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Beijing Jingneng Clean Energy Co., Limited
北京京能清潔能源電力股份有限公司

(A Joint Stock Company Limited by Shares, Publicly Listed in the People's Republic of China)
 (Stock Code: 00579)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2017

FINANCIAL HIGHLIGHTS	
Revenue	RMB6,857.3 million, an increase of 1.76% over RMB6,738.8 million for the same period in 2016.
Profit before income tax	RMB1,492.0 million, an increase of 6.56% over RMB1,399.5 million for the same period in 2016.
Profit after income tax	RMB1,073.8 million, an increase of 5.47% over RMB1,018.0 million for the same period in 2016.
Basic earnings per share	RMB15.30

RESULTS HIGHLIGHTS

The Board of Directors (the "Board"), Beijing Jingneng Clean Energy Co., Limited (the "Company"), Beijing Jingneng Clean Energy Group Co., Limited (the "Group", "we", "us"), for the Reporting Period ended 30 June 2017 (the "Reporting Period"), has prepared this Interim Results Statement in accordance with International Financial Reporting Standards (the "IFRSs").

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

For the six months ended 30 June 2017

	Notes	For the six months ended 30 June (Unaudited)	
		2017 RMB'000	2016 RMB'000
Revenue	3	6,857,276	6,738,867
Operating expenses	4	616,998	608,777
Goodwill impairment loss		(3,786,798)	(3,916,960)
Depreciation and amortization	8	(1,030,157)	(918,832)
Provision for doubtful accounts		(265,449)	(229,985)
Research and development expenses		(169,115)	(171,580)
Other non-current asset impairment losses		(242,827)	(236,012)
Other income	5	(3,660)	(82,387)
Profit from operations		1,976,268	1,791,888
Income tax expense	6	15,922	10,528
Financial expenses	6	(505,841)	(486,335)
Share of profit/loss of associates		5,610	84,025
Profit before income tax		1,491,959	1,400,106
Income tax expense	7	(368,262)	(303,022)
Profit after income tax	8	1,123,697	1,097,084
Profit attributable to equity holders of the Company		1,050,958	1,011,538
Other comprehensive income		38,308	38,301
Net comprehensive income		34,431	47,245
		1,123,697	1,097,084
Exchange differences on translation of foreign operations			
Exchange differences on translation of foreign operations	10	15.30	14.72

		As at 30 June 2017	31 Dec 2016
	12	RMB'000 (Unaudited)	RMB'000 (Audited)
Current liabilities			
Tax payable	12	3,997,530	3,991,966
Accounts payable		383,431	103,289
Bank borrowings		9,813,409	7,794,224
Short-term borrowings		6,000,000	6,000,000
Contract liabilities		997,996	2,195,516
Income tax payable		70,120	113,182
Other payables		260,356	81,082
		<u>21,522,842</u>	<u>20,279,259</u>
Net current liabilities		<u>(12,812,529)</u>	<u>(13,473,015)</u>
Total assets less current liabilities		<u>27,886,116</u>	<u>27,453,628</u>
Non-current liabilities			
Deferred tax liabilities		199,555	

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2017 (Unaudited)

1. GENERAL AND BASIS OF PRESENTATION

The consolidated financial statements of the Group are presented in Renminbi Yuan ("RMB") and are expressed in RMB12,812,529,000 as at 30 June 2017. The Group's financial statements are prepared on an accrual basis and are presented in accordance with the Accounting Standards for Business Enterprises ("ASBEs") issued by the Ministry of Finance of the People's Republic of China ("ASBEs") and the Accounting Standards for Business Enterprises ("ASBEs") issued by the Ministry of Finance of the People's Republic of China ("ASBEs") and the Accounting Standards for Business Enterprises ("ASBEs") issued by the Ministry of Finance of the People's Republic of China ("ASBEs").

The consolidated financial statements of the Group are prepared in accordance with the Accounting Standards for Business Enterprises ("ASBEs") issued by the Ministry of Finance of the People's Republic of China ("ASBEs") and the Accounting Standards for Business Enterprises ("ASBEs") issued by the Ministry of Finance of the People's Republic of China ("ASBEs") and the Accounting Standards for Business Enterprises ("ASBEs") issued by the Ministry of Finance of the People's Republic of China ("ASBEs").

The consolidated financial statements of the Group are prepared in accordance with the Accounting Standards for Business Enterprises ("ASBEs") issued by the Ministry of Finance of the People's Republic of China ("ASBEs") and the Accounting Standards for Business Enterprises ("ASBEs") issued by the Ministry of Finance of the People's Republic of China ("ASBEs") and the Accounting Standards for Business Enterprises ("ASBEs") issued by the Ministry of Finance of the People's Republic of China ("ASBEs").

2. PRINCIPAL ACCOUNTING POLICIES

The consolidated financial statements of the Group are prepared in accordance with the Accounting Standards for Business Enterprises ("ASBEs") issued by the Ministry of Finance of the People's Republic of China ("ASBEs") and the Accounting Standards for Business Enterprises ("ASBEs") issued by the Ministry of Finance of the People's Republic of China ("ASBEs") and the Accounting Standards for Business Enterprises ("ASBEs") issued by the Ministry of Finance of the People's Republic of China ("ASBEs").

Accounting standards issued by the International Accounting Standards Board ("IASB") are adopted, except where they conflict with the Accounting Standards for Business Enterprises ("ASBEs") issued by the Ministry of Finance of the People's Republic of China ("ASBEs").

The consolidated financial statements of the Group are prepared in accordance with the Accounting Standards for Business Enterprises ("ASBEs") issued by the Ministry of Finance of the People's Republic of China ("ASBEs") and the Accounting Standards for Business Enterprises ("ASBEs") issued by the Ministry of Finance of the People's Republic of China ("ASBEs") and the Accounting Standards for Business Enterprises ("ASBEs") issued by the Ministry of Finance of the People's Republic of China ("ASBEs").

3. REVENUE AND SEGMENT INFORMATION

Accounting standards issued by the International Accounting Standards Board ("IASB") are adopted, except where they conflict with the Accounting Standards for Business Enterprises ("ASBEs") issued by the Ministry of Finance of the People's Republic of China ("ASBEs").

	For the six months ended 30 June (Unaudited)	
	2017 RMB'000	2016 RMB'000
Services	6,011,370	5,931,312
Engineering	841,945	805,757
Others	3,961	1,798
	6,857,276	6,738,867

Total Gas-fired power generation (including gas-fired power generation of CODM), Wind power generation, Photovoltaic power generation, Hydropower generation, and Others.

Gas-fired power generation includes gas-fired power generation of CODM.

Wind power generation includes wind power generation of CODM.

Photovoltaic power generation includes photovoltaic power generation of CODM.

Hydropower generation includes hydropower generation of CODM.

Others include gas-fired power generation of CODM, Wind power generation of CODM, Photovoltaic power generation of CODM, Hydropower generation of CODM, and Others.

(a) Segment revenue, results

The following table sets forth the results of operations for the six months ended 30 June 2017.

	Gas-fired power and heat energy generation RMB'000	Wind power RMB'000	Photovoltaic power RMB'000	Hydropower RMB'000	Others RMB'000	Total RMB'000
For the six months ended 30 June 2017 (Unaudited)						
Revenue						
Gas-fired power generation	4,520,896	902,490	432,800	155,184	-	6,011,370
Wind power generation	841,945	-	-	-	-	841,945
Photovoltaic power generation	-	-	-	-	3,961	3,961
Hydropower generation	5,362,841	902,490	432,800	155,184	3,961	6,857,276
Others	1,678,039	851,858	403,472	118,527	(45,471)	3,006,425
Depreciation and amortization	399,875	336,606	135,889	57,151	1,768	931,289
Administrative expenses	3,117	82,429	57	12,179	1,086	98,868
Revenue (Note(i))	1,275,047	432,823	267,526	49,197	(48,325)	1,976,268

Appendix G: Cash Flow Statement for the six months ended 30 June 2016

	General RMB'000	Wholesale RMB'000	Property RMB'000	Hotel RMB'000	Other RMB'000	Total RMB'000
For the six months ended						
30 June 2016 (Unaudited)						
Receipts from:						
Sales of goods	4,633,864	850,171	285,916	161,361	-	5,931,312
Sales of services	805,757	-	-	-	-	805,757
Others	-	-	-	-	1,798	1,798
	<u>5,439,621</u>	<u>850,171</u>	<u>285,916</u>	<u>161,361</u>	<u>1,798</u>	<u>6,738,867</u>
Receipts from:						
Disposal of property, plant and equipment	1,669,743	795,595	261,249	123,230	(139,097)	2,710,720
Dividends	383,859	280,135	98,306	53,767	2,124	818,191
Others	2,573	83,740	-	-	-	86,313

- (k) Gain on disposal of subsidiaries in the PRC
- (l) The Group's 50% share of the net profit of the subsidiary in the PRC

5. OTHER GAINS AND LOSSES

	For the six months ended 30 June (Unaudited)	
	2017 RMB'000	2016 RMB'000
Other income (expense)	-	391
Gain on disposal of subsidiaries	11	(579)
Net gain on disposal of subsidiaries	(9,756)	1,882
Gain on disposal of subsidiaries	6,165	(88,009)
Loss on disposal of subsidiaries	-	(2,541)
Other	(80)	6,469
	<u>(3,660)</u>	<u>(82,387)</u>

6. INTEREST INCOME/FINANCE COSTS

	For the six months ended 30 June (Unaudited)	
	2017 RMB'000	2016 RMB'000
Interest income	15,922	10,528
Interest expense	538,019	536,379
Loss on AFS financial assets	(32,178)	(50,044)
Finance costs	<u>505,841</u>	<u>486,335</u>
Net interest income	<u>489,919</u>	<u>475,807</u>

7. INCOME TAX EXPENSE

	For the six months ended 30 June (Unaudited)	
	2017 RMB'000	2016 RMB'000
Current tax expense	420,024	386,500
Deferred tax expense	(51,762)	(83,478)
Income tax expense	<u>368,262</u>	<u>303,022</u>

PRC 25% 30 J 2017.

PRC 31 D 2020. 15% 50% PRC T G.

北京京能未來燃氣熱電有限公司 (Beijing Jinneng Future Gas Thermal Power Co., Ltd. ()) W G H N T E 2015 15% T H N T E W G 30 J 2017.

H K P T A P T 16.5% 30%, 30 J 2017, H K N H K G H K

8. PROFIT FOR THE PERIOD

	For the six months ended 30 June	
	(Unaudited)	
	2017	2016
	RMB'000	RMB'000
P		
A	752	684
P	2,708	1,911
Q	<u>27,911</u>	<u>6,466</u>
D		
D	931,289	818,191
A	<u>98,868</u>	<u>100,641</u>
T	<u><u>1,030,157</u></u>	<u><u>918,832</u></u>

9. DIVIDENDS

() Q, 28 J, 2017, RMB508,411,000 C.

() T 30 J, 2017 (30 J, 2016).

10. EARNINGS PER SHARE

T 30 J, 2017, RMB1,050,958,000 (30 J, 2016: RMB1,011,538,000) C 30 J, 2017, 6,870,423,000 (30 J, 2016: 6,870,423,000).

T W 30 J, 2017, 6,870,423,000 (30 J, 2016: 6,870,423,000).

11. TRADE AND BILL RECEIVABLES

	As at 30 June 2017 <i>RMB'000</i> (Unaudited)	As at 31 December 2016 <i>RMB'000</i> (Audited)
Trade receivables	3,255,082	3,332,243
Bill receivables	123,252	38,506
	<u>3,378,334</u>	<u>3,370,749</u>
Less: Allowance for doubtful debts	(6,631)	(2,631)
	<u>3,375,703</u>	<u>3,368,118</u>

The Group's trade receivables are denominated in various currencies, including RMB, US dollars, Hong Kong dollars, and other currencies. The Group's trade receivables are primarily from the sale of goods and services to its customers. The Group's trade receivables are classified as current assets and are measured at fair value less expected credit losses.

	As at 30 June 2017 <i>RMB'000</i> (Unaudited)	As at 31 December 2016 <i>RMB'000</i> (Audited)
Within 60 days	1,314,990	2,112,336
61 to 365 days	1,341,615	700,950
1 to 2 years	351,211	404,372
2 to 3 years	231,070	140,616
Over 3 years	136,817	9,844
	<u>3,375,703</u>	<u>3,368,118</u>

	For the six months ended 30 June 2017 <i>RMB'000</i> (Unaudited)	For the six months ended 31 December 2016 <i>RMB'000</i> (Audited)
Accounts receivable	2,631	2,577
Prepaid expenses	-	645
Other receivables	-	(591)
	<u>2,631</u>	<u>2,631</u>

12. TRADE AND OTHER PAYABLES

	As at 30 June 2017 <i>RMB'000</i> (Unaudited)	As at 31 Dec 2016 <i>RMB'000</i> (Audited)
Trade payables	1,636,308	1,580,415
Prepaid expenses	758,320	867,522
Receivables from related parties	669,378	638,647
Bank balances	310,768	434,884
Accounts payable	48,763	54,257
Short-term deposits	62,935	80,286
Notes payable	59,866	75,825
Accounts receivable	145,304	128,211
Derivatives	243,528	69,997
Others	62,360	61,922
	<u>3,997,530</u>	<u>3,991,966</u>

	As at 30 June 2017 <i>RMB'000</i> (Unaudited)	As at 31 Dec 2016 <i>RMB'000</i> (Audited)
Warranty	1,058,423	977,101
31,365,000	570,194	749,585
1,200,000	162,760	129,424
2,300,000	121,755	148,638
Others	33,944	10,551
	<u>1,947,076</u>	<u>2,015,299</u>

MANAGEMENT DISCUSSION AND ANALYSIS

D 2017, 2016, 6.3%
 F 2016, 6.3%
 3.6
 E 6.1%, 4.4
 9.3%
 1.2 13.7%
 0.4 G 4.5%

A 6,000 1.63
 6.9% I 29.0% 48.3%
 D 73.4%
 20 W
 PRC 984 67
 630
 39 D 2017, A

I 2017, 2016. I
 PRC 2017, G
 B-T-H R W
 B G
 B R A
 G

I. BUSINESS REVIEW FOR THE FIRST HALF OF 2017

1. Increased consolidated installed capacity and maintained steady growth in growth rate

In the first half of 2017, Company continued to expand its power generation capacity. As at 30 June 2017, the consolidated installed capacity of the Company increased by 1,514 MW, or 11.76%, from 12,818 MW as at 31 December 2016 to 14,332 MW. The increase was primarily due to the completion of the 8.27 GW project in the first half of 2017, which contributed 1,865 MW to the total installed capacity. The increase was partially offset by the decommissioning of 2.24 GW of capacity, which contributed 2,299 MW to the total installed capacity. The increase was also due to the completion of the 768 MW project in the first half of 2017, which contributed 768 MW to the total installed capacity. The increase was also due to the completion of the 449 MW project in the first half of 2017, which contributed 449 MW to the total installed capacity.

As at 30 June 2017, the consolidated installed capacity of the Company was 7,952 MW, of which 4,436 MW, or 55.78%, was generated by gas-fired power generation, 2,299 MW, or 28.91%, was generated by wind power generation, 768 MW, or 9.66%, was generated by hydro power generation, and 449 MW, or 5.65%, was generated by other power generation.

As at 30 June 2017, the consolidated installed capacity of the Company was 8.27 GW, of which 1,865 MW, or 22.55%, was generated by gas-fired power generation, 2,240 MW, or 27.08%, was generated by wind power generation, 985 MW, or 11.91%, was generated by hydro power generation, and 570 MW, or 6.89%, was generated by other power generation. The increase in installed capacity was primarily due to the completion of the 8.27 GW project in the first half of 2017, which contributed 1,865 MW to the total installed capacity. The increase was partially offset by the decommissioning of 2.24 GW of capacity, which contributed 2,299 MW to the total installed capacity. The increase was also due to the completion of the 768 MW project in the first half of 2017, which contributed 768 MW to the total installed capacity. The increase was also due to the completion of the 449 MW project in the first half of 2017, which contributed 449 MW to the total installed capacity.

As at 30 June 2017, the consolidated installed capacity of the Company was 14,332 MW, of which 7,952 MW, or 55.48%, was generated by gas-fired power generation, 2,299 MW, or 16.05%, was generated by wind power generation, 768 MW, or 5.36%, was generated by hydro power generation, and 449 MW, or 3.11%, was generated by other power generation.

Type of power generation	Consolidated installed capacity as at 30 June 2017	
	(MW)	Percentage (%)
Gas-fired power generation	4,436	55.78
Wind power generation	2,299	28.91
Hydro power generation	768	9.66
Other power generation	449	5.65
Total	7,952	100.00

The Group's operating results for the period ended 31 December 2017 are summarized in the following table:

Item	2017 (RMB)	2016 (RMB)	Change (%)
Operating Income	1,123.7	1,051.0	6.9%
Operating Expenses	(1,097.1)	(1,011.5)	8.4%
Operating Profit	26.6	139.5	(80.6%)

II. OPERATING RESULTS AND ANALYSIS

1. OVERVIEW

Operating income for 2017, compared with 2016, decreased by RMB1,123.7 million, or 2.42%, to RMB1,097.1 million. Operating expenses for 2017, compared with 2016, increased by RMB1,051.0 million, or 3.91%, to RMB1,011.5 million. Operating profit for 2017, compared with 2016, decreased by RMB132.9 million, or 93.8%, to RMB26.6 million.

2. OPERATING INCOME

Operating income for 2017, compared with 2016, decreased by 1.76% to RMB6,738.9 million. Operating expenses for 2017, compared with 2016, increased by 1.44% to RMB7,255.0 million. As a result, operating profit for 2017, compared with 2016, decreased by 4.48% to RMB483.9 million. The decrease in operating profit was primarily due to the decrease in gas-fired power and heat energy generation segment operating profit.

Gas-fired Power and Heat Energy Generation Segment

The gas-fired power and heat energy generation segment operating income for 2017, compared with 2016, decreased by 1.41% to RMB5,439.6 million. Operating expenses for 2017, compared with 2016, increased by 2.44% to RMB4,633.9 million. As a result, operating profit for 2017, compared with 2016, decreased by 4.48% to RMB805.8 million. The decrease in operating profit was primarily due to the decrease in gas-fired power and heat energy generation segment operating profit.

Wind Power Segment

The wind power segment operating income for 2017, compared with 2016, decreased by 6.15% to RMB850.2 million. Operating expenses for 2017, compared with 2016, increased by 1.44% to RMB902.5 million. As a result, operating profit for 2017, compared with 2016, decreased by 4.48% to RMB483.9 million.

Photovoltaic Power Segment

The photovoltaic power segment operating income for 2017, compared with 2016, decreased by 51.38% to RMB285.9 million. Operating expenses for 2017, compared with 2016, increased by 1.44% to RMB432.8 million. As a result, operating profit for 2017, compared with 2016, decreased by 4.48% to RMB483.9 million.

Hydropower Segment

Total revenue for the Hydropower Segment in 2016 was RMB155.2 million, an increase of 3.84% from RMB161.4 million in 2015. Total revenue for the Hydropower Segment in 2017 was RMB155.2 million, an increase of 3.84% from RMB155.2 million in 2016.

Others

Other revenue for the Hydropower Segment in 2017 was RMB1.8 million, an increase of 122.22% from RMB4.0 million in 2016.

Other Expenses

Other expenses accounted for 2.88% of the total operating expenses of RMB236.0 million in 2017, compared with 2016, RMB242.8 million.

Other Losses

Other losses accounted for 95.51% of the total operating losses of RMB82.4 million in 2017, compared with 2016, RMB3.7 million. Other losses include the impairment loss on the investment in Hubei CGN Power Co., Ltd. and the impairment loss on the investment in China CGN.

5. OPERATING PROFIT

As a result of the above, operating profit increased by 10.29% to RMB1,791.9 million in 2017, compared with RMB1,976.3 million in 2016.

6. ADJUSTED SEGMENT OPERATING PROFIT

Total adjusted segment operating profit increased by 9.54% to RMB1,699.2 million in 2017, compared with RMB1,861.3 million in 2016.

Gas-fired Power and Heat Energy Generation Segment

Adjusted operating profit of the Gas-fired Power and Heat Energy Generation Segment decreased by 1.99% to RMB1,277.9 million in 2017, compared with RMB1,252.5 million in 2016.

Wind Power Segment

Adjusted operating profit of the Wind Power Segment decreased by 0.46% to RMB344.7 million in 2017, compared with RMB343.1 million in 2016.

Photovoltaic Power Segment

Adjusted operating profit of the Photovoltaic Power Segment increased by 63.06% to RMB162.7 million in 2017, compared with RMB265.3 million in 2016.

Hydropower Segment

Adjusted operating profit of the Hydropower Segment increased by 14.69% to RMB57.2 million in 2017, compared with RMB48.8 million in 2016.

Others

At the end of 2016, the Company had RMB143.3 million of other receivables, of which RMB48.4 million were due from CGN Power Corporation Limited.

7. FINANCE COSTS

Finance costs were RMB486.3 million (2016: RMB505.8 million) for the year ended 2017, of which 4.01% were incurred in connection with the Company's bank borrowings.

8. SHARE OF RESULTS OF ASSOCIATES

Share of results of associates was RMB84.0 million (2016: RMB5.6 million) for the year ended 2017, of which 93.33% were attributable to the Company's share of results of Beijing Jintai Energy Power Corporation Limited.

9. PROFIT BEFORE TAXATION

After taking into account the tax effects, the Company's profit before taxation was RMB1,400.1 million (2016: RMB1,492.0 million) for the year ended 2017, of which 6.56% were attributable to the Company's share of results of associates.

10. INCOME TAX EXPENSE

Income tax expense was RMB303.0 million (2016: RMB368.3 million) for the year ended 2017. Effective tax rates were 21.55% (2016: 24.68%) for the year ended 2017, and 21.64% (2016: 24.68%) for the year ended 2016.

11. PROFIT FOR THE PERIOD

After taking into account the tax effects, the Company's profit for the period was RMB1,097.1 million (2016: RMB1,123.7 million) for the year ended 2017, of which 2.42% were attributable to the Company's share of results of associates.

12. PROFIT FOR THE PERIOD ATTRIBUTABLE TO ORDINARY SHAREHOLDERS OF THE COMPANY

Profit for the period attributable to ordinary shareholders of the Company was RMB1,011.5 million (2016: RMB1,051.0 million) for the year ended 2017, of which 3.91% were attributable to the Company's share of results of associates.

III. FINANCIAL POSITION

1. OVERVIEW

As at 30 June 2017, the Group's total assets were RMB49,408.9 million, of which non-current assets were RMB31,451.8 million and current assets were RMB17,957.1 million. As at 31 December 2016, the Group's total assets were RMB49,408.9 million, of which non-current assets were RMB31,451.8 million and current assets were RMB15,944.8 million.

2. PARTICULARS OF ASSETS AND LIABILITIES

Total assets were 3.51% RMB47,732.9 million as at 31 December 2016, RMB49,408.9 million as at 30 June 2017, of which non-current assets were 66.1% RMB31,451.8 million as at 30 June 2017, and 65.7% RMB30,337.6 million as at 31 December 2016. Total liabilities were 3.67% RMB30,337.6 million as at 31 December 2016, RMB17,957.1 million as at 30 June 2017, of which current liabilities were 3.23% RMB17,395.3 million as at 31 December 2016, RMB17,957.1 million as at 30 June 2017. Equity was 3.68% RMB15,379.5 million as at 31 December 2016, RMB15,944.8 million as at 30 June 2017, of which non-current equity was 21.2% RMB3,375.7 million as at 30 June 2017, and 20.8% RMB3,375.7 million as at 31 December 2016. Current equity was 15.6% RMB12,568.8 million as at 30 June 2017, and 15.6% RMB12,568.8 million as at 31 December 2016.

3. LIQUIDITY

As at 30 June 2017, the Group's cash and cash equivalents were RMB8,710.3 million, of which cash was RMB3,884.6 million and cash equivalents were RMB3,375.7 million (including bank deposits with a maturity of less than 12 months). The Group's accounts receivable were RMB1,450.0 million as at 30 June 2017, of which accounts receivable with a maturity of less than 12 months were RMB1,450.0 million. The Group's accounts payable were RMB21,522.8 million as at 30 June 2017, of which accounts payable with a maturity of less than 12 months were RMB9,813.4 million. The Group's other receivables were RMB6,000.0 million as at 30 June 2017, of which other receivables with a maturity of less than 12 months were RMB998.0 million. The Group's other payables were RMB3,998.0 million as at 30 June 2017, of which other payables with a maturity of less than 12 months were RMB713.4 million. The Group's total assets less total liabilities were RMB13,473.0 million as at 31 December 2016, RMB12,812.5 million as at 30 June 2017. Current assets less current liabilities were 6.91% RMB3,375.7 million as at 31 December 2016, 40.47% RMB12,812.5 million as at 30 June 2017, of which cash and cash equivalents were 33.56% RMB3,375.7 million as at 31 December 2016, 40.47% RMB12,812.5 million as at 30 June 2017, and other current assets were 6.91% RMB3,375.7 million as at 31 December 2016, 40.47% RMB12,812.5 million as at 30 June 2017.

4. NET GEARING RATIO

Net Gearing Ratio (as defined in the Listing Rules) of the Company as at 31 December 2016 was 55.11%. As at 30 June 2017, the Net Gearing Ratio of the Company was 57.47% (2016: 55.11%).

Total Gearing Ratio (as defined in the Listing Rules) of the Company as at 31 December 2016 was 2.61% (RMB25,273.2 million). As at 30 June 2017, the Total Gearing Ratio of the Company was 2.61% (RMB25,931.7 million). Total Equity (as defined in the Listing Rules) of the Company as at 31 December 2016 was RMB9,813.4 million. As at 30 June 2017, the Total Equity of the Company was RMB9,120.3 million (RMB6,000.0 million in 2016) (RMB998.0 million in 2015).

Bank Gearing Ratio (as defined in the Listing Rules) of the Company as at 31 December 2016 was 119.22% (RMB1,772.0 million). As at 30 June 2017, the Bank Gearing Ratio of the Company was 119.22% (RMB3,884.6 million). As at 30 June 2017, the Bank Gearing Ratio of the Company was 119.22% (RMB3,884.6 million).

IV. OTHER SIGNIFICANT EVENTS

1. FINANCING

On 9 March 2017, the Group issued a total of 270 million shares of ordinary shares at a price of RMB2,000.00 per share, raising a total of RMB540 million (4.30% of the total assets of the Company as at 31 December 2016).

2. CAPITAL EXPENDITURE

In 2017, the Group incurred capital expenditure of RMB733.9 million (RMB95.9 million in 2016). The Group also incurred capital expenditure of RMB167.3 million (RMB470.7 million in 2016) for the acquisition of land and buildings.

3. SIGNIFICANT INVESTMENT

As at 31 December 2017, the Group has significant investments in Beijing Jingneng New Energy Co., Ltd. (北京京能新能源有限公司), Chaoyang County Jingneng New Energy Co., Ltd. (朝陽縣京能新能源有限公司), Jintan County Jingneng New Energy Co., Ltd. (縉雲縣京能新能源有限公司), Huzhou Jingneng New Energy Co., Ltd. (胡蘆島南票京泰新能源有限公司), Huzhou Jingneng New Energy Co., Ltd. (胡蘆島南票萬和新能源有限公司) and Huzhou Jingneng New Energy Co., Ltd. (胡蘆島南票萬和新能源有限公司) in 2017.

4. CONTINGENT LIABILITIES

As at 30 June 2017, the Group has no contingent liabilities.

5. MORTGAGE OF ASSETS

As at 30 June 2017, the Group has no mortgage of assets.

6. PROPOSED CHANGE IN SHARE CAPITAL STRUCTURE

On 1 July 2017, BEH completed the proposed change in share capital structure. The total number of shares in issue of BEH immediately after the proposed change in share capital structure is 902,471,890 (equivalent to RMB2.24 (HK\$2.56) per share). The total number of shares in issue of BEH immediately before the proposed change in share capital structure is 471,612,800 (equivalent to HK\$2.56 per share). The proposed change in share capital structure is detailed in the Proposed Subscription* table below.

Share Category	Number of Shares	Amount (RMB)	Amount (HK\$)
Unredeemable Preference Shares	8,244,508,144		
Ordinary Shares	902,471,890		
Total	9,146,979,034		

* The proposed change in share capital structure is detailed in the Proposed Subscription* table below.

V. BUSINESS PROSPECT FOR THE SECOND HALF OF 2017

The 2017 business strategy of BEH is to seize opportunities in domestic clean energy market and adhere to “focusing on Beijing market” and “constructing refined projects”.

1. Seize opportunities in domestic clean energy market and adhere to “focusing on Beijing market” and “constructing refined projects”

The 2017 business strategy of BEH is to seize opportunities in domestic clean energy market and adhere to “focusing on Beijing market” and “constructing refined projects”. The Group will continue to focus on the Beijing market and seize opportunities in domestic clean energy market. The Group will also continue to focus on constructing refined projects.

2. Launch multiple development management models driven by technology innovation

The 2017 business strategy of BEH is to launch multiple development management models driven by technology innovation. The Group will continue to focus on launching multiple development management models driven by technology innovation.

3. Refine production management to meet the annual targets

The Group will continue to refine its production management to meet the annual targets. In 2019, the Group will continue to improve its production management system, strengthen the production management team, and improve the production management process. The Group will also continue to improve its production management system, strengthen the production management team, and improve the production management process.

4. Continue to expand overseas projects and progressively promote our blueprint

The Group will continue to expand overseas projects and progressively promote our blueprint. In 2019, the Group will continue to expand overseas projects and progressively promote our blueprint. The Group will also continue to expand overseas projects and progressively promote our blueprint.

ADJUSTMENTS TO THE ANNUAL CAPS FOR THE CONTINUING CONNECTED TRANSACTIONS UNDER THE FRAMEWORK EQUIPMENT MAINTENANCE AGREEMENT AND PROPERTY LEASE FRAMEWORK AGREEMENT FOR THE THREE YEARS ENDING 31 DECEMBER 2019

The Company has entered into continuing connected transactions with its subsidiaries, including the Framework Equipment Maintenance Agreement and the Property Lease Framework Agreement, for the three years ending 31 December 2019. The Company has entered into continuing connected transactions with its subsidiaries, including the Framework Equipment Maintenance Agreement and the Property Lease Framework Agreement, for the three years ending 31 December 2019.

Adjustments to the Annual Caps for the Transactions under the Framework Equipment Maintenance Agreement

Description of the transactions and reasons and basis for the adjusted annual caps

In 2019, the Company entered into continuing connected transactions with its subsidiaries, including the Framework Equipment Maintenance Agreement and the Property Lease Framework Agreement, for the three years ending 31 December 2019. The Company has entered into continuing connected transactions with its subsidiaries, including the Framework Equipment Maintenance Agreement and the Property Lease Framework Agreement, for the three years ending 31 December 2019.

Adjusted annual caps for the Framework Equipment Maintenance Agreement for the three years ending 31 December 2019: RMB156.05 million, RMB152.55 million, RMB154.97 million, RMB186.05 million, RMB182.55 million, and RMB184.97 million.

The Company's financial statements are prepared in accordance with the accounting principles generally accepted in the United States of America.

Listing Rules Implications

The Company is a public company and is subject to the listing rules of the New York Stock Exchange. The Company's financial statements are prepared in accordance with the accounting principles generally accepted in the United States of America. The Company's financial statements are prepared in accordance with the accounting principles generally accepted in the United States of America.

As of the end of the reporting period, the Company's debt to capitalization ratio was 60.83%. The Company's debt to capitalization ratio is calculated as follows: Debt to Capitalization Ratio = Total Debt / Total Capitalization. The Company's debt to capitalization ratio is calculated as follows: Debt to Capitalization Ratio = Total Debt / Total Capitalization.

As of the end of the reporting period, the Company's financial statements are prepared in accordance with the accounting principles generally accepted in the United States of America. The Company's financial statements are prepared in accordance with the accounting principles generally accepted in the United States of America. The Company's financial statements are prepared in accordance with the accounting principles generally accepted in the United States of America.

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PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

There were no purchases, sales or redemptions of the Company's securities during the period from January 1, 2017, to June 30, 2017.

INTERIM DIVIDEND

The Board of Directors has not declared any interim dividends since the end of the reporting period on June 30, 2017.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is listed on the Hong Kong Stock Exchange (the "Stock Exchange"), and is subject to the Corporate Governance Code set out in Appendix 14 of the Listing Rules of the Stock Exchange. The Company has adopted the Corporate Governance Code as set out in Appendix 14 of the Listing Rules of the Stock Exchange as its corporate governance code since 30 June 2017.

Code Provision E.1.2

Code Provision E.1.2 requires the Company to establish a Board Audit and Governance Committee. The Company has established a Board Audit and Governance Committee since 28 June 2017. The Board Audit and Governance Committee is currently composed of three members, including two independent non-executive directors and one executive director, since 12 August 2017. The Board Audit and Governance Committee has been established since 12 August 2017.

COMPLIANCE WITH CODE FOR SECURITIES TRANSACTIONS

The Company is also subject to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules of the Stock Exchange. The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules of the Stock Exchange as its code for securities transactions since 30 June 2017. The Company has implemented the Model Code since 30 June 2017.

AUDIT COMMITTEE

The Company's Audit Committee was established in August 2017. The Audit Committee is currently composed of three members, including two independent non-executive directors and one executive director, since 30 June 2017. The Audit Committee is currently responsible for overseeing the Company's financial reporting process in accordance with IFRS.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

The Company's interim results and interim report for the six months ended 30 June 2017 were published on the Company's website (<http://www.bjcleanenergy.com>) and the Stock Exchange's website (<http://www.hkex.com.hk>) on 29 August 2017. The Company's interim results and interim report for the six months ended 30 June 2017 were also published in the Company's annual general meeting minutes and the Company's annual general meeting minutes on 29 August 2017.

Beijing
Beijing Jingneng Clean Energy Co., Limited
KANG Jian
Company Secretary

Beijing, PRC

29 August 2017

As at the date of this announcement, the non-executive Directors of the Company are Mr. Zhu Yan, Mr. Li Dawei, Mr. Guo Mingxing, Mr. Zhu Baocheng, Mr. Yu Zhongfu and Mr. Zhao Wei; the executive Director of the Company is Mr. Chen Ruijun; and the independent non-executive Directors of the Company are Mr. Huang Xiang, Mr. Zhang Fusheng, Mr. Chan Yin Tsung and Mr. Han Xiaoping.