CGN NEW ENERGY HOLDINGS CO., LTD.
中國廣核新能源控股有限公司
(incorporated in Bermuda with limited liability)
(Stock code: 1811)

Interim Results Announcement for the Six Months Ended 30 June 2020

HIGHLIGHTS OF THE UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2020

- Revenue for the six months ended 30 June 2020 amounted to US$593.1 million, representing a decrease of 10.4% from US$662.0 million for the six months ended 30 June 2019.
- Profit before tax for the six months ended 30 June 2020 amounted to US$124.0 million, representing an increase of 29.6% from US$95.7 million for the six months ended 30 June 2019.
- Profit attributable to owners of the Company for the six months ended 30 June 2020 amounted to US$104.3 million, representing an increase of 42.1% from US$73.4 million for the six months ended 30 June 2019.
- The increase in profit was mainly attributable to (1) contribution from newly commissioned wind and solar projects; and (2) one-off gain on the disposal of a subsidiary amounted to US$18.1 million.
- Earnings per share for the six months ended 30 June 2020 amounted to 2.43 US cents, representing an increase of 42.1% from 1.71 US cents for the six months ended 30 June 2019.
- The Board resolved not to declare an interim dividend for the six months ended 30 June 2020.

The Board announces the unaudited condensed consolidated interim results of the Group for the six months ended 30 June 2020 together with comparative figures for the corresponding period in 2019.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2020 – unaudited

	For the six months ended 30 June	
	2020	2019
	US$'000	*US$'000*
Revenue	**593,110**	661,960
Operating expenses:		
Coal, oil and gas	**269,786**	369,733
Depreciation of property, plant and equipment	**84,734**	80,171
Repair and maintenance	**18,576**	17,853
Staff costs	**36,301**	35,177
Others	**26,791**	28,982
Total operating expenses	**436,188**	531,916
Operating profit	**156,922**	130,044
Other income	**6,304**	7,939
Other gains and losses	**(1)**	(74)
Finance costs	**(70,324)**	(59,731)
Share of results of associates	**12,958**	17,496
Gain on disposal of a subsidiary	**18,135**	–
Profit before tax	**123,994**	95,674
Income tax expenses	**(18,790)**	(18,950)
Profit for the period	**105,204**	76,724

	For the six months ended 30 June	
	2020	2019
	US$'000	*US$'000*
Other comprehensive (expenses) income		
Items that are/may be reclassified subsequently to profit or loss:		
Exchange difference arising on translation of foreign operations	**(38,545)**	(24,464)
Fair value gain on hedging instruments designated as cash flow hedge	**1,719**	12,822
Deferred tax expense arising on fair value gain on hedging instruments	**(416)**	(3,103)
Reclassification adjustments for amounts transferred to profit or loss		
– release of hedging reserve	**(58)**	(62)
– deferred tax credit arising on release of hedging reserve	**13**	15
– release of accumulative gain of translation reserve to profit or loss upon disposal of a subsidiary	**(2,198)**	–
Other comprehensive expenses for the period	**(39,485)**	(14,792)
Total comprehensive income for the period	**65,719**	61,932
Profit for the period attributable to:		
Owners of the Company	**104,253**	73,373
Non-controlling interests	**951**	3,351
	105,204	76,724
Total comprehensive income for the period attributable to:		
Owners of the Company	**66,585**	59,030
Non-controlling interests	**(866)**	2,902
	65,719	61,932
Earnings per share		
– basic *(US cents)*	**2.43**	1.71
– diluted *(US cents)*	**2.43**	1.71

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2020 – unaudited

	As at 30 June 2020 US$'000	As at 31 December 2019 US$'000
NON-CURRENT ASSETS		
Property, plant and equipment	**3,646,973**	3,491,680
Right-of-use assets	**83,170**	85,826
Goodwill	**164,924**	167,236
Interests in associates	**200,799**	190,608
Derivative financial instruments	**8,501**	8,667
Contract assets	**124,869**	80,031
Deferred tax assets	**20,670**	21,134
Other non-current assets	**588,450**	338,821
	4,838,356	4,384,003
CURRENT ASSETS		
Inventories	**24,531**	28,583
Trade receivables	**375,175**	327,295
Other receivables and prepayments	**120,215**	76,955
Amounts due from associates	**3,511**	3,377
Amounts due from fellow subsidiaries	**4,841**	5,529
Tax recoverable	**512**	3,973
Derivative financial instruments	**2,172**	566
Pledged bank deposits	**143,496**	141,833
Short-term bank deposits	**–**	2,594
Bank balances and cash	**323,144**	384,141
	997,597	974,846
Non-current assets classified as held-for-sale	**20,036**	20,318
	1,017,633	995,164

	As at 30 June 2020 *US$'000*	As at 31 December 2019 *US$'000*
CURRENT LIABILITIES		
Trade payables	**113,902**	242,771
Other payables and accruals	**345,051**	332,699
Amounts due to fellow subsidiaries	**11,572**	8,412
Amounts due to non-controlling shareholders – due within one year	**6,622**	8,590
Loans from fellow subsidiaries – due within one year	**409,923**	372,696
Bank borrowings – due within one year	**645,981**	576,214
Lease liabilities – due within one year	**3,979**	5,441
Government grants	**191**	810
Contract liabilities	**1,419**	1,980
Tax payable	**10,869**	9,599
Derivative financial instruments	**12**	184
	1,549,521	1,559,396
NET CURRENT LIABILITIES	**(531,888)**	(564,232)
TOTAL ASSETS LESS CURRENT LIABILITIES	**4,306,468**	3,819,771
NON-CURRENT LIABILITIES		
Amount due to a non-controlling shareholder – due after one year	**939**	953
Loans from fellow subsidiaries – due after one year	**735,550**	700,000
Bank borrowings – due after one year	**2,410,323**	2,021,683
Lease liabilities – due after one year	**24,151**	24,901
Government grants	**9,278**	8,957
Contract liabilities	**–**	68
Deferred tax liabilities	**54,288**	53,716
Derivative financial instruments	**–**	46
	3,234,529	2,810,324
NET ASSETS	**1,071,939**	1,009,447

	As at 30 June 2020 US$'000	As at 31 December 2019 US$'000
CAPITAL AND RESERVES		
Share capital	**55**	55
Reserves	**996,522**	930,060
Equity attributable to owners of the Company	**996,577**	930,115
Non-controlling interests	**75,362**	79,332
TOTAL EQUITY	**1,071,939**	1,009,447

Revenue and segment information

The Group has three reportable segments as follows:

(1) Power plants in the PRC – Generation and supply of electricity;

(2) Power plants in Korea – Generation and supply of electricity; and

(3) Management companies – Provision of management services to power plants operated by CGN and its subsidiaries.

The following is an analysis of the Group's revenue and results by reportable segments:

For the six months ended 30 June 2020

	Power Plants in the PRC *US$'000*	**Power Plants in Korea** *US$'000*	**Management Companies** *US$'000*	**Total** *US$'000*
Segment revenue – external	**255,836**	**325,802**	**11,472**	**593,110**
Segment results	**83,851**	**25,661**	**546**	**110,058**
Unallocated other income				**26**
Unallocated operating expenses				**(2,139)**
Unallocated finance costs				**(15,044)**
Share of results of associates				**12,958**
Gain on disposal of a subsidiary				**18,135**
Profit before tax				**123,994**

For the six months ended 30 June 2019

	Power Plants in the PRC *US$'000*	Power Plants in Korea *US$'000*	Management Companies *US$'000*	Total *US$'000*
Segment revenue – external	257,033	391,153	13,774	661,960
Segment results	74,559	21,755	656	96,970
Unallocated other income				2,891
Unallocated operating expenses				(4,536)
Unallocated finance costs				(17,073)
Unallocated other gains and losses				(74)
Share of results of associates				17,496
Profit before tax				95,674

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2020 – unaudited

1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda and its Shares are listed on the Main Board of the Stock Exchange in October 2014. The registered office of the Company is at Victoria Place, 31 Victoria Street, Hamilton HM 10, Bermuda. The principal place of business of the Company is at 15/F., Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong. Its immediate holding company is CGN Energy International, a company incorporated in Hong Kong with limited liability and its ultimate holding company is CGN, a state-owned enterprise established in the PRC.

The condensed consolidated financial statements for the six months ended 30 June 2020 include applicable disclosures required by the Listing Rules and the Companies Ordinance.

The condensed consolidated financial statements have been prepared in accordance with the same accounting policies adopted in the 2019 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2020 annual financial statements. Details of any changes in accounting policies are set out in note 2.

2. PRINCIPAL ACCOUNTING POLICIES

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

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2020 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2019.

Changes in accounting policies

The International Accounting Standards Board ("**IASB**") has issued the following amendments to International Accounting Reporting Standard ("**IFRSs**") that are first effective for the current accounting period of the Group:

- Amendments to IFRS 3, *Definition of a Business*
- Amendments to IFRS 9, International Accounting Standards ("**IAS**") 39 and IFRS 7, *Interest Rate Benchmark Reform*
- Amendment to IAS 1 and IAS 8, *Definition of Material*

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in the condensed consolidated financial statements. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

MANAGEMENT DISCUSSION AND ANALYSIS

I. Operating Results and Analysis

In the first half of 2020, the revenue of the Group amounted to US$593.1 million, representing a decrease of 10.4% compared with US$662.0 million of the first half of 2019. The profit attributable to the owners of the Company amounted to US$104.3 million, representing an increase of US$30.9 million or 42.1% as compared with US$73.4 million of the first half of 2019.

In the first half of 2020, the profit for the period of the Group amounted to US$105.2 million, representing an increase of US$28.5 million or 37.2% as compared with US$76.7 million of the first half of 2019.

Revenue

In the first half of 2020, the revenue of the Group amounted to US$593.1 million, representing a decrease of 10.4% compared with US$662.0 million of the first half of 2019. Revenue derived from Korea amounted to US$325.8 million, representing a decrease of 16.7% as compared with US$391.2 million of the first half of 2019. The decrease in revenue was mainly attributable to the lower weighted average tariff of Yulchon I & II Power Projects as a result of the lower gas price in Korea.

In the first half of 2020, the revenue derived from the PRC coal-fired, cogen and gas-fired projects amounted to US$60.5 million, representing a decrease of 43.1% as compared with US$106.4 million in the first half of 2019, which was mainly attributable to suspension of production of Nanyang General Light coal-fired project in Henan Province starting from 31 December 2019 due to the continued drought and restricted access to local water supply. Revenue derived from wind and solar projects in the PRC amounted to US$179.1 million, representing an increase of 39.2% as compared with US$128.7 million of the first half of 2019, mainly attributable to the newly commissioned installed capacity.

Operating Expenses

In the first half of 2020, the operating expenses of the Group amounted to US$436.2 million, representing a decrease of 18.0% compared with US$531.9 million of the first half of 2019. The decrease in operating expenses was mainly due to the substantial decrease in gas price and gas costs of our Yulchon I & II Power Projects. In addition, both the coal price and coal consumption of the PRC coal-fired, cogen and gas-fired projects have dropped substantially, which led to an overall reduction in operating expenses.

Operating Profit

In the first half of 2020, the operating profit, which is equal to revenue minus operating expenses, of the Group amounted to US$156.9 million, representing an increase of US$26.9 million or 20.7% compared with US$130.0 million of the first half of 2019. The increase in operating profit was mainly caused by the contribution from the newly commissioned wind and solar projects.

Other Income

Other income of the Group mainly represented interest income, government grants and the refund of value-added tax. In the first half of 2020, other income of the Group amounted to US$6.3 million, representing a decrease of US$1.6 million compared with US$7.9 million of the first half of 2019.

Finance Costs

In the first half of 2020, the finance costs of the Group amounted to US$70.3 million, representing an increase of 17.8% compared with US$59.7 million of the first half of 2019. The increase in finance costs was mainly attributable to the increase in weighted average balances of bank borrowings and loans from fellow subsidiaries.

Share of Results of Associates

In the first half of 2020, the share of results of associates amounted to US$13.0 million, representing a decrease of US$4.5 million compared with US$17.5 million in the first half of 2019. The decrease in profit of the associates was mainly due to the temporary suspension of production at power plants located in Hubei Province as a result of the COVID-19 pandemic during the period, which currently has resumed production.

Gain on disposal of a subsidiary

On 12 May 2020, the Group disposed of its entire equity interest in Shanghai Meiya Jinqiao Energy Co., Ltd.（上海美亞金橋能源有限公司）(“**Jinqiao JV**”), representing 60% of the total equity interest in the Jinqiao JV, through a public tender process of Shanghai United Assets and Equity Exchange（上海聯合產權交易所）at a consideration of RMB155,800,000 (equivalent to US$22,023,000). The disposal was completed on 12 May 2020, when the Group disposed of its entire equity interests in the Jinqiao JV and recognized a gain on disposal of US$18,135,000.

Income Tax Expenses

In the first half of 2020, the income tax expenses of the Group amounted to US$18.8 million, representing a decrease of US$0.2 million compared with US$19.0 million of the first half of 2019.

Liquidity and Capital Resources

The Group’s bank balances and cash decreased slightly from US$384.1 million as at 31 December 2019 to US$323.1 million as at 30 June 2020, which was primarily due to the cash generated from financing activities being offset by cash used in investing activities during the said period.

Net Debt/Equity Ratio

The Group's net debt/equity ratio increased from 3.29 as at 31 December 2019 to 3.62 as at 30 June 2020, which was due to the increase in net debt (which equals to total debt less available cash) as a result of increase in bank borrowings and loans from fellow subsidiaries.

Interim Dividend

The Board resolved not to declare an interim dividend for the six months ended 30 June 2020.

Earnings per Share

	For the six months ended 30 June	
	2020	2019
	US cents	*US cents*
Earnings per share, basic and diluted – calculated based on the number of ordinary shares for the period	**2.43**	1.71
	US$'000	*US$'000*
Earnings for the purposes of calculating basic and diluted earnings per share (profit for the period attributable to owners of the Company)	**104,253**	73,373
	'000	*'000*
Number of ordinary shares for the purposes of calculating basic and diluted earnings per share	**4,290,824**	4,290,824

Trade Receivables

	As at	
	30 June	31 December
	2020	2019
	US$'000	*US$'000*
Trade receivables – contracts with customers	**375,704**	327,831
Less: Allowance for credit losses	**(529)**	(536)
	375,175	327,295

The following is an ageing analysis of trade receivables net of allowance for credit losses presented based on the invoice date at the end of the reporting period, which approximated the revenue recognition dates.

	As at	
	30 June	31 December
	2020	2019
	US$'000	*US$'000*
0 – 60 days	**133,228**	140,573
61 – 90 days	**19,479**	9,874
91 – 120 days	**16,460**	10,913
121 – 180 days	**18,078**	18,005
Over 180 days	**187,930**	147,930
	375,175	327,295

Trade Payables

The following is an ageing analysis of trade payables presented based on the invoice date at the end of the reporting period.

	As at	
	30 June 2020	31 December 2019
	US$'000	*US$'000*
0 – 60 days	**111,588**	82,787
61 – 90 days	**18**	73,365
Over 90 days	**2,296**	86,619
Total	**113,902**	242,771

The average credit period on purchases of goods was 29 days (31 December 2019: 39 days) for the six months ended 30 June 2020. The Group has financial risk management policies in place to ensure all payables are settled within the credit period.

Financial Position

Non-current assets increased from US$4,384.0 million as at 31 December 2019 to US$4,838.4 million as at 30 June 2020. The increase was mainly due to the additions of property, plant and equipment and other non-current assets during the six months ended 30 June 2020.

Current assets increased from US$995.2 million as at 31 December 2019 to US$1,017.6 million as at 30 June 2020. The increase was mainly attributable to the increase in trade receivables, other receivables and prepayments.

Current liabilities decreased from US$1,559.4 million as at 31 December 2019 to US$1,549.5 million as at 30 June 2020, which was mainly due to decrease in trade payables.

Non-current liabilities increased from US$2,810.3 million as at 31 December 2019 to US$3,234.5 million as at 30 June 2020, which was mainly attributable to the increase in long term bank borrowings.

Bank Borrowings

The Group's total bank borrowings increased from US$2,597.9 million as at 31 December 2019 to US$3,056.3 million as at 30 June 2020. Details of bank borrowings are as follows:

	As at	
	30 June 2020	31 December 2019
	US$'000	*US$'000*
Secured	**2,472,837**	2,189,360
Unsecured	**583,467**	408,537
	3,056,304	2,597,897

The maturity profile of bank borrowings is as follows:

Within one year	**645,981**	576,214
More than one year but not exceeding two years	**336,829**	315,074
More than two years but not exceeding five years	**783,740**	648,395
Over five years	**1,289,754**	1,058,214
	3,056,304	2,597,897
Less: Amounts due for settlement within one year shown under current liabilities	**(645,981)**	(576,214)
Amounts due for settlement after one year	**2,410,323**	2,021,683

As at 30 June 2020, the Group had unutilized banking facilities of US$2,906.8 million.

Loans from Fellow Subsidiaries

As at 30 June 2020, the amounts represent (i) loan from CGN Finance Co., Ltd. ("**CGN Finance**"), a fellow subsidiary of the Company, which amounted to RMB251,500,000 (equivalent to US$35,550,000) (31 December 2019: nil), which is secured by rights to collect electricity receivables, interest bearing at RMB Loan Prime Rate announced by the PRC National Interbank Funding Center minus 0.39% per annum and repayable in 2040; (ii) loan from CGN Finance of RMB1,700,000,000 (equivalent to US$240,300,000) (31 December 2019: RMB1,600,000,000, equivalent to US$229,351,000), which is unsecured, interest bearing at 3.60% per annum and repayable in December 2020; (iii) CGN Wind Energy Limited, a fellow subsidiary of the Company, amounting to RMB1,200,000,000 (equivalent to US$169,623,000) (31 December 2019: RMB1,000,000,000, equivalent to US$143,345,000), which is unsecured, interest bearing at 3.92% per annum and repayable in December 2020; (iv) loan from CGNPC Huasheng Investment Limited, a fellow subsidiary of the Company, amounting to US$250,000,000 (31 December 2019: US$250,000,000), which is unsecured, interest bearing at 3 months London Interbank Offered Rate plus 1.3% per annum and repayable in August 2021; and (v) loan from China Clean Energy Development Limited amounting to US$450,000,000 (31 December 2019: US$450,000,000), which is unsecured, interest bearing at 4.5% per annum and repayable in 2025.

Capital Expenditures

The Group's capital expenditures increased by US$101.7 million to US$335.6 million in the first half of 2020 from US$233.9 million in the first half of 2019, which was mainly due to the increased capital expenditures incurred by the wind and solar power projects as well as the Korea biomass energy project.

Contingent Liabilities

As at 30 June 2020 and 31 December 2019, the Group had no material contingent liabilities.

Pledged Assets

The Group pledged certain property, plant and equipment, trade receivables, right-of-use assets, contract assets and bank deposits for credit facilities granted to the Group. As at 30 June 2020, the total book value of the pledged assets of the Group amounted to US$3,547.4 million.

Employees and Remuneration Policy

As at 30 June 2020, the Group had about 1,783 full-time employees, the majority of which were based in China. The Group provides its employees with salaries and bonuses, as well as employee benefits, including retirement schemes, medical and life insurance schemes.

Employees located in China are covered by the mandatory social security schemes required by local practice and regulations of the PRC, which are essentially defined contribution schemes. The Group is required by the PRC law to contribute a certain percentage of the average salaries of the employees to various schemes in accordance with the respective regulatory requirements of each city in China. The PRC government is directly responsible for the payment of the benefits to these employees.

In Hong Kong, the Group participates in a mandatory provident fund scheme established under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong). Employees contribute 5.0% of their relevant income to the mandatory provident fund scheme and the Group contributes 10.0% of each employee's monthly base salary.

In Korea, the Group is required by law to contribute 4.5% of the employees' monthly average salaries for the national pension, 3.335% for national health insurance (10.25% of the national health insurance contribution for long term care insurance), 1.05% for unemployment insurance, 1.09% (Seoul Office)/0.833% (Yulchon)/0.833% (Daesan) for the industrial accident compensation insurance and 0.06% for a wage claim guarantee fund.

II. Industry Overview

In the first half of 2020, the power supply and demand in China maintained a general balance and electricity consumption of the society was basically flat as compared to that of last year. From January to June 2020, the electricity consumption of the society was 3,354.7 TWh, representing a decrease rate of 1.3% as compared to the same period of last year.

As the electricity structure in China continued its path towards green and low carbon development, electricity generation from non-fossil energy was further increased. From January to June, the electricity generated from the nation's wind power and solar power reached 237.9 TWh and 127.8 TWh respectively, representing a growth of 10.9% and 20.0% as compared to the same period of last year respectively.

The wind power and photovoltaic power industries in China have steered their focus on large-scale development to high-quality development, with realization of wind power and photovoltaic grid parity being their major development mission during the "14th Five-Year Plan" period.

The 2020 policies on photovoltaic power tariffs were officially announced. In March 2020, the NDRC issued the "Notice on Matters Related to the Policies for On-Grid Tariff of Photovoltaic Power Generation in 2020" (《關於2020年光伏發電上網電價政策有關事項的通知》) to confirm the 2020 on-grid tariff policies on photovoltaic power generation that the guidance tariffs in each resources area would be further decreased. The policies on wind power tariffs for 2020 was confirmed in the "Notice on Improving the Policies for Wind Power On-Grid Tariff" (《關於完善風電上網電價政策的通知》) issued by the NDRC in May 2019.

In March 2020, the NEA issued the "Notice on Matters Related to the Development of Wind Power and Photovoltaic Power Generation Projects in 2020" (《關於2020年風電、光伏發電項目建設有關事項的通知》). The policy generally continued the wind and photovoltaic development ideas in 2019. The bidding rules, modified scheme for power tariffs, and criteria for project application adopted were the same as that of 2019. At the same time, priority was given to advancing grid parity projects and fulfillment of consumption and distribution conditions.

In 2020, the weight of responsible consumption of renewable energy (measurement in the quota system) was officially implemented. In June 2020, the NDRC and NEA jointly promulgated the "Notice Regarding the Issuance of Weight of Responsible Consumption of Renewable Energy in Each Provincial Administrative Region in 2020" (《關於印發各省級行政區域2020年可再生能源電力消納責任權重的通知》), stating that the measurement on the weight of responsible consumption should take the impact of the COVID-19 pandemic into full consideration and ensure that the target of non-fossil energy share can be achieved this year.

The policy of the new energy industry in 2020 basically continued the policy guidance of last year, but the external environmental uncertainty caused by the COVID-19 pandemic had enormous impacts on the strategic layout, project development, project construction, production operation and maintenance of investment enterprises. Furthermore, subsidies for renewable energy had further declined, placing higher requirements on project resource endowments and cost control.

In respect of Korean power market, it is undergoing an energy structure transformation and it is expected that the number of renewable energy and gas-fired power plants will increase in the future. As competition is intensified in the power market upon the commissioning of new power plants, the profitability of Korean gas-fired power generation companies was affected.

III. Business Review

The Group's portfolio of assets comprises wind, solar, gas-fired, coal-fired, oil-fired, hydro, cogen and fuel cell projects, which are in the PRC and Korea power markets. Our business in the PRC covers 17 provinces, two autonomous regions and a municipality with wide geographical coverage and diversified business scope. As of 30 June 2020, the operations in the PRC and Korea accounted for approximately 68.1% and 31.9% of the Group's attributable installed capacity of 6,449.9 MW respectively. Clean and renewable energy projects (namely wind, solar, gas-fired, hydro and fuel cell projects) accounted for 73.1% of our attributable installed capacity; and conventional energy projects (namely coal-fired, oil-fired and cogen projects) accounted for 26.9% of our attributable installed capacity.

The following table sets out the results of the Group (by fuel type):

US$' million	Korea Gas-fired and Oil-fired projects	PRC Coal-fired, Cogen and Gas-fired projects	PRC Wind projects	PRC Solar projects	PRC Hydro projects	Corporate	Total
For the six months ended 30 June 2020							
Revenue	325.8	60.5	123.1	56.0	15.2	12.5	593.1
Operating expenses	(291.5)	(51.5)	(47.0)	(20.8)	(7.6)	(17.8)	(436.2)
Operating profit	34.3	9.0	76.1	35.2	7.6	(5.3)	156.9
Profit for the period	19.9	35.5	54.4	24.2	6.6	(35.4)	105.2
Profit attributable to the owners of the Company	19.9	36.8	52.3	24.2	6.5	(35.4)	104.3
For the six months ended 30 June 2019							
Revenue	391.2	106.4	89.4	39.3	19.6	16.1	662.0
Operating expenses	(358.8)	(90.3)	(36.0)	(15.9)	(11.1)	(19.8)	(531.9)
Operating profit	32.4	16.1	53.4	23.4	8.5	(3.7)	130.1
Profit for the period	16.4	28.5	34.7	17.2	7.2	(27.3)	76.7
Profit attributable to the owners of the Company	16.4	26.1	33.9	17.2	7.1	(27.3)	73.4

Korea Gas-fired and Oil-fired projects

The utilization hours of our Korea gas-fired plants increased from 2,168 hours to 2,213 hours during the first half of 2020, which was mainly due to higher power demand caused by the higher demand from clean energy. Profit attributable to the owners of the Company increased from US$16.4 million to US$19.9 million, which was mainly attributable to improvement of electricity generation and cost control during the period.

PRC Coal-fired, Cogen and Gas-fired projects

In the first half of 2020, the decrease in operating profit of the Group from US$16.1 million to US$9.0 million is mainly due to suspension of production of Nanyang General Light coal-fired project in Henan Province starting from 31 December 2019 as a result of the continued drought and restricted access to local water supply. The substantial increase in profit for the period from US$28.5 million to US$35.5 million is mainly attributable to the one-off gain on the disposal of the Jinqiao JV amounted to US$18.1 million.

PRC Wind projects

Starting from the second half of 2019, the Group's newly commissioned attributable installed capacity of wind projects amounted to 509.0 MW. The increase in revenue was mainly attributable to contribution from newly commissioned wind projects which amounted to US$32.8 million in the first half of 2020. With cost control measures in place and the impact of the newly commissioned wind projects, the operating profit increased to US$76.1 million in the first half of 2020.

PRC Solar projects

Starting from the second half of 2019, the Group's newly commissioned attributable installed capacity amounted to 438.7 MW, which contributed US$12.4 million revenue in the first half of 2020. The substantial impact of the newly commissioned solar projects has also driven the operating profit to soar to US$35.2 million in the first half of 2020, representing an increase of US$11.8 million as compared with US$23.4 million in the first half of 2019.

Installed Capacity

The attributable installed capacity of the Group's power assets as at 30 June 2020 and 30 June 2019 by fuel type are set out as follows (MW):

	As at	
	30 June 2020	30 June 2019
Clean and renewable energy portfolio		
Wind	**2,003.4**	1,494.4
Solar	**918.6**	479.9
Gas-fired	**1,655.0**	1,655.0
Hydro	**137.3**	137.3
Subtotal	**4,714.3**	3,766.6
Conventional energy portfolio		
Coal-fired	**1,138.6**	1,187.6
Oil-fired	**507.0**	507.0
Cogen	**90.0**	105.0
Subtotal	**1,735.6**	1,799.6
Total attributable installed capacity	**6,449.9**	5,566.2

As at 30 June 2020, the Group's attributable installed capacity reached 6,449.9 MW, representing an increase of 883.7 MW or 15.9% from the same period of last year, which included an attributable installed capacity of wind power of 2,003.4 MW, representing an increase of 509.0 MW or 34.1% from the same period of last year; whereas the attributable installed capacity of solar power amounted to 918.6 MW, representing an increase of 438.7 MW or 91.4% from the same period of last year. As at 30 June 2020, the consolidated installed capacity of the Group's power plants reached 5,802.4 MW.

Project Additions

While doing a good job in the normal prevention and control of the COVID-19 pandemic, the Group's project construction has always adhered to the importance of safety and efficiency, strictly observed the safety bottom line in the face of tightening environmental protection policies and the continuous superposition of the tide of installation.

In terms of wind power business development, in the second half of 2019 and the first half of 2020, the Company's newly commissioned installed capacity of wind power amounted to 439.0 MW and 119.6 MW respectively, including (1) two wind power projects in Henan Province, namely the Xuchang Yanling project with a capacity of 79.2 MW and the Yongcheng Hanxing project with a capacity of 50.0 MW; (2) two distributed wind power projects in Henan Province, namely the Shenqiu Zhaodeying project with a capacity of 10.0 MW and the Shenqiu Fanying project with a capacity of 10.0 MW; (3) the Lankao Yifeng centralized wind power project in Henan Province with a capacity of 94.6 MW; (4) two wind power projects in Shanxi Province, namely the Datong Majialiang Phase I project with a capacity of 50.0 MW and the Taigu Fancun project with a capacity of 99.0 MW; (5) the Leling Zhuji wind power project in Shandong Province with a capacity of 39.6 MW; (6) the Guangyang Lake wind power project in Jiangsu Province with a capacity of 101.2 MW; (7) the Yiyang Qilisong wind power project in Hunan Province with a capacity of 25.0 MW.

In terms of solar power business development, in the second half of 2019 and the first half of 2020, the newly commissioned installed capacity of solar power of the Company amounted to 394.4 MW and 44.3 MW respectively, including (1) three fishing-photovoltaic power projects, namely the Wenchang Liyang project in Hainan Province with an additional capacity of 3.2 MW, the Dingyuan Phase I project with a capacity of 30.0 MW and the Dangtu project with a capacity of 260.0 MW in Anhui Province; (2) the Tianze photovoltaic power project with a capacity of 30.0 MW in Inner Mongolia Autonomous Region; (3) four distributed rooftop photovoltaic power projects, namely the XEMC project in Hunan Province with an additional capacity of 2.18 MW, the Fuchuan Yifan project in Fujian Province with a capacity of 8.9 MW, the Yan'an Airport project in Shaanxi Province with an additional capacity of 0.114 MW and the SDIC Yangpu Port project in Hainan Province with a capacity of 4.3 MW; (4) the Jiuquan micro-grid photovoltaic power project in Gansu Province with a capacity of 60.0 MW; (5) the Zhenfeng Phase II photovoltaic power project in Guizhou Province with a capacity of 40.0 MW.

During the second half of 2019, upon the completion of the expanded installed capacity of the Nantong cogen project of the Group in Jiangsu Province, the Group timely closed down and disposed of a unit of 15.0 MW pursuant to the national energy saving and emission reduction policy. During the second half of 2019, the Group closed down and disposed of a unit of the Huangshi Phase I project in Hubei Province pursuant to the requirements of the national energy consumption and environmental protection policies, and the attributable installed capacity decreased by 49.0 MW accordingly. Furthermore, as Jinqiao Development Zone, Shanghai Municipality is accelerating the implementation of the new strategy of "secondary development and leaping development", there will be fewer production enterprises in the area. The Group timely disposed of the Jinqiao Steam Project in Shanghai Municipality with a total installed capacity of 240 tons/hour in the first half of 2020.

Onshore Development of Preliminary Projects

In 2020, wind power and photovoltaic power industries are about to start an era of comprehensive grid parity. Affected by the COVID-19 pandemic, the landscape of electricity supply and demand has changed. Investment in new energy projects has shrunk significantly, and the application of parity bidding projects has lagged. In the face of frequent policies and more competitive external environment, the Company takes the parity bidding as its core, takes the initiatives, comprehensively coordinates, continuously strengthens the external cooperation with strategic partners to break the situation, and internally continues to strengthen its refinement and collaboration. It is expected that the growth of new operating capacity in 2020 will be steady.

Offshore Wind Power

In January 2020, the MOF, NDRC and NEA jointly promulgated "Several Opinions on Promoting the Healthy Development of Non-Hydro Renewable Energy Power Generation" (《關於促進非水可再生能源發電健康發展的若干意見》). The above opinions point out that new offshore wind power projects will no longer be included in the scope of central government's subsidy since 2020. The existing offshore wind power projects which have obtained approval (completed filing) as stipulated and completed integration of all power grids by 31 December 2021 shall be subsidized according to the corresponding pricing policy. Influenced by the cessation of granting subsidies for new projects and the capacity constraints of the "13th Five-Year Plan" for wind power planning, offshore wind power construction will be dominated by project reserves in 2020, therefore, the capacity of new projects that have obtained approval is very limited.

In recent years, the Company has steadily promoted offshore wind power business, and planned ahead in accordance with national policies and its overall strategies. The Company has formulated a reasonable time sequence for project commencement and construction to maximize its profit.

Electricity Generation

The electricity generated (GWh) by the projects of the Group are set out as follows:

	For the six months ended 30 June	
	2020	2019
PRC wind projects	**2,232.1**	1,565.2
PRC solar projects	**644.9**	419.3
PRC coal-fired, cogen and gas-fired projects	**169.2**	793.9
PRC hydro projects	**390.1**	472.9
Korea gas-fired projects	**3,423.3**	3,337.6
Total	**6,859.6**	6,588.9

In the first half of 2020, the overall safety production situation of the Company was stable, and the equipment management effect and equipment operation level were further improved. The Company strived to promote its power marketing, formulated various key tasks related to power marketing, such as the marketization of its own power plants, external purchases and sales of electricity, and green card transactions, and conducted research and judgement on the volume and price of power trading, laying a solid foundation for the Company to maintain high-quality and sustainable development. The Company paid close attention to changes in industry policies, deeply analyzed the participation of power trading institutions of various provinces, actively engaged in transactions in the power market, stabilized market transaction prices, and realized an increase in the overall utilization hours of wind power and photovoltaic power compared with industry hours.

For the six months ended 30 June 2020, the electricity generated by the Group's consolidated power generation projects amounted to 6,859.6 GWh, representing an increase of 4.1% from 6,588.9 GWh for the six months ended 30 June 2019. The increase in electricity generation was mainly due to increased power generation from newly commissioned installed capacity of wind and solar power. The electricity generated by wind power projects and solar power projects reached 2,232.1 GWh and 644.9 GWh, representing growth rates of 42.6% and 53.8%, respectively.

The power generation from PRC coal-fired, cogen and gas-fired projects reached 169.2 GWh, representing a decrease of 78.7% as compared with the same period in 2019, mainly due to suspension of production of Nanyang General Light coal-fired project in Henan Province starting from 31 December 2019 as a result of the continued drought and restricted access to local water supply.

The total steam sold by the Group amounted to 1,744,000 tonnes, representing a slight increase of 0.6% as compared with the six months ended 30 June 2019.

The following table sets out the average utilization hour applicable to our power projects:

Average utilization hour by fuel type *(1)*

	For the six months ended 30 June	
	2020	2019
PRC Wind Projects *(2)*	**1,005**	1,065
PRC Solar Projects *(3)*	**697**	777
PRC Coal-fired Projects *(4)*	**2,020**	2,443
PRC Cogen Projects *(5)*	**2,682**	1,998
PRC Hydro Projects *(6)*	**1,991**	2,408
Korea Gas-fired Projects *(7)*	**2,213**	2,168

Notes:

(1) Average utilization hour is the gross electricity generated in a specified period divided by the average installed capacity in the same period.

(2) Average utilization hours of the PRC wind projects operating in Shandong Province, Zhejiang Province, Gansu Province, Henan Province, Qinghai Province, Hebei Province, Shanxi Province, Jiangsu Province and Hunan Province were 1,181 hours, 743 hours, 910 hours, 1,004 hours, 836 hours, 1,228 hours, 970 hours, 1,458 hours and 1,086 hours respectively in the first half of 2020. Average utilization hour for the PRC wind power projects decreased slightly because of the unstable wind resources available in the first half of 2020.

(3) Average utilization hours of the PRC solar projects operating in the Western region, the Central region and the Eastern region of the PRC were 817 hours, 554 hours and 592 hours respectively in the first half of 2020. Average utilization hour for the PRC solar power projects decreased mainly because of the unstable solar resources available in Western region.

(4) Average utilization hour of the PRC coal-fired projects decreased in the first half of 2020 as the associates located in Hubei Province were temporary suspended from production as a result of the COVID-19 pandemic during the period, which caused a decrease in power generation.

(5) After taking out the factor of closing down of a PRC cogen project with declining productivity since April 2019, the overall utilization hour of the PRC cogen projects improved in the first half of 2020.

(6) Average utilization hour of the PRC hydro projects decreased substantially in the first half of 2020 mainly due to the reduction of incoming water flow which caused a decrease in power generation.

(7) Average utilisation hour of the Korea gas-fired projects increased slightly mainly due to the higher electricity generation by Yulchon I Power Project & Yulchon II Power Project as a result of the increase in demand of clean energy in Korea.

The table below sets out the weighted average tariffs (inclusive of value-added tax ("**VAT**")) applicable to our projects in the PRC and Korea for the periods indicated:

Weighted average tariff – Electricity (inclusive of VAT) *(1)*

		For the six months ended 30 June	
	Unit	**2020**	2019
PRC Wind Projects	RMB per kWh	**0.50**	0.49
PRC Solar Projects *(2)*	RMB per kWh	**0.71**	0.84
PRC Coal-fired Projects	RMB per kWh	**0.43**	0.44
PRC Cogen Projects *(3)*	RMB per kWh	**0.47**	0.48
PRC Hydro Projects *(4)*	RMB per kWh	**0.32**	0.33
Korea Gas-fired Projects *(5)*	KRW per kWh	**107.12**	126.86
Weighted average tariff – Steam (inclusive of VAT)*(1)*			
PRC Cogen Projects *(6)*	RMB per ton	**207.33**	225.45

Notes:

(1) The weighted average tariffs are affected not only by the change in the tariff for each project but also the change in net power generation for each project.

(2) The weighted average tariff of our PRC solar projects decreased in the first half of 2020 due to keen competition in electricity bid trading. In addition, the tariff of newly commissioned solar projects is generally lower, which therefore led to the drop in weighted average tariff.

(3) The weighted average tariff of our PRC cogen projects excludes steam tariff.

(4) The weighted average tariff of our PRC hydro projects remained stable in 2020.

(5) The weighted average tariff for Korea gas-fired projects includes the tariff for the 25.4 MW fuel cell projects owned by Yulchon I Power Project. The decrease in weighted average tariff of Korea gas-fired projects in the first half of 2020 was in line with the decrease in Korea gas price during the same period.

(6) The decrease in the weighted average tariff of steam in the first half of 2020 was in line with the decrease in PRC gas price during the same period.

The following table sets out the weighted average gas and standard coal prices (exclusive of VAT) applicable to our projects in the PRC and Korea for the periods indicated:

		For the six months ended 30 June	
	Unit	**2020**	2019
PRC weighted average standard coal price (1) (2)	RMB per ton	**738.78**	815.47
Korea weighted average gas price (1) (3)	KRW per Nm^3	**502.84**	613.42

Notes:

(1) The weighted average standard coal prices and the weighted average gas prices are weighted based on the consumption of gas or coal in each applicable period.

(2) The PRC weighted average standard coal price in the first half of 2020 decreased compared to the first half of 2019 due to decrease in market coal price.

(3) Our Korea weighted average gas price in the first half of 2020 decreased compared to the first half of 2019 due to the decrease in the prices known as the Japanese Crude Cocktail, which are calculated with reference to the average prices of crude oil imported into Japan and are an important determinant of natural gas prices in Korean markets. Yulchon I Power Project's power purchase agreement allows us to pass on the fuel cost fluctuations of the tariff to our customers in accordance with the laws.

IV. Risk Factors and Management

Risks Relating to the Industry

Our power projects are located in the PRC and Korea, both of which have undergone, and may continue to undergo, regulatory changes. Governmental regulations affect all aspects of our power project operations, including the amount and timing of electricity generation, the setting of tariffs, compliance with power grid controls, dispatch directives and environmental protection. Regulatory changes in the PRC and Korea can affect, among other things, dispatch policies, clean and renewable energy and environmental compliance policies and tariffs, and may result in a change of tariff setting procedures or mandatory installation of costly equipment and technologies to reduce environmental pollutants.

Further, the solar power projects are highly dependent on solar illumination conditions, and the wind power projects are dependent particularly on wind conditions. Extreme wind or weather conditions could lead to downtime of the wind power projects. Illumination conditions and wind conditions vary across seasons and locations, and could be unpredictable and are out of our control.

Risk Relating to Fuel Cost

The non-renewable energy power projects of the Group require supplies of coal, oil and gas as fuel. Fuel costs represent a significant portion of our operating expenses and the operating expenses of our associates. The extent to which our profit is ultimately affected by the cost of fuel depends on our ability to pass through fuel costs to our customers as set out under the relevant regulatory guidelines and the terms of our power purchase agreement for a particular project, as we currently do not take any measures to hedge our exposure to fuel price fluctuations. Our fuel costs are also affected by the volume of electricity generated because the coal consumption rate of coal-fired and cogen power projects decreases when we generate more electricity as a result of economies of scale. In the PRC, government tariff regulations limit our ability to pass through changes in fuel costs. In Korea, while our Yulchon I Power Project is able to pass through our exposure to fuel price fluctuations through fuel cost pass through provisions in the tariff formula, our Yulchon II Power Project and Daesan I Power Project receive payments based on the system marginal price, which is influenced by market demand and supply, and may not fully reflect the power plants' respective fuel price fluctuations. Our diversified generation portfolio enables us to diversify the risks that we would face to utilize a single resource for electricity generation. In particular, our exposure to several fuel types mitigates risks such as price increases in or the availability of any particular fuel source.

Interest Rate Risk

We are exposed to interest rate risk resulting from fluctuations in interest rates on our debt with floating interest rates based on market prevailing rates. We undertake debt obligations to support asset acquisition and general corporate purposes including capital expenditures and working capital needs. Certain of our indebtedness is calculated in accordance with floating interest rate or interest that are subject to adjustment by our lenders. We periodically review the ratio of debt with floating interest rates to debt with fixed rates, taking into account the potential impact on our profit, interest coverage and cash flows.

Foreign Exchange Risk

The functional currency of the Company is US dollars, and our reportable profit is affected by fluctuations in foreign currency exchange rates. We collect most of our revenue from our projects in Renminbi and Korean Won, some of which are converted into foreign currencies to (1) purchase foreign-made equipment and parts for repair and maintenance, (2) make investments in certain joint ventures or acquire interests from other companies, (3) pay out dividends to the shareholders of our project companies, and (4) service our outstanding debt. By managing and monitoring the risks of foreign currency, we ensure that appropriate measures are adopted effectively in a timely manner.

V. Prospects

In 2020, the Company will continue to uphold its business direction of high quality and sustainable development and ensure the realization of its annual business targets, in order to consummate our works under the "13th Five-Year Plan" and lay a sound foundation for our development under the "14th Five-Year Plan".

On one hand, the Company will accelerate the optimization of key business links throughout the life cycle and improve its core competitiveness of the unit cost of electricity by ways of:

(I) Accurately grasp the market dynamics and carry out project development in a comprehensive and multipath manner. Taking into account land, resources, market, power grid and other factors, the Company will carry out the overall planning for the development of large-scale base projects. The Company will keep up the good work in the application for parity and bidding projects, continue to carry out work summary and review, give feedback to key links such as design and engineering, and accurately improve the strategic map of market development.

(II) Ensure that its construction goals are on schedule. The Company will promote the preliminary work of bidding and parity projects, speed up production scheduling to start operation, pay close attention to the progress of grid construction, delivery and access to systems, and to complete the project commissioning task.

(III) Ensure more power generation to its maximum. The Company will strengthen the management of deviation from quality index, make good use of power forecasting systems, reasonably arrange regular inspections, equipment remediation and other plans, do a good job in power trading planning and strategic response, and generate more power. The Company will improve data quality management, enhance centrally-controlled and autonomous access and the daily maintenance of informatization, complete intelligent solutions centered on business needs, and accelerate the promotion of "digital transformation".

(IV) Improve the level of power trading. The Company will accurately study and judge, attach equal importance to volume and price, and adjust the proportion of trading. The Company will use rules to strive for prioritized power generation and formulate the optimal trading strategy. The Company will strengthen the tracking and analysis of key grid curtailment areas, formulate specific strategies to reduce grid curtailment losses at various stations, and continue to develop external power purchase and sales markets.

(V) Strengthen the building of enterprise security system. The Company will continuously enhance the six major protection measures in the areas of safety, legal compliance, business integrity, capital control, risk control, and information building.

On the other hand, the Company will push forward the reform for overall improvement in the standard of corporate operation and management. Driven by reform and innovation, the Company will facilitate the progress of the "Double Top 100 Action". The "Three Can" reform has been fully implemented, and the mixed ownership reform has achieved staged results. The Company will continue to deepen reform, further improve the management and governance system, optimize the market-oriented human resource management mechanism, and promote the Company to achieve high-quality development.

EVENTS OCCURRING AFTER THE REPORTING PERIOD

No important event or transaction affecting the Group has taken place after 30 June 2020.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company, nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2020.

CORPORATE GOVERNANCE CODE

During the six months ended 30 June 2020, the Company has complied with all the code provisions of the Corporate Governance Code.

COMPLIANCE WITH MODEL CODE

The Company has adopted its own Code for Securities Transactions by Directors (the "**Code**"), the stipulations of which are no less exacting than those set out in the Model Code, as a code of conduct for dealing in securities of the Company by the Directors.

Specific enquiries have been made with the Directors, and all Directors confirmed in writing that they have complied with the required standards in respect of securities transactions by the Directors set out in the Model Code and the Code during the six months ended 30 June 2020.

REVIEW OF INTERIM RESULTS

The Group's unaudited condensed consolidated interim results for the six months ended 30 June 2020 have been reviewed by the audit committee of the Company and the auditor of the Company, KPMG.

INTERIM DIVIDEND

The Board resolved not to declare an interim dividend for the six months ended 30 June 2020.

POSSIBLE PRIVATISATION

On 28 February 2020, the Board was informed by CGN that it is presently considering a proposal in respect of using CGN Energy International, as the potential offeror, to privatise the Company by way of scheme of arrangement which may result in the delisting of the Company (the "**Possible Privatisation**"). For details regarding the Possible Privatisation, please refer to the announcement of the Company dated 2 March 2020.

DEFINITIONS

"Board"	the board of Directors
"CGN"	China General Nuclear Power Corporation（中國廣核集團有限公司）, a state-owned enterprise established in the PRC and a controlling shareholder of the Company
"CGN Energy International"	CGN Energy International Holdings Co., Limited（中國廣核能源國際控股有限公司）, an indirectly wholly-owned subsidiary of CGN incorporated in Hong Kong with limited liability and an immediate shareholder of the Company
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company" or "We"	CGN New Energy Holdings Co., Ltd., a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
"Consolidated Installed Capacity"	the aggregate installed capacity of our project companies that we fully consolidated in our condensed consolidated financial statements. It is calculated by including 100% of the installed capacity of our project companies that we fully consolidate in our condensed consolidated financial statements and are deemed as our subsidiaries. Consolidated Installed Capacity does not include the capacity of our associated companies
"Corporate Governance Code"	Corporate Governance Code and Corporate Governance Report contained in Appendix 14 to the Listing Rules
"Daesan I Power Project"	a 507.0 MW oil-fired project in Korea
"Directors"	the directors of the Company
"Group"	the Company and its subsidiaries from time to time
"GW"	gigawatt, equal to one million kilowatts

"GWh"	gigawatt-hour, or one million kilowatt-hours. GWh is typically used as a measure for the annual energy production of large power projects
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	The Hong Kong Special Administrative Region of the PRC
"Korea"	the Republic of Korea
"KRW"	Korean Won, the lawful currency of the Republic of Korea
"kWh"	kilowatt-hour, the standard unit of energy used in the power industry. One kilowatt-hour is the amount of energy that would be produced by a generator producing one thousand watts for one hour
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules
"MOF"	Ministry of Finance of the PRC
"MW"	megawatt, or one million watts. The installed capacity of power projects is generally expressed in terms of MW
"Nanyang General Light"	Nanyang General Light Electric Co., Ltd.（南陽普光電力有限公司）, a Sino-foreign cooperative joint venture company with limited liability established in the PRC on 1 January 1997, for further information of Nanyang General Light, please refer to the announcement of the Company dated 15 April 2020
"NDRC"	National Development and Reform Commission of the PRC
"NEA"	National Energy Administration of the PRC

"PRC" or "China"	the People's Republic of China, and for the purpose of this announcement, excludes Hong Kong, The Macau Special Administrative Region of the PRC and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) of HK$0.0001 each in the share capital of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"TWh"	terawatt-hour, or one million megawatt-hours. TWh is typically used as a measure for the annual energy production of a region or a country
"US$"	United States dollars, the lawful currency of the United States of America
"Yulchon I Power Project"	a 592.8 MW gas-fired project in Korea
"Yulchon II Power Project"	a 946.3 MW gas-fired project in Korea
"%"	per cent.

By Order of the Board
CGN New Energy Holdings Co., Ltd.
Li Yilun
President and Executive Director

Hong Kong, 28 August 2020

As at the date of this announcement, the Board comprises seven Directors, namely:

Chairman and non-executive Director	:	*Mr. Chen Sui*
Executive Directors	:	*Mr. Li Yilun (President) and Mr. Zhang Zhiwu*
Non-executive Director	:	*Mr. Xing Ping*
Independent non-executive Directors	:	*Mr. Wang Minhao, Mr. Yang Xiaosheng and Mr. Leung Chi Ching Frederick*