



華潤電力控股有限公司  
China Resources Power Holdings Company Limited

(Stock Code : 836)



**WE ARE THE SOLUTION**

INTERIM REPORT 2015



**ENHANCE**

Technology



**REDUCE**

Emissions

**NO<sub>x</sub> SO<sub>x</sub> Ash**



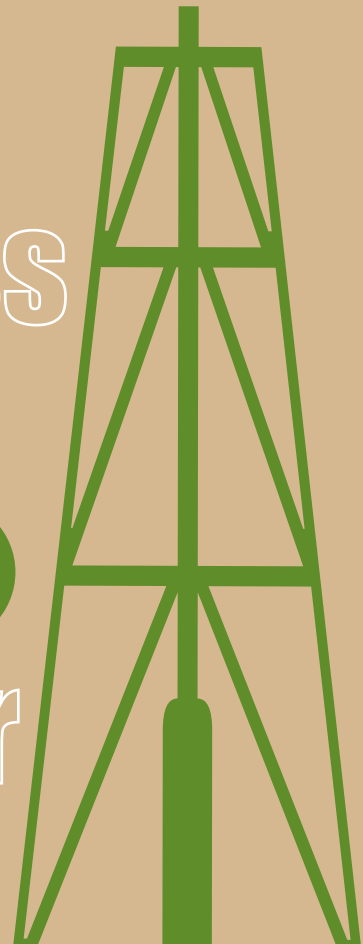
**EXPAND**

Business



**SHARING**

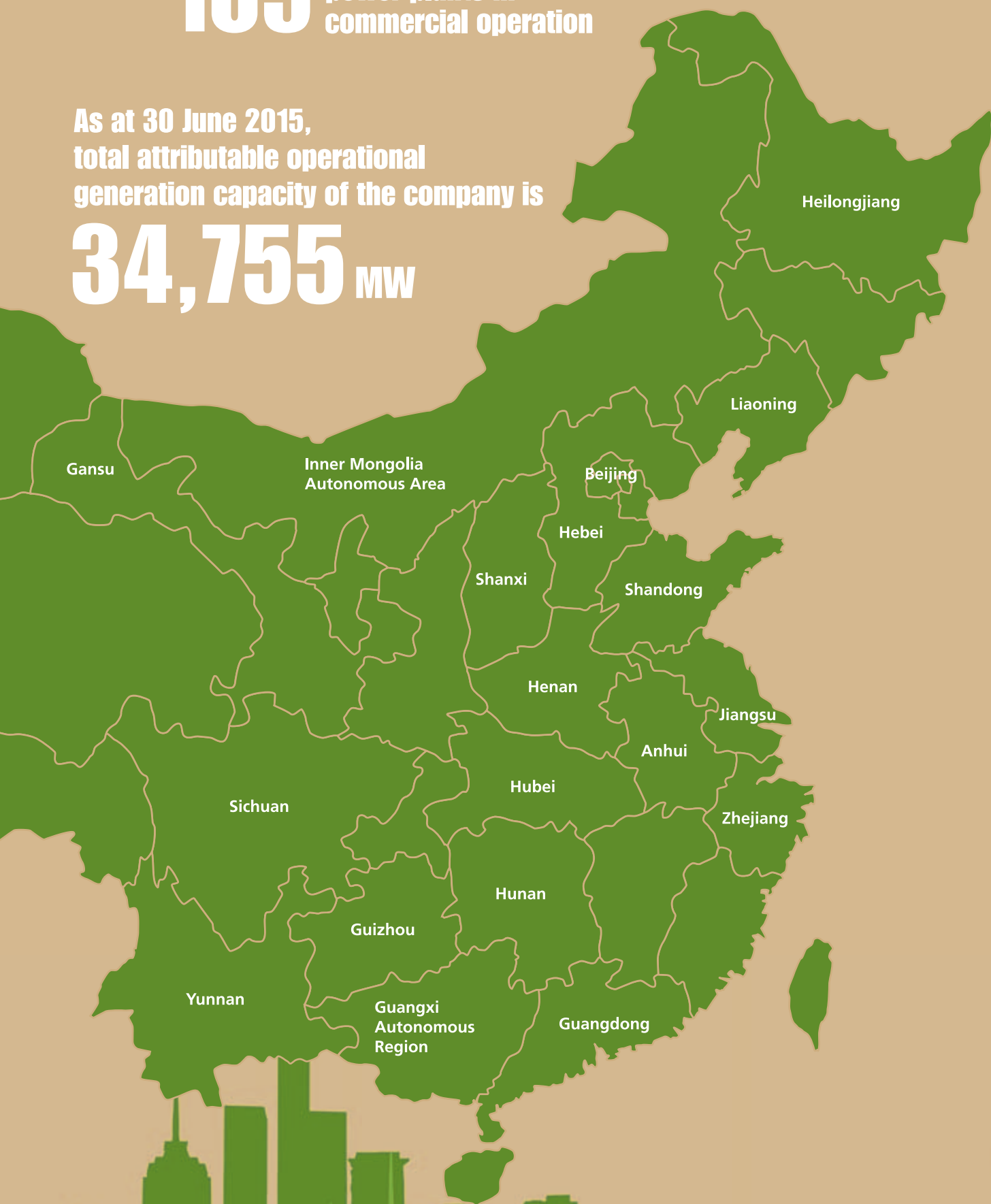
Power



**105** power plants in commercial operation

As at 30 June 2015,  
total attributable operational  
generation capacity of the company is

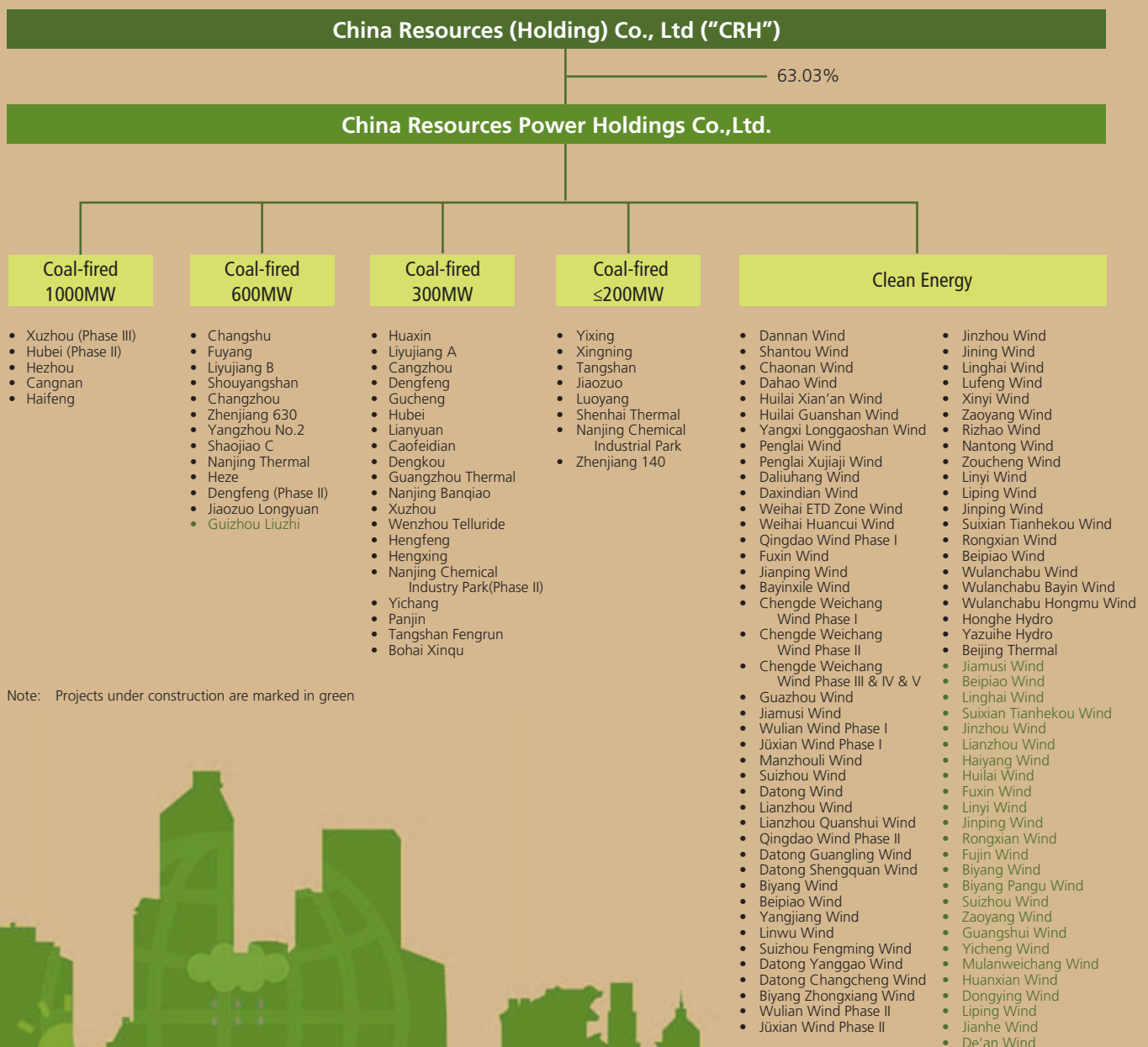
**34,755** MW



# About CR Power

China Resources Power Holdings Company Limited (the “Company” or “CR Power”) is a fastgrowing energy company which invests, develops, operates and manages coal-fired power plants, wind farms, hydro-electric projects and other renewable energy projects in the more affluent regions or regions with abundant coal resources in China, and invests, develops, constructs and operates coal mines in China.

As at 30 June 2015, CR Power has 41 coal-fired power plants, 2 hydro-electric plants, 1 gas-fired plant and 61 wind farms in commercial operation. The total attributable operational generation capacity of the Company is 34,755MW, with 35.7% of our capacity located in Eastern China, 27.1% located in Central China, 20.1% located in Southern China, 11.1% located in Northern China, 4.4% located in Northeastern China, 0.9% located in Southwestern China and 0.6% located in Northwestern China.



 **CONTENTS**

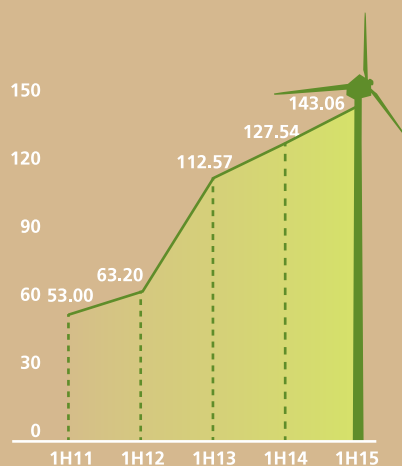
<b>2</b>	<b>Performance Highlights</b>
<b>4</b>	<b>Service Areas</b>
<b>6</b>	<b>Chairman’s Statement</b>
<b>11</b>	<b>Management’s Discussion and Analysis</b>
<b>30</b>	<b>Report on Review of Interim Financial Information</b>
<b>31</b>	<b>Interim Condensed Consolidated Statement of Income</b>
<b>32</b>	<b>Interim Condensed Consolidated Statement of Comprehensive Income</b>
<b>33</b>	<b>Interim Condensed Consolidated Balance Sheet</b>
<b>36</b>	<b>Interim Condensed Consolidated Statement of Changes in Equity</b>
<b>38</b>	<b>Interim Condensed Consolidated Statement of Cash Flows</b>
<b>39</b>	<b>Notes to the Condensed Consolidated Interim Financial Information</b>
<b>64</b>	<b>Disclosure of Interests</b>
<b>68</b>	<b>Corporate Governance and Other Information</b>
<b>69</b>	<b>Corporate Information</b>
<b>70</b>	<b>Information for Investors</b>



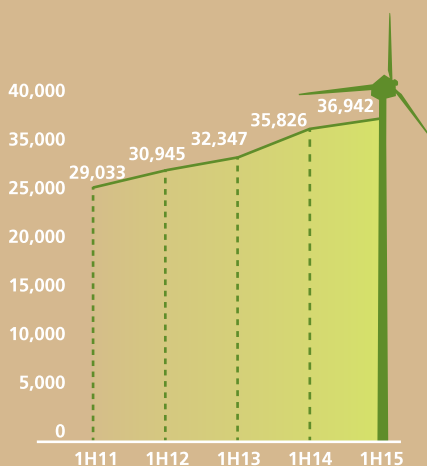
# Performance Highlights

	1H2015	1H2014	1H2013	1H2012	1H2011
<b>Earnings per share (HK cents)</b>					
Basic	<b>143.06</b>	127.54	112.57	63.20	53.00
Diluted	<b>142.82</b>	127.21	112.02	62.77	52.47
<b>Turnover (HK\$'000)</b>	<b>36,942,294</b>	35,826,042	32,347,107	30,944,552	29,032,879
<b>Profit attributable to owners of the Company (HK\$'000)</b>	<b>6,812,796</b>	6,063,754	5,330,636	3,001,672	2,484,053
<b>Generation volume of operating power plants (MWh)</b>					
Total gross generation	<b>99,827,848</b>	96,227,497	88,857,686	81,551,829	82,105,814
Total net generation	<b>94,336,344</b>	90,701,240	83,745,227	76,589,798	77,008,374

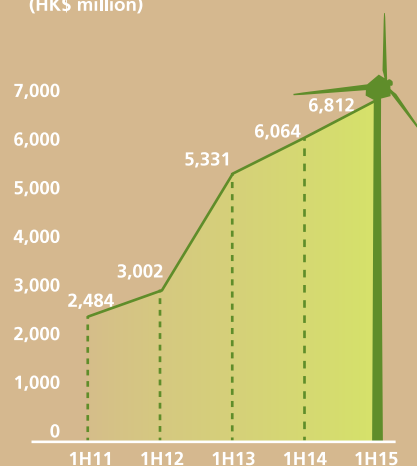
Basic earnings per share (HK cents)



Turnover (HK\$ million)



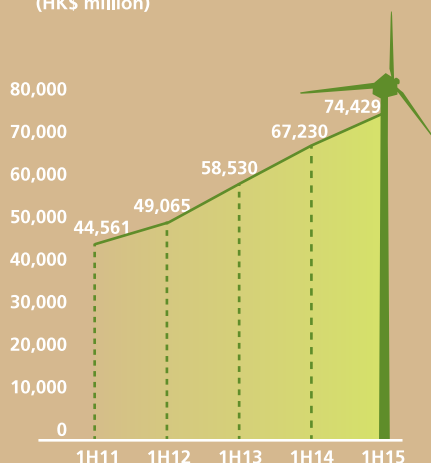
Profit attributable to owners of the Company (HK\$ million)



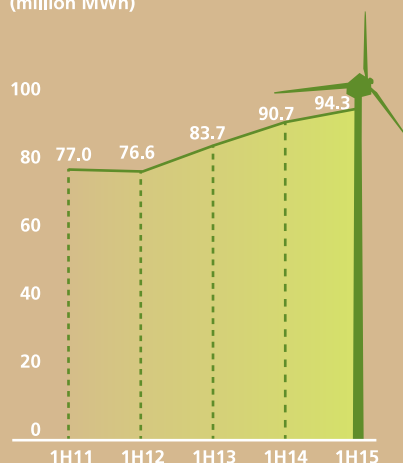
# Performance Highlights

As at 30 June	2015	2014	2013	2012	2011
<b>Condensed consolidated balance sheet</b> (HK\$'000)					
Non-current assets	<b>195,391,763</b>	187,512,597	169,366,532	142,364,470	131,563,968
Current assets	<b>33,699,715</b>	31,406,491	192,211,818	28,755,543	28,962,652
Current liabilities	<b>58,532,068</b>	52,730,072	45,372,101	42,104,644	41,819,856
Non-current liabilities	<b>80,900,456</b>	81,123,022	68,575,004	65,189,124	59,521,842
Equity attributable to owners of the Company	<b>74,429,161</b>	67,230,389	58,529,826	49,064,814	44,561,132
Total assets	<b>229,091,478</b>	218,919,088	192,211,818	171,120,013	160,526,620
Cash and cash equivalents	<b>11,850,864</b>	8,072,027	5,137,425	6,670,866	7,304,739
Borrowings	<b>100,279,701</b>	97,177,495	79,272,960	85,410,319	77,550,163
<b>Key financial ratios</b>					
Net debt to shareholders' equity (%)	<b>118.0%</b>	130.7%	126.7%	160.5%	157.6%
EBITDA interest coverage (times)	<b>8.39</b>	7.14	6.44	4.13	5.27
<b>Attributable operational generation capacity by location</b> (MW)					
Eastern China	<b>12,423</b>	12,331	10,922	10,650	10,252
Central China	<b>9,431</b>	8,116	6,157	4,205	3,695
Southern China	<b>7,003</b>	4,869	4,741	3,632	3,749
Northern China	<b>3,866</b>	2,662	2,548	2,499	2,438
Northeastern China	<b>1,519</b>	1,438	1,213	1,109	925
Southwestern China	<b>312</b>	280	280	147	—
Northwestern China	<b>201</b>	201	201	198	—
Total	<b>34,755</b>	29,897	26,062	22,440	21,059

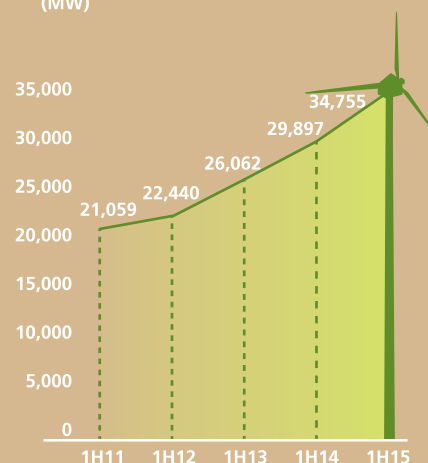
Equity attributable to owners of the Company (HK\$ million)



Net generation volume of operating power plants (million MWh)



Attributable operational generation capacity (MW)



# Service Areas

PROVINCE/REGION	POWER PLANTS/WIND FARMS/ HYDRO-ELECTRIC	INSTALLED CAPACITY (MW)	EFFECTIVE EQUITY INTEREST	ATTRIBUTABLE INSTALLED CAPACITY (MW)	
Jiangsu	Changshu	1,950.0	100.0%	1,950.0	
	Nanjing Thermal	1,200.0	100.0%	1,200.0	
	Xuzhou Phase III	2,000.0	59.9%	1,197.2	
	Zhenjiang	1,540.0	42.5%	654.5	
	Yangzhou No. 2	1,260.0	45.0%	567.0	
	Xuzhou	1,280.0	42.7%	545.9	
	Nanjing Chemical Industry Park Phase II	600.0	90.0%	540.0	
	Huaxin	660.0	72.0%	475.2	
	Nanjing Banqiao	660.0	65.0%	429.0	
	Changzhou	1,260.0	25.0%	315.0	
	Nanjing Chemical Industry Park	110.0	90.0%	99.0	
	Yixing	120.0	55.0%	66.0	
	Nantong Wind	49.5	100.0%	49.5	
	Guangdong	Liyujiang B	1,300.0	100.0%	1,300.0
Shajiao C		1,980.0	36.0%	712.8	
Guangzhou Thermal		600.0	100.0%	600.0	
Liyujiang A		630.0	60.0%	378.0	
Xingning		270.0	100.0%	270.0	
Haifeng		2,000.0	100.0%	2,000.0	
Chaonan Wind		155.9	100.0%	155.9	
Yangjiang Wind		89.8	100.0%	89.8	
Huilai Guanshan Wind		50.0	100.0%	50.0	
Huilai Xian'an Wind		37.5	100.0%	37.5	
Shantou Wind		29.3	100.0%	29.3	
Dahao Wind		18.0	100.0%	18.0	
Dannan Wind		24.0	55.0%	13.2	
Lianzhou Wind		100.0	100.0%	100.0	
Lianzhou Quanshui Wind		50.0	100.0%	50.0	
Yangjiang Wind Phase II		45.5	100.0%	45.5	
Lufeng Wind		66.0	100.0%	66.0	
Xinyi Wind		39.0	100.0%	39.0	
Lianzhou Wind		50.0	100.0%	50.0	
Huilai Wind		36.0	100.0%	36.0	
Henan	Shouyangshan	1,200.0	85.0%	1,020.0	
	Gucheng	600.0	100.0%	600.0	
	Dengfeng	1,840.0	85.0%	1,564.0	
	Jiaozuo	280.0	100.0%	280.0	
	Luoyang	100.0	51.0%	51.0	
	Jiaozou Longyuan	1,320.0	100.0%	1,320.0	
	Biyang Wind	51.5	100.0%	51.5	
	Biyang Zhongxiang Wind	39.0	100.0%	39.0	
	Biyang Wind	13.5	100.0%	13.5	
	Biyang Pangu Wind	33.0	100.0%	33.0	
Hebei	Cangzhou	660.0	95.0%	627.0	
	Caofeidian	600.0	90.0%	540.0	
	Tangshan	200.0	80.0%	160.0	
	Hengfeng	600.0	25.0%	150.0	
	Hengxing	600.0	25.0%	150.0	
	Tangshan Fengrun	700.0	60.0%	420.0	
	Bohai Xinqu	700.0	100.0%	700.0	
	Chengde Wind	48.0	100.0%	48.0	
	Chengde Weichang Wind	46.5	100.0%	46.5	
	Chengde Yudaokou Wind	151.5	100.0%	151.5	
	Mulanweichang Wind	150.0	100.0%	150.0	
	Liaoning	Shenhai Thermal	600.0	54.1%	324.7
		Panjin	700.0	100.0%	700.0
Fuxin Wind		99.0	100.0%	99.0	
Jianping Wind		99.0	100.0%	99.0	
Beipiao Wind		94.3	100.0%	94.3	
Fuxin Wind Phase III		49.5	100.0%	49.5	
Linghai Wind		73.5	100.0%	73.5	
Jinzhou Wind		36.0	100.0%	36.0	
Beipiao Wind		103.8	100.0%	103.8	
Jinzhou Wind		13.5	100.0%	13.5	
Linghai Wind		25.5	100.0%	25.5	
Fuxin Wind Phase III		48.0	100.0%	48.0	

Note: Projects under construction are marked in green



## Service Areas

PROVINCE/REGION	POWER PLANTS/WIND FARMS/ HYDRO-ELECTRIC	INSTALLED CAPACITY (MW)	EFFECTIVE EQUITY INTEREST	ATTRIBUTABLE INSTALLED CAPACITY (MW)
Shandong	Heze	1,200.0	90.0%	1,080.0
	Weihai Wind	49.8	100.0%	49.8
	Weihai Huancui Wind	49.8	100.0%	49.8
	Daliuhang Wind	50.0	100.0%	50.0
	Daxindian Wind	49.8	100.0%	49.8
	Penglai Wind	48.0	95.0%	45.6
	Penglai Xujiaji Wind	46.6	95.0%	44.3
	Qingdao Wind Phase I	49.8	100.0%	49.8
	Qingdao Wind Phase II	50.0	100.0%	50.0
	Jining Wind I	49.5	100.0%	49.5
	Juxian Wind Phase I	50.0	100.0%	50.0
	Juxian Wind Phase II	50.0	100.0%	50.0
	Wulian Wind Phase I	50.0	100.0%	50.0
	Wulian Wind Phase II	50.0	100.0%	50.0
	Rizhao Wind	48.6	100.0%	48.6
	Zoucheng Wind	44.0	100.0%	44.0
	Linyi Wind	80.0	100.0%	80.0
	Linyi Wind	20.0	100.0%	20.0
	Dongying Wind	50.0	100.0%	50.0
	Haiyang Wind	49.8	100.0%	49.8
Inner Mongolia Autonomous Region	Dengkou	600.0	75.0%	450.0
	Bayinxile Wind	99.0	100.0%	99.0
	Manzhouli Wind	49.5	100.0%	49.5
	Wulanchabu Wind	49.5	100.0%	49.5
	Wulanchabu Bayin Wind	49.5	100.0%	49.5
	Wulanchabu Hongmu Wind	49.5	100.0%	49.5
	Manzhouli Wind Phase II	49.5	100.0%	49.5
	Hubei	Hubei	600.0	100.0%
Hubei Phase II		2,000.0	100.0%	2,000.0
Yichang		700.0	100.0%	700.0
Suizhou Wind		76.8	100.0%	76.8
Suizhou Fengming Wind		49.5	100.0%	49.5
Suixian Tianhekou Wind		148.5	100.0%	148.5
Zaoyang Wind		49.5	100.0%	49.5
Suizhou Wind		16.5	100.0%	16.5
Zaoyang Wind		50.0	100.0%	50.0
Guangshui Wind		50.0	100.0%	50.0
Yicheng Wind		50.0	100.0%	50.0
Suixian Tianhekou Wind		49.5	100.0%	49.5
Guangxi Autonomous Region		Hezhou	2,000.0	50.0%
	Rongxian Wind	48.0	100.0%	48.0
	Rongxian Wind	40.0	100.0%	40.0
Anhui	Fuyang	1,280.0	55.0%	704.0
Hunan	Lianyuan	600.0	100.0%	600.0
	Linwu Wind	68.0	100.0%	68.0
Zhejiang	Wenzhou Telluride	600.0	40.0%	240.0
	Cangnan	2,000.0	75.0%	1,500.0
Yunnan	Honghe Hydro	210.0	70.0%	147.0
Sichuan	Yazuihe Hydro	260.0	51.0%	132.6
Gansu	Guazhou Wind	201.0	100.0%	201.0
	Huanxian Wind	50.0	100.0%	50.0
Beijing	Beijing Thermal	150.0	51.0%	76.5
Heilongjiang	Jiamusi Wind	43.5	100.0%	43.5
	Jiamusi Wind	6.0	100.0%	6.0
	Fujin Wind	50.0	100.0%	50.0
Shanxi	Datong Wind	198.0	100.0%	198.0
	Datong Guangling Wind	50.0	100.0%	50.0
	Datong Yanggao Wind	49.5	100.0%	49.5
	Datong Shengquan Wind	50.0	100.0%	50.0
	Datong Changcheng Wind	49.5	100.0%	49.5
Guizhou	Liping Wind	2.0	100.0%	2.0
	Jinping Wind	30.0	100.0%	30.0
	Guizhou Liuzhi	1,320.0	100.0%	1,320.0
	Jinping Wind	2.0	100.0%	2.0
	Liping Wind	96.0	100.0%	96.0
Jianhe Wind	97.5	100.0%	97.5	
Jiangxi	De'an Wind	48.0	100.0%	48.0

Note: Projects under construction are marked in green

# Chairman's Statement



**The Best  
Employer**



**World-Class  
Enterprise**



**Dear Shareholders,**

**On behalf of the Board, I am pleased to present the interim results of CR Power for the six months ended 30 June 2015.**

In the first half of 2015, in face of the macro economic downturn and the overall easing of supply and demand of power in China, CR Power continued to actively adapt to economic development while adhering to its development philosophy of "making progress while maintaining stability", closely focusing on the Company's strategy in the "Twelfth Five-Year Plan" and its annual business plan, and centering around improving the overall quality of development and economic benefits, with major operation indicators continuously maintaining leading positions in the industry.

## RESULTS PERFORMANCE

During the first half of 2015, CR Power recorded turnover of HK\$36,942 million, representing an increase of 3.1% as compared to HK\$35,826 million for the same period of 2014. Operating cash flow was HK\$15,308 million, representing an increase of 20.4% as compared to HK\$12,716 million for the same period of 2014. Net profit was HK\$6,813 million, representing an increase of 12.4% as compared to HK\$6,064 million for the same period of 2014. Basic earnings per share was 143.06 HK cents, representing an increase of 12.2% as compared to 127.54 HK cents for the same period of 2014. The Board has resolved to declare an interim dividend of 10 HK cents per share for 2015.

During the first half of 2015, our attributable operational generation capacity amounted to 34,755MW, representing an increase of 10.9% over 31,331MW as at the end of 2014, of which attributable operational generation capacity of coal-fired power plants amounted to 30,596MW, accounting for 88% of the total attributable operational generation capacity, while those of wind power, gas-fired power and hydropower accounting for 12% of the total attributable operational generation capacity.

# Chairman's Statement



## MAJOR INITIATIVES

Despite challenging economic conditions and market pressures, CR Power still adheres to adjusting structures, strengthening management and controlling risks, maintaining stable and healthy development momentum amid a complex operating environment.

By adjusting structures to ensure benign growth, we have further strengthened the outlook analysis and market research for coal-fired power projects, with focus on development of coastal coal-fired power projects, heat and power co-generation projects as well as integrated coal and power projects. We have established and refined the preliminary project investment review mechanism, imposed stringent conditions for project investment, adhered to return hurdle rates, prioritized the order of greenfield projects, and controlled the pace of growth to ensure rational project investment. We have strengthened and accelerated the development of renewable energy businesses, with focus on construction of wind power projects, actively developing concentrated solar projects and we will continue to strive to diversify our capacity mix by accelerating the development of our renewable

energy business so to increase our risk control and profit generation capabilities. We have strengthened optimization of coal projects, initiated our "one mine, one strategy" effort to promote optimal allocation of resources.

During the first half of 2015, we have commenced operation of five coal-fired power generating units, including two 1,000MW ultra-supercritical generating units in Haifeng Power Plant in Guangdong, two 350MW heat and power co-generation units in Bohai New Zone in Hebei, and one 660MW heat and power co-generation unit in Jiaozuo Longyuan Power Plant in Henan, with a total addition of 3,360MW of attributable operating generation capacity, which resulted in the total attributable operating generation capacity of our coal-fired power plants amounting to 30,596MW, representing an increase of 11.6% over the end of 2014. As at the end of June 2015, the attributable operating generation capacity of our coal-fired power plants under construction amounted to 1,320MW, mainly attributable to the two 660MW supercritical coal-fired units located in Liuzhi, Guizhou.

Attributable operational generation capacity

**10.9%**



Total attributable operating generation capacity of our coal-fired power plants

**+ 11.6%**

# Chairman's Statement

**During the first half of 2015, newly added attributable wind power capacity was 249MW, which resulted in our total wind power capacity amounting to 3,803MW, representing an increase of 7% over the end of 2014.**



The total net generation volume of our consolidated operating power plants increase of

**8.5%**

During the first half of 2015, newly added attributable wind power capacity was 249MW, which resulted in our total wind power capacity amounting to 3,803MW, representing an increase of 7% over the end of 2014. Attributable generation capacity of wind farms under construction was 1,199MW, while approved wind power capacity was 738.5MW, representing a year-on-year increase of 69.4% and 72.4%, respectively. We have also been granted 2,600.6MW of development rights under the fifth batch of wind power approvals by the National Energy Administration.

We will continue to strengthen management and strive to promote management enhancement. At the beginning of the year, we formulated the annual business plan centering around the "5M" strategic objectives, i.e., "more solid, much stronger, much larger, much better and more sustainable". We analyzed each item and entered into performance agreements at all levels to ensure implementation of the business plan through enhanced appraisals.

We also strengthened management and decision-making efficiency by establishing and refining the mechanism for delegation of authorities at all levels, and delineating duties and responsibilities at various levels. We further stimulated organization vitality through continuous optimization of employee compensation management, promotion as well as designation of positions at CR Power's headquarters and the coal division. We promoted lean management, benchmarking and standardization in a systematic and in-depth manner to further improve operational, technical and financial indicators, and create an atmosphere and culture of lean management for participation by all staff and persistent improvements to enhance management. By establishing a sound coal-power collaborative mechanism, encouraging

internal collaboration in various aspects of management, technology and procurement across businesses and regions and leveraging on the strength of the parent company's diversified businesses, collaboration was promoted in various aspects of production, financing and collective procurement to realize maximized benefits.

During the first half of 2015, the total net generation volume of our consolidated operating power plants amounted to 71,716,433 MWh, representing a year-on-year increase of 8.5%. The average standard coal cost decreased by 19.0% year-on-year. The average unit fuel cost for power generation was RMB156.82 per MWh, representing a year-on-year decrease of 19.5%. The net generation standard coal consumption rate decreased by 3.80 g/kWh.

**5M** More solid, much stronger  
much larger, much better  
more sustainable

# Chairman's Statement



Average unit fuel cost

**19.5%**

Net generation standard coal consumption rate

**3.80 g/kWh**

In our effort to control risk to guarantee stable operations, we have further strengthened risk management to ensure organizational safety by setting up the tender committee, the tender procurement department and the tendering company of CR Power to co-ordinate management of the tendering and purchasing operations of the Group. We have established and improved the Environment Health Safety ("EHS") organization systems for all units to strengthen EHS management. We have also further enhanced the risk control system, amended the contract management system of the Company, and strengthened legal checks to mitigate risks arising from drafting and approval of contracts. An audit rectification and application management system has been developed to improve management of audit rectification and transform audit results to management results. Risk control has been further strengthened, with active assessment of EHS risk with specific safety checking and rectification for third party contractors. We have actively assessed key risk areas for coal-fired power projects, developed

**We emphasise on environmental protection and promote sustainable development. We have vigorously carried out technological transformation for the energy saving and emission reduction of the coal-fired power generation units.**

preventive measures, and compiled and issued manuals for risk prevention and control to enhance the standards for prevention of legal risks for coal-fired projects. We have actively promoted the construction of our ERP system, which, through solidifying the information submission and approval process, can improve management efficiency while mitigating risks.

We emphasise on environmental protection and promote sustainable development. We have vigorously carried out technological transformation for the energy saving and emission

reduction of the coal-fired power generation units. In the first half of the year, we have completed the upgrading of desulfurization and denitrification facilities for two units each, and also completed the upgrading of ash-removal facilities for six units. By the end of June 2015, all projects met the sulfur-dioxide emission standards, and all the projects have been equipped with denitrification facilities. Except for Cangzhou Project which plans to upgrade ash removal facilities to enhance efficiency for no. 2 unit in August 2015, all other projects met the ash emission standards a sustainable basis.

# Chairman's Statement

Sulphur dioxide emission

— 35%

Nitrogen oxide emission

— 56%

Ash

— 36%

We are proactive in fulfilling the social responsibility of energy saving, emission reduction, energy conservation and consumption reduction. To further reduce the discharge of pollutants, we take the initiative in vigorously promoting ultra-low emission transformation for coal-fired units, and have completed desulphurization and ash removal for Guangzhou Thermal no.2 unit, Liaoning Panjin no.2 unit, Jiangsu Nanjing Thermal no.2 unit, Henan Shouyangshan no.1 unit and Hubei no.4 unit in the first half of 2015. By the end of June 2015, a total of 10 coal-fired units under the Group have achieved the ultra-low emission level.

During the first half of 2015, through ongoing lean management, technology optimization as well as upgrade and transformation, energy consumption indicators of our consolidated operating power plants kept improving, with coal consumption falling by 3.80g/kWh year-on-year with decreasing emissions. In particular, sulphur dioxide emission decreased by 35% year-on-year, nitrogen oxide emission decreased by 56% year-on-year and ash decreased by 36% year-on-year.

## OUTLOOK

In the second half of the year, electricity consumption in China is not expected to increase significantly, and domestic electricity supply will continue to remain ample. Striving for higher utilization hours will be one of the key targets for our coal-fired power plants.

In the second half of the year, we will closely track the progress of power reform, pay active attention to the development opportunities brought by power industry reform and the national strategy of "One Belt One Road", and



carry out market study and analysis. Based on the development prospects of the coal-fired power generation industry and adhering to our strict return hurdle rates, we will select coal-fired power projects which are highly competitive and will create value for shareholders in the future. In addition, we will also increase investment in clean and renewable energy sectors with focus on the construction of wind farms, and will begin construction of solar projects. We will continue to optimize existing assets, increase the level of return and strengthen cost control in both the coal and power markets to create competitive advantages. We will continue to implement lean management and benchmarking, constantly improve and optimize various production and operation indicators, and enhance operation efficiency and management standards to realize organic growth. We will further implement the ultra-low emission transformation for coal-fired generation units to reduce emission, and continue to actively perform our social responsibility of energy conservation.

2015 is the last year of the Twelfth Five-Year Plan as well as a year for strategic planning of our reforms, innovations and sustainable development of the Company. With consecutive implementation of the power reform policy, national strategies such as "One Belt One Road" and a series of reform measures, CR Power has ushered in new development opportunities along with new challenges. We firmly believe that with care and support from all shareholders and communities, together with concerted efforts from all employees, CR Power will certainly be able to fulfil its missions by capturing opportunities and achieving excellent results to the satisfaction of shareholders and interested parties.

**Zhou Junqing**  
Chairman

Hong Kong, 18 August 2015

# Management's Discussion and Analysis



## BUSINESS REVIEW FOR THE FIRST HALF OF 2015

### Growth of generation capacity

As at 30 June 2015, the Group had a total attributable operational generation capacity of 34,755MW.

In the first half of 2015, the Group commissioned five coal-fired generation units, including two 1,000MW ultra-supercritical generation units of Haifeng Power Plant in Guangdong, two 350MW heat and power co-generation units of Bohai New District Power Plant in Hebei and one 660MW heat and power co-

generation unit of Jiaozuo Longyuan Power Plant in Henan, resulting in an increase in total attributable operational generation capacity of 3,360MW. Newly added total attributable operational generation capacity in wind-farms was 249MW.

As at 30 June 2015, the attributable operational generation capacity of our coal-fired power plants amounted to 30,596MW, representing 88.0% of the Group's total attributable operational generation capacity. Wind, gas-fired and hydro-power generation capacity amounted to 3,803MW, 77MW and 280MW, respectively, in aggregate representing 12.0% of our total attributable operational generation capacity.

### Generation volume

The total net generation volume of our consolidated operating power plants amounted to 71,716,433MWh in the first half of 2015, representing an increase of 8.5% from 66,106,136MWh in the first half of 2014.

The growth in net generation volume of our consolidated operating power plants was mainly due to (1) five coal-fired generation units with total attributable capacity of 3,360MW and reserved wind farms with total attributable capacity of 249MW commissioned in the first half of 2015; and (2) three coal-fired generation units and a number of wind farms with total attributable capacity of 1,434MW commissioned in the second half of 2014.

For the 33 coal-fired power plants (including associate power plants) which were in commercial operations for the entire first six months of 2014 and 2015, net generation volume for the first half of 2015 decreased by 8.1% from the first half of 2014. The average full-load equivalent utilization hours for the first half of 2015 of these 33 coal-fired power plants amounted to 2,498 hours, representing a decrease of 8.2% from 2,721 hours for the first half of 2014.

### Fuel costs

In the first half of 2015, average standard coal cost of our consolidated operating power plants decreased by 19.0% compared with the first half of 2014. Average unit fuel cost for our consolidated operating power plants was RMB156.82/MWh, representing a decrease of 19.5% compared with the first half of 2014. This was mainly due to decreasing coal prices and further enhanced operating efficiency of our subsidiary power plants as a result of our continuous implementation of lean management. The average net generation standard coal consumption rate of our consolidated operating power plants for the first half of 2015 was 305.99g/kWh, representing a decrease of 3.80g/kWh in comparison with the same period last year.

### Coal production

In the first half of 2015, the Company's coal mines produced a total of 6.756 million tonnes of raw coal, representing an increase of 9.2% as compared to the same period last year. This was mainly due to the commissioning of certain coal mines upon completion of technical upgrades.

# Management's Discussion and Analysis

## Development of renewable energy

As at 30 June 2015, the attributable operational generation capacity of the Company's wind power projects amounted to 3,803MW, representing an increase of 18.8% and 7.0% as compared to the end of June 2014 and the end of December 2014, respectively. The attributable operational generation capacity of our wind farms under construction amounted to 1,199MW. The average full-load equivalent utilization hours of wind farms that were in commercial operation in the entire first six months of 2014 and 2015 amounted to 1,148 hours versus 1,082 hours in the first half of 2014.



## Environmental expenses

In the first half of 2015, the total amount of discharge fees incurred by the subsidiaries was approximately RMB71 million, which was RMB57 million or 44.5% lower than RMB128 million incurred in the first half of 2014. This was mainly due to the reduction of emission as a result of the installation of desulfurization, denitration and ash removal facilities on all of the operating coal-fired generation units of the Company.



## PROSPECTS FOR THE SECOND HALF OF 2015

Due to the macroeconomic downturn and structural changes in industrial production, in the first half of 2015, national power consumption increased by 1.3%, representing a decline of 4 percentage points as compared to the same period last year. In the second half of 2015, the Group does not expect any significant growth in power consumption as demand for power is expected to be weak, while the supply of power will be abundant. One of the primary focuses for CR Power will be to strive for higher utilization hours.

Due to the continuous weak coal market, and abundant supply of coal in the domestic coal market, supply and demand of thermal coal has been on an easing trend. Coal prices continued to drop on a monthly basis and remained at low levels. Without a fundamental change in the trend of volume and structural surplus in the coal market, it is expected that coal prices will continue to remain weak in the short term.

The Group will continue to focus on organic growth and will comprehensively, systemically and deeply promote lean management and benchmarking in respect of the three divisions, i.e. thermal power, coal-mining and renewable energy. In this regard, the Group will continue to improve and optimize various productive and operational indicators, and enhance the overall operational efficiency and management of the Company.

In order to further reduce emissions and perform our social responsibilities in energy saving and emission reduction proactively, the Group plans to implement ultra-low emission transformation on 22 coal-fired generation units with a total attributable installed capacity of 8,276MW in 2015 to further reduce the emission of sulphur dioxide, nitrogen oxide and ash.

As at the end of June 2015, the attributable generation capacity of our coal-fired power plants under construction amounted to 1,320MW, including 2x660MW supercritical coal-fired generation units in Liuzhi, Guizhou.

In the second half of 2015, the Group plans to make preparations for the construction of a number of coal-fired generation units, including 2x660MW ultra-supercritical generation units in Wujianfang, Inner Mongolia, 2x1,000MW ultra-supercritical generation units in Caofeidian, Hebei and 2x350MW supercritical heat and power co-generation units using low calorific value coal in Ningwu, Shanxi.



# Management's Discussion and Analysis

## OPERATING RESULTS

The results of operations for the six months ended 30 June 2015, which have been reviewed in accordance with the Hong Kong Standard on Review Engagements 2410 by the auditors and the Audit and Risk Committee of the Company, are set out as follows:

### Interim Condensed Consolidated Statement of Income

	Six months ended	
	30 June 2015 HK\$'000 (unaudited)	30 June 2014 HK\$'000 (unaudited)
Turnover	36,942,294	35,826,042
Operating expenses		
Fuels	(14,203,816)	(16,406,962)
Repairs and maintenance	(966,520)	(829,994)
Depreciation and amortisation	(4,861,281)	(4,079,659)
Employee benefit expenses	(2,323,591)	(2,363,102)
Consumables	(479,393)	(467,634)
Impairment charges	(1,167,847)	(1,999,262)
Business tax and surcharge	(501,640)	(334,410)
Others	(1,646,755)	(1,699,434)
Total operating expenses	(26,150,843)	(28,180,457)
Other income	855,263	670,902
Other (losses)/gains — net	(59,784)	600,435
Operating profit	11,586,930	8,916,922
Finance costs	(1,463,661)	(1,548,313)
Share of results of associates	481,419	306,107
Share of results of joint ventures	132,833	278,341
Profit before income tax	10,737,521	7,953,057
Income tax expense	(2,724,726)	(2,021,813)
Profit for the period	8,012,795	5,931,244
Profit for the period attributable to:		
Owners of the Company	6,812,796	6,063,754
Non-controlling interests		
– Perpetual capital securities	210,807	210,900
– Others	989,192	(343,410)
	1,199,999	(132,510)
	8,012,795	5,931,244
Earnings per share attributable to owners of the Company during the period		
– Basic	HK\$1.43	HK\$1.28
– Diluted	HK\$1.43	HK\$1.27

# Management's Discussion and Analysis

## Interim Condensed Consolidated Statement of Comprehensive Income

	Six months ended	
	30 June 2015 HK\$'000 (unaudited)	30 June 2014 HK\$'000 (unaudited)
Profit for the period	8,012,795	5,931,244
Other comprehensive income:		
Items that may be reclassified to profit or loss		
Currency translation difference	88,415	(732,496)
Share of changes in translation reserve of associates and joint ventures	11,350	(69,887)
Release to profit or loss in relation to disposal of associates	(100,441)	—
Fair value changes on cash flow hedges, net of tax	50,112	34,117
Total items that may be reclassified subsequently to profit or loss	49,436	(768,266)
Total comprehensive income for the period, net of tax	8,062,231	5,162,978
Attributable to:		
Owners of the Company	6,854,556	5,411,259
Non-controlling interests		
– Perpetual capital securities	210,807	210,900
– Others	996,868	(459,181)
	1,207,675	(248,281)
Total comprehensive income for the period	8,062,231	5,162,978

# Management's Discussion and Analysis

## Interim Condensed Consolidated Balance Sheet

	As at 30 June 2015 HK\$'000 (unaudited)	As at 31 December 2014 HK\$'000 (audited)
<b>ASSETS</b>		
Non-current assets		
Property, plant and equipment	149,632,600	146,907,932
Prepaid lease payments	3,387,059	3,218,044
Mining rights	18,001,962	18,138,478
Exploration and resources rights	172,044	171,989
Prepayments for non-current assets	4,742,126	3,579,037
Investments in associates	10,273,134	11,222,297
Investments in joint ventures	2,206,674	2,472,578
Goodwill	2,698,255	3,123,668
Deferred income tax assets	917,601	739,113
Available-for-sale investments	1,656,972	1,656,455
Loans to an associate	1,504,460	809,229
Loan to a non-controlling shareholder of a subsidiary	17,119	17,113
Derivative financial instruments	—	575,898
Loan to an available-for-sale investee company	181,757	181,698
	<b>195,391,763</b>	<b>192,813,529</b>
Current assets		
Inventories	2,687,338	3,308,874
Trade receivables, other receivables and prepayments	16,668,716	19,684,542
Loans to joint ventures	145,311	371,575
Loan to an available-for-sale investee company	95,264	95,233
Amounts due from associates	458,358	106,025
Amounts due from joint ventures	541,306	120,181
Amounts due from other related companies	41,962	85,337
Financial assets at fair value through profit or loss	5,218	5,217
Derivative financial instruments	575,898	—
Pledged and restricted bank deposits	629,480	772,433
Cash and cash equivalents	11,850,864	8,285,135
	<b>33,699,715</b>	<b>32,834,552</b>
<b>Total assets</b>	<b>229,091,478</b>	<b>225,648,081</b>

# Management's Discussion and Analysis

	As at 30 June 2015 HK\$'000 (unaudited)	As at 31 December 2014 HK\$'000 (audited)
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to owners of the Company		
Share capital	22,123,075	22,102,792
Other reserves	15,559,912	14,710,033
Retained profits	36,746,174	33,981,578
	<b>74,429,161</b>	70,794,403
Non-controlling interests		
– Perpetual capital securities	5,897,196	5,897,106
– Others	9,332,597	9,100,859
	<b>15,229,793</b>	14,997,965
<b>Total equity</b>	<b>89,658,954</b>	85,792,368
<b>LIABILITIES</b>		
Non-current liabilities		
Borrowings	76,766,737	79,535,707
Derivative financial instruments	6,682	72,276
Deferred income tax liabilities	2,585,106	2,635,041
Deferred income	914,904	930,275
Retirement and other long-term employee benefits obligations	627,027	626,397
	<b>80,900,456</b>	83,799,696
Current liabilities		
Trade payables, other payables and accruals	31,591,324	31,960,657
Amounts due to associates	812,799	730,760
Amounts due to joint ventures	147,028	1,881
Amounts due to other related companies	1,192,490	959,233
Current income tax liabilities	1,225,753	1,486,367
Borrowings	23,512,964	20,897,153
Derivative financial instruments	49,710	19,966
	<b>58,532,068</b>	56,056,017
<b>Total liabilities</b>	<b>139,432,524</b>	139,855,713
<b>Total equity and liabilities</b>	<b>229,091,478</b>	225,648,081
<b>Net current liabilities</b>	<b>(24,832,353)</b>	(23,221,465)
<b>Total assets less current liabilities</b>	<b>170,559,410</b>	169,592,064

# Management's Discussion and Analysis

## Interim Condensed Consolidated Statement of Cash Flows

	Six months ended	
	30 June 2015 HK\$'000 (unaudited)	30 June 2014 HK\$'000 (unaudited)
<b>CASH INFLOWS FROM OPERATING ACTIVITIES - NET</b>	<b>15,308,115</b>	12,715,963
Cash flows from investing activities		
Dividends received from associates	312,939	527,296
Dividends received from a joint venture	—	751,678
Dividends received from available-for-sale investments	126,136	23,501
Decrease/(increase) in pledged and restricted bank deposits	142,953	(626,809)
Net cash inflow on disposal of equity investments	1,173,955	583,654
Acquisition of and deposits paid for property, plant and equipment and prepaid lease payments	(7,149,596)	(10,651,290)
Acquisition of and deposits paid for mining rights and exploration and resources rights	—	(114,053)
Capital contributions to an associate	(12,329)	—
Capital contributions to a joint venture	—	(219,763)
Loans to associates	(868,233)	(1,753,117)
Other investing cash inflows	238,995	205,270
<b>CASH FLOWS USED IN INVESTING ACTIVITIES-NET</b>	<b>(6,035,180)</b>	(11,273,633)
Cash flows from financing activities		
Proceeds from bank borrowings	18,390,515	18,663,936
Proceeds from notes discounted	722,969	716,924
Proceeds from issuance of shares for exercised options	13,861	20,385
Capital contributions from non-controlling interests	—	167,432
Proceeds from disposal of interests in a subsidiary without loss of control	389,555	—
Repayment of bank and other borrowings	(16,569,926)	(8,723,701)
Repayment of bonds	(1,982,720)	—
Repayment of loan due to an intermediate holding company	—	(4,285,740)
(Repayment of advances from)/advances from associates	(205,011)	844,253
Advances from (repayment of advance from) joint ventures	145,146	(290,934)
Dividends paid to owners of the Company	(3,330,663)	(3,182,310)
Dividends paid to non-controlling interests of the subsidiaries	(917,857)	(841,520)
Interests paid	(2,256,540)	(2,180,659)
Coupon paid on perpetual capital securities	(210,717)	(210,766)
Other financing cash inflows/(outflows)	100,858	(35,385)
<b>CASH FLOWS GENERATED FROM FINANCING ACTIVITIES-NET</b>	<b>(5,710,530)</b>	661,915
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>3,562,405</b>	2,104,245
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>8,285,135</b>	6,035,046
<b>EXCHANGE GAINS/(LOSSES)</b>	<b>3,324</b>	(67,264)
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>11,850,864</b>	8,072,027

# Management's Discussion and Analysis

## Overview

For the six months ended 30 June 2015, the Group's net profit increased by 12.4% to HK\$6,813 million from HK\$6,064 million for the same period in 2014.

Mainly due to the increase in total net generation volume of our consolidated operating power plants as new units commenced operation, and decrease in average unit fuel cost of our consolidated operating coal-fired power plants in comparison with the first half of 2014, our operating profit for the first half of 2015 increased by 29.9% to HK\$11,587 million as compared to the same period in 2014, which resulted in an increase in net profit of 12.4% for the first half of 2015 as compared to the same period in 2014.

The increase in net profit was mainly attributable to the following factors:

- Increase in turnover. Turnover in the first half of 2015 increased by 3.1%, mainly attributable to the increase in net generation volume of our subsidiary power plants as compared to the same period last year as a result of newly commissioned coal-fired power projects and wind farms since second half of last year, partially offset by two rounds of on-grid tariff cuts for coal-fired power plants respectively in the second half of 2014 and the first half of 2015, and a fall in the average sales price of coal for subsidiary coal mines;
- Decrease in unit fuel costs. Average unit fuel cost was RMB156.82/MWh in the first half of 2015, representing a decrease of 19.5% when compared with the first half of 2014, which is mainly due to falling coal prices. In the first half of 2015, the unit price of standard coal decreased by 19.0% and the net generation standard coal consumption rate decreased by 3.80g/kWh when compared with the same period last year;

These increases were offset by:

- Decrease in gains on change in fair value. This was mainly due to the recognition of gains of HK\$576 million on changes in fair value of the call option to acquire additional 16% equity interest of Hezhou Power Plant in Guangxi, a joint venture, in the first half of 2014.
- Increase in income tax expense. Due to newly commissioned coal-fired generation units, a decrease in tax credit on specific equipment or expiration of preferential taxation treatment enjoyed by certain power plants, income tax expense increased by HK\$703 million or 34.8% as compared to the same period last year.
- Increase in profit attributable to non-controlling interests. Due to impairment provision made in respect of certain of our non-wholly owned coal mines in the same period last year and contributions from newly commissioned coal-fired generation units in the first half this year, profit attributable to non-controlling interest increased by HK\$1,333 million year-on-year.

## Basis of preparation of financial statements and 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.

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and with Hong Kong Accounting Standard 34 "Interim financial reporting" by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The Group had net current liabilities as at 30 June 2015. The Directors of the Company are of the opinion that, taking into account the current available banking facilities and internal financial resources of the Group, the Group has sufficient working capital for its present requirements, that is, at least for the next 12 months from the date of the condensed consolidated financial statements. Hence, the condensed consolidated financial statements have been prepared on a going concern basis.

# Management's Discussion and Analysis

## Accounting policies

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2014, as described in those annual financial statements.

New and amended standards, Company Ordinance effective for the financial year beginning on or after 1 January 2015:

- Amendment to HKAS19 regarding defined benefit plans: The change in accounting standard does not have any material impact on the Group.
- Annual improvements 2012 and 2013 do not have any material impact on the Group.

In addition, the requirements of Part 9 "Accounts and Audit" of the new Hong Kong Companies Ordinance (Cap. 622) came into operation for the Company's first financial year commencing on or after 3 March 2014 in accordance with section 358 of that Ordinance. It is concluded that the impact is unlikely to be significant and only the presentation and the disclosure of information in the consolidated financial statements will be affected.

The Group has not applied any new standard or amendment that is not effective for the current accounting period.

## SEGMENT INFORMATION

The Group is engaged in three business areas - thermal power (inclusive of coal-fired and gas-fired power plants), renewable energy (inclusive of wind farms and hydro-electric projects) and coal mining.

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

### For the six months ended 30 June 2015

	Thermal power HK\$'000	Renewable energy HK\$'000	Coal mining HK\$'000	Eliminations HK\$'000	Total HK\$'000
Segment revenue					
External sales	32,337,646	2,987,919	1,616,729	—	36,942,294
Inter-segment sales	—	—	81,023	(81,023)	—
<b>Total</b>	<b>32,337,646</b>	<b>2,987,919</b>	<b>1,697,752</b>	<b>(81,023)</b>	<b>36,942,294</b>
Unclassified segment profit/(loss)	10,646,087	1,821,068	(644,692)	—	11,822,463
Central corporate expenses					(333,183)
Interest income					145,197
Fair value changes on derivative financial instruments					(14,263)
Gains on disposal of equity investments					41,258
Finance costs					(1,463,661)
Share of results of associates					481,419
Share of results of joint ventures					132,833
Dividend income from available-for-sale investments					49,360
Exchange losses					(123,902)
<b>Profit before income tax</b>					<b>10,737,521</b>

# Management's Discussion and Analysis

## For the six months ended 30 June 2014

	Thermal power HK\$'000	Renewable energy HK\$'000	Coal mining HK\$'000	Eliminations HK\$'000	Total HK\$'000
Segment revenue					
External sales	31,594,141	2,272,327	1,959,574	—	35,826,042
Inter-segment sales	—	—	121,392	(121,392)	—
<b>Total</b>	<b>31,594,141</b>	<b>2,272,327</b>	<b>2,080,966</b>	<b>(121,392)</b>	<b>35,826,042</b>
Segment profit/(loss)	9,045,632	1,284,364	(1,775,025)	—	8,554,971
Central corporate expenses					(331,030)
Interest income					92,650
Fair value changes on derivative financial instruments					575,030
Gains on disposal of equity investments					275,868
Finance costs					(1,548,313)
Share of results of associates					306,107
Share of results of joint ventures					278,341
Dividend income from available-for-sale investments					26,178
Exchange losses					(276,745)
<b>Profit before income tax</b>					<b>7,953,057</b>

## Geographical information

Substantially all of the Group's non-current assets are located in the People's Republic of China (the "PRC"), and operations for the period were substantially carried out in the PRC.

## Turnover

Turnover represents the amount received and receivable arising on sales of electricity, heat generated by thermal power plants and sales of coal, net of value-added tax, during the period.

Turnover for the first half of 2015 was HK\$36,942 million, representing a 3.1% increase from HK\$35,826 million for the first half of 2014. The increase in turnover was mainly due to a year-on-year increase in total net generation volume of our consolidated operating power plants by 8.5% as a result of the commissioning of new generation units, partially offset by two rounds of on-grid tariff cuts for coal-fired power plants respectively in the second half of 2014 and the first half of 2015, and the decrease in average sales price of coal of our subsidiary coal mines as compared to the same period last year.

## Operating expenses

Operating expenses mainly comprise fuels, repairs and maintenance, depreciation and amortisation, employee benefit expenses, consumables, business tax and surcharge, impairment charges, and other operating expenses. Other operating expenses include (among others) coal safety production fees, production maintenance fees, water charges, utility expenses, taxes, office rent and other management fees. Total operating expenses for the first half of 2015 amounted to HK\$26,151 million, representing a decrease of HK\$2,029 million or 7.2% from HK\$28,180 million in the first half of 2014.

Fuels in the first half of 2015 amounted to approximately HK\$14,204 million, representing a decrease of HK\$2,203 million or 13.4% from HK\$16,407 million in the first half of 2014. Although the net generation volume of our consolidated power plants increased by 8.5% over the same period last year, the average unit fuel cost for our consolidated coal-fired power plants in the first half of 2015 decreased by 19.5% over the same period last year, as a result, fuels decreased by 13.4% year-on-year.

Repairs and maintenance increased from HK\$830 million for the first half of 2014 to HK\$967 million for the first half of 2015, representing an increase of HK\$137 million or 16.4%. The increase in repairs and maintenance expenses was mainly due to increased generation capacity. Consumables expenses increased by HK\$12 million or 2.5% to HK\$479 million over the same period of last year.



# Management's Discussion and Analysis

Depreciation and amortisation increased from HK\$4,080 million for the first half of 2014 to HK\$4,861 million for the first half of 2015, representing an increase of HK\$781 million or 19.2%. This was mainly due to an increase in the operational generation capacity to 34,755MW as at 30 June 2015 from 29,897MW as at 30 June 2014. Newly commissioned coal-fired power plants and wind farms during the first half of 2015 and second half of last year are all subsidiary power plants.

Employee benefit expenses decreased by HK\$39 million or 1.7% from HK\$2,363 million in the first half of 2014 to HK\$2,324 million in the first half of 2015. Despite an increase in generating capacity, employee benefit expenses decreased in the first half of 2015 as compared to the same period last year as a result of employee termination benefits incurred in respect of the closure down of units of Jinzhou Power Plant in Liaoning in the first half of last year.

Business tax and surcharge increased by HK\$168 million or 50% from HK\$334 million in the first half of 2014 to HK\$502 million, among which business tax, urban maintenance and construction tax and education surcharge increased by approximately HK\$83 million mainly due to interest income from inter-company loans, and resource tax increased by approximately HK\$80 million mainly due to change in basis of calculation from volume sold to sales amounts effective from December 2014.

Impairment charges decreased by HK\$831 million from approximately HK\$1,999 million in the first half of 2014 to HK\$1,168 million, which was attributable to: (1) impairment charges in respect of certain power generation units of approximately HK\$451 million, including impairment charges of HK\$268 million in respect of the shut down of a 200MW unit in Tangshan China Resources Thermal Power Co., Ltd. (唐山華潤熱電有限公司) impairment charges of approximately HK\$85 million in respect of a 180MW gas-fired unit in Guangzhou China Resources Thermal Power Co., Ltd. (廣州華潤熱電有限公司) and impairment charges of approximately HK\$53 million in respect of write-off of desulfurization equipment in Nanjing Chemical Industrial Park Thermolectricity Co., Ltd. (南京化學工業園熱電有限公司); (2) provisions for bad debts, including approximately HK\$226 million in respect of entrusted loans due from Yangcheng Asian American-Danling Railroad Spur Operation Company Limited (陽城亞美大寧鐵路專線運營有限公司), a joint venture of Shanxi China Resources Daning Energy Co., Ltd. (山西華潤大寧能源有限公司) and approximately HK\$63 million in respect of a receivable from a debtor of Shanxi China Resources Liansheng Energy Investment Co., Ltd. (山西華潤聯盛能源投資有限公司); and (3) write-off of goodwill of approximately HK\$195 million, HK\$180 million and HK\$51 million, in respect of certain acquired projects including China Resources Tianneng Xuzhou Coal & Power Co., Ltd. (華潤天能徐州煤電有限公司), Shenhai China Resources Thermal Power Co., Ltd. and China Resources Power (Xingning) Co., Ltd. (華潤電力(興寧)有限公司), respectively.

Other operating expenses decreased from HK\$1,699 million for the first half of 2014 to HK\$1,647 million for the first half of 2015. Other operating expenses for the first half of 2015 mainly included other production costs for our coal operations such as safety production fees and production maintenance fees in an aggregated amount of approximately HK\$113 million; other production costs for power operations such as discharge fees, utility expenses and water charges in an aggregated amount of approximately HK\$730 million; and management fees such as taxes, office rent, building management fees, professional fees, transportation costs and other administrative fees in an aggregated amount of approximately HK\$804 million.

## Other income and other losses - net

Other income amounted to approximately HK\$855 million for the first half of 2015, representing an increase of HK\$184 million or 27.5% from HK\$671 million for the first half of 2014, which was mainly attributable to increase in government grant, interest income, income from by-products and dividend income. Other income for the first half of 2015 mainly included sales of scrap materials of approximately HK\$389 million, interest income of approximately HK\$145 million, government grant of approximately HK\$125 million, dividend income of approximately HK\$49 million and service income from heat connection contracts of approximately HK\$28 million.

Other losses — net recorded a loss of approximately HK\$60 million for the first half of 2015, comprising exchange losses of HK\$124 million, gain on disposal of equity investments of HK\$41 million and revenue from insurance indemnities of HK\$21 million. Other gains — net recorded gains of HK\$600 million for the same period last year, mainly including gain on change in fair value of the call option to indirectly acquire additional 16% equity interest in Hezhou Power Plant, a joint venture, of HK\$576 million recognised in accordance with accounting standards for the first half of last year.

# Management's Discussion and Analysis

## Fair value change on derivative financial instruments

The Group uses derivative financial instruments (primarily interest rate swap) to hedge its exposure against changes in interest rate on bank borrowings. At the inception of the hedging relationship, the Group documented the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documented whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting changes in cash flows of the hedged item.

Derivatives were initially recognised at fair value at the date when a derivative contract was entered into and subsequently re-measured their fair values at each balance sheet date. The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges were deferred in equity. The gain or loss relating to the ineffective portion would be recognised immediately in the income statement under other gains/(losses). The losses of the ineffective portion arising from fair value changes of derivative financial instruments for the first half of 2015 were HK\$14,263,000 (the gains for the first half of 2014: HK\$868,000).

In 2010, the Group and an independent third party (the "Partner") entered into a share subscription agreement ("Share Subscription Agreement") and pursuant to which they formed a company, namely Resources J Energy Investment Limited ("Resources J"), and Resources J indirectly holds 100% equity interest in Hezhou Power Plant.

Pursuant to a Call Option Agreement entered into between the Group and the Partner dated 19 August 2010, the Partner granted the Group a call option at a consideration of HK\$1 to acquire 16% equity interest ("Call Option Shares") in Resources J at a pre-determined consideration. The consideration is determined based on the capital contributed by the Partner attributable for the Call Option Shares plus interest accrued at a compound annual interest rate at 5.5%, reduced by the dividend received by the Partner in respect of the Call Option Shares and the interest on dividend received by the Partner in respect of the Call Option Shares. As at 30 June 2014, the fair value of the call option was HK\$575,898,000, which remained unchanged in the first half of 2015.

## Operating profit

Operating profit represents profit from the Company and its subsidiaries before deduction of finance costs, income tax expenses and non-controlling interests. Operating profit amounted to HK\$11,587 million for the first half of 2015, representing an increase of HK\$2,670 million or 29.9% from HK\$8,917 million for the first half of 2014. The increase was mainly due to (1) an increase in profit of power plants as a result of the decrease in unit fuel cost of our subsidiary power plants; (2) profit contribution from newly commissioned coal-fired generation units; and (3) a decrease in impairment charges, which was partially offset by (1) decrease in net generation volumes on a same coal-fired power plant basis; (2) two rounds of on-grid tariff cuts for coal-fired power plants respectively in the second half of 2014 and the first half of 2015; and (3) decrease in gain on fair value change.

## Finance costs

Finance costs amounted to approximately HK\$1,464 million for the first half of 2015, representing a decrease of 5.5% from HK\$1,548 million for the first half of 2014, mainly due to the decrease in the average cost of bank and other borrowings by approximately 0.14 percentage point to approximately 4.44% from 4.58% in the first half of 2014 and interest capitalization of the projects under construction. The average amount of bank and other borrowings (being the average of the sum of total interest-bearing liabilities at the beginning and the end of the period) increased to HK\$100,356 million in the first half of 2015 from HK\$94,873 million in the first half of 2014.

# Management's Discussion and Analysis

	Six months ended	
	30 June 2015 HK\$'000	30 June 2014 HK\$'000
Interests on bank borrowings		
— wholly repayable within five years	1,325,309	1,189,547
— not wholly repayable within five years	422,814	412,907
Interests on corporate bonds		
— wholly repayable within five years	370,011	300,501
— not wholly repayable within five years	—	112,073
Interests on loans from related parties — wholly repayable within five years	—	15,451
Others	70,093	108,671
	<b>2,188,227</b>	2,139,150
Less: Interests capitalized in property, plant and equipment	(724,566)	(590,837)
	<b>1,463,661</b>	1,548,313

## Share of results of associates

Share of results of associates in the first half of 2015 amounted to HK\$481 million, representing a HK\$175 million or 57.3% increase from HK\$306 million in the first half of 2014. The increase was mainly due to the recognition of asset impairment charges in respect of certain associate coal mines of the Company in the first half of 2014.

## Share of results of joint ventures

Share of results of joint ventures in the first half of 2015 amounted to HK\$133 million, as compared to HK\$278 million in the first half of last year. This was mainly attributable to a decrease in net generation volume of Hezhou Power Plant in Guangxi, a joint venture of the Group, by 26.5% over the same period of last year due to the regional macro-economic slowdown and negative impact of hydroelectric projects on coal-fired power plants in Southwestern region.

## Income tax expense

Income tax expense for the first half of 2015 amounted to HK\$2,725 million, representing an increase of HK\$703 million or 34.8% from HK\$2,022 million for the first half of 2014. The increase in PRC enterprise income tax was mainly due to (1) an increase in income tax expense incurred by newly commissioned coal-fired generation units; (2) a decrease in income tax credit for coal-fired power plants' specific environmental friendly, water and energy-saving equipment; and (3) certain consolidated wind power projects entering preferential income tax stage with 50% concession or paying full tax rate. Details of the income tax expense for the six months ended 30 June 2014 and 2015 are set out below:

	Six months ended	
	30 June 2015 HK\$'000	30 June 2014 HK\$'000
Current income tax - PRC enterprise income tax	2,952,788	2,222,255
Deferred income tax	(228,062)	(200,442)
	<b>2,724,726</b>	2,021,813

No provision for Hong Kong profits tax has been made as the Group had no taxable profit in Hong Kong for both periods.

The PRC enterprise income tax has been calculated based on the estimated assessable profits in accordance with the relevant tax rates applicable to certain subsidiaries in the PRC.

# Management's Discussion and Analysis

## Profit for the period

	Six months ended	
	30 June 2015 HK\$'000	30 June 2014 HK\$'000
Profit for the period has been arrived at after charging:		
Depreciation of property, plant and equipment	4,687,947	3,901,549
Amortisation of prepaid lease payments	38,880	36,462
Amortisation of mining rights	134,454	141,648
Total depreciation and amortisation	4,861,281	4,079,659
Employee benefit expenses	2,323,591	2,363,102
Included in other income		
Sales of scrap materials	389,327	341,378
Dividend income	49,360	26,178
Government grant	124,959	71,829
Interest income	145,197	92,650
Service income from heat connection contracts	27,664	38,012
Service fee income	34,519	23,689
Management fee income	14,569	18,395
Sales of outsourcing coal	9,879	17,179
Others	59,789	41,592
Included in other gains and losses		
Fair value changes on derivative financial instruments	(14,263)	575,030
Gains on disposal of equity investments	41,258	275,868
Net exchange losses	(123,902)	(276,745)
Others	37,123	26,282

## Profit for the period attributable to owners of the Company

As a result of the above, the Group's net profit for the first half of 2015 amounted to approximately HK\$6,813 million, representing an increase of 12.4% as compared to HK\$6,064 million in the first half of 2014.

# Management's Discussion and Analysis

## Earnings per share

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	Six months ended	
	30 June 2015 HK\$'000	30 June 2014 HK\$'000
Profit attributable to owners of the Company	6,812,796	6,063,754

	Number of ordinary shares Six months ended	
	30 June 2015	30 June 2014
Weighted average number of ordinary shares for the purpose of basic earnings per share	4,762,192,487	4,754,356,560
Effect of dilutive potential ordinary shares: — share options	7,884,670	12,457,136
Weighted average number of ordinary shares for the purpose of diluted earnings per share	4,770,077,157	4,766,813,696

## Interim dividend and closure of register of members

The Board resolved to declare an interim dividend of 10 HK cents per share for the six months ended 30 June 2015 (2014: interim dividend of 8 HK cents per share). The interim dividend is to be paid in cash, with an option to receive new and fully paid shares in lieu of cash (the "Scrip Dividend Option Scheme"). Based on the number of shares in issue as at the date of this report, a total amount of dividend of approximately HK\$479,946,000 will be distributed.

A circular containing details of the Scrip Dividend Option Scheme together with the relevant election form will be sent to shareholders on or around 12 October 2015. The Scrip Dividend Option Scheme is conditional upon the granting by the Listing Committee of the Stock Exchange of the listing of and permission to deal in the new shares to be issued under the Scrip Dividend Option Scheme. It is expected the dividend warrants and the share certificates for the Scrip Dividend Option Scheme will be sent to shareholders on or around 6 November 2015.

At the Board meeting held on 19 March 2015, the Directors proposed a final dividend of HK\$0.70 per share for the year ended 31 December 2014. The proposal was subsequently approved by the shareholders of the Company on 8 June 2015. The final dividend paid in 2015 was approximately HK\$3,334 million (2014: HK\$3,186 million).

The interim dividend will be distributed to shareholders of the Company whose names appear on the register of members of the Company at the close of business on 25 September 2015. The register of members of the Company will be closed from Friday, 25 September 2015 to Wednesday, 30 September 2015 (both days inclusive), during such period no share transfer will be registered. To qualify for the interim dividend, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Thursday, 24 September 2015. The dividend will be payable on or about Friday, 6 November 2015.

## Capital structure management

The Group and the Company manage its capital structure to ensure that entities in the Group will be able to continue as a going concern while maximizing the return to shareholders through optimizing the debt and equity structures. The overall strategies of the Group and the Company remain unchanged from the prior year.

# Management's Discussion and Analysis

The capital structure of the Group consists of debt, which includes long-term bank borrowings, short-term bank borrowings, corporate bonds and cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, reserves and accumulated profits.

The Directors review the capital structure on a regular basis. As part of this review, the Directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations from the Directors, the Group will balance its overall capital structure through payment of dividends, new share issues and share buy-backs as well as the issue of new debts or the repayment of existing debts.

## Liquidity and financial resources, borrowings, and charge of assets

The Group had net current liabilities of approximately HK\$24,832 million as at 30 June 2015. The Directors are of the opinion that, taking into account the current available banking facilities and net operating cash inflows generated internally by the Group, the Group has sufficient working capital for its present requirements, that is, at least for the next 12 months from the date of the condensed consolidated financial statements.

Cash and cash equivalents as at 30 June 2015 denominated in local currency and foreign currencies mainly included HK\$1,867 million, RMB6,870 million and US\$164 million, respectively.

The bank and other borrowings of the Group as at 31 December 2014 and 30 June 2015 were as follows:

	As at 30 June 2015 HK\$'000	As at 31 December 2014 HK\$'000
Secured bank loans	6,808,878	6,393,299
Unsecured bank loans	77,821,509	76,408,641
Corporate bonds and notes	15,649,314	17,630,920
	<b>100,279,701</b>	100,432,860

The maturity profile of the above bank and other loans is as follows:

	As at 30 June 2015 HK\$'000	As at 31 December 2014 HK\$'000
Within 1 year	23,512,964	20,897,153
Between 1 and 2 years	12,106,726	18,638,320
Between 2 and 5 years	41,713,630	45,690,298
Over 5 years	22,946,381	15,207,089
	<b>100,279,701</b>	100,432,860
The above secured bank and other borrowings are secured by:		
Pledge of assets (note)	5,935,207	5,167,347

Note: Certain bank loans were secured by the Group's land use rights, buildings, power generating plant and equipment with carrying values of HK\$49,209,000 (2014: HK\$43,354,000), HK\$1,331,885,000 (2014: HK\$1,310,418,000) and HK\$4,554,113,000 (2014: HK\$3,813,575,000), respectively.

The bank and other borrowings as at 30 June 2015 denominated in local currency and foreign currencies mainly amounted to HK\$33,580 million, RMB47,790 million and US\$785 million, respectively.

# Management's Discussion and Analysis

As at 30 June 2015, bank and other borrowings of approximately HK\$33,580 million and US\$785 million (2014: HK\$33,532 million and US\$879 million) bore interest at a range from HIBOR plus 0.9% to HIBOR plus 2.2% per annum and LIBOR plus 1.34% to LIBOR plus 2% per annum, respectively. The remaining bank and other borrowings and loans from related parties carried interest rates at a range from 3.77% to 7.21% (1H2014: 4.42% to 6.88%) per annum.

The Group made use of interest rate swaps (net quarterly settlement) to minimise its exposure to changes in interest expenses of certain Hong Kong Dollar ("HKD") bank borrowings by swapping floating interest rates into fixed interest rates. As at 30 June 2015, loans of HK\$5,318 million which were provided using floating rates were swapped into fixed interest rates at a range from 1.12% to 2.33% per annum.

As at 30 June 2015, the Group's ratio of net debt to shareholders' equity was 118.0%. In the opinion of the Directors, the Group has a reasonable capital structure, which can support its future development plans and operations.

For the six months ended 30 June 2015, the Group's primary sources of funding included new bank borrowings and net cash inflow from operating activities, which amounted to HK\$18,391 million and HK\$15,308 million respectively. The Group's funds were primarily used for the repayment of bank borrowings, acquisition of and deposits paid for property, plant and equipment and prepaid lease payments, interest and dividend payments, which amounted to HK\$16,570 million, HK\$7,429 million, HK\$2,257 million and HK\$4,249 million respectively.

## Trade receivables, other receivables and prepayments

Trade receivables are generally due within 60 days from the date of billing.

The following is an ageing analysis based on the invoice dates of trade receivables at the end of the reporting period:

	As at 30 June 2015 HK\$'000	As at 31 December 2014 HK\$'000
0-30 days	7,699,211	8,598,987
31-60 days	506,944	374,018
Over 60 days	2,536,184	2,242,234
	<b>10,742,339</b>	11,215,239

## Trade payables

The following is an ageing analysis based on the invoice dates of trade payables at the end of the reporting period:

	As at 30 June 2015 HK\$'000	As at 31 December 2014 HK\$'000
0-30 days	6,867,712	7,111,508
31-90 days	1,986,594	1,795,255
Over 90 days	1,554,862	1,557,285
	<b>10,409,168</b>	10,464,048

# Management's Discussion and Analysis

## Key financial ratios of the Group

	As at 30 June 2015	As at 31 December 2014
Current ratio (times)	0.58	0.59
Quick ratio (times)	0.53	0.53
Net debt to shareholders' equity (%)	118.0%	129.1%
EBITDA interest coverage (times) <sup>(1)</sup>	8.4	6.5

Current ratio	=	balance of current assets at the end of the period/balance of current liabilities at the end of the period
Quick ratio	=	(balance of current assets at the end of the period - balance of inventories at the end of the period)/balance of current liabilities at the end of the period
Net debt to shareholders' equity	=	(balance of borrowings at the end of the period - cash and cash equivalents at the end of the period - balance of pledged cash at the end of the period)/balance of equity attributable to owners of the Company at the end of the period
EBITDA interest coverage	=	(profit before income tax + interest expense + depreciation and amortisation)/interest expenses (including capitalized interests)

Note:

(1) Excluding non-cash charges, such as impairment charges, fair value change on derivative financial instrument, net exchange gains and losses.

## Foreign exchange risk

The Group collect all of its revenue in Renminbi ("RMB") and most of its expenditures, including expenditures incurred in the operation of power plants as well as capital expenditures, are denominated in RMB. Dividends receivables from the Company's subsidiaries and associates are collected in either RMB, United States dollar ("USD") or HKD.

RMB is not a freely convertible currency. Future exchange rates of RMB may vary significantly from the current or historical exchange rates. The exchange rates may also be affected by economic developments and political changes and supply and demand of RMB. The appreciation or depreciation of RMB against HKD or USD may have positive or negative impact on the results of operations of the Group.

The majority of the Group's operations are in the PRC and transactions are mainly denominated in RMB which is the functional currency of the respective group entities. Foreign exchange risk mainly arises from certain borrowings denominated in HKD and USD, particularly depreciation of the RMB against HKD and USD. The Group does not use derivative financial instruments to hedge its exposure against changes in exchange rates of the RMB against HKD and USD.

As at 30 June 2015, the Group had HK\$1,867 million and US\$164 million cash at bank, and HK\$33,580 million and US\$785 million bank borrowings on its balance sheet, the remaining assets and liabilities of the Group were mainly denominated in RMB.

## Contingent liabilities

As at 30 June 2015, the Group provided certain guarantees to HK\$1,011,940,000 (31 December 2014: HK\$1,051,518,000) to its related parties.

In addition, there were certain pending litigations and claims against the Group. After consulting with legal counsel, the Directors are of the view that the likelihood of any material adverse financial impact to the Group is remote. Therefore, no provisions have been made in light of such litigations and claims.



# Management's Discussion and Analysis

## Employees

As at 30 June 2015, the Group had approximately 43,536 employees.

The Group has entered into employment contracts with all of its employees. The compensation of employees mainly includes salaries and performance-based bonuses. The Company has also implemented share option schemes and Medium to Long-term Performance Evaluation Incentive Plan in order to attract and retain the best employees and to provide additional incentives to employees.



# Report on Review of Interim Financial Information

## TO THE BOARD OF DIRECTORS OF CHINA RESOURCES POWER HOLDINGS COMPANY LIMITED

*(incorporated in Hong Kong with limited liability)*

### INTRODUCTION

We have reviewed the interim financial information set out on pages 31 to 63, which comprises the interim condensed consolidated balance sheet of China Resources Power Holdings Company Limited (the "Company") and its subsidiaries (together, the "Group") as at 30 June 2015 and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### SCOPE OF REVIEW

We conducted our review in accordance with the Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with the Hong Kong Accounting Standard 34 "Interim Financial Reporting".

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, 18 August 2015

# Interim Condensed Consolidated Statement of Income

For the six months ended 30 June 2015

	Note	Unaudited Six months ended 30 June	
		2015 HK\$'000	2014 HK\$'000
Turnover	6	36,942,294	35,826,042
Operating expenses			
Fuels		(14,203,816)	(16,406,962)
Depreciation and amortisation		(4,861,281)	(4,079,659)
Employee benefit expenses		(2,323,591)	(2,363,102)
Repairs and maintenance		(966,520)	(829,994)
Consumables		(479,393)	(467,634)
Impairment charges		(1,167,847)	(1,999,262)
Business tax and surcharge		(501,640)	(334,410)
Others		(1,646,755)	(1,699,434)
<b>Total operating expenses</b>		<b>(26,150,843)</b>	<b>(28,180,457)</b>
Other income	7	855,263	670,902
Other (losses)/gains – net	8	(59,784)	600,435
<b>Operating profit</b>		<b>11,586,930</b>	<b>8,916,922</b>
Finance costs	9	(1,463,661)	(1,548,313)
Share of results of associates	14	481,419	306,107
Share of results of joint ventures	15	132,833	278,341
<b>Profit before income tax</b>		<b>10,737,521</b>	<b>7,953,057</b>
Income tax expense	10	(2,724,726)	(2,021,813)
<b>Profit for the period</b>		<b>8,012,795</b>	<b>5,931,244</b>
<b>Profit for the period attributable to:</b>			
Owners of the Company		6,812,796	6,063,754
Non-controlling interests			
– Perpetual capital securities		210,807	210,900
– Others		989,192	(343,410)
		1,199,999	(132,510)
		8,012,795	5,931,244
<b>Earnings per share attributable to owners of the Company during the period</b>	11		
– Basic		HK\$1.43	HK\$1.28
– Diluted		HK\$1.43	HK\$1.27

The notes on pages 39 to 63 are an integral part of this condensed consolidated interim financial information.

# Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2015

	Note	Unaudited Six months ended 30 June	
		2015 HK\$'000	2014 HK\$'000
<b>Profit for the period</b>		<b>8,012,795</b>	5,931,244
<b>Other comprehensive income:</b>			
<i>Items that may be reclassified to profit or loss</i>			
Currency translation difference		<b>88,415</b>	(732,496)
Share of changes in translation reserve of associates and joint ventures		<b>11,350</b>	(69,887)
Release to profit or loss in relation to disposal of associates		<b>(100,441)</b>	—
Fair value changes on cash flow hedges, net of tax		<b>50,112</b>	34,117
Total items that may be reclassified subsequently to profit or loss		<b>49,436</b>	(768,266)
<b>Total comprehensive income for the period, net of tax</b>		<b>8,062,231</b>	5,162,978
<b>Attributable to:</b>			
Owners of the Company		<b>6,854,556</b>	5,411,259
Non-controlling interests			
– Perpetual capital securities		<b>210,807</b>	210,900
– Others		<b>996,868</b>	(459,181)
		<b>1,207,675</b>	(248,281)
<b>Total comprehensive income for the period, net of tax</b>		<b>8,062,231</b>	5,162,978

The notes on pages 39 to 63 are an integral part of this condensed consolidated interim financial information.

# Interim Condensed Consolidated Balance Sheet

As at 30 June 2015

	Note	Unaudited 30 June 2015 HK\$'000	Audited 31 December 2014 HK\$'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	13	149,632,600	146,907,932
Prepaid lease payments	13	3,387,059	3,218,044
Mining rights	13	18,001,962	18,138,478
Exploration and resources rights		172,044	171,989
Prepayments for non-current assets		4,742,126	3,579,037
Investments in associates	14	10,273,134	11,222,297
Loans to an associate	20	1,504,460	809,229
Investments in joint ventures	15	2,206,674	2,472,578
Goodwill	16	2,698,255	3,123,668
Deferred income tax assets		917,601	739,113
Available-for-sale investments	17	1,656,972	1,656,455
Derivative financial instruments	18	—	575,898
Loan to an available-for-sale investee company		181,757	181,698
Loan to a non-controlling shareholder of a subsidiary		17,119	17,113
		<b>195,391,763</b>	<b>192,813,529</b>

# Interim Condensed Consolidated Balance Sheet

As at 30 June 2015

	Note	Unaudited 30 June 2015 HK\$'000	Audited 31 December 2014 HK\$'000
<b>Current assets</b>			
Inventories		2,687,338	3,308,874
Trade receivables, other receivables and prepayments	19	16,668,716	19,684,542
Loans to joint ventures	21	145,311	371,575
Loan to an available-for-sale investee company		95,264	95,233
Amounts due from associates	33(d)	458,358	106,025
Amounts due from joint ventures	33(d)	541,306	120,181
Amounts due from other related companies	33(d)	41,962	85,337
Financial assets at fair value through profit or loss		5,218	5,217
Pledged and restricted bank deposits	22	629,480	772,433
Cash and cash equivalents		11,850,864	8,285,135
Derivative financial instruments	18	575,898	—
		<b>33,699,715</b>	32,834,552
<b>Total assets</b>		<b>229,091,478</b>	225,648,081
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	23	22,123,075	22,102,792
Other reserves	24	15,559,912	14,710,033
Retained profits		36,746,174	33,981,578
		<b>74,429,161</b>	70,794,403
Non-controlling interests			
– Perpetual capital securities	26	5,897,196	5,897,106
– Others		9,332,597	9,100,859
		<b>15,229,793</b>	14,997,965
<b>Total equity</b>		<b>89,658,954</b>	85,792,368

# Interim Condensed Consolidated Balance Sheet

As at 30 June 2015

	Note	Unaudited 30 June 2015 HK\$'000	Audited 31 December 2014 HK\$'000
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	27	76,766,737	79,535,707
Derivative financial instruments	18	6,682	72,276
Deferred income tax liabilities		2,585,106	2,635,041
Deferred income		914,904	930,275
Retirement and other long-term employee benefits obligations		627,027	626,397
		<b>80,900,456</b>	83,799,696
<b>Current liabilities</b>			
Trade payables, other payables and accruals	28	31,591,324	31,960,657
Amounts due to associates	29	812,799	730,760
Amounts due to joint ventures	33(d)	147,028	1,881
Amounts due to other related companies	30	1,192,490	959,233
Derivative financial instruments	18	49,710	19,966
Current income tax liabilities		1,225,753	1,486,367
Borrowings	27	23,512,964	20,897,153
		<b>58,532,068</b>	56,056,017
<b>Total liabilities</b>		<b>139,432,524</b>	139,855,713
<b>Total equity and liabilities</b>		<b>229,091,478</b>	225,648,081
<b>Net current liabilities</b>		<b>(24,832,353)</b>	(23,221,465)
<b>Total assets less current liabilities</b>		<b>170,559,410</b>	169,592,064

The notes on pages 39 to 63 are an integral part of this condensed consolidated interim financial information.

# Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2015

	Unaudited											Total equity	
	Attributable to owners of the Company						Non-controlling interests						
	Share capital	General reserve	Special reserve	Capital reserve	Shares held for share award scheme	Share-based compensation reserve	Hedging reserve	Retained profits	Total	Perpetual capital securities	Others		Total
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
<b>Balance at 1 January 2015</b>	22,102,792	5,870,507	40,782	426,160	(574,527)	60,711	(103,436)	33,981,578	70,794,403	5,897,106	9,100,959	14,997,965	85,792,368
Profit for the period	—	—	—	—	—	—	—	6,812,796	6,812,796	210,807	989,192	1,999,999	8,012,795
Currency translation difference	—	—	—	—	—	—	—	—	80,721	—	7,694	7,694	88,415
Share of changes in translation reserve of associates and joint ventures	—	—	—	—	—	—	—	—	—	—	—	—	—
Release to profit or loss in relation to disposal of associates	—	—	—	(21)	—	—	—	—	11,350	—	(18)	(18)	11,350
Fair value changes on cash flow hedges	—	—	—	—	—	—	50,112	—	(100,423)	—	—	(18)	(100,441)
<b>Total comprehensive income for the period ended 30 June 2015</b>	—	—	—	(21)	—	(8,331)	50,112	6,812,796	6,854,556	210,807	996,888	1,207,675	8,062,231
<b>Transactions with owners</b>	13,861	—	—	—	—	—	—	—	13,861	—	—	—	13,861
Shares issued upon exercise of options	—	—	—	—	—	—	—	—	—	—	(5,112)	(5,112)	(5,112)
Capital reduction by non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	—	—
Change in ownership interests in a subsidiary without change of control (Note 32)	—	—	—	100,488	—	—	—	—	100,488	—	289,067	289,067	389,555
Transfer of share option reserve upon exercise of share options	6,422	—	—	—	—	(6,422)	—	—	—	—	—	—	—
Interest paid for perpetual capital securities	—	—	—	—	—	—	—	—	—	(210,717)	—	(210,717)	(210,717)
Dividends paid to non-controlling interests	—	—	—	—	—	—	—	—	—	—	(1,049,085)	(1,049,085)	(1,049,085)
Dividends paid to owners of the Company (Note 12)	—	660,532	—	—	—	—	—	(3,334,147)	(3,334,147)	—	—	—	(3,334,147)
Profit appropriation to reserves	—	—	—	118,888	—	—	—	(660,532)	—	—	—	—	—
Transfers (Note 24)	—	—	—	(65,387)	—	—	—	(118,888)	—	—	—	—	—
Transfers upon utilisation (Note 24)	—	—	—	—	—	—	—	65,387	—	—	—	—	—
<b>Transactions with owners</b>	20,283	660,532	—	153,989	—	(6,422)	—	(4,046,200)	(3,219,798)	(210,717)	(765,130)	(975,847)	(4,195,645)
<b>Balance at 30 June 2015</b>	22,123,075	6,531,039	40,782	580,128	(574,527)	54,289	(53,324)	36,746,174	74,429,161	5,897,196	9,332,597	15,229,793	89,658,954



# Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2015

	Unaudited											Total equity HK\$'000		
	Attributable to owners of the Company						Non-controlling interests							
	Share capital HK\$'000	Share premium HK\$'000	General reserve HK\$'000	Special reserve HK\$'000	Capital reserve HK\$'000	Shares held for share award scheme HK\$'000	Translation reserve HK\$'000	Share-based compensation reserve HK\$'000	Hedging reserve HK\$'000	Retained profits HK\$'000	Perpetual Capital securities HK\$'000		Others HK\$'000	Total HK\$'000
<b>Balance at 1 January 2014</b>	4,791,457	17,232,192	3,564,411	40,782	188,376	(601,809)	9,172,914	86,236	(166,807)	30,697,309	5,897,006	13,850,814	19,747,820	84,732,881
Profit for the period	—	—	—	—	—	—	—	—	—	6,063,754	210,900	(343,410)	(132,510)	5,931,244
Currency translation difference	—	—	—	—	—	—	(616,725)	—	—	—	—	(115,771)	(115,771)	(732,496)
Share of changes in translation reserve of associates and joint ventures	—	—	—	—	—	—	(69,887)	—	—	—	—	—	—	(69,887)
Fair value changes on cash flow hedges	—	—	—	—	—	—	—	—	34,117	—	—	—	—	34,117
<b>Total comprehensive income for the period ended 30 June 2014</b>	—	—	—	—	—	—	(686,612)	—	34,117	6,063,754	210,900	(459,181)	(248,281)	5,162,978
<b>Transactions with owners</b>														
Shares issued upon exercise of options Transition to no-par value regime on 3 March 2014	2,759	17,626	—	—	—	—	—	—	—	—	—	—	—	20,385
Capital contributions by non-controlling interests	17,259,481	(17,259,481)	—	—	—	—	—	—	—	—	—	—	—	—
Transfer of share option reserve upon exercise of share options	—	—	—	—	—	—	—	(9,663)	—	—	—	—	—	167,432
Interest paid for perpetual capital securities	—	—	—	—	—	—	—	—	—	—	(210,766)	—	(210,766)	(210,766)
Dividends paid to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	(1,620,600)	(1,620,600)	(1,620,600)
Dividends paid to owners of the Company (Note 12)	—	—	—	—	—	—	—	—	—	(3,186,316)	—	—	—	(3,186,316)
Profit appropriation to reserves Transfers (Note 24)	—	—	1,235,310	—	—	—	—	—	—	(1,235,310)	—	—	—	—
Transfers upon utilisation (Note 24)	—	—	—	—	(69,290)	—	—	—	—	69,290	—	—	—	—
<b>Transactions with owners</b>	17,262,240	(17,232,192)	1,235,310	—	40,115	—	—	(9,663)	—	(4,461,741)	(210,766)	(1,453,168)	(1,663,934)	(4,829,865)
<b>Balance at 30 June 2014</b>	22,053,697	—	4,799,721	40,782	208,491	(601,809)	8,486,302	76,573	(132,690)	32,299,322	5,897,140	11,938,465	17,835,605	85,065,994

The notes on pages 39 to 63 are an integral part of this condensed consolidated interim financial information.

# Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2015

	Note	Unaudited Six months ended 30 June	
		2015 HK\$'000	2014 HK\$'000
<b>Cash flows from operating activities – net</b>		<b>15,308,115</b>	12,715,963
<b>Cash flows from investing activities</b>			
Dividends received from associates		312,939	527,296
Dividends received from a joint venture		—	751,678
Dividends received from available-for-sale investments		126,136	23,501
Decrease/(increase) in pledged and restricted bank deposits		142,953	(626,809)
Net cash inflow on disposal of equity investments		1,173,955	583,654
Acquisition of and deposits paid for property, plant and equipment and prepaid lease payments		(7,149,596)	(10,651,290)
Acquisition of and deposits paid for mining rights and exploration and resources rights		—	(114,053)
Capital contributions to an associate		(12,329)	—
Capital contributions to a joint venture		—	(219,763)
Loans to associates		(868,233)	(1,753,117)
Other investing cash inflows		238,995	205,270
<b>Cash flows used in investing activities – net</b>		<b>(6,035,180)</b>	(11,273,633)
<b>Cash flows from financing activities</b>			
Proceeds from bank borrowings	27	18,390,515	18,663,936
Proceeds from notes discounted		722,969	716,924
Proceeds from issuance of shares for exercised options		13,861	20,385
Proceeds from disposal of interests in a subsidiary without loss of control (Note 32)		389,555	—
Capital contribution from non-controlling interests		—	167,432
Repayment of bank and other borrowings	27	(16,569,926)	(8,723,701)
Repayment of bonds	27	(1,982,720)	—
Repayment of loan due to an intermediate holding company		—	(4,285,740)
Advance from/(repayment of advance from) joint ventures		145,146	(290,934)
(Repayment of advance from)/ advances from associates		(205,011)	844,253
Dividends paid to owners of the Company		(3,330,663)	(3,182,310)
Dividends paid to non-controlling interests of the subsidiaries		(917,857)	(841,520)
Interests paid		(2,256,540)	(2,180,659)
Coupon paid on perpetual capital securities		(210,717)	(210,766)
Other financing cash inflows/(outflows)		100,858	(35,385)
<b>Cash flows generated from financing activities – net</b>		<b>(5,710,530)</b>	661,915
<b>Net increase in cash and cash equivalents</b>		<b>3,562,405</b>	2,104,245
Cash and cash equivalents at beginning of the period		8,285,135	6,035,046
Exchange gains/(losses)		3,324	(67,264)
<b>Cash and cash equivalents at end of the period</b>		<b>11,850,864</b>	8,072,027

The notes on pages 39 to 63 are an integral part of this condensed consolidated interim financial information.

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 1 GENERAL INFORMATION

China Resources Power Holdings Company Limited (the "Company") is a public company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited. The immediate holding company of the Company as at 30 June 2015 is CRH (Power) Limited incorporated in the British Virgin Islands. The directors regard the ultimate holding company of the Company to be China Resources National Corporation ("CRNC"), a company registered in the People's Republic of China (the "PRC").

The Company is an investment holding company. The Company and its subsidiaries (together, the "Group") is principally engaged in the construction and operation of power stations and coal mining. The address of the registered office of the Company is Rooms 2001-2002, 20th Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong.

This condensed consolidated interim financial information is presented in HK dollars, unless otherwise stated. This condensed consolidated interim financial information was approved for issue on 18 August 2015.

This condensed consolidated interim financial information has been reviewed, not audited.

## 2 BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 June 2015 has been prepared in accordance with HKAS 34, 'Interim financial reporting'. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2014, which have been prepared in accordance with Hong Kong Financial Reporting Standards (the "HKFRS").

### 2.1 Going concern basis

As at 30 June 2015, the Group had net current liabilities of approximately HK\$24,832,353,000. In addition, there was outstanding capital commitment amounting to HK\$25,098,754,000 (Note 31). The directors are of the opinion that, taking into account the current operation and business plan of the Group as well as the banking facilities (Note 27) available to the Group, the Group has sufficient working capital to enable it to meet in full its financial obligations as and when they fall due for the coming twelve months from the balance sheet date. Therefore, the condensed consolidated interim financial information has been prepared on a going concern basis.

## 3 ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2014, as described in those annual financial statements.

### (a) New and amended standards, Company Ordinance effective for the financial year beginning on or after 1 January 2015:

- Amendment to HKAS19 regarding defined benefit plans: This narrow scope amendment applies to contributions from employees or third parties to defined benefit plans. The amendment distinguishes between contributions that are linked to service only in the period in which they arise and those linked to service in more than one period. The amendment allows contributions that are linked to service, and do not vary with the length of employee service, to be deducted from the cost of benefits earned in the period that the service is provided. Contributions that are linked to service, and vary according to the length of employee service, must be spread over the service period using the same attribution method that is applied to the benefits. The change in accounting standard does not have any material impact on the Group.
- Annual improvements 2012 and 2013 do not have any material impact on the Group.

In addition, the requirements of Part 9 "Accounts and Audit" of the new Hong Kong Companies Ordinance (Cap. 622) came into operation for the Company's first financial year commencing on or after 3 March 2014 in accordance with section 358 of that Ordinance. It is concluded that the impact is unlikely to be significant and only the presentation and the disclosure of information in the consolidated financial statements will be affected.

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 3 ACCOUNTING POLICIES (Continued)

### (b) New and amended standards that have been issued but are effective for the financial year after 1 January 2015 and have not been early adopted by the Group:

		Effective for the financial year beginning on or after
HKFRS 14	'Regulatory deferral accounts'	1 January 2016
HKFRS 11 (Amendments)	'Accounting for acquisitions of interests in joint operation'	1 January 2016
HKAS 16 and HKAS 38 (Amendments)	'Clarification of acceptable methods of depreciation and amortisation'	1 January 2016
HKAS 16 and HKAS 41 (Amendments)	'Agriculture: bearer plants'	1 January 2016
HKFRS 10 and HKAS 28 (Amendments)	'Sale or contribution of assets between an investor and its associate or joint venture'	1 January 2016
HKAS 27 (Amendments)	'Equity method in separate financial statements'	1 January 2016
HKFRS 10, HKFRS 12 and HKAS 28 (Amendments)	'Investment entities: applying the consolidation exception'	1 January 2016
HKAS 1 (Amendments)	'Disclosure initiative'	1 January 2016
Annual improvements 2014		1 January 2016
HKFRS 15	'Revenue from contracts with customers'	1 January 2017
HKFRS 9	'Financial instruments'	1 January 2018

The management is in the process of making an assessment of the impact of the above standards, and amendments to standards. Management is not yet in a position to state what impact they would have, if any, on the Group's results of operations and financial positions.

## 4 ESTIMATES

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2014. In addition, the directors made updates in their estimates that are required in determining the provisions of impairment for certain non-current assets and goodwill (Notes 13 and 16).

## 5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

### 5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value and cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2014.

There have been no changes in the risk management policies since year end.

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

### 5.2 Liquidity risk

The Group operates a central treasury function at corporate level that surplus cash of operating entities within the Group is gathered in a pool. The cash balance in the pool is then advanced to entities within the Group with cash needs. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate lines of funding from major financial institutions in order to meet the liquidity requirements of the Group in the short and longer terms.

As stated in Note 2, the Group had net current liabilities of approximately HK\$24,832,353,000 and outstanding capital commitment of HK\$25,098,754,000 as at 30 June 2015, which exposed the Group to liquidity risk. In order to mitigate the liquidity risk, the Group had obtained sufficient short and long-term bank facilities at the end of the reporting period. In addition, there are positive operating cash flows generated by power plants owned by the Group in the PRC. In this regard, the directors of the Company consider that the Group's liquidity risk has been significantly reduced and they are satisfied that the Group will be able to meet in full its financial obligations as and when they fall due for the coming twelve months from 30 June 2015.

Compared to year ended 31 December 2014, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

### 5.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities that are measured at fair value at 30 June 2015:

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
<b>Assets</b>				
Financial assets at fair value through profit or loss	5,218	—	—	5,218
Available-for-sale investments	—	—	1,656,972	1,656,972
Derivative financial instruments	—	—	575,898	575,898
	5,218	—	2,232,870	2,238,088
<b>Liabilities</b>				
Derivative financial instruments	—	56,392	—	56,392

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

### 5.3 Fair value estimation (Continued)

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2014:

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
<b>Assets</b>				
Financial assets at fair value through profit or loss	5,217	—	—	5,217
Available-for-sale investments	—	—	1,656,455	1,656,455
Derivative financial instruments	—	—	575,898	575,898
	5,217	—	2,232,353	2,237,570
<b>Liabilities</b>				
Derivative financial instruments	—	92,242	—	92,242

There were no transfers between levels 1, 2 and 3 during the period.

There were no changes in valuation techniques during the period.

#### (a) Financial instruments in level 2

Level 2 derivative financial instruments were interest rate swaps. Interest rate swaps are fair valued using forward interest rates extracted from observable yield curves. The effects of discounting are generally insignificant for Level 2 derivatives.

#### (b) Financial instruments in level 3

Level 3 instruments mainly included available-for-sale investments in unlisted equity securities and derivative financial instrument in form of call option of an unlisted company. As these investments are not traded in an active market, fair value of available-for-sale investments has been determined using dividend discounted model. Fair value of derivative financial instrument was based on the intrinsic value and time value of the option, on which the underlying value has been determined using dividend discount model. The details of the assumptions for available-for-sale investments and derivative financial instruments used by the management and the sensitivity analysis are disclosed in Notes 17 and 18.

The movement of level 3 instruments for the period ended 30 June 2015 were as follows:

	Available-for-sale investments HK\$'000	Derivative financial instrument HK\$'000	Total HK\$'000
Opening balance at 1 January	1,656,455	575,898	2,232,353
Exchange difference	483	—	483
Addition	34	—	34
Closing balance at 30 June	1,656,972	575,898	2,232,870
Total unrealised gains for the period included in profit or loss for assets held at the end of the reporting period	—	—	—

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

### 5.3 Fair value estimation (Continued)

#### (b) Financial instruments in level 3 (Continued)

The movement of level 3 instruments for the period ended 30 June 2014 were as follows:

	Available- for-sale investments HK\$'000	Derivative financial instrument HK\$'000	Total HK\$'000
Opening balance at 1 January	1,375,876	—	1,375,876
Exchange difference	(9,932)	—	(9,932)
Gains recognised in profit or loss	—	575,898	575,898
Closing balance at 30 June	1,365,944	575,898	1,941,842
Total unrealised gains for the period included in profit or loss for assets held at the end of the reporting period	—	575,898	575,898

There are no gains recognised for the period ended 30 June 2015. For the period ended 30 June 2014, all the gains recognised in profit or loss are attributable to the change in unrealised gains relating to those assets held at the end of the reporting period.

Unrealised gains relating to the derivative financial instrument are recognised within 'other (losses)/gains — net' in the interim condensed consolidated statement of income.

### 5.4 Group's valuation processes

The Group's finance department includes a team that performs the valuations of financial assets required for financial reporting purposes, including Level 3 fair values. This team reports directly to the chief financial officer (CFO). Discussions of valuation processes and results are held between the CFO and the valuation team at least once every half a year, in line with the Group's reporting dates.

### 5.5 Fair value of financial assets and liabilities measured at amortised cost

Financial assets and liabilities measured at amortised cost include trade and other receivables, amounts due from/to related parties, pledged and restricted bank deposits, cash and cash equivalents, trade and other payables and borrowings, of which the fair values approximate their carrying amounts.

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 6 SEGMENT INFORMATION

The chief operating decision-makers mainly include executive directors and members of senior management of the Company. For the purpose of resources allocation and performance assessment, the chief operating decision-makers review operating results and financial information on a group company by company basis. Each such group company is identified as an operating segment. When the group company operates in similar business model with similar target group of customers, the Group's operating segments are aggregated.

The bases of segmentation or measuring segment profit or loss have no changes from the annual financial statements as at 31 December 2014.

Segment profit represents the profit earned by each segment without allocation of central corporate expenses, interest income, finance costs, share of results of associates, share of results of joint ventures, fair value changes on derivative financial instruments, gains on disposal of investments, dividend income from available-for-sale investments and exchange gains or losses. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and performance assessment.

Inter-segment sales are charged at prevailing market rates.

Segment information of the Group's revenue and results is presented below.

For the six months ended 30 June 2015:

	Thermal power HK\$'000	Renewable energy HK\$'000	Coal mining HK\$'000	Eliminations HK\$'000	Total HK\$'000
Segment revenue					
External sales	32,337,646	2,987,919	1,616,729	—	36,942,294
Inter-segment sales	—	—	81,023	(81,023)	—
Total	32,337,646	2,987,919	1,697,752	(81,023)	36,942,294
<b>Unclassified segment profit/(loss)</b>	<b>10,646,087</b>	<b>1,821,068</b>	<b>(644,692)</b>	<b>—</b>	<b>11,822,463</b>
Central corporate expenses					(333,183)
Interest income					145,197
Fair value changes on derivative financial instruments					(14,263)
Gains on disposal of equity investments					41,258
Finance costs					(1,463,661)
Share of results of associates					481,419
Share of results of joint ventures					132,833
Dividend income from available-for-sale investments					49,360
Exchange losses					(123,902)
<b>Profit before income tax</b>					<b>10,737,521</b>



# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 6 SEGMENT INFORMATION (Continued)

For the six months ended 30 June 2014:

	Thermal power HK\$'000	Renewable energy HK\$'000	Coal mining HK\$'000	Eliminations HK\$'000	Total HK\$'000
Segment revenue					
External sales	31,594,141	2,272,327	1,959,574	—	35,826,042
Inter-segment sales	—	—	121,392	(121,392)	—
<b>Total</b>	<b>31,594,141</b>	<b>2,272,327</b>	<b>2,080,966</b>	<b>(121,392)</b>	<b>35,826,042</b>
<b>Segment profit/(loss)</b>	<b>9,045,632</b>	<b>1,284,364</b>	<b>(1,775,025)</b>	<b>—</b>	<b>8,554,971</b>
Central corporate expenses					(331,030)
Interest income					92,650
Fair value changes on derivative financial instruments					575,030
Gains on disposal of equity investments					275,868
Finance costs					(1,548,313)
Share of results of associates					306,107
Share of results of joint ventures					278,341
Dividend income from available-for-sale investments					26,178
Exchange losses					(276,745)
<b>Profit before income tax</b>					<b>7,953,057</b>

For the purpose of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments other than interests in associates, interests in joint ventures, available-for-sale investments and loans to an available-for-sale investee, loans to/amount due from associates and joint ventures, deferred income tax assets, derivative financial instruments, pledged bank deposits and cash and cash equivalents managed by corporate office, and other unallocated corporate assets; and
- all liabilities are allocated to operating segments other than bank and other borrowings, derivative financial instruments, deferred income tax liabilities, current income tax liabilities, amounts due to associates and joint ventures, amounts due to other related parties and other unallocated corporate liabilities.

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 6 SEGMENT INFORMATION (Continued)

Segment information about the Group's assets and liabilities is presented below:

	As at	
	30 June 2015 HK\$'000	31 December 2014 HK\$'000
<b>Segment assets</b>		
– Thermal power	123,057,695	119,908,101
– Renewable energy	39,185,979	40,459,392
– Coal mining	33,837,705	35,875,755
<b>Total segment assets</b>	<b>196,081,379</b>	196,243,248
Investments in associates	10,273,134	11,222,297
Investments in joint ventures	2,206,674	2,472,578
Available-for-sale investments and loans to an available-for-sale investee	1,933,993	1,933,386
Loans to/amounts due from associates and joint ventures	2,649,435	1,407,010
Pledged bank deposits, and cash and cash equivalents	12,480,344	9,057,568
Deferred income tax assets	917,601	739,113
Derivative financial instruments	575,898	575,898
Other corporate assets, mainly representing assets held by head office and investment holding companies	1,973,020	1,996,983
<b>Consolidated assets</b>	<b>229,091,478</b>	225,648,081

	As at	
	30 June 2015 HK\$'000	31 December 2014 HK\$'000
<b>Segment liabilities</b>		
– Thermal power	21,562,926	18,842,280
– Renewable energy	2,303,644	4,470,842
– Coal mining	8,770,185	9,502,674
<b>Total segment liabilities</b>	<b>32,636,755</b>	32,815,796
Bank and other borrowings	100,279,701	100,432,860
Derivative financial instruments	56,392	92,242
Deferred income tax liabilities	2,585,106	2,635,041
Current income tax liabilities	1,225,753	1,486,367
Amounts due to associates and joint ventures	959,827	732,641
Amounts due to other related parties	1,192,490	959,233
Other corporate liabilities, mainly representing liabilities of head office and investment holding companies	496,500	701,533
<b>Consolidated liabilities</b>	<b>139,432,524</b>	139,855,713

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 7 OTHER INCOME

	Six months ended 30 June	
	2015 HK\$'000	2014 HK\$'000
Sales of scrap materials	389,327	341,378
Interest income	145,197	92,650
Government grant	124,959	71,829
Dividend income	49,360	26,178
Service fee income	34,519	23,689
Service income from heat supply connection contracts	27,664	38,012
Management fee income	14,569	18,395
Others	69,668	58,771
	<b>855,263</b>	670,902

## 8 OTHER (LOSSES)/GAINS – NET

	Six months ended 30 June	
	2015 HK\$'000	2014 HK\$'000
Fair value changes on derivative financial instruments (Note 18)	(14,263)	575,030
Net exchange losses	(123,902)	(276,745)
Gains on disposal of equity investments	41,258	275,868
Others	37,123	26,282
	<b>(59,784)</b>	600,435

## 9 FINANCE COSTS

	Six months ended 30 June	
	2015 HK\$'000	2014 HK\$'000
Interests on bank borrowings		
– wholly repayable within five years	1,325,309	1,189,547
– not wholly repayable within five years	422,814	412,907
Interests on corporate bonds		
– wholly repayable within five years	370,011	300,501
– not wholly repayable within five years	—	112,073
Interests on loans from related parties		
– wholly repayable within five years	—	15,451
Others	70,093	108,671
	<b>2,188,227</b>	2,139,150
Less: Interests capitalised in property, plant and equipment	(724,566)	(590,837)
	<b>1,463,661</b>	1,548,313

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 10 INCOME TAX EXPENSE

	Six months ended 30 June	
	2015 HK\$'000	2014 HK\$'000
Current income tax		
– PRC enterprise income tax	2,952,788	2,222,255
Deferred income tax	(228,062)	(200,442)
	<b>2,724,726</b>	2,021,813

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected annualised earnings.

No provision for Hong Kong income tax has been made as the Group had no taxable profit in Hong Kong for both periods.

PRC enterprise income tax has been calculated based on the estimated assessable profits in accordance with the relevant tax rates applicable to subsidiaries in the PRC. Companies in the PRC are generally subject to an enterprise income tax rate of 25%. Certain of the Company's PRC subsidiaries are entitled to a preferential income tax rate of 0% to 15%, pursuant to the relevant tax laws and regulations in the PRC.

In addition, according to applicable PRC tax regulations, withholding tax will be levied on the dividends distributed by PRC subsidiaries to a foreign investor with respect to profits derived after 1 January 2008.

## 11 EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 June	
	2015 HK\$'000	2014 HK\$'000
Profit attributable to owners of the Company	<b>6,812,796</b>	6,063,754

	Number of ordinary shares for six months ended 30 June	
	2015	2014
Weighted average number of ordinary shares for the purpose of basic earnings per share	<b>4,762,192,487</b>	4,754,356,560
Effect of dilutive potential ordinary shares: – share options	<b>7,884,670</b>	12,457,136
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<b>4,770,077,157</b>	4,766,813,696

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 12 DIVIDENDS

	Six months ended 30 June	
	2015 HK\$'000	2014 HK\$'000
Dividend recognised as distribution during the period: Final dividend paid in respect of the 2014 financial year of HK\$0.7 (in respect of 2013: HK\$0.67) per share on 4,763,067,319 shares (2014: 4,755,697,602 shares) (a)	3,334,147	3,186,316
Dividend proposed after the end of the interim reporting period: Interim dividend proposed in respect of the current financial period (b)	476,317	383,607

- (a) During the period ended 30 June 2015, dividends recognised as distributions amounted to HK\$3,334,147,000 (six months ended 30 June 2014: HK\$3,186,316,000). They were stated after elimination of HK\$25,406,000 (six months ended 30 June 2014: HK\$25,461,000) paid for shares held by the Medium to Long-term Performance Evaluation Incentive Plan ("the Incentive Plan"), which is a share award scheme of the Group.
- (b) Subsequent to the end of this reporting period, an interim dividend of HK\$0.1 per share (2014: HK\$0.08 per share) was proposed by the board of directors on 18 August 2015. The interim dividend is to be paid in cash, with an option to receive new and fully paid shares in lieu of cash. The proposed interim dividend for 2015 is based on 4,799,462,017 shares in issue as at 18 August 2015, which included shares held by the Incentive Plan. The interim dividend, amounting to HK\$476,317,000 (2014: HK\$383,607,000) after elimination of HK\$3,629,000 paid for shares held by the Incentive Plan, has not been recognised as a liability in this interim financial information. It will be recognised in shareholders' equity in the year ending 31 December 2015.

## 13 PROPERTY, PLANT AND EQUIPMENT, MINING RIGHTS AND PREPAID LEASE PAYMENTS

	Property, plant and equipment HK\$'000	Mining rights HK\$'000	Prepaid lease payments HK\$'000
<b>Six months ended 30 June 2015:</b>			
Opening balance at 1 January 2015	146,907,932	18,138,478	3,218,044
Additions	8,054,826	—	217,241
Depreciation and amortisation	(4,809,427)	(134,454)	(50,059)
Disposals	(151,428)	—	—
Impairment (Note a)	(417,557)	(6,503)	—
Currency translation difference	48,254	4,441	1,833
<b>Closing balance at 30 June 2015</b>	<b>149,632,600</b>	<b>18,001,962</b>	<b>3,387,059</b>
<b>Six months ended 30 June 2014:</b>			
Opening balance at 1 January 2014	131,579,042	21,381,263	2,747,683
Additions	11,260,067	1,721	321,735
Depreciation and amortisation	(3,904,057)	(141,648)	(44,680)
Disposals	(79,934)	(37,222)	(78,869)
Impairment (Note a)	—	(1,936,443)	—
Currency translation difference	(1,222,562)	(137,080)	(25,030)
<b>Closing balance at 30 June 2014</b>	<b>137,632,556</b>	<b>19,130,591</b>	<b>2,920,839</b>

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 13 PROPERTY, PLANT AND EQUIPMENT, MINING RIGHTS AND PREPAID LEASE PAYMENTS

(Continued)

The additions in the period were mainly due to expansion of operations in the PRC.

Note a:

Certain thermal power generators were determined to be closed down and certain power assets were retired, consequently the Group has made an impairment charge of HK\$417,557,000 for the six months ended 30 June 2015, after considering any possible benefit receivable during the disposal process.

The recoverable amounts of these assets, being the fair value less costs of disposal, have been estimated by the directors, by reference to the valuation reports from independent third parties or the offers received. Whilst the offers were conditional, the conditions were considered to be normal contractual conditions. The directors consider that the offers received were representative of fair value. This value is considered to be within level 3 of the HKFRS 13 fair value hierarchy.

The key assumptions in the fair value measurement are that:

- (i) The Group can satisfy the conditional arrangements within a reasonable period; and
- (ii) The potential acquirer will have sufficient financial resources to complete the transaction.

## 14 INVESTMENTS IN ASSOCIATES

	Six months ended 30 June	
	2015 HK\$'000	2014 HK\$'000
Opening balance at 1 January	11,222,297	12,995,773
Share of profits	652,125	306,107
Dividends	(666,837)	(906,809)
Capital contribution to an associate	12,329	—
Disposal of associates (a)	(949,647)	(295,419)
Other comprehensive income	1,146	(56,982)
Currency translation differences	1,721	(47,722)
<b>Closing balance at 30 June</b>	<b>10,273,134</b>	<b>11,994,948</b>

- (a) During the six months ended 30 June 2015, the Group disposed two associates, namely Shanxi Jinrun Coal and Power Co., Ltd. ("Shanxi Jinrun"), and Xuzhou Chacheng Electric Power Co., Ltd. ("Xuzhou Chacheng"), respectively. At the disposal date, carrying amounts of Shanxi Jinrun and Xuzhou Chacheng were approximately HK\$587,213,000 and HK\$362,434,000, respectively. Disposal gains were recognised within "other (losses)/gains – net" in the interim condensed consolidated statement of income (Note 8).

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 15 INVESTMENTS IN JOINT VENTURES

	Six months ended 30 June	
	2015 HK\$'000	2014 HK\$'000
Opening balance at 1 January	2,472,578	1,873,202
Capital contribution to a joint venture	—	219,763
Share of profits	132,833	278,341
Dividends	(409,088)	(73,129)
Other comprehensive income	10,204	(12,905)
Currency translation differences	147	(6,454)
<b>Closing balance at 30 June</b>	<b>2,206,674</b>	<b>2,278,818</b>

## 16 GOODWILL

	As at	
	30 June 2015 HK\$'000	31 December 2014 HK\$'000
Cost	4,364,102	4,363,770
Accumulated impairment loss	(1,665,847)	(1,240,102)
<b>Net book amount</b>	<b>2,698,255</b>	<b>3,123,668</b>

The movements in the carrying amount of goodwill during the periods are as follows:

	Six months ended 30 June	
	2015 HK\$'000	2014 HK\$'000
<b>Opening net book amount</b>	<b>3,123,668</b>	<b>3,126,941</b>
Impairment	(425,728)	—
Currency translation differences	315	(9,281)
<b>Closing net book amount</b>	<b>2,698,255</b>	<b>3,117,660</b>

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 16 GOODWILL (Continued)

Goodwill is allocated to the cash generating units ("CGUs") of the Company's subsidiaries within three segments, thermal power, renewable energy and coal mining, in different provinces in the PRC. The carrying amounts of major goodwill allocated to individual CGUs are as follows:

	Opening HK\$'000	Impairment HK\$'000	Exchange difference HK\$'000	Closing HK\$'000
<b>Six months ended 30 June 2015:</b>				
Thermal power segment				
– China Resources Power (Jinzhou) Co., Ltd. ("Jinzhou Company")	881,423	—	—	881,423
– Shenyang China Resources Thermal Co., Ltd. ("Shenyang Company")	528,774	(180,000)	—	348,774
– China Resources Power (Xingning) Co., Ltd. ("Xingning Company")	167,072	(51,000)	—	116,072
– Other companies	1,320,933	—	307	1,321,240
Renewable energy segment	30,746	—	—	30,746
Coal mining segment				
– China Resources Tianneng Xuzhou Coal and Power Co., Ltd. ("Tianneng Company")	194,720	(194,728)	8	—
	<b>3,123,668</b>	<b>(425,728)</b>	<b>315</b>	<b>2,698,255</b>

	Opening HK\$'000	Impairment HK\$'000	Exchange difference HK\$'000	Closing HK\$'000
<b>Six months ended 30 June 2014:</b>				
Thermal power segment				
– Jinzhou Company	881,423	—	—	881,423
– Shenyang Company	528,774	—	—	528,774
– Xingning Company	167,072	—	—	167,072
– Other companies	1,324,125	—	(9,053)	1,315,072
Renewable energy segment	30,746	—	—	30,746
Coal mining segment				
– Tianneng Company	194,801	—	(228)	194,573
	<b>3,126,941</b>	<b>—</b>	<b>(9,281)</b>	<b>3,117,660</b>

During the six months ended 30 June 2015, the management made additional impairment provision of HK\$231,000,000 and HK\$194,728,000 in thermal power segment and coal mining segment, respectively, which are mainly due to: (1) certain thermal power generators of Shenyang Company are expected to be closed down in coming 5 years due to environmental protection requirement of the government; (2) the change of business plan for Xingning Company; (3) certain coal mines of Tianneng Company are expected to be closed down as a result of the coal market downturn.



# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 16 GOODWILL (Continued)

The recoverable amounts of above three CGUs are determined based on value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rate, growth rates and expected changes to selling prices and direct costs. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on industry growth forecasts. Changes in selling prices and operating expenses are based on past practices and expectations of future changes in the market. The cash flows of first 5 years are derived from the most recent financial budgets approved by management, while the forecast beyond 5 years are extrapolated without considering any growth.

The key assumptions and discount rate used in the value in use calculations for above three CGUs are as follows:

Growth rate	0% - 6%
Gross margin	15% - 33%
Discount rate	10.05% - 18.99%

Except for the above three CGUs, there are no changes in the impairment assessment for goodwill since year end.

## 17 AVAILABLE-FOR-SALE INVESTMENTS

The available-for-sale investments represent investment in unlisted equity securities issued by ten (2014: nine) limited liability entities registered in the PRC. The movement of the available-for-sale investments has been disclosed in Note 5.3.

There are no changes in the valuation model and key assumptions used in assessing fair value of available-for-sale investments since year end.

## 18 DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are analysed as follows:

	As at	
	30 June 2015 HK\$'000	31 December 2014 HK\$'000
<b>Assets:</b>		
Call option (Note a)		
– Current	575,898	—
– Non-current	—	575,898
	575,898	575,898
<b>Liabilities:</b>		
Cash flow hedges – Interest rate swaps (Note b)		
– Current	49,710	19,966
– Non-current	6,682	72,276
	56,392	92,242

The movement of the derivative financial instruments has been disclosed in Note 5.3.

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 18 DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

- (a) In 2010, the Group and an independent third party (the "Joint Venturer") entered into a share subscription agreement ("Share Subscription Agreement") and pursuant to which they formed a company, namely Resources J Energy Investment Limited ("Resources J").

Pursuant to a Call Option Agreement entered into between the Group and the Joint Venturer dated 19 August 2010, the Joint Venturer granted the Group a call option at a consideration of HK\$1 to acquire 16% equity interest ("Call Option Shares") in Resources J at a pre-determined consideration. The consideration is determined based on the capital contributed by the Joint Venturer attributable for the Call Option Shares plus interest accrued at a compound annual interest rate at 5.5%, reduced by the dividend received by the Joint Venturer in respect of the Call Option Shares, and the interest on dividend received by the Joint Venturer in respect of the Call Option Shares. The call option can be exercised on any business day within the period from 17 December 2015 to 13 January 2016 ("Call Option Period").

This call option is categorised as derivative financial instrument and the fair value of the call option is determined based on the intrinsic value and time value of the option, using the dividend discount model. The key assumptions used for the calculations are as follows:

Growth rate	0%
Real discount rate	11%

Should the real discount rate have been 1% higher/lower while holding other variables constant, the impact on profit or loss would have been decreased/increased by approximately HK\$46,742,000 and HK\$53,123,000, respectively.

In addition, pursuant to Put Option Agreement entered into between the Group and the Joint Venturer dated 19 August 2010, the Group granted the Joint Venturer two put options at a consideration of HK\$1. The first put option is to sell the 16% equity interest ("First Put Option Shares") in Resources J at a predetermined consideration. The first put option may be exercised on any business day within the period of 15 business days starting on the date that the Call Option Period expires, from 2 January 2016 to 17 January 2016. The second put option is to sell the 34% equity interest ("Second Put Option Shares") in Resources J at a pre-determined consideration. The second put option may only be exercised on any business day within a period of 15 business days starting on the 5th anniversary date of the commencement of the commercial operation of China Resources Power (Hezhou) Co., Limited ("CRP Hezhou"), when the first and the second power generation units of CRP Hezhou having passed the 168-hour reliability test, as supported by certain document(s) issued by Southern Electricity Grid or its authorised branch, or any other competent authority in the PRC after the test is passed.

The consideration is pre-determined based on the capital contributed by the Joint Venturer attributable for First/Second Put Options Shares plus the interest at a compound annual interest at 5.5%, reduced by the dividend received by the Joint Venturer in respect of the First/Second Put Option Shares and the interest on dividend received by the Joint Venturer in respect of the First/Second Put Option Shares. In the opinion of the directors of the Company, the fair value of the two put options was assessed not to be significant as at 30 June 2015.

- (b) The Group uses interest rate swaps (net quarterly settlement) to minimise its exposure to interest expenses of certain of its floating-rate Hong Kong Dollar/United States Dollar bank borrowings by swapping floating interest rates to fixed interest rates.

The notional principal amounts of the outstanding interest rate swap contracts at 30 June 2015 were HK\$5,318,000,000 (31 December 2014: HK\$8,202,000,000). As at 30 June 2015, the fixed interest rates vary from 1.12% to 2.325% (31 December 2014: 1.12% to 2.325%), and the main floating rates are HIBOR and LIBOR.

For the six months ended 30 June 2015, the gross fair value gain and fair value loss from the interest rate swaps under cash flow hedge amounted to HK\$51,565,000 (six months ended 30 June 2014: HK\$34,693,000) and HK\$1,453,000 (six months ended 30 June 2014: HK\$576,000), respectively, which resulted in a net fair value gain of HK\$50,112,000 (six months ended 30 June 2014: HK\$34,117,000) being deferred in equity. Gains and losses recognised in the hedging reserve in equity on interest rate swap contracts as of 30 June 2015 will be continuously released to the consolidated statement of income until the repayment of the bank borrowings. Fair value gain and fair value loss of interest rate swaps for the ineffective portion of the instruments amounted to HK\$877,000 (six months ended 30 June 2014: HK\$738,000) and HK\$15,140,000 (six months ended 30 June 2014: HK\$1,606,000), respectively. The net loss in fair value amounting to HK\$14,263,000 (six months ended 30 June 2014: net gain of HK\$868,000) had been recognised in the consolidated statement of income in the current period.

The above derivatives are measured at their respective fair values by making reference to the market values provided by the respective financial institutions issuing such instruments.

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 19 TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS

Trade receivables are generally due within 60 days from the date of billing.

The following is an ageing analysis based on the invoice dates of the trade receivables at the end of the reporting period:

	As at	
	30 June 2015 HK\$'000	31 December 2014 HK\$'000
Trade receivables:		
0 - 30 days	7,699,211	8,598,987
31 - 60 days	506,944	374,018
Over 60 days	2,536,184	2,242,234
	<b>10,742,339</b>	<b>11,215,239</b>

As at 30 June 2015, included in trade receivables were amount of HK\$107,371,000 (31 December 2014: HK\$87,510,000) from joint ventures or associates and are aged within one year.

Included in the prepayment balance of the Group are prepayments for purchase of coal and fuel amounting to HK\$232,819,000 (31 December 2014: HK\$278,062,000). In addition, other receivables and prepayments include an amount of input value added tax of HK\$3,939,391,000 (31 December 2014: HK\$4,580,113,000) and prepayment for income tax of HK\$29,919,000 (31 December 2014: HK\$100,959,000), respectively.

## 20 LOANS TO AN ASSOCIATE

	As at	
	30 June 2015 HK\$'000	31 December 2014 HK\$'000
Non-current	1,504,460	809,229

As at 30 June 2015, the amounts were due from Taiyuan China Resources Coal Co., Ltd. ("Taiyuan China Resources Coal"), which have been written down by HK\$1,330,643,000 (31 December 2014: HK\$1,159,937,000) to reflect the losses recognised in applying the equity method exceeding investment in the associate. The loans are unsecured, with annual interest rate of 5.775% to 6.600% and repayable within three years.

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 21 LOANS TO JOINT VENTURES

	As at	
	30 June 2015 HK\$'000	31 December 2014 HK\$'000
Loans to joint ventures	376,642	376,521
Less: provision for impairment of loans	(231,331)	(4,946)
	145,311	371,575

As at 30 June 2015, loans to joint ventures are unsecured and comprise principal amounts of RMB273,178,000 and RMB23,847,000, equivalent to approximately HK\$346,403,000 and HK\$30,239,000 (31 December 2014: HK\$341,345,000 and HK\$30,230,000) respectively due from two joint ventures, with annual interest rates ranging from 6.37% to 8.02%. Additional provision of HK\$226,385,000 was made during the six months ended 30 June 2015. The net amounts of HK\$127,513,000 (31 December 2014: HK\$341,345,000) are overdue.

## 22 PLEDGED AND RESTRICTED BANK DEPOSITS

Pledged and restricted bank deposits represent deposits pledged to banks to secure banking facilities granted to the Group and deposits restricted for special purpose. As at 30 June 2015, deposits amounting to HK\$269,257,000 (2014: HK\$431,361,000) had been pledged to secure bank acceptance bills. Deposits amounting to HK\$295,660,000 (2014: HK\$276,530,000) were restricted for environmental protection and industry transformation use with the approval of certain governments. Deposits amounting to HK\$64,563,000 (2014: HK\$64,542,000) were restricted by a PRC court order.

## 23 SHARE CAPITAL

Ordinary shares, issued and fully paid:

	Number of shares '000	Share capital HK\$'000
<b>Balance at 1 January 2015</b>	4,797,344	22,102,792
Issue upon exercise of share options	2,018	20,283
<b>Balance at 30 June 2015</b>	4,799,362	22,123,075
<b>Balance at 1 January 2014</b>	4,791,457	4,791,457
Issue upon exercise of share options	2,759	2,759
Transition to no-par value regime on 3 March 2014 (Note a)	—	17,259,481
<b>Balance at 30 June 2014</b>	4,794,216	22,053,697

(a) In accordance with the transitional provisions set out in section 37 of Schedule 11 to the Hong Kong Companies Ordinance (Cap. 622), on 3 March 2014, any amount standing to the credit of the share premium account has become part of the Company's share capital.

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 24 OTHER RESERVE

Details of changes in reserves of the Group are set out in the interim condensed consolidated statement of changes in equity. The movement of capital reserve is as follows,

	Six months ended 30 June	
	2015 HK\$'000	2014 HK\$'000
Opening balance at 1 January	426,160	168,376
Change in ownership interests in a subsidiary without change of control (Note 32)	100,488	—
Release to profit or loss in relation to disposal of associates	(21)	—
Transfers (a)	118,888	109,405
Transfers upon utilisation (b)	(65,387)	(69,290)
<b>Closing balance at 30 June</b>	<b>580,128</b>	<b>208,491</b>

- (a) Pursuant to certain regulations in the People's Republic of China (the "PRC") relating to the mining industry, the Group is required to transfer to the capital reserve account an amount being calculated based on the volume of coal ore extracted each year and at the applicable rate per tonne of coal ore. Pursuant to the relevant provisions of the PRC Companies Law, the fund can only be used for future improvement of the mining facilities and enhancement of safety production environment. The fund is not available for distribution to shareholders of the Company.
- (b) During the period ended 30 June 2015, HK\$65,387,000 (2014: HK\$69,290,000) of the reserve set up was utilised in the relevant assets and expenditures as stated in Note a. The corresponding amount was then transferred from this reserve account to retained earnings.

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 25 SHARE OPTIONS

As at 30 June 2015, the Company has a share option scheme for granting options to eligible directors of the Company and employees of the Group and other participants to subscribe for the Company's shares, for the promotion of success of the business of the Group.

Options granted are exercisable during the period from the vesting date to the last day of the ten-year period after grant date. The share options have vesting periods from one to five years and every 20% will be vested on the anniversary of the grant date.

Details of the share options outstanding during the current period are as follows:

	Outstanding at 1 January 2015	Exercised during the period	Lapsed during the period	Outstanding at 30 June 2015
Exercise price:				
– HK\$3.919 per share	2,953,640	(327,200)	(2,626,440)	—
– HK\$4.641 per share	3,945,060	(610,800)	—	3,334,260
– HK\$6.925 per share	2,600,120	(651,520)	—	1,948,600
– HK\$12.21 per share	6,684,900	(428,640)	(203,600)	6,052,660
Number of share options	16,183,720	(2,018,160)	(2,830,040)	11,335,520

The weighted average closing price of the Company's shares at dates on which the options were exercised during the period was HK\$20.28.

## 26 PERPETUAL CAPITAL SECURITIES

On 11 May 2011, China Resources Power East Foundation Co., Ltd., a subsidiary of the Group, issued US\$750,000,000 (equivalent to HK\$5,835,750,000) 7.25% Guaranteed Perpetual Capital Securities ("Perpetual Capital Securities") at an issue price of 100 per cent which is guaranteed by the Company. The Perpetual Capital Securities were issued for general corporate funding purposes. Coupon payments of 7.25% per annum on the Perpetual Capital Securities are paid semi-annually in arrears from 9 November 2011 and can be deferred at the discretion of the Group. The Perpetual Capital Securities have no fixed maturity and are redeemable at the discretion of the Group on or after 9 May 2016 at their principal amounts together with any accrued, unpaid or deferred coupon interest payments. In addition, while any coupon interest payments are unpaid or deferred, the Group undertakes not to declare, pay any dividends nor to make any distributions or similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank.

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 27 BORROWINGS

	As at	
	30 June 2015 HK\$'000	31 December 2014 HK\$'000
<b>Non-current</b>		
Bank loans		
– Secured	5,434,490	5,425,444
– Unsecured	60,826,453	63,607,866
Corporate bonds and notes	10,505,794	10,502,397
	<b>76,766,737</b>	<b>79,535,707</b>
<b>Current</b>		
Bank loans		
– Secured	1,374,388	967,855
– Unsecured	16,995,056	12,800,775
Corporate bonds and notes	5,143,520	7,128,523
	<b>23,512,964</b>	<b>20,897,153</b>

Movement in borrowings is analysed as follows:

	Six months ended 30 June	
	2015 HK\$'000	2014 HK\$'000
Opening balance at 1 January	100,432,860	87,751,606
Proceeds from new borrowings	18,390,515	18,663,936
Repayments of borrowings	(18,552,646)	(8,723,701)
Currency translation difference	8,972	(514,346)
<b>Closing balance at 30 June</b>	<b>100,279,701</b>	<b>97,177,495</b>

Certain bank loans were secured by the Group's land use rights, buildings, power generating plants and equipment with carrying values of HK\$49,209,000 (31 December 2014: HK\$43,354,000), HK\$1,331,885,000 (31 December 2014: HK\$1,310,418,000) and HK\$4,554,113,000 (31 December 2014: HK\$3,813,575,000), respectively.

Total interest expenses on borrowings for the six months ended 30 June 2015 is HK\$2,118,134,000 (30 June 2014: HK\$2,015,028,000), among which borrowing costs amounting to HK\$724,566,000 (30 June 2014: HK\$590,837,000) had been capitalised in qualifying assets.

As at 30 June 2015, the interest rate risk of the Group's borrowings of HK\$5,318,000,000 (31 December 2014: HK\$8,202,000,000) was hedged by using interest rate swaps (floating to fixed interest swaps) (see Note 18(b) for details).

As at 30 June 2015, the Group had HK\$119,038,642,000 of unutilized banking facilities granted by various financial institutions (31 December 2014: approximately HK\$138,427,886,000). These facilities are obtained for financing of ongoing investments and operations of the Group.

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 28 TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

As at 30 June 2015, the ageing analysis of trade payables based on invoice date was as follows:

	As at	
	30 June 2015 HK\$'000	31 December 2014 HK\$'000
Trade payables:		
0 - 30 days	6,867,712	7,111,508
31 - 90 days	1,986,594	1,795,255
Over 90 days	1,554,862	1,557,285
	<b>10,409,168</b>	<b>10,464,048</b>

## 29 AMOUNTS DUE TO ASSOCIATES

	As at	
	30 June 2015 HK\$'000	31 December 2014 HK\$'000
Amounts due to associates	<b>812,799</b>	730,760

Amounts due to associates are unsecured, non-interest bearing, and repayable on demand.

## 30 AMOUNTS DUE TO OTHER RELATED COMPANIES

	As at	
	30 June 2015 HK\$'000	31 December 2014 HK\$'000
Dividends to non-controlling shareholders of subsidiaries	1,015,000	880,000
Amounts due to non-controlling shareholders of subsidiaries	138,902	40,473
Amounts due to fellow subsidiaries	2,045	2,218
Amounts due to holding company	775	774
Amounts due to an intermediate holding company	35,768	35,768
	<b>1,192,490</b>	<b>959,233</b>

Amounts due to other related companies are unsecured, non-interest bearing, and repayable on demand.



# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 31 CAPITAL COMMITMENTS

	As at	
	30 June 2015 HK\$'000	31 December 2014 HK\$'000
Contracted for but not provided in the financial information		
– Capital expenditure in respect of the acquisition of property, plant and equipment	19,226,379	17,798,130
– Capital expenditure in respect of acquisition of mining/exploration rights	5,853,484	7,268,648
– Capital expenditure in respect of the acquisition of intangible assets	13,819	61,976
Authorised but not contracted for		
– Capital expenditure in respect of acquisition of property, plant and equipment	5,072	—
	<b>25,098,754</b>	<b>25,128,754</b>

## 32 CHANGE IN OWNERSHIP INTERESTS IN A SUBSIDIARY WITHOUT CHANGE OF CONTROL

On 16 January 2015, the Group disposed of 10% of interests in China Resources Power Dengfeng Co., Ltd. ("Dengfeng Company") at a consideration of HK\$389,555,000. The Group recognised an increase in non-controlling interests of approximately HK\$289,067,000 and an increase in equity attributable to owners of the Company of approximately HK\$100,488,000. The effect of change in the ownership interests of Dengfeng Company on the equity attributable to owners of the Company during the period is summarised as follows:

	As at	
	30 June 2015 HK\$'000	31 December 2014 HK\$'000
Carrying amount of non-controlling interests disposed of	(289,067)	—
Consideration received from non-controlling interests	389,555	—
Gain on disposal recognised within equity	100,488	—

There were no changes in ownership interests in subsidiaries without change of control during six months ended 30 June 2014.

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 33 RELATED PARTY TRANSACTIONS AND BALANCES

- (a) The Company entered into two trademark licence agreements dated 17 October 2003 with CRNC and CRH, respectively, under which the Company was granted irrevocable, royalty free and non-exclusive licences to use certain trademarks and the rights to sub-license the same to any member of the Group in consideration of a nominal amount of HK\$1 each.
- (b) Other than disclosed elsewhere in the condensed consolidated interim financial information, the following transactions were carried out with related parties during the period:

Name of related company	Relationship	Nature of transactions	Six months ended 30 June	
			2015 HK\$'000	2014 HK\$'000
CRH	Intermediate holding company	Interest expense paid	—	8,973
China Resources Property Management Co., Ltd.	Fellow subsidiary	Rental expense paid by the Group	3,970	4,519
China Resources (Shenzhen) Co., Ltd.	Fellow subsidiary	Rental expense paid by the Group	—	2,886
Taiyuan China Resources Coal	Associate	Interest income received (Note 20)	72,203	8,733
Certain subsidiaries of China Resources Cement Holdings Limited	Fellow subsidiary	Sales of by product	923	4,893
		Sales of carbon emission permit	—	12,976
China Resources Packaging Materials Co., Ltd.	Fellow subsidiary	Sales of coal	2,071	40,717
Jiangsu Zhenjiang Generator Co., Ltd	Associate	Sales of coal	—	528,862
		Sales of power	—	7,051
		Interest income received	—	12,328
		Providing agency service fee	13,103	5,245
		Purchase of power volume quota	—	55,958
China Resources (Xuzhou) Electric Power Co., Ltd	Associate	Sales of power	115,100	71,298
		Sales of coal	7,128	30,216
		Providing maintenance service	6,294	14,986
		Providing agency service fee	10,306	10,625
		Interest income received	—	9,779
		Interest expense paid	9,338	1,749
CRP Hezhou	Joint venture	Providing maintenance service	11,139	9,519
		Providing agency service fee	14,652	18,477
		Interest expense paid	2,707	3,098
Thriving Choice Limited	Fellow subsidiary	Interest expense paid	—	6,478
Nanjing Yanjiang Heating Power Co.,Ltd	Associate	Sales of heat	41,991	47,133
Yangcheng Asia-America Daing Railway Operation Co.,Ltd	Joint venture	Interest income received (Note 21)	11,887	11,872
Shanxi Lanhua Daning Electric Power Co., Ltd	Joint venture	Interest income received (Note 21)	972	987
China Resources Energy Service Co., Ltd	Fellow subsidiary	Energy management fee	26,985	21,341

# Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2015

## 33 RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

- (c) As at 30 June 2015, the Group provided guarantees amounting to HK\$674,780,000 (31 December 2014: HK\$674,562,000), HK\$167,964,000 (31 December 2014: HK\$167,910,000) and nil (31 December 2014: HK\$39,905,000) to secure bank loans of three associates, namely Guizhou Hualong Coal Mining Co., Ltd, Hunan Taohuajiang Nuclear Power Co., Ltd., and Henan Yonghua Energy Co., Ltd. In addition, the Group and a third party jointly provided guarantees amounting to HK\$169,196,000 (31 December 2014: HK\$169,141,000) to secure financial leasing of a joint venture, namely Shanxi Lanhua Daning Electric Power Co., Ltd.
- (d) Except those disclosed in Notes 20, 21, 29, 30 and above, the amounts due from associates, amounts due from/to joint ventures, and amounts due from other related companies are unsecured, non-interest bearing and repayable on demand.
- (e) The remuneration of directors and other members of key management during the period was as follows:

	Six months ended 30 June	
	2015 HK\$'000	2014 HK\$'000
Salary, wages and other benefits	13,545	13,323
Post-employment benefits	415	611
	<b>13,960</b>	13,934

- (f) Transactions/balances with other state-controlled entities

The Group operates in an economic environment currently predominated by entities directly or indirectly owned or controlled, jointly controlled or significantly influenced by the Chinese government ("state-controlled entities"). In addition, the Group itself is part of a larger group of companies under CRNC, ultimate holding company of the Company, which is controlled by the Chinese State government. Apart from the transactions with the parent company and its subsidiaries which have been disclosed in other notes to the condensed consolidated interim financial information, the Group also conducts business with other state-controlled entities during the ordinary course of its business. The directors consider those state-controlled entities are independent third parties so far as the Group's business transactions with them are concerned.

The Group operates power plants in the PRC and sells all its electricity to the power grid companies which are state-controlled entities in the PRC. The Group also purchases/sells significant amounts of coal from/to certain state-controlled entities. Furthermore, the Group has certain borrowings and deposits with certain banks which are state-controlled entities in its ordinary course of business. The Group has also entered into various transactions, including other operating expenses with other state-controlled entities which individually and collectively were insignificant during the period.

## 34 CONTINGENT LIABILITIES

As at 30 June 2015, the Group provided certain guarantees amounting to HK\$1,011,940,000 (31 December 2014: HK\$1,051,518,000) to its related parties. Details of guarantees have been disclosed in note 33(c).

In addition, there were certain pending litigations and claims against the Group as of 30 June 2015. After consulting the legal counsels, the directors are of the view that the likelihood of any material financial impact to the Group is remote, therefore, no provisions have been made in light of such litigations and claims.

## 35 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

Save as already disclosed in the notes to the condensed consolidated interim financial information, the Group had no other significant subsequent event.

# Disclosure of Interests

## SHARE OPTIONS

The Company adopted a share option scheme on 6 October 2003 (the "Share Option Scheme") which had expired on 5 October 2013. Detailed terms of the Share Option Scheme were disclosed in the 2014 Annual Report.

Movement of the options granted under the Share Option Scheme during the six months ended 30 June 2015 is as follows:

Participants	Date of grant	Number of options outstanding as at 1 January 2015	Number of options exercised during the period	Number of options lapsed or cancelled during the period	Number of options outstanding as at 30 June 2015	Date of expiry	Exercise price (HK\$)
Aggregate total of employees	18 Mar 2005	551,160	—	(551,160)	—	17 Mar 2015	3.919
	18 Nov 2005	3,945,060	(610,800)	—	3,334,260	17 Nov 2015	4.641
	5 Sep 2006	2,600,120	(651,520)	—	1,948,600	4 Sep 2016	6.925
	30 Mar 2007	6,481,300	(428,640)	—	6,052,660	29 Mar 2017	12.210
Aggregate total of other participants	18 Mar 2005	2,402,480	(327,200)	(2,075,280)	—	17 Mar 2015	3.919
	30 Mar 2007	203,600	—	(203,600)	—	29 Mar 2017	12.210
		16,183,720	(2,018,160)	(2,830,040)	11,335,520		

Note: The weighted average closing price of the Shares immediately before the date on which the options were exercised was HK\$20.28.

## DIRECTORS' INTERESTS IN SECURITIES

Save as disclosed below and the section headed "Share Options", as at 30 June 2015, none of the Directors or chief executive of the Company had any interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO") which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") contained in Appendix 10 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein:

# Disclosure of Interests

## (A) The Company

Details of Shares in the Company held by the Directors as at 30 June 2015 are as follows:

Name of Director	Capacity	Number of issued ordinary shares held	Long/short position	Percentage of the total issued shares of the Company
Zhou Junqing	Beneficial Owner	470,864	Long	0.010%
	Interest of Spouse	20,000	Long	0.000%
Wang Xiao Bin	Beneficial Owner	3,664,560	Long	0.076%
Zhang Shen Wen	Beneficial Owner	2,671,120	Long	0.056%
Du Wen Min	Beneficial Owner	480,240	Long	0.010%
Wang Yan	Beneficial Owner	44,000	Long	0.001%
Raymond Ch'ien Kuo Fung	Beneficial Owner	30,000	Long	0.001%
	Interest of Spouse	4,000	Long	0.000%
Andrew Ma Chiu Cheung	Beneficial Owner	203,600	Long	0.004%

## (B) China Resources Enterprise, Limited

China Resources Enterprise, Limited ("CRE") is an associated corporation of the Company (as defined under the SFO). Details of shares in CRE held by the Directors as at 30 June 2015 are as follows:

Name of Director	Capacity	Number of issued ordinary shares held	Long/short position	Percentage of the total issued shares of CRE
Zhang Shen Wen	Beneficial Owner	20,000	Long	0.001%
Du Wen Min	Beneficial Owner	100,000	Long	0.004%
Wang Yan	Beneficial Owner	150,000	Long	0.006%

## (C) China Resources Gas Group Limited

China Resources Gas Group Limited ("CR Gas") is an associated corporation of the Company (as defined under the SFO). Details of shares in CR Gas held by the Directors as at 30 June 2015 are as follows:

Name of Director	Capacity	Number of issued ordinary shares held	Long/short position	Percentage of the total issued shares of CR Gas
Zhou Junqing	Beneficial Owner	800	Long	0.000%
Zhang Shen Wen	Beneficial Owner	66,000	Long	0.003%
Du Wen Min	Beneficial Owner	54,000	Long	0.002%

# Disclosure of Interests

## (D) China Resources Land Limited

China Resources Land Limited ("CR Land") is an associated corporation of the Company (as defined under the SFO). Details of the shares in CR Land held by the Directors as at 30 June 2015 are as follows:

Name of Director	Capacity	Number of issued ordinary shares held	Long/short position	Percentage of the total issued shares of CR Land
Du Wen Min	Beneficial Owner	640,000	Long	0.009%
Chen Ying	Beneficial Owner	500,000	Long	0.007%

## (E) China Resources Cement Holdings Limited

China Resources Cement Holdings Limited ("CR Cement") is an associated corporation of the Company (as defined under the SFO). Details of the shares in CR Cement held by the Directors as at 30 June 2015 are as follows:

Name of Director	Capacity	Number of issued ordinary shares held	Long/short position	Percentage of the total issued shares of CR Cement
Zhang Shen Wen	Beneficial Owner	100,000	Long	0.002%
Chen Ying	Beneficial Owner	230,000	Long	0.004%

Save as disclosed above and the section headed "Share Options", at no time during the period, the Directors or chief executives of the Company (including their spouse and children under 18 years of age) had any interest in, or had been granted, or exercised, any rights to subscribe for shares (warrants or debentures, if applicable) of the Company or any of its associated corporation required to be disclosed pursuant to the SFO.

# Disclosure of Interests

## SUBSTANTIAL SHAREHOLDERS

Save as disclosed below, as at 30 June 2015, the Directors were not aware of any other persons (other than a Director or chief executive, whose interests are disclosed in the section headed "Directors' Interests in Securities" above) who had an interest or short position in the Shares or underlying Shares of the Company as recorded in the register kept pursuant to Section 336 of the SFO:

Name of substantial shareholders	Note	Capacity	No. of issued ordinary shares held	Long/short position	Approximate % of shareholding as at 30 June 2015
CRH (Power) Limited	1	Beneficial owner	3,024,999,999	Long	63.03%
CRH	1	Interest in a controlled corporation	3,025,001,999	Long	63.03%
CRC Bluesky Limited	1	Interest of a controlled corporation	3,025,001,999	Long	63.03%
China Resources Co., Limited* ("CRL")	1	Interest of a controlled corporation	3,025,001,999	Long	63.03%
China Resources National Corporation ("CRNC")	1	Interest of a controlled corporation	3,025,001,999	Long	63.03%
JPMorgan Chase & Co.	2	Beneficial owner/ Investment manager/ Approved lending agent	296,926,609	Long	6.18%
		Beneficial owner	157,400	Short	0.00%

Notes:

- CRH (Power) Limited is a 100% subsidiary of CRH, which is a 100% subsidiary of CRC Bluesky Limited, which is in turn owned as to 100% by CRL, which is in turn held as to 100% by CRNC. Each of CRH, CRNC, CRL and CRC Bluesky Limited is deemed by virtue of Part XV of the SFO to have the same interests in 3,024,999,999 Shares as those of CRH (Power) Limited. CRH, through another wholly-owned subsidiary, is interested in 2,000 Shares of the Company. Accordingly, each of CRNC, CRL and CRC Bluesky Limited is deemed by virtue of Part XV of the SFO to have the same interests in the 2,000 Shares as those of CRH.
- JPMorgan Chase & Co., through its various 100% controlled corporations, is interested in (i) an aggregate of 72,370,618 Shares and unlisted derivative interests of 38,000 Shares with physically settled in long position; and (ii) unlisted derivative interest of 157,400 Shares with cash settled in short position.

In addition to the above, JPMorgan Chase & Co. is also interested in 224,555,991 Shares in lending pool as described in the SFO. The term "lending pool" is defined as (i) shares that the approved lending agent holds as agent for a third party which he is authorized to lend and other shares that can be lent according to the requirements of the Securities Borrowing and Lending Rules; and (ii) shares that have been lent by the approved lending agent and only if the right of the approved lending agent to require the return of the shares has not yet been extinguished.

\* Translation purposes only

## MEDIUM TO LONG-TERM PERFORMANCE EVALUATION INCENTIVE PLAN

As an incentive to retain and motivate the employees, on 25 April 2008 (the "Adoption Date"), the Board resolved to adopt the Medium to Long-Term Performance Evaluation Incentive Plan (the "Plan") and the Company appointed BOCI-Prudential Trustee Limited as trustee to the Plan (the "Trustee"). Pursuant to the Plan, the Shares may be purchased by the Trustee from the market out of cash contribution by the Group and be held in trust for the selected employees until such Shares are vested with the selected employees in accordance with the provisions of the Plan. The Plan does not constitute a share option scheme pursuant to chapter 17 of the Listing Rules and is a discretionary Plan of the Company. The Board will implement the Plan in accordance with the terms of the Plan, including the provision of necessary funds to the Trustee for purchase of Shares up to 2% of the issued share capital of the Company as at the Adoption Date (i.e. 4,150,021,178 Shares). The Plan shall be effective from the Adoption Date and shall continue in full force and effect for a term of 10 years unless terminated at the discretion of the Board at an earlier date.

From the Adoption Date up to 30 June 2015, the Trustee purchased accumulatively a total of 36,294,698 Shares, representing 0.87% of the issued share capital of the Company as at the Adoption Date, from the market at an aggregate consideration of approximately HK\$574,780,000 (including transaction costs).

As at the date of this report, the purchased Shares have been held in trust by the Trustee on behalf of the Company for selected employees.

# Corporate Governance and Other Information

## CORPORATE GOVERNANCE

During the period ended 30 June 2015, the Company has applied all of the principles and complied with the code provisions set out in the Corporate Governance Code as contained in Appendix 14 to the Listing Rules except for the deviation of code provision A.2.1 in regards to the separate roles of the Chairman and the President.

The division of responsibilities between the Chairman and the President has been clearly established and set out in writing. Since 26 August 2014 up till now, both roles have been assumed by Ms. Zhou Junqing until a replacement is identified for the role of the President.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standards set out in the Model Code.

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

The Company and its subsidiaries did not purchase, sell or redeem any listed securities of the Company during the six months ended 30 June 2015.

## BOARD COMPOSITION

As at 10 September 2015 (being the latest practicable date prior to printing of this Interim Report), the Board consists of 11 Directors, 3 of whom are Executive Directors, 4 are Non-executive Directors and 4 are Independent Non-executive Directors. The list of Directors are set out on page 69 of this Interim Report and are available on the Company's website.

## AUDITORS AND AUDIT AND RISK COMMITTEE

The Audit and Risk Committee has reviewed with management the accounting policies and practices adopted by the Group and discussed, among other things, internal controls and financial reporting matters including a review of the unaudited consolidated results for the six months ended 30 June 2015 of the Group. In addition, the independent auditor of the Company, Pricewaterhousecoopers, has reviewed the unaudited interim results for the six months ended 30 June 2015 in accordance with Hong Kong standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by HKICPA.

## INDEPENDENT NON-EXECUTIVE DIRECTORS

During the period ended 30 June 2015, the Company has complied with Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules and has four Independent Non-executive Directors including at least one with related financial management expertise and representing at least one-third of the Board as at 30 June 2015.

## AUDIT AND RISK COMMITTEE

During the period ended 30 June 2015, the Company has complied with Rule 3.21 of the Listing Rules and has established the Audit and Risk Committee comprising three members, all of whom are Independent Non-executive Directors, including at least one with related financial management expertise.

## PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this report, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.



# Corporate Information

## Executive Directors

Zhou Junqing (Chairman & President)  
Zhang Shen Wen (Vice Chairman)  
Wang Xiao Bin (Chief Financial Officer and  
Company Secretary)

## Non-Executive Directors

Du Wen Min  
Wei Bin  
Chen Ying  
Wang Yan

## Independent Non-Executive Directors

Andrew Ma Chiu Cheung  
Elsie Leung Oi-sie  
Raymond Ch'ien Kuo Fung  
Jack So Chak Kwong

## Auditors

PricewaterhouseCoopers

## Legal Advisor

Morrison & Foerster

## Share Registrar

Computershare Hong Kong  
Investor Services Limited  
Shops 1712-1716, 17th Floor,  
Hopewell Centre,  
183 Queen's Road East,  
Wanchai, Hong Kong

## Registered Office

Rooms 2001-2002, 20th Floor,  
China Resources Building,  
26 Harbour Road,  
Wanchai, Hong Kong

# Information for Investors

## SHARE LISTING AND STOCK CODE

The Company's shares are listed on The Stock Exchange of Hong Kong Limited. The stock code is 836.

## FINANCIAL DIARY

Six-month financial period end	30 June 2015
Announcement of interim results	18 August 2015
Last day to register for interim dividend	24 September 2015
Book close	25 September 2015 to 30 September 2015
Payment of interim dividend	6 November 2015

## SHAREHOLDER ENQUIRIES

For inquires about share transfer and registration, please contact the Company's Share Registrar:

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17th Floor, Hopewell Centre,  
183 Queen's Road East, Wanchai, Hong Kong  
Telephone: (852) 2862 8628  
Facsimile: (852) 2865 0990

For inquires from investors and securities analysts, please contact:

Investor Relations  
China Resources Power Holdings Company Limited  
Room 2001-2002, 20th Floor, China Resources Building,  
26 Harbour Road, Wanchai, Hong Kong  
General line: (852) 2593 7530  
IR hotline: (852) 2593 7550  
Facsimile: (852) 2593 7531/2593 7551  
E-mail: [crp-ir@crc.com.hk](mailto:crp-ir@crc.com.hk)

## OUR WEBSITE

[www.cr-power.com](http://www.cr-power.com)