period, the Group entered into one new agreement with a leasing company to sell certain of the Group's facilities to the leasing company and leaseback the facilities for 6 years. The Group has an option to purchase these facilities at a nominal price of RMB1 at the end of the lease period.

As at 30 June 2017, the carrying amounts of the facilities held under finance lease included in property, plant and equipment amounted to RMB3,970 million (31 December 2016: RMB4,537 million).

12. TRADE CREDITORS AND BILLS PAYABLE

As at 30 June 2017, the ageing analysis of trade creditors and bills payable, presented based on the invoice date, is as follows:

	At 30 June 2017 *RMB'000*	At 31 December 2016 *RMB'000*
Within 1 year	**12,180,657**	16,227,976
1 to 2 years	**1,755,246**	2,353,677
Over 2 years	**2,941,275**	2,214,732
	16,877,178	20,796,385

13. DIVIDENDS

(a) During the current interim period, a final dividend of RMB0.136 per share in respect of the year ended 31 December 2016 (six months ended 30 June 2016: RMB0.300 per share in respect of the year ended 31 December 2015) was declared to the equity shareholders of the Company. The aggregate amount of the final dividend declared approximately amounted to RMB1,341,365,000 (six months ended 30 June 2016: approximately RMB2,958,893,000).

(b) The directors of the Company do not recommend the payment of any interim dividend for the six months ended 30 June 2017 (six months ended 30 June 2016: nil).

14. CONTINGENT LIABILITIES

As at 30 June 2017, some subsidiaries of the Group were the defendant in certain lawsuits for events incurred before the acquisition date. At the end of reporting period, the lawsuits were in progress whose final outcomes cannot be determined at present. The directors of the Company considered that the outcome of these outstanding lawsuits will not result in significant adverse effect on the financial position and operating results of the Group.

As at 30 June 2017, Sichuan Guang'an Power Generation Company Limited, a subsidiary of the Company, provided guarantees to banks for loans granted to its associate Sichuan Huayingshan Longtan Coal Company Limited, amounting to RMB43.65 million (31 December 2016: RMB43.65 million).

Apart from these litigations and guarantees, the Group has no other material contingent liabilities as at 30 June 2017 (2016: nil).

II. SUMMARY OF FINANCIAL INFORMATION IN UNAUDITED INTERIM FINANCIAL STATEMENTS PREPARED UNDER CHINA ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES ("CAS")

The consolidated financial information set out below is extracted from the unaudited consolidated financial statements prepared under CAS of the Group as set out in its 2017 interim report.

CONSOLIDATED BALANCE SHEET AND BALANCE SHEET (UNAUDITED)

At 30 June 2017
(Expressed in Renminbi'000)

Item	The Group **30 June 2017**	The Group 31 December 2016	The Company **30 June 2017**	The Company 31 December 2016
Current assets:				
Cash at bank and on hand	**6,532,811**	6,463,739	**1,456,661**	1,991,778
Bills receivable	**1,291,940**	1,177,119	**11,250**	11,968
Trade receivables	**6,309,760**	6,077,765	**586,620**	477,713
Prepayments	**252,963**	386,743	**14,875**	6,722
Dividends receivable	**596,308**	667,766	**2,446,258**	1,992,211
Other receivables	**926,854**	1,003,824	**11,902,951**	15,268,983
Inventories	**2,976,529**	2,737,360	**513,410**	400,293
Non-current assets due within one year	**96,539**	96,552	**–**	–
Other current assets	**2,176,450**	2,449,818	**409,714**	451,303
Total current assets	**21,160,154**	21,060,686	**17,341,739**	20,600,971
Non-current assets:				
Available-for-sale financial assets	**289,733**	281,657	**26,500**	26,500
Long-term receivables	**216,343**	216,316	**315,812**	310,592
Long-term equity investments	**10,369,988**	9,394,373	**46,241,146**	44,598,398
Fixed assets	**135,340,372**	139,394,815	**15,246,488**	15,768,033
Construction in progress	**19,065,466**	17,913,358	**1,798,597**	1,468,958
Construction materials	**547,760**	658,065	**162,696**	382,816
Construction and construction material prepayments	**3,520,891**	3,691,516	**584,392**	434,427
Intangible assets	**13,663,598**	13,783,160	**450,027**	461,509
Goodwill	**1,056,909**	1,056,909	**12,111**	12,111
Deferred tax assets	**326,039**	204,359	**–**	–
Other non-current assets	**2,284,317**	2,456,739	**404,526**	509,502
Total non-current assets	**186,681,416**	189,051,267	**65,242,295**	63,972,846
Total assets	**207,841,570**	210,111,953	**82,584,034**	84,573,817

CONSOLIDATED BALANCE SHEET AND BALANCE SHEET (UNAUDITED) *(CONTINUED)*

At 30 June 2017

(Expressed in Renminbi'000)

Item	The Group 30 June 2017	The Group 31 December 2016	The Company 30 June 2017	The Company 31 December 2016
Current liabilities:				
Short-term loans	**30,179,423**	14,406,290	**15,018,556**	4,498,556
Bills payable	**1,041,090**	2,381,024	**–**	–
Trade payables	**15,856,751**	18,417,654	**2,078,828**	2,910,103
Receipts in advances	**332,163**	1,333,140	**11,465**	72,529
Wages payable	**234,759**	195,436	**36,606**	31,030
Taxes payable	**509,903**	715,432	**54,832**	37,544
Interests payable	**530,189**	552,416	**364,079**	400,652
Dividends payable	**2,017,219**	708,751	**1,317,131**	–
Other payables	**4,516,645**	4,460,080	**1,545,653**	1,505,248
Non-current liabilities due within one year	**11,438,515**	11,198,693	**4,295,402**	2,606,726
Other current liabilities	**3,599,387**	19,785,514	**3,583,924**	19,774,196
Total current liabilities	**70,256,044**	74,154,430	**28,306,476**	31,836,584
Non-current liabilities:				
Long-term loans	**61,596,170**	59,694,089	**6,988,713**	7,662,085
Debentures payable	**13,548,774**	11,053,323	**13,548,774**	11,053,323
Long-term payables	**2,587,081**	3,052,501	**–**	–
Long-term wages payable	**21,933**	23,418	**–**	–
Special payables	**6,215**	6,215	**5,656**	5,656
Provision	**104,879**	100,845	**–**	–
Deferred income	**3,207,109**	3,374,268	**66,498**	68,569
Deferred tax liabilities	**2,068,755**	2,218,341	**54,118**	54,118
Total non-current liabilities	**83,140,916**	79,523,000	**20,663,759**	18,843,751
Total liabilities	**153,396,960**	153,677,430	**48,970,235**	50,680,335

CONSOLIDATED BALANCE SHEET AND BALANCE SHEET (UNAUDITED) *(CONTINUED)*

At 30 June 2017

(Expressed in Renminbi'000)

	The Group		The Company	
Item	**30 June 2017**	31 December 2016	**30 June 2017**	31 December 2016
Shareholders' equity:				
Share capital	**9,862,977**	9,862,977	**9,862,977**	9,862,977
Capital reserve	**13,149,632**	13,150,902	**13,488,344**	13,489,771
Other comprehensive income	**(4,709)**	(3,055)	**(17,814)**	(14,097)
Specific reserve	**191,442**	127,704	**142,356**	93,065
Surplus reserve	**2,945,426**	2,932,780	**2,945,426**	2,932,780
Retained earnings	**14,981,768**	16,548,079	**7,192,510**	7,528,986
Total equity attributable to equity shareholders of the Company	**41,126,536**	42,619,387	**33,613,799**	33,893,482
Minority interests	**13,318,074**	13,815,136	**–**	–
Total shareholders' equity	**54,444,610**	56,434,523	**33,613,799**	33,893,482
Total liabilities and shareholders' equity	**207,841,570**	210,111,953	**82,584,034**	84,573,817

CONSOLIDATED INCOME STATEMENT AND INCOME STATEMENT (UNAUDITED)

For the six months ended 30 June 2017
(Expressed in Renminbi'000)

Item	The Group Six months ended 30 June **2017**	 2016	The Company Six months ended 30 June **2017**	 2016
Total operating income	**36,648,213**	29,556,750	**4,669,962**	3,710,368
Total operating costs	**37,047,542**	25,255,084	**5,518,151**	3,698,203
Less: Operating costs	**33,420,590**	21,462,539	**4,646,092**	2,850,352
Taxes and surcharges	**456,318**	411,890	**58,406**	51,333
Administrative expenses	**750,512**	918,741	**189,106**	211,407
Finance expenses	**2,420,122**	2,462,483	**624,547**	585,111
Impairment loss	**–**	(569)	**–**	–
Add: Investment income	**295,546**	104,741	**1,772,282**	2,784,418
Including: income/(loss) from investment in associates and joint ventures	**281,127**	67,171	**276,028**	(136,220)
Other income	**54,206**	–	**2,148**	–
Operating (loss)/profit	**(49,577)**	4,406,407	**926,241**	2,796,583
Add: Non-operating income	**157,856**	318,117	**3,144**	11,736
Including: gain on disposal of non-current assets	**13,427**	7,139	**1,281**	2,935
Less: Non-operating expenses	**75,445**	17,547	**38,309**	99
Including: loss on disposal of non-current assets	**5,185**	9,379	**113**	32
Total profit	**32,834**	4,706,977	**891,076**	2,808,220
Less: Income tax expenses	**185,724**	1,170,169	**–**	–
Net (loss)/profit	**(152,890)**	3,536,808	**891,076**	2,808,220
Attributable to equity shareholders of the Company	**(211,860)**	2,635,462	**891,076**	2,808,220
Minority interests	**58,970**	901,346	**–**	–

CONSOLIDATED INCOME STATEMENT AND INCOME STATEMENT (UNAUDITED) *(CONTINUED)*

For the six months ended 30 June 2017
(Expressed in Renminbi'000)

Item	The Group Six months ended 30 June **2017**	 2016	The Company Six months ended 30 June **2017**	 2016
Other comprehensive expense, net of tax	**(1,791)**	(22,449)	**(3,717)**	(16,017)
Other comprehensive expense attributable to equity shareholders of the Company, net of tax	**(1,654)**	(21,858)	**(3,717)**	(16,017)
(i) Items that may not be subsequently reclassified to profit or loss:	**–**	–	**–**	–
(ii) Items that may be subsequently reclassified to profit or loss:	**(1,654)**	(21,858)	**(3,717)**	(16,017)
(1) Shares of other comprehensive expense that may be subsequently reclassified to profit or loss of investees accounted for under the equity method	**(3,961)**	(17,067)	**(3,717)**	(16,017)
(2) Net fair value gain/(loss) on available-for-sale investments	**2,307**	(4,791)	**–**	–
Other comprehensive expense attributable to minority interests, net of tax	**(137)**	(591)	**–**	–
Total comprehensive (expense)/income	**(154,681)**	3,514,359	**887,359**	2,792,203
Attributable to equity shareholders of the Company	**(213,514)**	2,613,604	**887,359**	2,792,203
Minority interests	**58,833**	900,755	**–**	–
(Loss)/earnings per share				
Basic (loss)/earnings per share *(RMB/Share)*	**(0.021)**	0.267	**N/A**	N/A
Diluted earnings per share *(RMB/Share)*	**N/A**	N/A	**N/A**	N/A

III. RECONCILIATION OF THE FINANCIAL STATEMENTS PREPARED UNDER CAS AND IFRSs

Effects of major differences between the CAS and IFRSs on net profit and net assets attributable to equity shareholders of the Company are analysed as follows:

		Profit for the year attributable to equity shareholders of the Company		Net assets attributable to equity shareholders of the Company	
		Six months ended 30 June		**30 June**	31 December
		2017	2016	**2017**	2016
	Note	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
Amounts under CAS		**(211,860)**	2,635,462	**41,126,536**	42,619,387
Adjustments:					
Business combination involving entities under common control	(i)	**(123,289)**	(137,080)	**2,879,905**	3,003,194
Government grants	(ii)	**16,797**	16,797	**(404,372)**	(421,169)
Maintenance and production safety funds	(iii)	**64,699**	22,347	**12,610**	11,308
The equity interest in an associate being passively diluted		**–**	(144,595)	**–**	–
Taxation impact of the adjustments		**30,513**	33,903	**(626,419)**	(656,932)
Attributable to minority interests		**42,298**	42,514	**(675,514)**	(717,471)
Amounts under IFRSs		**(180,842)**	2,469,348	**42,312,746**	43,838,317

Notes:

(i) According to the accounting policies adopted in the Group's financial statements prepared under IFRSs, assets and liabilities acquired by the Group during business combination, irrespective of whether such business combination is involving entities under common control or not, are measured at the fair value of identifiable assets and liabilities of the acquiree at the date of acquisition. In preparing the consolidated financial statements, the respective financial statements of subsidiaries are adjusted based on the fair value of individual identifiable assets and liabilities at the date of acquisition. The excess of purchase consideration paid by the Company over its share of fair value of identifiable net assets of the acquired was recognised as goodwill.

In accordance with CAS, assets and liabilities acquired by the Group in business combination involving entities under common control are measured at their carrying value at the date of combination. The excess of carrying value of purchase consideration paid by the Company over its share of carrying value of identifiable net assets of the acquiree for business combination involving entities under common control reduces the share premium of capital reserve or retained profits.

In addition, according to CAS, in respect of business combination involving entities under common control, when preparing consolidated financial statements, the opening balances as well as the comparative figures of the financial statements should be adjusted as if the current structure and operations resulting from the acquisitions had been in existence since prior periods (no earlier than the later of both parties were under common control).

(ii) According to IFRSs, conditional government grants should be first recorded in long-term liabilities and amortised to profit or loss using the straight line method over the useful lives of the relevant assets after fulfilling the requirements from the government in respect of the construction projects.

According to CAS, government grants related to assets (required to be recorded in capital reserve pursuant to the relevant government notice) are not recognised as deferred income.

(iii) Pursuant to the relevant PRC regulations for coal mining companies, the funds for production maintenance and production safety are accrued by the Group at fixed rates based on coal production volume. Provision for maintenance and production funds is recognised as expense in profit or loss with a corresponding adjustment to the specific reserve. The maintenance and production funds could be utilised when expenses or capital expenditures on production maintenance and safety measures are incurred. The amount of maintenance and production funds utilised would be transferred from the specific reserve back to retained earnings.

According to IFRSs, coal mining companies are required to set aside an amount to a fund for production maintenance and production safety through transferring from retained earnings to specific reserve. When qualifying revenue expenditures are incurred, such expenses are recorded in the profit or loss as incurred. When capital expenditures are incurred, an amount is transferred to property, plant and equipment and is depreciated in accordance with the depreciation policy of the Group. Internal equity items transfers take place based on the actual application amount of such expenses whereas specific reserve is offset against retained earnings to the extent of zero.