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(Incorporated in the Cayman Islands with limited liability)

CHINA ELECTRIC POWER
TECHNOLOGY HOLDINGS LIMITED

中國電力科技控股有限公司

(Stock Code: 8053)

THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR THE QUARTER ENDED 31 DECEMBER 2011

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This announcement, for which the directors of China Electric Power Technology Holdings Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange for the purpose of giving information with regard to China Electric Power Technology Holdings Limited. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this announcement or this announcement misleading.

HIGHLIGHTS

- Turnover of the Group from the continuing operations for the nine months ended 31 December 2011 (the “Period”) were approximately RMB46.02 million, representing an increase of approximately 32.92% as compared to the corresponding period in the previous fiscal year.
- The Group recorded a loss attributable to owners of approximately RMB29.05 million for the Period.
- The Group recorded a total comprehensive loss attributable to owners approximately RMB28.61 million for the Period.
- Basic loss per share of the Group was approximately RMB0.032 for the Period.
- The Board does not recommend the payment of any dividend for the Period.

UNAUDITED RESULTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2011

The board of directors (the “Board”) of China Electric Power Technology Holdings Limited (the “Company”) announces the unaudited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the nine months ended 31 December 2011, together with the unaudited comparative figures for the corresponding periods in 2010, as follows:

(Unless otherwise stated, all financial figures presented in this quarterly financial report are denominated in Renminbi (“RMB”) thousand dollars)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		(Unaudited) Nine months ended 31 December		(Unaudited) Three months ended 31 December	
	Notes	2011	2010	2011	2010
Continuing operations					
Turnover	2	46,019	34,621	35,036	11,646
Cost of sales		(38,858)	(14,235)	(32,737)	(11,174)
Gross profit		7,161	20,386	2,299	472
Other net (loss)/gain		(503)	12	840	4
Administrative expenses		(18,606)	(28,009)	(8,696)	(4,904)
Operating loss		(11,948)	(7,611)	(5,557)	(4,428)
Finance costs		(3,758)	(5,187)	(996)	(1,729)
Loss before income tax		(15,706)	(12,798)	(6,553)	(6,157)
Income tax credit/(expense)	4	411	(1,488)	–	(175)
Loss for the period from continuing operations		(15,295)	(14,286)	(6,553)	(6,332)
Discontinued operations					
(Loss)/Profit for the period from discontinued operations	5	(13,759)	3,177	–	7,523
(Loss)/Profit for the period		(29,054)	(11,109)	(6,553)	1,191

	<i>Notes</i>	(Unaudited)		(Unaudited)	
		Nine months ended		Three months ended	
		31 December		31 December	
		2011	2010	2011	2010
Other comprehensive income for the period					
Exchange differences arising from					
– translation of financial statements of subsidiaries		365	3,539	24	1,252
– reclassification relating to disposal of operations		76	–	–	–
		<u>441</u>	<u>3,539</u>	<u>24</u>	<u>1,252</u>
Total comprehensive (loss)/income for the period (net of tax)		<u>(28,613)</u>	<u>(7,570)</u>	<u>(6,529)</u>	<u>2,443</u>
		RMB(Yuan)	RMB(Yuan)	RMB(Yuan)	RMB(Yuan)
(Loss)/Earnings per share					
Basic					
– from continuing and discontinued operations		(0.032)	(0.013)	(0.007)	0.001
– from continuing operations		(0.017)	(0.016)	(0.007)	(0.007)
– from discontinued operations		(0.015)	0.003	–	0.008
		<u>(0.064)</u>	<u>(0.026)</u>	<u>(0.014)</u>	<u>0.002</u>

Notes:

1. PRINCIPAL ACCOUNTING POLICIES

The unaudited quarterly report has been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited. The accounting policies adopted are consistent with those set out in the annual financial statements for the year ended 31 March 2011.

The quarterly report is unaudited, but has been reviewed by the audit committee of the Company.

The Group principally operates in the People’s Republic of China (the “PRC”) with its business activities principally transacted in RMB, the results of the Group are therefore prepared in RMB.

2. TURNOVER

The Group is principally engaged in the development and provision of application software, information technology solutions and related maintenance and supporting services to customers in the electricity power industry (discontinued operations), schools and entities in the education sector of the PRC.

Turnover represents the value of software sold and services provided to customers. The amount of each significant category of revenue recognised in turnover during the period is as follows:

	(Unaudited) Nine months ended 31 December 2011		(Unaudited) Three months ended 31 December 2011	
	2011	2010	2011	2010
Continuing operations				
Sales of application software	–	616	–	–
School network integration services	46,019	34,005	35,036	11,646
	46,019	34,621	35,036	11,646
Discontinued operations				
Information technology services in the electricity power industry (<i>note 5</i>)	1,661	41,515	–	11,285
Total turnover	47,680	76,136	35,036	22,931

3. DISPOSAL OF SUBSIDIARIES

On 12 May 2011, Topsheen Limited, a subsidiary of the Group, entered into a sale and purchase agreement with an independent third party to dispose of its entire equity interests in Intelligent Investment Development Limited and China Sino Holdings Limited which altogether held entire interest in Beijing Power Along Technology Co., Ltd. (collectively known as “Along Group”) and the assignment of sale loans for a total cash consideration of HK\$35,000,000 (equivalent to RMB29,050,000) which is subject to adjustment. The Along Group is principally engaged in making research, development and provision of integrated information systems for power grid companies in the PRC. The disposal was completed on 24 June 2011, since then, the Along Group ceased to be subsidiaries of the Group.

The loss on disposal of Along Group which is included in the loss for the period from discontinued operations is calculated as follows:

	<i>RMB'000</i>
Consideration (<i>note a</i>)	21,815
Net assets disposed of (<i>note b</i>)	(24,587)
Assignment of sale loans	(3,996)
Cumulative exchange differences in respect of Along Group reclassified from equity to profit or loss on disposal	76
Direct costs relating to the disposal	(733)
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Loss on disposal (<i>note 5</i>)	(7,425)
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Note a:

In accordance with the terms of the sale and purchase agreement, the consideration is subject to adjustment. If the net asset value of Along Group as at the completion date increases by more than 5% of the net asset value of Along Group as at 31 March 2011, the purchaser shall pay to the vendor an amount equal to the excess over the 5% increase; or vice versa. As of the completion date, the net asset value of Along Group decreased by more than 5% of the net asset value of Along Group as at 31 March 2011. Therefore, the vendor paid to the purchaser a deficit of RMB7,235,000 to cover the shortfall. The adjusted consideration amounted to RMB21,815,000.

Note b:

Net assets disposed of is set out as below:

	<i>RMB'000</i>
Property, plant and equipment	901
Intangible assets	3,131
Trade receivables	33,053
Prepayment, deposits and other receivables	2,978
Cash and cash equivalents	2,918
Trade payables	(5,293)
Advances received	(187)
Other payables	(10,829)
Other tax payables	(2,085)
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	24,587
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4. INCOME TAX CREDIT/(EXPENSE)

Income tax credit/(expense) represents:

	(Unaudited) Nine months ended 31 December		(Unaudited) Three months ended 31 December	
	2011	2010	2011	2010
Continuing operations				
Current tax				
PRC enterprise income tax	(363)	(1,488)	-	(175)
Deferred tax				
Current period	774	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	411	(1,488)	-	(175)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

No provision for profits tax in the Cayman Islands, British Virgin Islands (“BVI”) and Hong Kong has been made as the Group has no assessable profit/income during the quarterly period in these jurisdictions.

PRC enterprise income tax

Tax on profits assessable in the PRC has been calculated at the applicable PRC enterprise income tax (“EIT”) rate.

北京普華雅龍科技有限公司 (“雅龍”) and 北京普華智維科技有限公司 (“智維”), the former and current subsidiaries respectively from which the major portion of the Group’s turnover is derived, were subject to EIT. 雅龍 and 智維, an advanced technology enterprise (高新技術企業), were entitled to a reduced tax rate of 15% for three years from 2008 and 2009 respectively.

Deferred tax

There was RMB774,000 deferred taxation credit for the nine months ended 31 December 2011 (Nine months ended 31 December 2010: Nil).

5. DISCONTINUED OPERATIONS

The result of Along Group during the period up to the date of its disposal on 24 June 2011 is set out below:

	(Unaudited) Period ended 24 June 2011	(Unaudited) Nine months ended 31 December 2010	(Unaudited) Three months ended 31 December 2010
Revenue (note 2)	1,661	41,515	11,285
Cost of sales	(3,090)	(30,539)	(5,788)
Gross (loss)/profit	(1,429)	10,976	5,497
Other revenue	5	586	511
Selling expenses	–	(906)	(331)
Administrative expenses	(4,910)	(7,140)	1,845
Loss before income tax	(6,334)	3,516	7,522
Income tax (expense)/credit	–	(339)	1
	(6,334)	3,177	7,523
Loss on disposal of operation (note 3)	(7,425)	–	–
(Loss)/Profit for the period from discontinued operations	<u>(13,759)</u>	<u>3,177</u>	<u>7,523</u>
Operating cash flows	(250)	13,068	(4,403)
Investing cash flows	–	–	–
Financing cash flows	–	–	–
Total cash flows	<u>(250)</u>	<u>13,068</u>	<u>(4,403)</u>

For the purpose of presenting discontinued operations, the comparative quarterly results and the related notes have been re-presented as if the operations discontinued during the period had been discontinued at the beginning of the comparative period.

6. DIVIDENDS

The Board does not recommend payment of any dividend for the nine months ended 31 December 2011 (Nine months ended 31 December 2010: Nil).

7. (LOSS)/EARNINGS PER SHARE

The calculation of basic (loss)/earnings per share from continuing and discontinued operations are based on (loss)/profit attributable to the owners of the Company and the weighted average number of ordinary shares in issue during the period of 921,483,891 (Nine months ended 31 December 2010: 886,726,955 shares).

	(Unaudited)		(Unaudited)	
	Nine months ended		Three months ended	
	31 December		31 December	
	2011	2010	2011	2010
(Loss)/Profit attributable to the owners of the Company				
– from continuing operations	(15,295)	(14,286)	(6,553)	(6,332)
– from discontinued operations	(13,759)	3,177	–	7,523
	<u>(29,054)</u>	<u>(11,109)</u>	<u>(6,553)</u>	<u>1,191</u>

As the impact of the conversion of the outstanding convertible bonds and the exercise of the outstanding share option and warrants were anti-dilative as at 31 December 2011 and 2010. Accordingly, diluted loss per share have not been disclosed.

8. SHARE CAPITAL AND RESERVES

	Share capital (Unaudited)	Share premium (Unaudited)	Contributed surplus (Unaudited)	bonds equity reserve (Unaudited)	Convertible compensation reserve (Unaudited)	Share-based translation reserve (Unaudited)	Foreign currency Accumulated losses (Unaudited)	Total (Unaudited)
At 1 April 2011 (Audited)	83,852	296,295	933	28,596	14,660	(12,331)	(409,091)	2,914
Loss for the period	-	-	-	-	-	-	(29,054)	(29,054)
Exchange differences arising from								
- translation of financial statements of subsidiaries	-	-	-	-	-	365	-	365
- reclassification relating to disposal of operations	-	-	-	-	-	76	-	76
Total comprehensive income/(loss) for the period	-	-	-	-	-	441	(29,054)	(28,613)
Shares issued under conversion of convertible bonds	3,916	52,705	-	(8,953)	-	-	-	47,668
Deferred tax effect on conversion of convertible bonds	-	-	-	1,477	-	-	-	1,477
Transfer to retained profits upon forfeiture of share options	-	-	-	-	(4,007)	-	4,007	-
At 31 December 2011 (Unaudited)	<u>87,768</u>	<u>349,000</u>	<u>933</u>	<u>21,120</u>	<u>10,653</u>	<u>(11,890)</u>	<u>(434,138)</u>	<u>23,446</u>
At 1 April 2010 (Audited)	81,926	293,831	933	28,596	6,027	(12,436)	(241,122)	157,755
Loss for the period	-	-	-	-	-	-	(11,109)	(11,109)
Exchange differences arising from translation of financial statements of subsidiaries	-	-	-	-	-	3,539	-	3,539
Total comprehensive income/(loss) for the period	-	-	-	-	-	3,539	(11,109)	(7,570)
Equity-settled share-based transaction	-	-	-	-	10,270	-	-	10,270
Shares issued under share option scheme	1,995	978	-	-	-	-	-	2,973
At 31 December 2010 (Unaudited)	<u>83,921</u>	<u>294,809</u>	<u>933</u>	<u>28,596</u>	<u>16,297</u>	<u>(8,897)</u>	<u>(252,231)</u>	<u>163,428</u>

9. EVENTS AFTER THE REPORTING PERIOD

The capital reorganisation, which involves share consolidation and capital reduction detailed in the Company's announcements dated 20 July 2011, 7 October 2011 and 8 December 2011 and circulars dated 11 August 2011 and 21 December 2011, was effective on 17 January 2012.

A resolution in relation to the open offer of 754,975,564 offer shares in the Company at HK\$0.0674 per offer share on the basis of four offer shares for every one share held on 31 January 2012 was passed on 16 January 2012. The open offer is expected to be completed in February 2012.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

The turnover of the Group from continuing operations increased approximately 32.92% for the nine months ended 31 December 2011 as compared with the same period in 2010. The main reason was due to the local government put more resource to the education in the year.

The cost of sales of the Group from continuing operations increased approximately 1.73 times for the nine months ended 31 December 2011 as compared with the same period in 2010. The main reason was due to increase of quality and purchase costs for the business.

The administrative expenses from continuing operations had decreased approximately 33.57%, for the nine months ended 31 December 2011 as compared with the same period in 2010. The main reason of the decrease was the Group had not granted the share options to increase the staff cost.

Liquidity and Financial Resources

As at 31 December 2011, the shareholders' funds of the Group amounted to approximately RMB23.45 million. Current assets amounted to approximately RMB50.66 million of which approximately RMB22.58 million were cash and bank balances and approximately RMB28.08 million were trade receivables, inventory, prepayment, deposit and others receivables. The Group's current liabilities amounted to approximately RMB24.52 million.

Charge of Assets

The Group did not have any charge on its assets as at 31 December 2011 (2010: nil).

Capital Commitment

As at 31 December 2011, the Group did not have any material capital commitments.

Foreign Exchange Exposure and Hedging Policy

Since most of the income and expenses as well as assets and liabilities of the Group are denominated in Renminbi, the Board considers that the Group has no material foreign exchange exposure and no hedging policy has been taken.

Contingent Liabilities

As at 31 December 2011, the Group did not have any material contingent liabilities.

BUSINESS OUTLOOK

Business Review

For the nine months ended 31 December, 2011, the Group's revenue was mainly generated from our continuing operation, integration of school networks. The increase in revenue comparing to the corresponding period is attributed to the recognition of revenue as projects are being completed. The Group's operating cost has also increased due to tighter government requirements and the increase of quality demanded for projects and sourcing costs.

Prospect and Outlook

The government has imposed tighter requirements and polices for the school network integration services industry, hence driving up sourcing and raw material costs. The Group will continue to strive to adapt to the new environment. The Group plans to develop the financing business and has filed an application for the money lending license in Hong Kong and is currently waiting for approval from the regulators. The Group will continue to explore new business directions, search for potential merger and acquisition targets and seek for attractive investment opportunities. The Group will strive to maximize shareholders value by diversifying the single business market risk and allocating resources into attractive opportunities.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2011, the interests or short positions of the Directors (the "Directors") and the chief executive of the Company in the shares and underlying shares (the "Shares") of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which is taken or deemed to have under such provisions of the SFO), or which were required, to be entered in the register required to be kept under section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

The Company – interests in Shares and underlying Shares

Director	Number of Shares		Total	Percentage of Shareholding
	Controlled Corporation	Underlying Shares (Note 2)		
Mr. Li Kangying (Chairman)	45,500,000 (Note 1)	8,500,000	54,000,000	5.72%
Mr. Wang Dongbin	–	1,496,600	1,496,600	0.16%
Mr. Yeung King Wah	–	923,600	923,600	0.10%
Mr. Gao Feng	–	923,600	923,600	0.10%

Notes:

- (1) These Shares are registered in the name of and beneficially owned by Manrich Investments Limited (“Manrich Investments”) and Fortune Sun Holdings Limited (“Fortune Sun”). Manrich Investments and Fortune Sun is 100% legally and beneficially owned by Mr. Li Kangying.
- (2) The interests in the underlying Shares represent the options granted to the Directors pursuant to the Share Option Scheme of the Company.

Save as disclosed above, as at 31 December 2011, none of the Directors or chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of, the Company or any associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were otherwise required, pursuant to the minimum standards of dealing by directors of listed issuers as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS AND PERSONS WITH DISCLOSEABLE INTEREST AND SHORT POSITION IN SHARES UNDER SFO

So far as is known to any Director or chief executive of the Company, as at 31 December 2011, the following persons (other than the Directors or chief executive of the Company as disclosed above) had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is expected, directly or indirectly, to be interested in 10 per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

Long positions in shares

Name	Nature of Interest	Number of Shares	Number of underlying Shares	Total	Percentage of shareholding
Crown Castle International Limited	Beneficial Owner (Note 1)	233,300,000	–	233,300,000	24.72%
Choi Yat Wan	Interest of controlled corporation (Note 1)	233,300,000	–	233,300,000	24.72%
Gold Oriental Group Limited	Beneficial owner (Note 2)	162,445,973	–	162,445,973	17.21%
Cheung Yuet	Interest of controlled corporation (Note 2)	162,445,973	–	162,445,973	17.21%

Notes:

- (1) Gold Oriental Group Limited and Sino Lucky Group Limited, both of which are incorporated in BVI, wholly and beneficially owned by Mr. Cheung Yuet.
- (2) Crown Castle International Limited, a company incorporated in BVI, wholly and beneficially owned by Ms. Choi Yat Wan.

Save as disclosed herein, as at 31 December 2011, the Company had not been notified of any other person (other than the Directors or chief executive of the Company) who had a discloseable interest or short position in the Shares as recorded in the register required to be kept under section 336 of the SFO or carrying rights to vote in all circumstances at general meetings of any other members of the Group.

SHARE OPTION SCHEME

Equity-settled share option schemes

On 23 July 2004, the Company adopted a share option scheme (the “Share Option Scheme”) to enable the Company to grant options to eligible participants in order to reward or provide incentives to its employees or any person who has contributed or will contribute to the Group. The Share Option Scheme shall continue in force for the period commencing from 23 July 2004 and expiring at the close of business on the tenth anniversary thereof, after such period no further options will be granted but the provisions of the Share Option Scheme shall remain in full force and effect in respect of any options granted before its expiry or termination but not yet exercised.

Under the Share Option Scheme, the directors of the Company may offer to any employees or any person who has contributions to the Group including directors of the Company or any of its subsidiaries share options to subscribe for shares in the Company in accordance with the terms of the Share Option Scheme.

The exercise price is determined by the directors of the Company, and shall not be less than the highest of (i) the closing price of the Company’s shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant, and (iii) the nominal value of the Company’s shares.

Each option gives the holder the right to subscribe for one ordinary share in the Company.

Name or category of participant	Date of grant	Exercisable period	Exercise price per share <i>HK\$</i>	Number of share options				Balance as at 31 December 2011
				Balance as at 1 April 2011	Granted during the 9 months	Exercised during the 9 months	Cancelled during the 9 months	
(i) Directors								
Wang Dongbin	26 March	27 March	1.677	393,600	-	-	-	393,600
Yeung King Wah	2008	2008 to		393,600	-	-	-	393,600
Gao Feng		26 March 2013		393,600	-	-	-	393,600
Employees				27,158,400	-	-	-	27,158,400
Total				28,339,200	-	-	-	28,339,200

Name or category of participant	Date of grant	Exercisable period	Exercise price per share HK\$	Number of share options				Balance as at 31 December 2011
				Balance as at 1 April 2011	Granted during the 9 months	Exercised during the 9 months	Cancelled during the 9 months	
(ii) Directors								
Wang Dongbin	18 March	19 March	0.149	230,000	-	-	-	230,000
Yeung King Wah	2009	2009 to		230,000	-	-	-	230,000
Gao Feng		18 March 2014		230,000	-	-	-	230,000
Wu Kehe (Resigned as at 8 July 2011)				230,000	-	-	(230,000)	-
Employees				5,500,000	-	-	(5,000,000)	500,000
Total				<u>6,420,000</u>	<u>-</u>	<u>-</u>	<u>(5,230,000)</u>	<u>1,190,000</u>
(iii) Directors								
Li Kangying	27 April	27 April	0.45	8,500,000	-	-	-	8,500,000
Wang Dongbin	2010	2010 to		873,000	-	-	-	873,000
Wu Zhanjiang (Resigned as at 8 July 2011)		26 April 2015		8,500,000	-	-	(8,500,000)	-
Li Wing Sang (Resigned as at 24 August 2011)				300,000	-	-	(300,000)	-
Yeung King Wah				300,000	-	-	-	300,000
Gao Feng				300,000	-	-	-	300,000
Wu Kehe (Resigned as at 8 July 2011)				300,000	-	-	(300,000)	-
Employees				47,800,000	-	-	(15,000,000)	32,800,000
Total				<u>66,873,000</u>	<u>-</u>	<u>-</u>	<u>(24,100,000)</u>	<u>42,773,000</u>

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

During the nine months ended 31 December 2011, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares.

COMPETING INTERESTS

For the nine months ended 31 December 2011, none of the Directors or the management shareholders or any of their respective associates (as defined in the GEM Listing Rules) of the Company had an interest in a business which causes or may cause any significant competition with the business of the Group.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles and has complied with all the code provisions as set out in the Code on Corporate Governance Practices ("Code") contained in Appendix 15 of the GEM Listing Rules throughout the period under review.

SECURITIES TRANSACTIONS BY DIRECTORS

During the nine months ended 31 December 2011, the Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, the Company was not aware of any non-compliance with such code of conduct and required standard of dealings throughout the nine months ended 31 December 2011.

AUDIT COMMITTEE

The Company established an audit committee with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules and code provisions C.3.1 to C.3.6 of the Code. The primary duties of the audit committee are, among others, to review and supervise the financial reporting processes and internal control procedures of the Group and to provide advice and comments to the Board accordingly. The audit committee is composed of the three independent non-executive Directors of the Company, namely Mr. Yeung Kenneth King Wah, Mr. Gao Feng and Mr. Chiang Sheung Yee.

The Group's draft unaudited financial statements for the nine months ended 31 December 2011 have been reviewed and commented by the members of the audit committee.

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

Executive directors:

Mr. Li Kangying (*Chairman*)

Mr. Wang Dongbin

Mr. Cheung Jonathan

Mr. Cheng Wai Lam James

Non-executive directors:

Mr. Chau King Fai

Independent non-executive directors:

Mr. Yeung Kenneth King Wah

Mr. Gao Feng

Mr. Chiang Sheung Yee

By order of the Board
China Electric Power Technology Holdings Limited
Li Kangying
Chairman

PRC, 8 February 2012

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