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Guangan Company



Luzhou Company



Suzhou Company



Chizhou Company



Lingwu Company



Zhongning Company

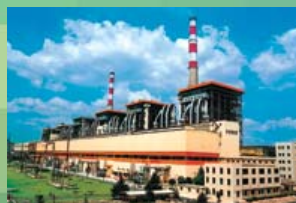


Ningxia Power Company

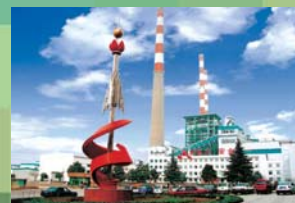


Xinxiang Company

Company Profile



Zouxian Plant



Shiliquan Plant



Laicheng Plant



Qingdao Company



Weifang Company



Zibo Company



Tengzhou Company



Zhangqiu Company

Huadian Power International Corporation Limited (the "Company"), its subsidiaries and jointly controlled entity (together, the "Group") are one of the largest listed power producers in the People's Republic of China (the "PRC"). The Group is primarily engaged in the construction and operation of power plants and other businesses related to power generation. By the end of 2005, the total installed capacity in which the Group has interests amounted to 8,197.5 MW, while the total installed capacity controlled or invested by the Group amounted to 10,307.2 MW. The total number of employees amounted to 13,442.

The Company was incorporated in Jinan, Shandong Province, the PRC on 28 June 1994. On 30 June 1999, the Company issued approximately 1,431 million H shares in its initial public offering, which were listed on The Stock Exchange of Hong Kong Limited. At the beginning of year 2005, the Company issued 765,000,000 A shares at an issue price of RMB2.52 per share, which were listed on the Shanghai Stock Exchange on 3 February 2005. Out of such 765,000,000 shares, of which 196,000,000 Stated-owned shares were allocated and issued to China Huadian Corporation ("China Huadian"), in the form of unlisted shares and are currently not listed. The remaining 569,000,000 A shares are listed A shares, representing approximately 9.45% of the Company's total share capital which increased from 5,256,084,200 shares to 6,021,084,200 shares following the issuance of A shares. The 1,431 million H shares accounted for approximately 23.77% of the total enlarged issued share capital.

At present, there are a total of 16 power plants/companies wholly-owned or controlled or invested by the Group.

The power plants of the Group are all strategically located in the vicinity of major coal mines or electricity load centres. As at present, details are as follows:

Power Plants	Installed Capacity (MW)	Equity Interest	Generating Units	Notes
Zouxian Plant	2,540	100%	2 x 600MW+ 4 x 335MW	2 x 1,000MW generating units under construction
Shiliquan Plant	1,285	100%	2 x 300MW+ 4 x 140MW + 1 x 125MW	
Laicheng Plant	1,200	100%	4 x 300MW	
Huadian Weifang Power Generation Company Limited ("Weifang Company") (note 1)	660	45%	2 x 330MW	2 x 670MW generating units under construction
Huadian Qingdao Power Company Limited ("Qingdao Company") (note 2)	960	55%	3 x 300MW + 60MW	1 x 300MW generating unit under construction
Huadian Zibo Power Company Limited ("Zibo Company")	467	100%	2 x 145MW+ 2 x 88.5MW	

COMPANY PROFILE (continued)

Power Plants	Installed Capacity (MW)	Equity Interest	Generating Units	Notes
Huadian Zhangqiu Power Company Limited ("Zhangqiu Company") (note 3)	290	80.41%	2 x 145MW	
Huadian Tengzhou Xinyuan Power Company Limited ("Tengzhou Company")	333	54.49%	2 x 150MW+ 1 x 33MW	
Sichuan Guangan Power Generation Company Limited ("Guangan Company")	1,200	80%	4 x 300MW	2 x 600MW generating units under construction
Anhui Huadian Suzhou Power Generation Company Limited ("Suzhou Company") (note 4)	—	97%	—	2 x 600MW generating units under construction
Huadian Xinxiang Power Generation Company Limited ("Xinxiang Company") (note 4)	—	90%	—	2 x 660MW generating units under construction
Huadian Ningxia Lingwu Power Generation Company Limited ("Lingwu Company") (note 8)	—	65%	—	2 x 600MW generating units under construction
Ningxia Yinglite Zhongning Power Company Limited ("Zhongning Company") (note 2)	660	50%	2 x 330MW	
Ningxia Power Generation Company (Group) Limited ("Ningxia Power Company")	112.2	31.11%	112.2MW	Wind power generation
Anhui Chizhou Jiu Hua Power Generation Company Limited ("Chizhou Company") (note 2)	600	40%	2 x 300MW	
Sichuan Luzhou Chuannan Power Generation Company Limited ("Luzhou Company") (note 5)	—	40%	—	2 x 600MW generating units under construction
Total installed capacity controlled and invested (note 6)	<u>10,307.2</u>			
Total interested capacity (note 7)	<u>8,296.5</u>			

COMPANY PROFILE *(continued)*

Note 1: In 2005, the former Weifang Power Plant of the Group was incorporated as Huadian Weifang Power Generation Company Limited, a company with limited liabilities in which the Company held 30% equity interests. The relevant procedures for change of business registration were completed on 16 December 2005. At present, the Company holds 45% equity interests in Weifang Company as a result of its capital increase and the further change of registration.

Note 2: The two 330MW coal-fired generating units of Zhongning Company were completed and commenced commercial operation on 22 January 2005 and 17 November 2005 respectively. The two 300MW coal-fired generating units of Chizhou Company were completed and commenced commercial operation on 11 September 2005 and 8 December 2005 respectively. The first 300MW coal-fired generating unit of Qingdao Company Phase II expansion project was completed and commenced commercial operation on 30 November 2005.

Note 3: In October 2005, a capital increase was made for Zhangqiu Company, which operates two 145MW coal-fired generating units. Zhangqiu Company proposed to undertake its phase II expansion project of two 300MW generating units with planned total investment of approximately RMB2,858 million, which required a capital contribution of approximately RMB570 million. Based on the capital contribution made by each shareholder, the Company held 80.41% equity interests in Zhangqiu Company as at 31 December 2005.

Note 4: On 14 June 2005, the Company entered into Suzhou Company Share Transfer Agreement with China Huadian, pursuant to which the Company acquired 97% equity interests in Suzhou Company from China Huadian at a consideration of RMB74,900,000. On the same day, the Company entered into Xinxiang Company Share Transfer Agreement with China Huadian, pursuant to which the Company acquired the 90% equity interests in Xinxiang Company from China Huadian at a consideration of RMB90,100,000. These transactions were approved by independent shareholders at the Extraordinary General Meeting held on 24 August 2005. Following the approval of the PRC's state-owned assets supervision and administration authority in December 2005, the acquisition became effective.

Note 5: The 2 x 600MW coal-fired generating units construction project of Luzhou Company were approved by the State Development and Reform Commission (the "SDRC") on 31 December 2005 and commenced construction. The two generating units are expected to commence commercial operation in 2006 and 2007 respectively.

Note 6: It is calculated based on 100% installed capacities of the power plants managed by the Company, its subsidiaries, jointly controlled entity and associates.

Note 7: It is calculated based on proportionate total interested capacities of the Company, its subsidiaries, jointly controlled entity and associates in the relevant power plant.

Note 8: On 26 February 2006, the Company entered into an agreement with Ningxia Power Company to establish Lingwu Company, in which the Company holds 65% equity interests. Currently Lingwu Company has two 600MW generating units under construction.

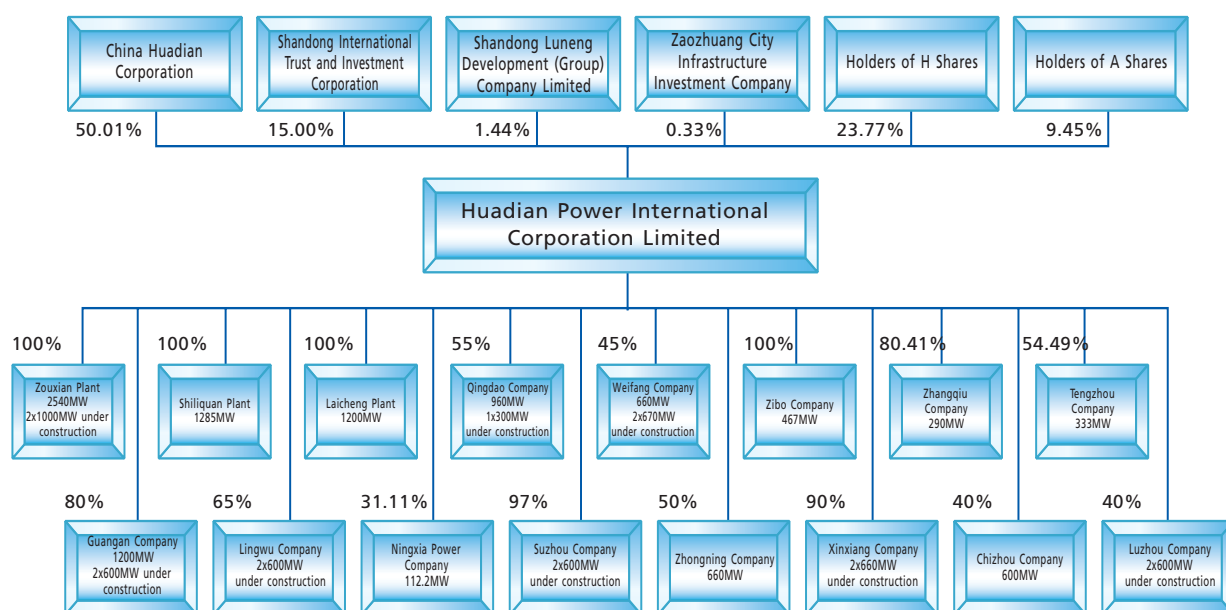
During the reporting period (i.e. 1 January 2005 to 31 December 2005), the operational safety of the Group's generating units has been maintained at a satisfactory level and had achieved 33 consecutive 100-day safety records. The plants managed by the Group such as Laicheng Plant, Guangan Company, Qingdao Company, Weifang Company, Zibo Company and Tengzhou Company have recorded continuous safe production for over 2,000 days, while the safe production record achieved by each of Zouxian Plant and Zhangqiu Company was a period of over 1,000 days.

COMPANY PROFILE (continued)

In 2005, a total of 281 generating units nationwide participated in the 34th Large-scale Thermal Power Units Competition of the PRC for the Year 2004 (with unit capacity of 300MW and above). The generating units were examined in accordance with such capabilities as operating efficiency, safe operating period and production rate of the units. A total of 52 generating units won awards in the competition. The overall rate of prize winning was 18.5%. A total of eighteen 300MW and 600MW generating units of the Group participated in this competition, and eight of which won awards. The rate of prize winning attained by the Group was about 44.4%. The No.6 generating unit of Zouxian Plant won top-rank prize (Championship) under the category of 600 MW generating units. The No.2 generating unit of Zouxian Plant and the No.1 generating unit of Qingdao Company won top-rank prize (Championship) and first-class prize (First runner-up award) respectively under the category of 300 MW generating units. The No.3 generating unit of Zouxian Plant and the No.3 and No.4 generating units of Laicheng Plant won second-class prize. The No.1 generating unit of Laicheng Plant and the No.6 generating unit of Shiliquan Plant won third-class prize.

SHAREHOLDING STRUCTURE

The shareholding structure of the Company and its power plants, principal subsidiaries, associated companies and jointly controlled entity as at 24 March 2006 is set out as follows:



Particulars of the Company's subsidiaries, associated companies and jointly controlled entity as at 31 December 2005 are set out in notes 19, 20 and 21 respectively of the financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") included in this annual report.

