

Stock Code: 000037, 200037

Notice No.: 2019-048

Short Form of the Stock: Shen Nan Dian A, Shen Nan Dian B

# Shenzhen Nanshan Power Co., Ltd.

## Summary of Semi-Annual Report 2019

### I. Important Notice

The summary is abstract from full-text of semi-annual report, for more details of operating results, financial condition and future development plan of the Company; investors should found in the full-text of semi-annual report that published on media appointed by CSRC.

Objection statement of directors, supervisors and senior executives

Name	Position	Content and reason
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Statement

Other directors attending the Meeting for semi-annual report deliberation except for the followed

Name of director absent	Title for absent director	Reasons for absent	Attorney
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Prompt of non-standard audit opinion

☐ Applicable ☒ Not applicable

Profit distribution pre-plan of common stock or capitalizing of common reserves pre-plan deliberated by the Board in the reporting period

☐ Applicable ☒ Not applicable

The Company has no plans of cash dividend distributed, no bonus shares and has no share converted from capital reserve.

Profit distribution pre-plan of preferred stock deliberated and approved by the Board in the reporting period

☐ Applicable ☒ Not applicable

### II. Company profile

#### 1. Company Profile

Short form of the stock	Shen Nan Dian A, Shen Nan Dian B	Stock code	000037、200037
Stock exchange for listing	Shenzhen Stock Exchange		
Person/Way to contact	Secretary of the Board	Rep. of security affairs	
Name	Zhang Jie		
Office add.	16/F-17/F, Hantang Building, OCT, Nanshan District, Shenzhen, Guangdong Province		

Tel.	0755-26003611	
E-mail	investor@nspower.com.cn	

## 2. Main accounting data and financial indexes

Whether it has retroactive adjustment or re-statement on previous accounting data or not

☐ Yes ☒ No

	Current period	Same period of last year	Increase/decrease in this report y-o-y
Operating revenue (RMB)	408,124,616.38	1,079,760,214.80	-62.20%
Net profit attributable to shareholders of the listed company (RMB)	-25,283,190.82	30,012,095.22	-184.24%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	-28,106,510.82	28,904,372.78	-197.24%
Net cash flow arising from operating activities (RMB)	56,217,376.89	52,590,634.28	6.90%
Basic earnings per share (RMB/Share)	-0.04	0.05	-180.00%
Diluted earnings per share (RMB/Share)	-0.04	0.05	-180.00%
Weighted average ROE	-1.43%	1.46%	-2.89%
	End of current period	End of last period	Increase/decrease in this report-end over that of last period-end
Total assets (RMB)	3,414,007,712.04	3,307,148,289.92	3.23%
Net assets attributable to shareholder of listed company (RMB)	1,952,588,660.69	1,977,871,851.51	-1.28%

## 3. Number of shares and shares held

In Share

Total common stock shareholders in reporting period-end		28,383		Total preference shareholders with voting rights recovered at end of reporting period (if applicable)		0	
Top ten shareholders							
Full name of Shareholders	Nature of shareholder	Proportion of shares held	Shareholding numbers	Amount of restricted shares held	Number of share pledged/frozen		
					State of share	Amount	
HONG KONG NAM HOI (INTERNATIONAL) LTD	Overseas corporate	15.28%	92,123,248	0			
Shenzhen Guangju Industrial Co., Ltd.	State-owned corporate	12.22%	73,666,824	0			
Shenzhen Energy Group	State-owned corporate	10.80%	65,106,130	0			

Co., Ltd.						
Gaohua— HSBC— GOLDMAN, SACHS & CO.LLC	Overseas corporate	2.13%	12,839,723	0		
BOCI SECURITIES LIMITED	Overseas corporate	1.58%	9,500,745	0		
Liu Fang	Domestic nature person	1.35%	8,158,788	0		
China Merchants Securities (HK) Co., Limited	State-owned corporate	1.34%	8,091,708	0		
Zeng Ying	Domestic nature person	1.26%	7,595,000	0		
Meiyi Investment Property Co., Ltd.	Domestic non-state-owne d corporate	0.86%	5,206,000	0		
LI SHERYN ZHAN MING	Overseas nature person	0.73%	4,407,010	0		
Explanation on associated relationship among the aforesaid shareholders	1. 100% equity of HONG KONG NAM HOI (INTERNATIONAL) LIMITED 100% held by SHENZHEN ENERGY (GROUP) CO., LTD 2. The Company is unknown whether there exists associated relationship or belongs to the consistent actor among the other shareholders.					
Shareholders involving margin business	Among the top ten shareholders, Ms. Liu Fang holds 3,346,188 shares through credit transaction guarantee securities account					

#### 4. Changes of controlling shareholders or actual controller

Changes of controlling shareholders in reporting period

☐ Applicable ☒ Not applicable

Changes of controlling shareholders had no change in reporting period.

Changes of actual controller in reporting period

☐ Applicable ☒ Not applicable

Changes of actual controller in reporting period had no change in reporting period.

#### 5. Total preferred stock shareholders of the Company and shares held by top ten shareholders with preferred stock held

☐ Applicable ☒ Not applicable

No preferred stock in reporting period.

#### 6. Corporation Bonds

Whether the Company has a corporation bonds that issuance publicly and listed on stock exchange and without due on the date when annual report approved for released or fail to cash in full on due

No

### III. Discussion and analysis by the Management Team

#### 1. Introduction of operation in the reporting period

Dose the Company need to comply with disclosure requirements of the special industry

No

In the first half of 2019, China's macro economy was generally smooth and stable, but the downward pressure has increased. The economic operation of Guangdong Province has also continued to be stable, and the main leading indicators of the industrial economy are generally better than the same period last year. According to the statistics and analysis of relevant departments, from January to June, the whole province's total electricity consumption reached 302.750 billion kwh, an increase of 3.31% on a year-on-year basis, electricity demand continues to grow with a slower pace.

During the reporting period, the operating situation of the company's main power business was even more severe. Under the dual pressures of high natural gas prices and lowered feed-in tariffs, the company continued to adhere to the "1+5" strategic road map, and adopted a series of effective measures by scientific decision-making and active planning and efficient implementation to fully cope with changes in the external situation, and maximized the reduction of losses and the profits: First, the power business was market-oriented, and scientific decision-making created benefits. Faced with the intensification of the marketization of power trading, the company actively responded to the trend and shifted its business focus from power generation to electricity market transactions, and carefully formulated power marketing trading strategies to achieve more economic benefits under the existing conditions. Second, broadened the procurement channels for gas sources and strive to reduce fuel procurement costs. By strengthening communication with suppliers and actively expanding gas procurement channels, we increased the market bargaining power and controlled the fuel procurement costs while ensuring natural gas supply. Third, accelerated the integration of industry and finance and improved the economic efficiency. We kept up with changes in the external situation, conducted scientific financial analysis and calculations dynamically, and strengthened the guiding role of finance in all aspects of the company's business activities; at the same time, we strengthened the overall management of funds within the system, took effective measures to reduce capital costs. Fourth, tracked the government's relevant land policy trend to Qianhai and the related work progress, studied the corresponding work strategies, did their utmost to protect the legitimate rights and interests of the company and shareholders. Fifth, further improved the company's standardized operation and governance level, and revised and improved the relevant basic systems in light of the company's actual situation, and revised some provisions of the "Articles of Association" according to the revision of the "Guidelines for the Articles of Association of Listed Companies" by the China Securities Regulatory Commission. Sixth, continuously strengthened the party building work, and strictly implemented the "three majors and one big" decision-making system, and in accordance with the organization regulations, the company's party general branch was promoted to be the party committee, which marked the company's party building work entering a new stage.

During the reporting period, the Company achieved operating income of 408.1246 million Yuan, net profit attributable to parent Company amounted as (25.2832) million Yuan, basic earnings per share comes to (0.04) Yuan.

#### 2. Relevant items involving financial report

##### (1) Particulars about the changes in aspect of accounting policy, estimates and calculation method compared with the financial report of last fiscal period

☒ Applicable ☐ Not applicable

##### 1. Changes of accounting policies

Changes in accounting policies for execution of the new financial instrument standards

On March 31, 2017, the Ministry of Finance revised and issued the Accounting Standards for Business Enterprises No. 22 -

Recognition and Measurement of Financial Instruments (Revised in 2017) (CK [2017] No. 7) and Accounting Standards for Business Enterprises No. 23 - Transfer of Financial Assets (Revised in 2017) (CK [2017] No. 8), Accounting Standards for Business Enterprises No. 24 - Hedge Accounting (Revised in 2017) (CK [2017] No. 9), and issued and revised the Accounting Standards for Business Enterprises No. 37 – Financial Instruments Presentation (Revised in 2017) (CK [2017] No. 14) on May 2, 2017 (the above-mentioned four standards are collectively referred to as the “New Financial Instruments Standards”), relevant accounting policy are adjusted correspondingly. On 15 June 2018, the Notice on Revising and Printing the Format of Financial Statements for General Enterprises in 2018 was issued, revising the format of financial statements for general enterprises. In accordance with the above mentioned requirement, the Company needs to adjust relevant contents with accounting policy concerned.

Main changes and influences of the Company for implementing the new financial instrument standards:

① Category and measuring contrast of the financial instrument after/before the date when initially implementation

2018-12-31 (before )			2019-1-1 (after)		
Item	Measurement category	Book value	Item	Measurement category	Book value
Available-for-sale financial assets	measured by cost (equity instrument)	60,615,000.00	Other equity instrument investment	Measured by fair value and with its variation reckoned into other comprehensive income	60,615,000.00

② On first implementation day, adjustment statement of the category and measurement for former financial instrument and those adjusted with new financial instrument standards

Item	2018-12-31 (before)	Re-classified	2019-1-1 (after)
Measured by fair value and with its variation reckoned into other comprehensive income:			
Available-for-sale financial assets (former standard)	60,615,000.00		
Less: transfer to other equity instrument investment		60,615,000.00	
Balance under new financial instrument standard			
<b>Other equity instrument investment</b>			
Add: transfer in from available-for-sale financial assets (former standard)		60,615,000.00	
Balance under new financial instrument standard			60,615,000.00

2. Change of accounting estimate

No changes of accounting estimate in the period

(2) Major accounting errors within reporting period that needs retrospective restatement

☐ Applicable    ☒ Not applicable

No major accounting errors within reporting period that needs retrospective restatement for the Company in reporting period.

**(3) Particulars about the change of consolidation range compared with the financial report of last fiscal period**

☐ Applicable ☒ Not applicable

The Company had no particular about the change of consolidation range compared in reporting period.