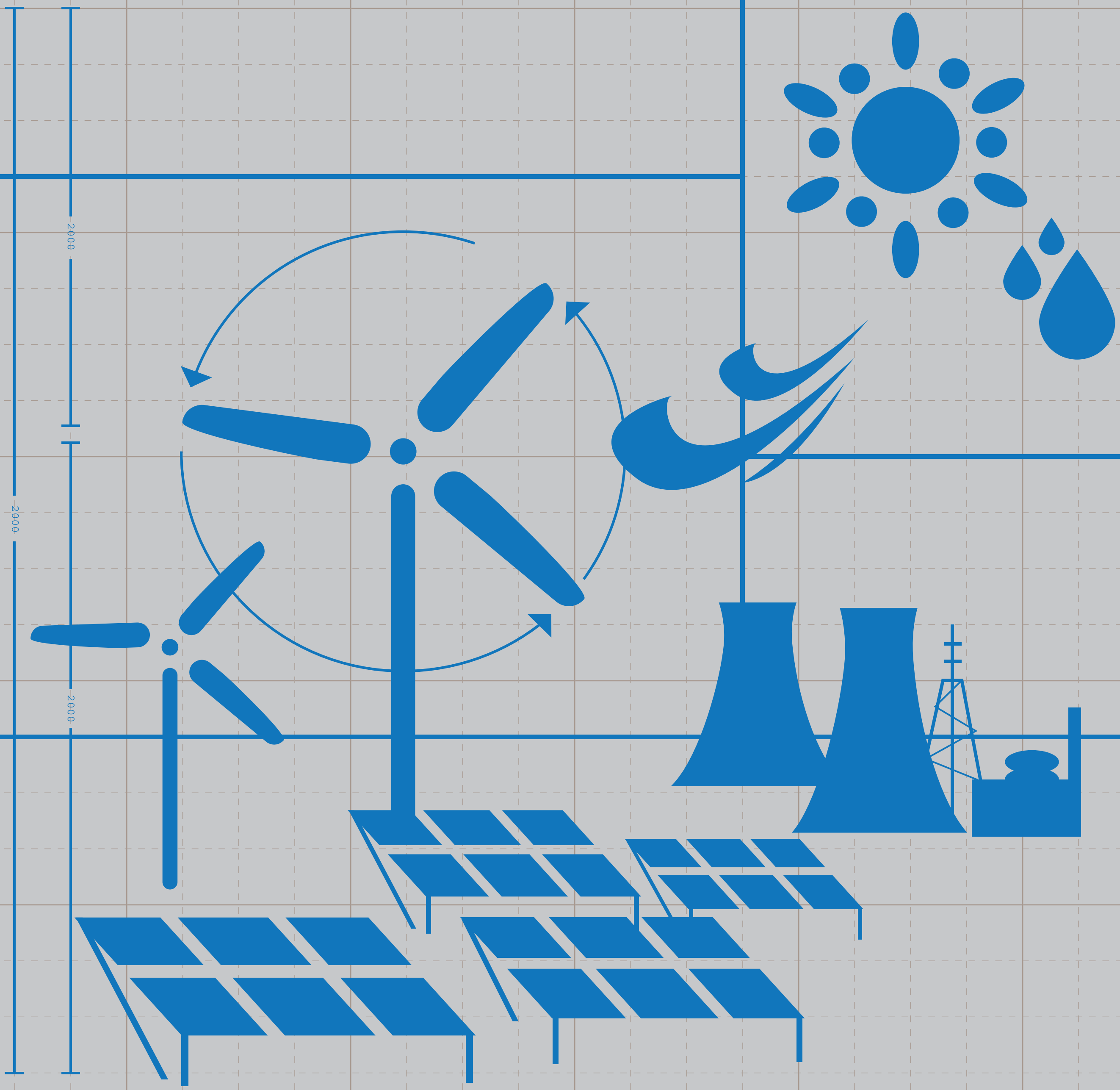
Strategic Plan

For Efficiency & Effective Clean Energy



華潤電力控股有限公司
China Resources Power Holdings Company Limited
(Stock Code : 836)

Interim Report **2016**

About CR Power

China Resources Power Holdings Company Limited (the "Company" or "CR Power", together with its subsidiaries, the "Group") 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 operates coal mines in China.

As at 30 June 2016, CR Power has 38 coal-fired power plants, 2 hydro-electric plants, 1 gas-fired plant, 67 wind farms and 5 photovoltaic power plants in commercial operation. The total attributable operational generation capacity of the Company is 34,636, with 35.9% of our capacity located in Eastern China, 27.3% located in Central China, 19.3% located in Southern China, 10.7% located in Northern China, 5.0% located in Northeastern China, 1.1% located in Southwestern China and 0.7% located in Northwestern China.

China Resources (Holdings) Co., Ltd. ("CRH")

62.99%

China Resources Power Holdings Co., Ltd.

Coal-fired 1000MW

- Xuzhou (Phase III)
- Hubei (Phase II)
- Hezhou
- Cangnan
- Haifeng
- Caofeidian (Phase II)

Coal-fired 600MW

- Changshu
- Fuyang
- Liyujiang B
- Shouyangshan
- Changzhou
- Zhenjiang 630
- Yangzhou No.2
- Nanjing Thermal
- Heze
- Dengfeng (Phase II)
- Jiaozuo Longyuan
- Guizhou Liuzhi
- Wujianfang

Heat and Power Co-gen 300MW

- Huaxin
- Cangzhou
- Dengfeng
- Hubei
- Caofeidian
- Dengkou
- Guangzhou Thermal
- Nanjing Banqiao
- Xuzhou
- Hengfeng
- Hengxing
- Nanjing Chemical Industry Park(Phase II)
- Yichang
- Panjin
- Tangshan Fengrun
- Bohai Xinqu

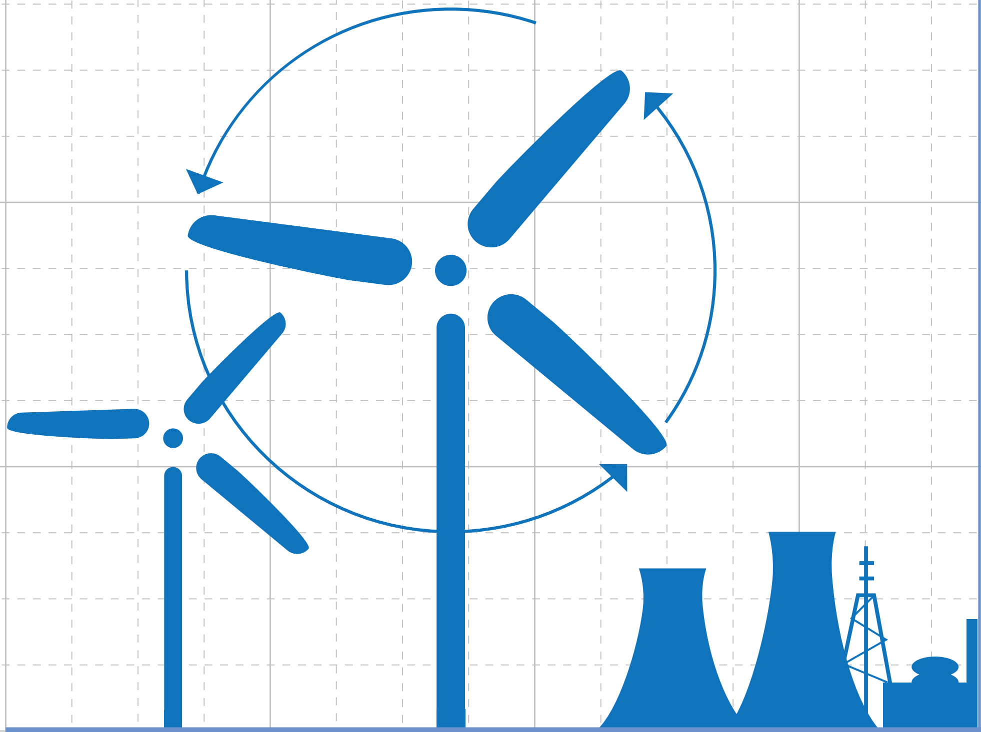
Other Coal-fired

- Yixing
- Xingning
- Luoyang
- Shenhai Thermal
- Nanjing Chemical Industrial Park
- Zhenjiang 140
- Liyujiang A
- Gucheng
- Lianyuan
- Wenzhou Telluride

Clean Energy

- Dannan Wind
- Shantou Wind
- Chaonan Wind
- Shantou Haojiang Wind
- Huilai Wind
- Huilai Zhoutian Wind
- Yangjiang Wind
- Yantai Wind
- Yantai Penglai Wind
- Daliuhang Wind
- Daxindian Wind
- Weihai Wind
- Weihai Huancui Wind
- Qingdao Wind Phase I
- Fuxin Wind
- Jianping Wind
- Bayinxile Wind
- Chengde Weichang Wind Phase I
- Chengde Weichang Wind Phase II
- Chengde Weichang Wind Phase III & IV & V
- Guazhou Wind
- Jiamusi Wind
- Wulian Wind Phase I
- Jùxian Wind Phase I
- Manzhouli Wind Phase I
- Suizhou Wind
- Datong Wind
- Lianzhou Wind
- Lianzhou Quanshui Wind
- Qingdao Wind Phase II
- Datong Guangling Wind
- Datong Shengquan Wind
- Biyang Wind
- Beipiao Wind
- Yangjiang Wind Phase II
- Linwu Wind
- Suizhou Fengming Wind
- Datong Yanggao Wind
- Datong Changcheng Wind
- Biyang Zhongxiang Wind
- Wulian Wind Phase II
- Jùxian Wind Phase II
- Jinzhou Wind
- Jining Wind
- Linghai Wind
- Lufeng Wind
- Xinyi Wind
- Zaoyang Wind
- Rizhao Wind
- Nantong Wind
- Zoucheng Wind
- Linyi Wind
- Manzhouli Wind Phase II
- Fuxin Wind Phase II
- Guangshui Wind
- Yicheng Wind
- De'an Wind
- Xinzhou Wind
- Huanxian Wind
- Fujin Wind
- Liping Wind
- Jinping Wind
- Suixian Tianhekou Wind
- Rongxian Wind
- Wulanchabu Wind
- Wulanchabu Bayin Wind
- Wulanchabu Hongmu Wind
- Tianzhen Photovoltaic
- Tailai Photovoltaic
- Xinrong Photovoltaic
- Delingha Photovoltaic
- Zhaotong Photovoltaic
- Honghe Hydro
- Yazuihe Hydro
- Beijing Thermal
- Suixian Tianhekou Wind
- Jinzhou Wind
- Lianzhou Wind
- Haiyang Wind
- Nantong Wind
- Haiyuan Wind
- Xuwen Wind
- Guxian Wind
- Linfen Wind
- Xinzhou Wind
- Biyang Zhongxiang Wind
- Linyi Wind
- Rongxian Wind
- Biyang Pangu Wind
- Zaoyang Wind
- Mulanweichang Wind
- Huanxian Wind
- Dongying Wind
- Liping Wind
- Jianhe Wind
- De'an Wind
- Xinrong Photovoltaic
- Midu Photovoltaic
- Jiangzi Photovoltaic

Note: Projects under construction are marked in blue



CONTENTS

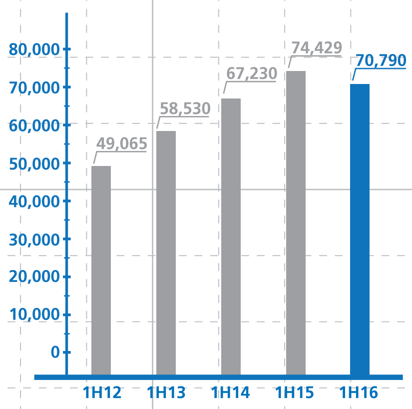
Performance Highlights

Six months ended 30 June	2016	2015	2014	2013	2012
Earnings per share (HK cents)					
Basic	**111.81**	143.06	127.54	112.57	63.20
Diluted	**111.78**	142.82	127.21	112.02	62.77
Turnover (HK$'000)	**30,971,184**	36,942,294	35,826,042	32,347,107	30,944,552
Profit attributable to owners of the Company (HK$'000)	**5,336,094**	6,812,796	6,063,754	5,330,636	3,001,672
Generation volume of operating power plants (MWh)					
Total gross generation	**94,251,560**	99,827,848	96,227,497	88,857,686	81,551,829
Total net generation	**89,205,813**	94,336,344	90,701,240	83,745,227	76,589,798

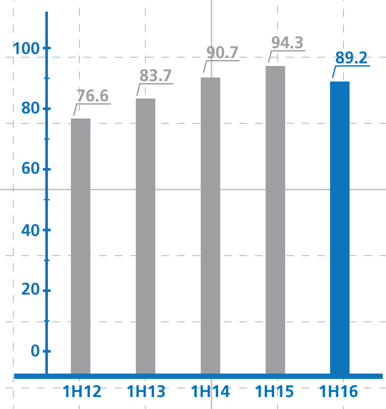
As at 30 June	2016	2015	2014	2013	2012
Condensed consolidated balance sheet (HK$'000)					
Non-current assets	**179,948,410**	195,391,763	187,512,597	169,366,532	142,364,470
Current assets	**20,277,327**	33,699,715	31,406,491	192,211,818	28,755,543
Current liabilities	**50,215,215**	58,532,068	52,730,072	45,372,101	42,104,644
Non-current liabilities	**73,710,374**	80,900,456	81,123,022	68,575,004	65,189,124
Equity attributable to owners of the Company	**70,790,335**	74,429,161	67,230,389	58,529,826	49,064,814
Total assets	**200,225,737**	229,091,478	218,919,088	192,211,818	171,120,013
Cash and cash equivalents	**3,392,185**	11,850,864	8,072,027	5,137,425	6,670,866
Bank and other borrowings	**92,129,973**	100,279,701	97,177,495	79,272,960	85,410,319
Key financial ratios					
Net debt to shareholders' equity	**124.4%**	118.0%	130.7%	126.7%	160.5%
EBITDA interest coverage (times)	**7.45**	8.39	7.14	6.44	4.13
Attributable operational generation capacity by location (MW)					
Eastern China	**12,421**	12,423	12,331	10,922	10,650
Central China	**9,456**	9,431	8,116	6,157	4,205
Southern China	**6,696**	7,003	4,869	4,741	3,632
Northern China	**3,706**	3,866	2,662	2,548	2,499
Northeastern China	**1,722**	1,519	1,438	1,213	1,109
Southwestern China	**388**	312	280	280	147
Northwestern China	**247**	201	201	201	198
Total	**34,636**	34,755	29,897	26,062	22,440

Performance Highlights

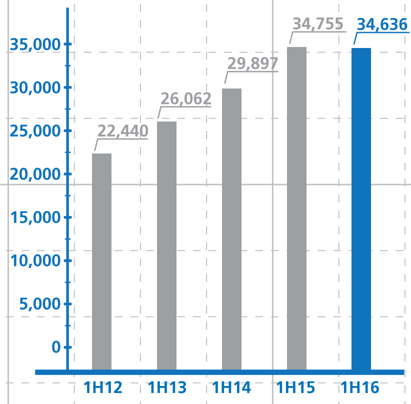
Equity attributable to owners of the Company
(HK$ million)



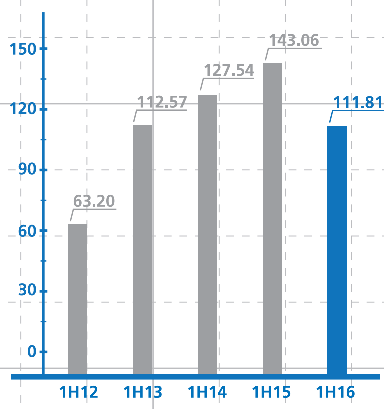
Net generation volumn of operating power plants
(million MWh)



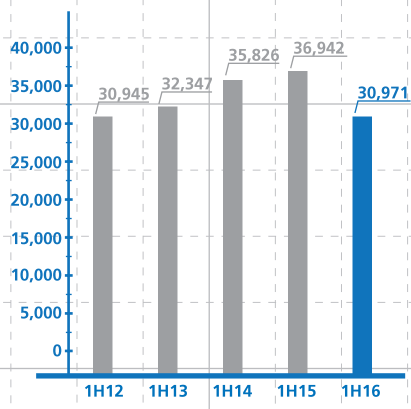
Attributable operational generation capacity
(MW)



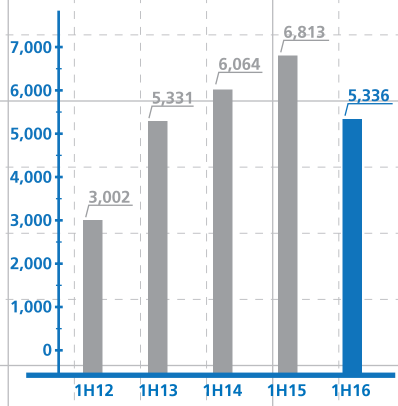
Basic earnings per share
(HK cents)



Turnover
(HK$ million)



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

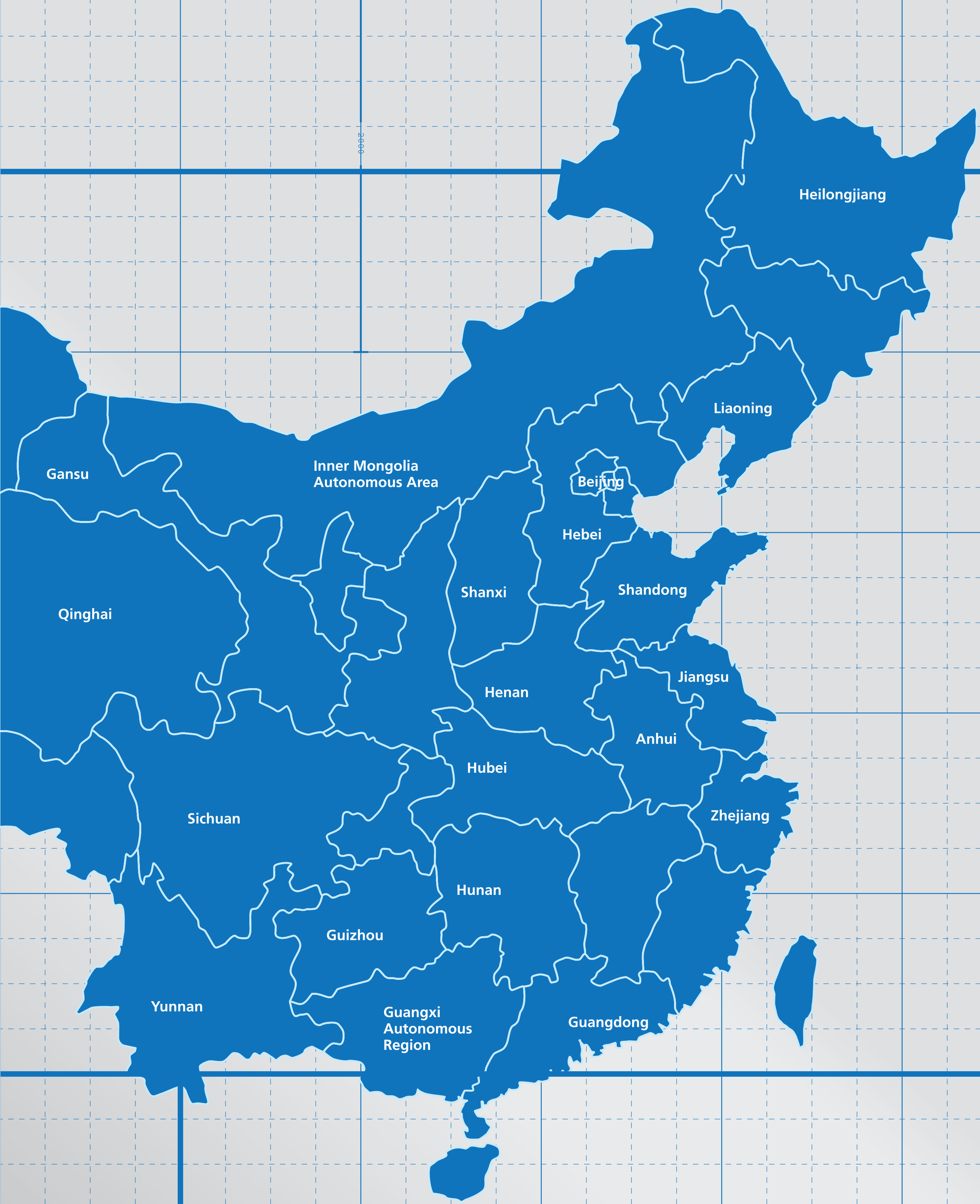


Service Areas

As at 30 June 2016, total attributable operational generation capacity of the Company is

34,636 MW

113 power plants in commercial operation


Heilongjiang
Liaoning
Gansu
Inner Mongolia
Autonomous Area
Beijing
Hebei
Qinghai
Shanxi
Shandong
Jiangsu
Henan
Anhui
Hubei
Sichuan
Zhejiang
Hunan
Guizhou
Yunnan
Guangxi
Autonomous
Region
Guangdong

Service Areas

PROVINCE/REGION	POWER PLANTS	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
	Nantong Wind	**16.0**	**100.0%**	**16.0**
Guangdong	Liyujiang B	1,300.0	100.0%	1,300.0
	Guangzhou Thermal	600.0	100.0%	600.0
	Liyujiang A	600.0	60.0%	360.0
	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 Zhoutian Wind	86.0	100.0%	86.0
	Huilai Wind	37.5	100.0%	37.5
	Shantou Wind	29.3	100.0%	29.3
	Shantou Haojiang 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	80.0	100.0%	80.0
	Yangjiang Wind Phase II	45.5	100.0%	45.5
	Xinyi Wind	39.0	100.0%	39.0
	Lufeng Wind	66.0	100.0%	66.0
	Lianzhou Wind	**26.0**	**100.0%**	**26.0**
	Xuwen Wind	**50.0**	**100.0%**	**50.0**
Henan	Shouyangshan	1,200.0	85.0%	1,020.0
	Gucheng	600.0	100.0%	600.0
	Dengfeng	1,840.0	75.0%	1,380.0
	Luoyang	100.0	51.0%	51.0
	Jiaozuo Longyuan	1,320.0	100.0%	1,320.0
	Biyang Wind	65.0	100.0%	65.0
	Biyang Zhongxiang Wind	39.0	100.0%	39.0
	Biyang Zhongxiang Wind	**14.0**	**100.0%**	**14.0**
	Biyang Pangu Wind	**49.0**	**100.0%**	**49.0**
Hebei	Cangzhou	660.0	95.0%	627.0
	Caofeidian	600.0	90.0%	540.0
	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
	Caofeidian Phase II	**2,000.0**	**90.0%**	**1,800.0**
	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	198.1	100.0%	198.1
	Fuxin Wind Phase II	49.5	100.0%	49.5
	Linghai Wind	90.0	100.0%	90.0
	Jinzhou Wind	48.0	100.0%	48.0
	Jinzhou Wind	**1.5**	**100.0%**	**1.5**

Note: Projects under construction are marked in blue

Service Areas

PROVINCE/REGION	POWER PLANTS	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	49.8	100.0%	49.8
	Daxindian Wind	49.8	100.0%	49.8
	Yantai Wind	48.0	95.0%	45.6
	Yantai Penglai 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
	Jüxian Wind Phase I	50.0	100.0%	50.0
	Jüxian 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	78.0	100.0%	78.0
	Linyi Wind	**22.0**	**100.0%**	**22.0**
	Dongying Wind	**100.0**	**100.0%**	**100.0**
	Haiyang Wind	**50.0**	**100.0%**	**50.0**
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
	Wujianfang	**1,320.0**	**70.0%**	**924.0**
Hubei	Hubei	600.0	100.0%	600.0
	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	99.5	100.0%	99.5
	Guangshui Wind	50.0	100.0%	50.0
	Yicheng Wind	50.0	100.0%	50.0
	Zaoyang Wind	**20.0**	**100.0%**	**20.0**
	Suixian Tianhekou Wind	**105.5**	**100.0%**	**105.5**
	Haiyuan Wind	**212.0**	**100.0%**	**212.0**
Guangxi Autonomous Region	Hezhou	2,000.0	66.0%	1,320.0
	Rongxian Wind	52.0	100.0%	52.0
	Rongxian Wind	**36.0**	**100.0%**	**36.0**
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
	Zhaotong Photovoltaic	20.0	100.0%	20.0
	Midu Photovoltaic	**20.0**	**100.0%**	**20.0**
Sichuan	Yazuihe Hydro	260.0	51.0%	132.6
Gansu	Guazhou Wind	201.0	100.0%	201.0
	Huanxian Wind	26.0	100.0%	26.0
	Huanxian Wind	**24.0**	**100.0%**	**24.0**
Beijing	Beijing Thermal	150.0	51.0%	76.5
Heilongjiang	Jiamusi Wind	43.5	100.0%	43.5
	Fujin Wind	50.0	100.0%	50.0
	Tailai Photovoltaic	20.0	100.0%	20.0
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
	Xinzhou Wind	97.5	100.0%	97.5
	Tianzhen Photovoltaic	20.0	100.0%	20.0
	Xinrong Photovoltaic	24.0	100.0%	24.0
	Guxian Wind	**19.5**	**100.0%**	**19.5**
	Linfen Wind	**99.0**	**100.0%**	**99.0**
	Xinzhou Wind	**22.5**	**100.0%**	**22.5**
	Xinrong Photovoltaic	**1.5**	**100.0%**	**1.5**
Guizhou	Liping Wind	56.0	100.0%	56.0
	Jinping Wind	32.0	100.0%	32.0
	Guizhou Liuzhi	**1,320.0**	**100.0%**	**1,320.0**
	Liping Wind	**158.0**	**100.0%**	**158.0**
	Jianhe Wind	**97.5**	**100.0%**	**97.5**
Jiangxi	**De'an Wind**	**14.0**	**100.0%**	**14.0**
Tibet Autonomous Region	**Jiangzi Photovoltaic**	**20.0**	**100.0%**	**20.0**
Qinghai	Delingha Photovoltaic	20.0	100.0%	20.0

Note: Projects under construction are marked in blue

Chairman's Statement

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 2016.

In 2016, the operating and development environment of CR Power faced a series of challenges due to multiple factors such as downturn of the macro economy, eased supply and demand of electricity, reduced on-grid tariff and reform of the power industry. In the first half of 2016, we completed the restructuring of our organizational structure and integrated our electricity business and combined the efforts in the development, construction and operation capabilities of our coal-fired power generation businesses and clean renewable energy businesses together and divided the domestic target market into 10 major regions. We believe this adjustment will help CR Power accelerate the development of clean renewable energy and respond to opportunities and challenges brought by the reform in the power system proactively and effectively.

RESULTS PERFORMANCE

During the first half of 2016, mainly due to the two on-grid tariff cuts in the first half of 2015 and at the beginning of 2016 and a decline in utilization hours of coal-fired generation units, CR Power's turnover was HK$30,971 million, representing a decrease of 16.2% as compared to HK$36,942 million for the same period of 2015. Net profit attributable to owners of the Company was HK$5,336 million, representing a decrease of 21.7% as compared to HK$6,813 million for the same period of 2015. Basic earnings per share was 111.81 HK cents, representing a decrease of 21.8% as compared to 143.06 HK cents for the same period of 2015. The Board has declared an interim dividend of 12.5 HK cents per share for the first half of 2016, representing an increase of 2.5 HK cents as compared to 10 HK cents for the same period of 2015.

As at the end of June 2016, the attributable operational generation capacity of CR Power amounted to 34,636MW, of which coal-fired power plants accounted for 85.9% or 29,746MW, while those of wind power, hydropower, photovoltaic power and gas-fired power together accounted for 14.1%, representing an increase of 0.8 percentage point over 13.3% as at the end of 2015.

During the first half of 2016, attributable operational generation capacity of newly added wind power amounted to 195MW and that of newly added photovoltaic power amounted to 84MW. Attributable operational generation capacity of clean energy increased to 4,890MW, representing a growth of 6.1% over the end of 2015.

MAJOR INITIATIVES

Strengthen management to enhance organization capabilities

To adapt to the new change in national and industry policies, accelerate the development of new businesses such as renewable energy, and promote further optimization of our business structure, we implemented the reform in three-tier management model of "Headquarter + Region + Project" in May 2016, cancelled the original coal-fired unit and renewable energy unit, and adjusted the model under which each unit was responsible for its project construction and operation, into one under which functional departments such as the construction department, operation department, fuel management department, international business department and technology research institute are established at the headquarter level and are responsible for the co-ordination and management of project construction and operation, business development, technology innovation and research and other tasks of CR Power. Meanwhile, branches and project companies under original units have been reorganized into 10 main regions. Integrated management within regions is implemented to promote comprehensive in-depth collaboration among businesses, strengthen project development capabilities and operating management skills, and realise maximization of values for regions and the Company. The three-tier management structure reduces management layers, shortens the management chain, realizes matrix-style operations and enhances a comprehensive systematic management of the basic level unit by the headquarter, and improves execution efficiency and resources integration across the organization.

In the meantime, we continue to implement team management and benchmarking, to improve our production, technical and operational indicators, promoting best practice and enhancing operation and management of the Company. In the first half of 2016, due to factors such as deterioration of the macro economy, and in particular, industrial production downturn, adjustment of industry structure and higher growth in hydropower and coal-fired power capacity, utilization hours of the power industry in the PRC have remained week. The same plant full-load equivalent utilization hours of the coal-fired power plants of CR Power was 2,315 hours, representing a decrease of 8.6% when compared to the same period in 2015, exceeding the national average by 351 hours. The utilisation hours of our wind farms was 1,111 hours, representing a decrease of 3.2% when compared to the same period in 2015, but exceeding the national average by 194 hours. The average standard coal cost and average unit fuel cost of our consolidated coal-fired plants decreased by 17.4% and 18.1% respectively, when compared with the same period of 2015.

Chairman's Statement

Control risk to guarantee stable operation.

We highly value and continue to strengthen our legal compliance system and risk control system. We have further improved our procedures and processes such as the Rules of Procedures of the Executive Committee, the Management Rules for Investment and the Management Rules for Tender Supervision, to ensure that key decision-making of the Company complies with laws and regulations and is appropriate and standardized, and that we fully leverage the functions of legal, audit and supervision departments. We continue to establish a comprehensive and sound surveillance system which covers before, during and after operations to ensure effective implementation of all kinds of risk preventive and control measures as well as safety of

"In 2015, all of our coal-fired units have completed desulfurization and denitration installation… 25 coal-fired generation units have completed the upgrades for ultra-low emission… in the first half of 2016, an additional 17 coal fired units with 7,421.7MW in aggregate have been equipped… average net generation standard coal consumption rate further decreased by 2.51 g/kWh…"

2000

assets of the Company. Adhering to the people-oriented principle and responsibility system for safety at all levels, we continued to improve the healthy and safe working environment of the Company and equipment reliability, promote safety awareness and enhance the capability of all employees by optimizing Environment, Health and Safety (EHS), supervision, accountability and contingency system at all levels of the Group. We also conducted EHS risk assessments, established EHS model bases, carried out safety practice surveillance, standardised operational indicators, implemented a NOSA Five-Star management system and conducted safety inspections and trainings in order to ensure work safety. We have actively promoted the construction of our ERP system and will continue to strive to improve of management efficiency while mitigating risks through optimizing, refining and solidifying the information submission and approval process.

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Chairman's Statement

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"To adapt to the new change in national and industry policies, accelerate the development of new businesses such as renewable energy, and promote further optimization of our business structure, we implemented the reform in three-tier management model of "Headquarter + Region + Project" in May 2016."

Emphasize environmental protection to promote sustainable development

In 2015, all of our coal-fired units have completed desulfurization and denitration installation and upgrading and have fully complied with emission standard, while 25 coal-fired generation units have completed the upgrades for ultra- low emission. We continued to strengthen our effort on energy-saving and emission reduction in 2016. In the first half of 2016, an additional 17 coal-fired units with 7,421.7 MW in aggregate have been equipped with ultra-low emission facilities, further improving major indicators of energy consumption and emission. Compared with the same period of 2015, the average net generation standard coal consumption rate further decreased by 2.51g/kWh, while emission of sulphur dioxide, nitrogen oxide, and particulates decreased by 0.09g/kWh, 0.08g/kWh and 0.02g/kWh, respectively, in the first half of 2016. Our discharge fees dropped by 18.3% when compared to the same period of last year. As at the end of June 2016, 42 coal-fired units with 17,839.4 MW have reached the ultra-low emission standard, accounting for 69% of the attributable installed capacity of the subsidiary coal-fired power plants of the Company.

While improving on our operations and management, we also highly value communication with all stakeholders. Apart from communication with stakeholders through meetings, media, reports and emails, we also place a high degree of importance on developing "Public Open Day" events. In the first half of 2016, the Company and its subsidiaries organised more than 30 Open Days, inviting members of the government, media, NGOs, students, residents from where our branches and operations are located, investors and analysts to visit our power plants so that they can understand the efforts and effectiveness of CR Power in its green development philosophy, energy saving and environmental protection, technical innovation, safety production and social responsibility. The events were well-received and highly-regarded. As a Hong Kong-listed company and an integrated energy enterprise, we have also organised the "CR Power Walk for Promoting Social Responsibility of Hong Kong Young Students (香港青年學生社會責任華潤電力行)" activity to enhance the understanding of the Hong Kong public regarding China's modernised power plants. Fifteen Hong Kong young students were invited to participate in a site visit as social responsibility observers at our Guangzhou Thermal Plant and our projects in the Hezhou Industry Circular Economy Zone (賀州循環經濟產業園) to carry out inspection and share their observations and experiences.

113 Power plants in commercial operation

Chairman's Statement

OUTLOOK IN THE SECOND HALF

In the second half of 2016, pressure of economic downturn in China still exists, over-supply of power capacity will remain an issue, market competition will gradually intensify, and the pace of reform in the power industry will accelerate. The Company has to push on its efforts to accomplish its annual targets.

We will closely track the progress of reform of the power industry, actively tap into the realm of power retail business, pay attention to opportunities from overseas markets, and carry out studies and analyses on environment, policies and the market. Adhering strictly to our return hurdle rates, we will selectively construct and operate coal-fired power projects which are highly competitive and will create value for shareholders in the future. We will continue to accelerate the development and construction of renewable energy projects and increase the mix of renewable energy. We will continue to optimize existing assets, increase the level of return and strengthen cost control to create competitive advantages. We will keep on promoting the ultra-low emission transformation for coal-fired generation units to further reduce sulphur dioxide, nitrogen oxide and particulate emissions for active performance of our social responsibility of energy conservation.

"We will closely track the progress of reform of the power industry, actively tap into the realm of power retail business, monitor opportunities from overseas markets. Adhering strictly to our return hurdle rates, we will selectively construct and operate coal-fired power projects which are highly competitive and will create value for shareholders in the future. We will continue to accelerate the development and construction of renewable energy projects and increase the mix of renewable energy."

New Employee Orientation Training Camp

The Best Employer

Lastly, on behalf of the Board, I would like to express my sincere gratitude to our management team and all members of the Board for their continued hard work, my heartfelt thanks to all colleagues of CR Power for their continued diligence and dedication, and to all your contribution toward the green development of CR Power!

Zhou Junqing
Chairman

Hong Kong, 18 August 2016

Management's Discussion and Analysis

BUSINESS REVIEW FOR THE FIRST HALF OF 2016

Adjustment of organization structure

With domestic oversupply of electric power and the slow growth in demand for power consumption, the Company will slow down its construction of coal-fired units while accelerating the development of clean and renewable energy projects. To actively respond to the challenges brought about by the reform of the Chinese power industry and to integrate the Group's various power generation businesses, the Group completed the restructuring of its corporate organization structure in the first half of the year. This was achieved mainly by combining the efforts of development, construction and operational capabilities of our coal-fired power generation business with renewable energy, and zoning the target provinces in China under 10 major regions, with each region responsible for the development, construction and operation of all power projects within the region. The Group believes that the retructuring will facilitate the Group to accelerate its development of renewable energy projects and further enhance the operational efficiency of its power generation business.

Generation capacity

As at 30 June 2016, the Group had a total attributable operational generation capacity of 34,636MW, in which the attributable operational generation capacity of our coal-fired power plants amounted to 29,746MW, representing 85.9% of the Group's total attributable operational generation capacity. Wind, hydro, photovoltaic and gas-fired power generation capacity amounted to 4,430MW, 280MW, 104MW and 77MW, respectively, in aggregate representing 14.1% of our total attributable operational generation capacity, representing an increase of 0.8 percentage point compared to the end of 2015.

In the first half of 2016, the Group commissioned 195MW of attributable wind power capacity and 84MW of attributable photovoltaic generation capacity.

Net generation volume

The total net generation volume of our consolidated operating power plants amounted to 70,958,229MWh in the first half of 2016, representing a decrease of 0.7% from 71,450,677MWh in the first half of 2015.

The decrease in net generation volume of our consolidated operating power plants was mainly due to (1) a weak national demand for electricity caused by macroeconomic factors particularly a downturn in industrial production and industrial restructuring; (2) a reduction in coal-fired generation volume as a result of a significant increase in hydropower generation volume in China in the first half of 2016; and (3) further increase in coal-fired generation capacity in China during the first half of 2016, which had a negative impact on net generation volume of the existing coal-fired power plants.

Management's Discussion and Analysis

For the 27 consolidated coal-fired power plants which were in operation for the entire first six months of 2015 and 2016, the average full-load equivalent utilization hours amounted to 2,315 hours, representing a decrease of 8.6% from 2,532 hours for the first half of 2015, but exceeded the national average utilization hours for the thermal power industry by 351 hours.

In the first half of 2016, the net generation volume of the Group's consolidated power plants that participated in direct power supply amounted to 11,837,481MWh, and the average tariff of the direct power supply volumes compared with the average tariff of the consolidated power plants that participated in direct power supply was at a discount of approximately 11.6%. As the reform of the power industry moves forward, the Group accelerated collaboration with businesses of China Resources (Holdings) Company Limited, our controlling shareholder. In the first half of 2016, the Group has provided direct power supply for businesses including China Resources Cement Holdings Limited and China Resources Microelectronics Limited, and carried out retail agency services for sales of electricity in Guangdong Province.

Fuel costs

In the first half of 2016, average standard coal cost of our consolidated coal-fired power plants was RMB420.6/tonne, representing a decrease of 17.4% compared with the first half of 2015. Average unit fuel cost for our consolidated operating power plants was RMB128.4/MWh, representing a decrease of 18.1% compared with the first half of 2015. This was mainly due to decreased 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 coal-fired power plants for the first half of 2016 was 303.5g/kWh, representing a decrease of 2.5g/kWh in comparison with the same period last year.

Development of renewable energy

As at 30 June 2016, the attributable operational generation capacity of the Group's wind power projects amounted to 4,430MW, representing an increase of 16.5% and 4.6% as compared to the end of June 2015 and the end of December 2015, respectively. The attributable operational generation capacity of our wind farms under construction amounted to 1,281MW. The average full-load equivalent utilization hours of wind farms that were in commercial operation for the entire first six months of 2015 and 2016 amounted to 1,111 hours in the first half of 2016, exceeding the national average utilization hours of the wind power industry by 194 hours.

As at 30 June 2016, our attributable operational photovoltaic generation capacity reached 104MW and photovoltaic capacity under construction was 41.5MW; our attributable operational hydro-electric generation capacity reached 280MW and hydro-electric capacity under construction was 107MW.

Environmental expenses

In the first half of 2016, the total amount of discharge fees incurred by our subsidiaries was approximately RMB58 million, which was RMB13 million or 18.3% lower than RMB71 million incurred in the first half of 2015. This was mainly due to the completion of the installation of ultra-low emission facilities for 42 generation units in the subsidiary power plants with a total attributable operational generation capacity of 17,839MW as at 30 June 2016.

Management's Discussion and Analysis

Capital expenditure

In the first half of 2016, the total cash capital expenditure of the Group amounted to approximately HK$6.5 billion, among which, HK$1 billion was used in the upgrading of existing coal-fired units for ultra-low emission, safety and energy saving and heat supply technology, approximately HK$2.7 billion was used in the construction of coal-fired units, approximately HK$2.6 billion was used in the construction of wind farms, photovoltaic power projects and hydro-electric plants, and approximately HK$190 million was used in the upgrading and construction of coal mines.

PROSPECTS FOR THE SECOND HALF OF 2016

In the first half of 2016, the overall electricity demand and supply in China was on an easing trend. Power consumption increased by 2.7% over the same period last year. A significant growth in power consumption is not expected in the second half of 2016 as demand for power is expected to be weak, while the supply of power is expected to be abundant. One of the primary focuses for the Group will be to strive for higher utilization hours.

With the advancement of the power industry reform and for active pursuit of higher generation volume and utilization hours, the Group will further expand collaboration with companies under China Resources (Holdings) Company Limited, our controlling shareholder, including providing direct power supply and retail agency services for sales of electricity.

In the first half of 2016, with the implementation of the policy of supply side reform of the coal industry and the process of cutting excess capacity gradually put on the agenda in various provinces and municipalities, market prices of thermal coal rebounded moderately from a low base. However, the overall situation of supply exceeding demand still persists as a result of the environmental protection policy and the weak economy and coal consumption continues to decrease. Therefore, it is expected that the likelihood of a significant rebound in coal prices in the short term is low.

The Group will comprehensively, systemically and deeply promote lean management and benchmarking. 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 proactively perform our social responsibilities in energy saving and emission reduction, the Group plans to implement ultra-low emission transformation on 22 coal-fired generation units with a total attributable installed capacity of 10,262MW in 2016 to further reduce the emission of sulphur dioxide, nitrogen oxide and particulates. In particular, the Group plans to complete the ultra-low emission transformation on 5 coal-fired generation units with a total attributable installed capacity of 2,840MW in the second half of 2016.

Management's Discussion and Analysis

As at the end of June 2016, the attributable generation capacity of our coal-fired power plants under construction amounted to 4,044MW, including 2x660MW supercritical generation units in Liuzhi, Guizhou, which are wholly owned by the Group and expected to commission in 2016; 2x660MW ultra-supercritical generation units in Wujianfang, Inner Mongolia, which are 70% owned by the Group and expected to commission in 2017 and 2018; and 2x1,000MW ultra-supercritical coal-fired generation units of Caofeidian Power Plant in Hebei, which are 90% owned by the Group and expected to commission in 2018.

In the second half of 2016, the Group will accelerate the development and construction of wind power and photovoltaic projects. The generation capacity of the wind power and photovoltaic projects that the Group is expected to commission in 2016 is approximately 800MW.

The Group will control the pace of capital expenditure based on the macro-economic conditions of China, in particular the demand and supply of electricity, the government policies for energy and related industries and the Group's strategies, and make prompt and necessary adjustment based on market conditions and the general policies of the government. It is expected that capital expenditure for the whole year will be approximately HK$17.1 billion, representing a decrease as compared to that planned at the beginning of the year, of which approximately HK$3.2 billion to be used in the upgrading of existing coal-fired units for ultra-low emission, safety and energy saving and heat supply technology; approximately HK$6.0 billion to be used in the construction of coal-fired units; approximately HK$7.5 billion to be used in the construction of wind farms, photovoltaic power projects and hydro-electric plants, and approximately HK$400 million to be used in the upgrading and construction of coal mines.

Unless there is a material change in the Group's business, results of operations and financial condition and subject to the approval by our shareholders at the annual general meeting for the relevant financial year, the Company intends to maintain a stable dividend per share for the upcoming three financial years (FY2016, FY2017 & FY2018).

Management's Discussion and Analysis

OPERATING RESULTS

The results of operations for the six months ended 30 June 2016, 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 2016 HK$'000 (unaudited)	Six months ended 30 June 2015 HK$'000 (unaudited)
Turnover	**30,971,184**	36,942,294
Operating expenses		
Fuels	**(10,748,371)**	(14,203,816)
Depreciation and amortisation	**(4,949,895)**	(4,861,281)
Employee benefit expenses	**(2,143,099)**	(2,323,591)
Repairs and maintenance	**(1,076,213)**	(966,520)
Consumables	**(440,846)**	(479,393)
Impairment charges	**(125,182)**	(1,167,847)
Business tax and surcharge	**(402,033)**	(501,640)
Others	**(1,782,830)**	(1,646,755)
Total operating expenses	**(21,668,469)**	(26,150,843)
Other income	**581,583**	855,263
Other gains/(losses) - net	**237,364**	(59,784)
Operating profit	**10,121,662**	11,586,930
Finance costs	**(1,827,642)**	(1,463,661)
Share of results of associates	**173,554**	481,419
Share of results of joint ventures	**14,561**	132,833
Profit before income tax	**8,482,135**	10,737,521
Income tax expense	**(2,525,096)**	(2,724,726)
Profit for the period	**5,957,039**	8,012,795
Profit for the period attributable to:		
Owners of the Company	**5,336,094**	6,812,796
Non-controlling interests		
– Perpetual capital securities	**150,164**	210,807
– Others	**470,781**	989,192
	620,945	1,199,999
	5,957,039	8,012,795
Earnings per share attributable to owners of the Company during the period		
– Basic	**HK$1.12**	HK$1.43
– Diluted	**HK$1.12**	HK$1.43

Interim Condensed Consolidated Statement of Comprehensive Income

	Six months ended	
	30 June 2016 HK$'000 (unaudited)	30 June 2015 HK$'000 (unaudited)
Profit for the period	**5,957,039**	8,012,795
Other comprehensive income:		
Items that may be reclassified to profit or loss		
Currency translation differences	**(2,020,070)**	88,415
Share of other comprehensive income of investments accounted for using the equity method		
— Share of currency translation reserve	**(111,300)**	11,350
Release to profit or loss in relation to disposal of associates	**—**	(100,441)
Fair value changes on cash flow hedges, net of tax	**20,204**	50,112
Fair value changes on available-for-sale investments, net of tax	**22,543**	—
Total items that may be reclassified subsequently to profit or loss, net of tax	**(2,088,623)**	49,436
Total comprehensive income for the period, net of tax	**3,868,416**	8,062,231
Attributable to:		
Owners of the Company	**3,450,599**	6,854,556
Non-controlling interests		
– Perpetual capital securities	**150,164**	210,807
– Others	**267,653**	996,868
	417,817	1,207,675
Total comprehensive income for the period	**3,868,416**	8,062,231

Management's Discussion and Analysis

Interim Condensed Consolidated Balance Sheet

	30 June 2016 HK$'000 (unaudited)	31 December 2015 HK$'000 (audited)
ASSETS		
Non-current assets		
Property, plant and equipment	**139,170,786**	142,845,210
Prepaid lease payments	**3,336,290**	3,344,056
Mining rights	**15,379,295**	15,815,897
Exploration and resources rights	**158,747**	161,947
Prepayment for non-current assets	**4,649,507**	2,789,219
Investments in associates	**8,731,563**	9,484,351
Loans to an associate	**510,116**	—
Investments in joint ventures	**3,689,907**	3,694,388
Goodwill	**1,743,202**	1,760,924
Deferred income tax assets	**769,061**	556,150
Available-for-sale investments	**1,512,714**	1,497,284
Loan to an available-for-sale investee company	**297,222**	303,214
	179,948,410	182,252,640
Current assets		
Inventories	**2,349,566**	2,306,640
Trade receivables, other receivables and prepayments	**13,264,802**	14,587,390
Loans to associates	**22,933**	23,395
Loans to joint ventures	**167,158**	170,528
Loan to an available-for-sale investee company	**87,900**	89,673
Loan to a controlling shareholder of a subsidiary	**15,796**	16,114
Amounts due from associates	**136,698**	465,471
Amounts due from joint ventures	**143,412**	137,249
Amounts due from other related companies	**38,965**	39,430
Pledged and restricted bank deposits	**657,912**	723,404
Cash and cash equivalents	**3,392,185**	7,273,945
	20,277,327	25,833,239
Total assets	**200,225,737**	208,085,879

Management's Discussion and Analysis

	30 June 2016 HK$'000 (unaudited)	31 December 2015 HK$'000 (audited)
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	22,253,398	22,252,458
Other reserves	8,975,060	10,408,713
Retained earnings	39,561,877	38,256,404
	70,790,335	70,917,575
Non-controlling interests		
– Perpetual capital securities	—	5,897,219
– Others	5,509,813	6,924,549
	5,509,813	12,821,768
Total equity	76,300,148	83,739,343
LIABILITIES		
Non-current liabilities		
Borrowings	70,285,916	61,113,715
Deferred income tax liabilities	2,373,502	2,459,682
Deferred income	906,725	958,222
Retirement and other long-term employee benefits obligations	144,231	149,764
	73,710,374	64,681,383
Current liabilities		
Trade payables, other payables and accruals	24,973,627	28,622,007
Amounts due to associates	465,792	796,493
Amounts due to joint ventures	792,983	908,628
Amounts due to other related companies	1,307,559	577,667
Derivative financial instruments	3,874	26,571
Current income tax liabilities	827,323	1,330,166
Borrowings	21,844,057	27,403,621
	50,215,215	59,665,153
Total liabilities	123,925,589	124,346,536
Total equity and liabilities	200,225,737	208,085,879

Management's Discussion and Analysis

Interim Condensed Consolidated Statement of Cash Flows

	Six months ended 30 June 2016 HK$'000 (unaudited)	30 June 2015 HK$'000 (unaudited)
CASH FLOWS GENERATED FROM OPERATING ACTIVITIES - NET	**9,977,322**	15,308,115
Cash flows from investing activities		
Dividends received from associates	**1,328,080**	312,939
Dividends received from a joint venture	**27,889**	—
Dividends received from available-for-sale investments	**14,993**	126,136
Decrease in pledged and restricted bank deposits	**65,492**	142,953
Proceeds from disposal of other equity investments	**182,472**	1,173,955
Acquisition of and deposits paid for property, plant and equipment and prepaid lease payments	**(6,328,403)**	(7,149,596)
Capital contribution into an associate	**—**	(12,329)
Capital contribution into a joint venture	**(95,434)**	—
Loans to associates	**(736,371)**	(868,233)
Other investing cash inflows	**89,955**	238,995
CASH FLOWS USED IN INVESTING ACTIVITIES-NET	**(5,451,327)**	(6,035,180)
Cash flows from financing activities		
Proceeds from bank borrowings	**19,846,757**	18,390,515
Proceeds from notes discounted	**—**	722,969
Proceeds from issuance of corporate bonds	**5,892,050**	—
Proceeds from issuance of shares for exercised options	**635**	13,861
Proceeds from disposal of interests in a subsidiary without loss of control	**—**	389,555
Repayment of bank and other borrowings	**(21,001,102)**	(16,569,926)
Repayment of bonds	**—**	(1,982,720)
Repayment of advance to associates	**(314,746)**	(205,011)
(Repayment of advance to)/advance from joint ventures	**(98,248)**	145,146
Dividends paid to owners of the Company	**(3,578,050)**	(3,330,663)
Dividends paid to non-controlling interests of the subsidiaries	**(956,278)**	(917,857)
Interests paid	**(2,059,122)**	(2,256,540)
Interest paid on perpetual capital securities	**(210,915)**	(210,717)
Redemption of perpetual capital securities	**(5,835,750)**	—
Other financing cash inflows	**12,790**	100,858
CASH FLOWS USED IN FINANCING ACTIVITIES-NET	**(8,301,979)**	(5,710,530)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(3,775,984)**	3,562,405
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	**7,273,945**	8,285,135
EXCHANGE (LOSSES)/GAINS	**(105,776)**	3,324
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**3,392,185**	11,850,864

Management's Discussion and Analysis

Overview

For the six months ended 30 June 2016, the Group's operating profit decreased by 12.6% to HK$10,122 million as compared to the same period in 2015, and our net profit decreased by 21.7% to HK$5,336 million from HK$6,813 million for the same period in 2015.

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

- Decrease in turnover. Turnover in the first half of 2016 decreased by 16.2%, mainly attributable to a decrease in average tariff of our consolidated coal-fired power plants, and a decrease in net generation volume of our consolidated coal-fired power plants in comparison with the first half of 2015;

- Decrease in other income. Other income in the first half of 2016 decreased by 32.0% as compared to the first half of 2015, mainly attributable to a reduction in income from sales of scrap materials as a result of a decrease in the volume and price of the by-products such as fly ash caused by the market impact;

- Decrease in share of results of associates and joint ventures. This was mainly attributable to a decline in profit of the associate coal mines and the associate and joint venture coal-fired power plants of the Group. As a result, share of results of associates and joint ventures decreased by HK$426 million or 69.4% in comparison with the first half of 2015.

However, these decreases were partially offset by:

- Decrease in unit fuel costs. Average unit fuel cost was RMB128.4/MWh in the first half of 2016, representing a decrease of 18.1% when compared with the first half of 2015, which is mainly due to the fact that in the first half of 2016, the unit price of standard coal decreased by 17.4% and the net generation standard coal consumption rate decreased by 2.5g/kWh when compared with the same period last year;

- Decrease in impairment charges. In the first half of 2015, total impairment charges of HK$1,168 million were made in relation to the shutdown of certain generation units, trade receivables and goodwill of acquired projects. In the first half of this year, impairment charges of HK$125 million were made mainly in relation to the shutdown of the small units of Jiaozuo Power Plant, write-off of environmental protection equipment of individual power plants, inventories in individual coal mines and trade receivables.

Management's Discussion and Analysis

Basis of preparation of financial statements and principal accounting policies

The financial information relating to the year ended 31 December 2015 that is included in the condensed consolidated interim financial information for the six months ended 30 June 2016 as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2015 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622).

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Cap. 622).

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 2016. 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.

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 2015, as described in those annual financial statements.

New and amended standards, effective for the financial year beginning on or after 1 January 2016:

- HKFRS 14 regulatory deferral accounts: The change in accounting standards does not have any material impact on the Group.
- Amendment to HKFRS 11 accounting for acquisitions of interests in joint operations: The change in accounting standards does not have any material impact on the Group.
- Amendments to HKAS 16 and HKAS 38 clarification of acceptable methods of depreciation and amortisation: The changes in accounting standards do not have any material impact on the Group.
- Amendments to HKAS 16 and HKAS 41 agriculture: bearer plants: The changes in accounting standards do not have any material impact on the Group.
- Amendment to HKAS 27 equity method in separate financial statements: The change in accounting standards does not have any material impact on the Group.
- Amendments to HKFRS 10, HKFRS 12 and HKAS 28 investment entities: applying the consolidation exception: The changes in accounting standards do not have any material impact on the Group.
- Amendments to HKAS 1 disclosure initiative: The change in accounting standards does not have any material impact on the Group.
- 2014 annual improvements do not have any material impact on the Group.

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

Management's Discussion and Analysis

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, photovoltaic 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 2016

	Thermal power HK$'000	Renewable energy HK$'000	Coal mining HK$'000	Eliminations HK$'000	Total HK$'000
Segment revenue					
External sales	26,502,437	3,105,657	1,363,090	—	30,971,184
Inter-segment sales	—	—	49,876	(49,876)	—
Total	26,502,437	3,105,657	1,412,966	(49,876)	30,971,184
Segment profit/(loss)	8,706,484	1,799,667	(399,110)	—	10,107,041
Unallocated corporate expenses					(344,173)
Interest income					137,299
Fair value changes on derivative financial instruments					2,494
Gains on disposal of equity investments					174,007
Finance costs					(1,827,642)
Share of results of associates					173,554
Share of results of joint ventures					14,561
Dividend income from available-for-sale investments					14,993
Net exchange gains					30,001
Profit before income tax					8,482,135

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
Segment profit/(loss)	10,646,087	1,821,068	(644,692)	—	11,822,463
Unallocated 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
Net exchange losses					(123,902)
Profit before income tax					10,737,521

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 reporting 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 2016 was HK$30,971 million, representing a 16.2% decrease from HK$36,942 million for the first half of 2015. The decrease in turnover was mainly due to two rounds of on-grid tariff cuts for coal-fired power plants in the first half of 2015 and at the beginning of 2016, respectively, and a year-on-year decrease of 0.7% in net generation volume of our consolidated power plants.

Management's Discussion and Analysis

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) taxes, water charges, coal safety production fees, office rent, production maintenance fees, utility expenses and other management fees. Total operating expenses for the first half of 2016 amounted to HK$21,668 million, representing a decrease of HK$4,483 million or 17.1% from HK$26,151 million in the first half of 2015.

Fuels in the first half of 2016 amounted to approximately HK$10,748 million, representing a decrease of HK$3,456 million or 24.3% from HK$14,204 million in the first half of 2015. This was mainly due to decreased standard coal cost per tonne for consolidated coal-fired power plants by 17.4%, decline in net generation standard coal consumption rate by 2.5g/kWh, and decreased net generation volume of our consolidated coal-fired power plants by 2.0% over the same period last year, as a result, fuels decreased year-on-year.

Repairs and maintenance expenses increased from HK$967 million for the first half of 2015 to HK$1,076 million for the first half of 2016, representing an increase of HK$109 million or 11.3%. The increase in repairs and maintenance expenses was mainly due to a year-on-year increase in repairs and maintenance expenses in 2016 of five coal-fired generation units newly commissioned in the first half of 2015 and increased number of overhaul of units arranged in the first half of 2016 as compared to the same period in 2015.

Depreciation and amortisation increased from HK$4,861 million for the first half of 2015 to HK$4,950 million for the first half of 2016, representing an increase of HK$89 million or 1.8%. This was mainly due to the five coal-fired generation units commissioned last year, and wind and photovoltaic projects of the Group newly commissioned.

Employee benefit expenses decreased by HK$181 million or 7.8% from HK$2,324 million in the first half of 2015 to HK$2,143 million in the first half of 2016, mainly due to the decrease in the number of employees in some subsidiaries.

Business tax and surcharge decreased by HK$100 million or 19.9% from HK$502 million in the first half of 2015 to HK$402 million, among which business tax decreased by approximately HK$51 million, urban maintenance and construction tax and education surcharge decreased by approximately HK$45 million mainly due to the levy of value-added tax instead of business tax for taxable items such as interest income from inter-company loans since 1 May 2016.

Impairment charges decreased by HK$1,043 million from HK$1,168 million in the first half of 2015 to HK$125 million. Impairment was made mainly in relation to the shutdown of the small units of Jiaozuo power plant, the write-off of environmental protection equipment of individual power plants, inventories in certain coal mines and trade receivables.

Other operating expenses increased from HK$1,647 million for the first half of 2015 to HK$1,783 million for the first half of 2016, mainly due to increased sales of coal, and increased related expenses, such as safety production cost and maintenance fees, by HK$130 million in the first half of 2016 over the corresponding period of last year. Other operating expenses for the first half of 2016 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$248 million; other production costs for power operations such as discharge fees, utility expenses and water charges in an aggregated amount of approximately HK$697 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$838 million.

Other income and other gains - net

Other income amounted to approximately HK$582 million for the first half of 2016, representing a decrease of HK$273 million or 32.0% from HK$855 million for the first half of 2015, which was mainly attributable to a decrease in income from sales of scrap materials as a result of a decrease in the volume and the price of the by-products such as fly ash under the impact of the market and a decrease in government grant and dividend income. Other income for the first half of 2016 mainly included sales of scrap materials of approximately HK$235 million, interest income of approximately HK$137 million, government grant of approximately HK$72 million and service income from heat connection contracts of approximately HK$54 million.

Other gains — net were approximately HK$237 million for the first half of 2016, comprising gain on disposal of equity investments of HK$174 million which was mainly from the disposal of equity interests in Shajiao C Power Plant and exchange gains of HK$30 million.

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). Gains of the ineffective portion arising from fair value changes on derivative financial instruments for the first half of 2016 were HK$2,494,000 (losses for the first half of 2015: HK$14,263,000).

Management's Discussion and Analysis

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$10,122 million for the first half of 2016, representing a decrease of HK$1,465 million or 12.6% from HK$11,587 million for the first half of 2015. The decrease was mainly due to (1) two rounds of on-grid tariff cuts for coal-fired power plants in the first half of 2015 and at the beginning of 2016, respectively; and (2) a decrease in net generation volume on a same coal-fired power plant basis, which was partially offset by (1) a decrease in unit fuel cost of our subsidiary power plants; (2) profit contribution from newly commissioned units since the first half of 2015; and (3) a decrease in impairment charges.

Finance costs

Finance costs amounted to approximately HK$1,828 million for the first half of 2016, representing an increase of HK$364 million or 24.9% from HK$1,464 million for the first half of 2015, mainly due to (1) capitalized interests decreased by HK$492 million over the same period last year due to a decrease in projects under construction; (2) finance costs increased by HK$129 million due to non-deductible input value-added tax of interest expenses from internal borrowing after implementing the value-added tax reform. In the first half of 2016, average cost of bank and other borrowings was approximately 4.55%, representing an increase of 0.11 percentage point from 4.44% for the first half of 2015, mainly due to the above value-added tax reform.

	Six months ended	
	30 June 2016 HK$'000	30 June 2015 HK$'000
Interests on bank borrowings	**1,744,453**	1,748,123
Interests on corporate bonds	**267,311**	370,011
Others	**48,300**	70,093
	2,060,064	2,188,227
Less: Interests capitalized in property, plant and equipment	**(232,422)**	(724,566)
	1,827,642	1,463,661

Share of results of associates

Share of results of associates in the first half of 2016 amounted to HK$174 million, representing a HK$307 million or 63.8% decrease from HK$481 million in the first half of 2015. The decrease was mainly due to a decline in profit of our associate coal-fired power plants as a result of a reduction in tariff and utilization hours; and increased losses of our associate coal mines.

Share of results of joint ventures

Share of results of joint ventures in the first half of 2016 amounted to HK$15 million, as compared to HK$133 million in the first half of last year. This was mainly due to the fact that (1) Hezhou Power Plant in Guangxi, a joint venture of the Group, was affected by the regional macro-economic slowdown and the negative impact of hydro-electric projects, and (2) Jinzhou Power Plant has become a joint venture after our disposal of 50% of its equity interest in September last year. Jinzhou Power Plant suffered a loss in the first half of this year, resulting in a decline in share of results of joint ventures.

Income tax expense

Income tax expense for the first half of 2016 amounted to HK$2,525 million, representing a decrease of HK$200 million or 7.3% from HK$2,725 million for the first half of 2015. The decrease in PRC enterprise income tax was mainly due to a decline in profit of our consolidated coal-fired plants. Details of the income tax expense for the six months ended 30 June 2015 and 2016 are set out below:

	Six months ended	
	30 June 2016 HK$'000	30 June 2015 HK$'000
Current income tax - PRC enterprise income tax	**2,830,851**	2,952,788
Deferred income tax	**(305,755)**	(228,062)
	2,525,096	2,724,726

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 2016 HK$'000	Six months ended 30 June 2015 HK$'000
Profit for the period has been arrived at after charging:		
Depreciation of property, plant and equipment	**4,730,188**	4,687,947
Amortisation of prepaid lease payments	**40,615**	38,880
Amortisation of mining rights	**179,092**	134,454
Total depreciation and amortisation	**4,949,895**	4,861,281
Employee benefit expenses	**2,143,099**	2,323,591
Included in other income		
Sales of scrap materials	**235,089**	389,327
Dividend income from available-for-sale investments	**14,993**	49,360
Government grant	**72,268**	124,959
Interest income	**137,299**	145,197
Service income from heat supply connection contracts	**53,793**	27,664
Service fee income	**45,210**	34,519
Management fee income	**—**	14,569
Sales of outsourcing coal	**5**	9,879
Others	**22,926**	59,789
Included in other gains and losses		
Fair value changes on derivative financial instruments	**2,494**	(14,263)
Gains on disposal of equity investments	**174,007**	41,258
Net exchange gains/(losses)	**30,001**	(123,902)
Others	**30,862**	37,123

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 2016 amounted to approximately HK$5,336 million, representing a decrease of 21.7% as compared to HK$6,813 million in the first half of 2015.

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 2016 HK$'000	Six months ended 30 June 2015 HK$'000
Profit attributable to owners of the Company	**5,336,094**	6,812,796

	Number of ordinary shares Six months ended 30 June 2016	Number of ordinary shares Six months ended 30 June 2015
Weighted average number of ordinary shares for the purpose of basic earnings per share	**4,772,452,732**	4,762,192,487
Effect of dilutive potential ordinary shares:		
– share options	**1,316,215**	7,884,670
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**4,773,768,947**	4,770,077,157

Interim dividend and closure of register of members

The Board resolved to declare an interim dividend of 12.5 HK cents per share for the six months ended 30 June 2016 (2015: interim dividend of 10.0 HK cents per share). The interim dividend will be paid in cash. Based on the number of shares in issue as at the date of this interim report, a total amount of dividend of approximately HK$597 million will be distributed.

At the Board meeting held on 21 March 2016, the Directors proposed a final dividend of HK$0.75 per share for the year ended 31 December 2015. The proposal was subsequently approved by the shareholders of the Company on 6 June 2016. The final dividend paid in 2016 was approximately HK$3,578 million (2015: HK$3,334 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 27 September 2016. The register of members of the Company will be closed from Friday, 23 September 2016 to Tuesday, 27 September 2016 (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, 22 September 2016. The dividend will be payable on or about Friday, 7 October 2016.

Management's Discussion and Analysis

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.

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$29,938 million as at 30 June 2016. 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 2016 denominated in local currency and foreign currencies mainly included HK$370 million, RMB2,308 million and US$39 million, respectively.

The bank and other borrowings of the Group as at 31 December 2015 and 30 June 2016 were as follows:

	As at 30 June 2016 HK$'000	As at 31 December 2015 HK$'000
Secured bank loans	**4,227,675**	6,420,911
Unsecured bank loans	**72,358,317**	72,207,200
Corporate bonds and notes	**15,543,981**	9,889,225
	92,129,973	88,517,336

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

	As at 30 June 2016 HK$'000	As at 31 December 2015 HK$'000
Within 1 year	**21,844,057**	27,403,621
Between 1 and 2 years	**5,079,900**	6,982,328
Between 2 and 5 years	**37,487,901**	39,098,179
Over 5 years	**27,718,115**	15,033,208
	92,129,973	88,517,336
The above secured bank and other borrowings are secured by:		
Pledge of assets (note)	**3,254,073**	5,367,363

Note: Certain bank loans were secured by the Group's land use rights, buildings, power generating plant and equipment with carrying values of HK$5,338,000 (2015: HK$51,985,000), HK$1,030,295,000 (2015: HK$1,067,607,000) and HK$2,218,440,000 (2015: HK$4,247,771,000), respectively.

The bank and other borrowings as at 30 June 2016 denominated in local currency and foreign currencies mainly amounted to HK$19,430 million, RMB61,128 million and US$150 million, respectively.

As at 30 June 2016, the borrowings denominated in HK$ and US$ included in bank and other borrowings bore interest at a range from HIBOR plus 1.1% to 1.8% (30 June 2015: HIBOR plus 0.9% to 2.2%) per annum and LIBOR plus 1.6% (30 June 2015: LIBOR plus 1.34% to 2%) per annum, respectively, and the remaining borrowings carried interest rates at a range from 2.77% to 6.4% (30 June 2015: 3.77% to 7.21%) 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 2016, loans of HK$1,000 million which were provided using floating rates were swapped into fixed interest rates at 1.12% per annum.

As at 30 June 2016, the Group's net debt to shareholders' equity was 124.4%. 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 2016, the Group's primary sources of funding included new bank borrowings, the issuance of corporate bonds, dividend income and net cash inflow from operating activities, which amounted to HK$19,847 million, HK$5,892 million HK$1,371 million and HK$9,977 million, respectively. The Group's funds were primarily used for the repayment of bank borrowings, the repayment of perpetual capital securities, acquisition of and deposits paid for property, plant and equipment and prepaid lease payments, interest and dividend payments, which amounted to HK$21,001 million, HK$5,836 million, HK$6,328 million, HK$2,059 million and HK$4,534 million, respectively.

Management's Discussion and Analysis

Trade receivables, other receivables and prepayments

Trade receivables are generally due within 60 days from the date of billing, except for the portion of wind power or photovoltaic electricity tariff beyond the local thermal power benchmark tariff. The settlement of the portion of wind power or photovoltaic electricity beyond the local thermal power benchmark tariff is subject to approval by government agencies and being included in the renewable energy tariff subsidy directory. Funds to the local grid companies is disbursed upon obtaining the relevant approvals from government agencies, consequently resulting in a relatively longer time for settlement.

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 2016 HK$'000	As at 31 December 2015 HK$'000
0-30 days	6,225,308	7,728,447
31-60 days	441,134	388,482
Over 60 days	2,237,968	1,359,320
	8,904,410	9,476,249

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 2016 HK$'000	As at 31 December 2015 HK$'000
0-30 days	4,296,715	5,555,057
31-90 days	1,826,705	2,502,235
Over 90 days	1,752,877	2,365,826
	7,876,297	10,423,118

Key financial ratios of the Group

	As at 30 June 2016 HK$'000	As at 31 December 2015 HK$'000
Current ratio (times)	**0.40**	0.43
Quick ratio (times)	**0.36**	0.39
Net debt to shareholders' equity (%)	**124.4%**	113.5%
EBITDA interest coverage (times) (1)	**7.5**	8.3

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 collects substantially 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.

Management's Discussion and Analysis

As at 30 June 2016, the Group had HK$370 million and US$39 million cash at bank, and HK$19,430 million and US$150 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 2016, the Group provided certain guarantees in the amount of HK$1,309,973,000 (31 December 2015: HK$950,797,000) 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.

Employees

As at 30 June 2016, the Group had approximately 38,637 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 the 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 MEMBERS 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 40 to 73, 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 2016 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 2016

Interim Condensed Consolidated Statement of Income

For the six months ended 30 June 2016

		Unaudited Six months ended 30 June	
	Note	**2016** **HK$'000**	2015 HK$'000
Turnover	6	**30,971,184**	36,942,294
Operating expenses			
Fuels		**(10,748,371)**	(14,203,816)
Depreciation and amortisation		**(4,949,895)**	(4,861,281)
Employee benefit expenses		**(2,143,099)**	(2,323,591)
Repairs and maintenance		**(1,076,213)**	(966,520)
Consumables		**(440,846)**	(479,393)
Impairment charges		**(125,182)**	(1,167,847)
Business tax and surcharge		**(402,033)**	(501,640)
Others		**(1,782,830)**	(1,646,755)
Total operating expenses		**(21,668,469)**	(26,150,843)
Other income	7	**581,583**	855,263
Other gains/(losses)– net	8	**237,364**	(59,784)
Operating profit		**10,121,662**	11,586,930
Finance costs	9	**(1,827,642)**	(1,463,661)
Share of results of associates	14,19(a)	**173,554**	481,419
Share of results of joint ventures	15	**14,561**	132,833
Profit before income tax		**8,482,135**	10,737,521
Income tax expense	10	**(2,525,096)**	(2,724,726)
Profit for the period		**5,957,039**	8,012,795
Profit for the period attributable to:			
Owners of the Company		**5,336,094**	6,812,796
Non-controlling interests			
– Perpetual capital securities		**150,164**	210,807
– Others		**470,781**	989,192
		620,945	1,199,999
		5,957,039	8,012,795
Earnings per share attributable to owners of the Company during the period	11		
– Basic		**HK$1.12**	HK$1.43
– Diluted		**HK$1.12**	HK$1.43

The notes on pages 47 to 73 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 2016

	Unaudited Six months ended 30 June 2016 HK$'000	 2015 HK$'000
Profit for the period	**5,957,039**	8,012,795
Other comprehensive income:		
Items that may be reclassified to profit or loss		
Currency translation differences	**(2,020,070)**	88,415
Share of other comprehensive income of investments accounted for using the equity method		
– Share of currency translation reserve	**(111,300)**	11,350
Release to profit or loss in relation to disposal of associates	—	(100,441)
Fair value changes on cash flow hedges, net of tax	**20,204**	50,112
Fair value changes on available-for-sale investments, net of tax	**22,543**	—
Total items that may be reclassified subsequently to profit or loss, net of tax	**(2,088,623)**	49,436
Total comprehensive income for the period, net of tax	**3,868,416**	8,062,231
Attributable to:		
Owners of the Company	**3,450,599**	6,854,556
Non-controlling interests		
– Perpetual capital securities	**150,164**	210,807
– Others	**267,653**	996,868
	417,817	1,207,675
Total comprehensive income for the period	**3,868,416**	8,062,231

The notes on pages 47 to 73 are an integral part of this condensed consolidated interim financial information.

Interim Condensed Consolidated Balance Sheet

As at 30 June 2016

	Note	Unaudited 30 June 2016 HK$'000	Audited 31 December 2015 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment	13	**139,170,786**	142,845,210
Prepaid lease payments	13	**3,336,290**	3,344,056
Mining rights	13	**15,379,295**	15,815,897
Exploration and resources rights		**158,747**	161,947
Prepayment for non-current assets		**4,649,507**	2,789,219
Investments in associates	14	**8,731,563**	9,484,351
Loans to an associate	19	**510,116**	—
Investments in joint ventures	15	**3,689,907**	3,694,388
Goodwill	16	**1,743,202**	1,760,924
Deferred income tax assets		**769,061**	556,150
Available-for-sale investments	17	**1,512,714**	1,497,284
Loan to an available-for-sale investee company		**297,222**	303,214
		179,948,410	182,252,640
Current assets			
Inventories		**2,349,566**	2,306,640
Trade receivables, other receivables and prepayments	18	**13,264,802**	14,587,390
Loans to associates	19	**22,933**	23,395
Loans to joint ventures	20	**167,158**	170,528
Loan to an available-for-sale investee company		**87,900**	89,673
Loan to a non-controlling shareholder of a subsidary		**15,796**	16,114
Amounts due from associates	33(d)	**136,698**	465,471
Amounts due from joint ventures	33(d)	**143,412**	137,249
Amounts due from other related companies	33(d)	**38,965**	39,430
Pledged and restricted bank deposits	21	**657,912**	723,404
Cash and cash equivalents	33(c)	**3,392,185**	7,273,945
		20,277,327	25,833,239
Total assets		**200,225,737**	208,085,879

Interim Condensed Consolidated Balance Sheet

As at 30 June 2016

	Note	Unaudited 30 June 2016 HK$'000	Audited 31 December 2015 HK$'000
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital	22	**22,253,398**	22,252,458
Other reserves	23	**8,975,060**	10,408,713
Retained earnings		**39,561,877**	38,256,404
		70,790,335	70,917,575
Non-controlling interests			
– Perpetual capital securities	25	—	5,897,219
– Others		**5,509,813**	6,924,549
		5,509,813	12,821,768
Total equity		**76,300,148**	83,739,343
LIABILITIES			
Non-current liabilities			
Borrowings	26	**70,285,916**	61,113,715
Deferred income tax liabilities		**2,373,502**	2,459,682
Deferred income		**906,725**	958,222
Retirement and other long-term employee benefits obligations		**144,231**	149,764
		73,710,374	64,681,383
Current liabilities			
Trade payables, other payables and accruals	27	**24,973,627**	28,622,007
Amounts due to associates	28	**465,792**	796,493
Amounts due to joint ventures	29	**792,983**	908,628
Amounts due to other related companies	30	**1,307,559**	577,667
Derivative financial instruments	31	**3,874**	26,571
Current income tax liabilities		**827,323**	1,330,166
Borrowings	26	**21,844,057**	27,403,621
		50,215,215	59,665,153
Total liabilities		**123,925,589**	124,346,536
Total equity and liabilities		**200,225,737**	208,085,879

The notes on pages 47 to 73 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 2016

	Unaudited													
	Attributable to owners of the Company										Non-controlling interests			Total equity
	Share capital 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 earnings HK$'000	Total HK$'000	Perpetual capital securities HK$'000	Others HK$'000	Total HK$'000	Total HK$'000
Balance at 1 January 2016	22,252,458	7,742,125	40,782	462,779	(550,180)	2,705,460	51,870	(44,123)	38,256,404	70,917,575	5,897,219	6,924,549	12,821,768	83,739,343
Comprehensive income														
Profit for the period	–	–	–	–	–	–	–	–	5,336,094	5,336,094	150,164	470,781	620,945	5,957,039
Other comprehensive income														
Currency translation difference	–	–	–	–	–	(1,814,688)	–	–	–	(1,814,688)	–	(205,382)	(205,382)	(2,020,070)
Share of other comprehensive income of investments accounted for using the equity method	–	–	–	–	–	(111,300)	–	–	–	(111,300)	–	–	–	(111,300)
Fair value changes on cash flow hedges	–	–	–	–	–	–	–	20,204	–	20,204	–	–	–	20,204
Fair value changes on available-for-sale investments, net of tax	–	–	–	20,289	–	–	–	–	–	20,289	–	2,254	2,254	22,543
Total other comprehensive income, net of tax	–	–	–	20,289	–	(1,925,988)	–	20,204	–	(1,885,495)	–	(203,128)	(203,128)	(2,088,623)
Total comprehensive income for the period ended 30 June 2016	–	–	–	20,289	–	(1,925,988)	–	20,204	5,336,094	3,450,599	150,164	267,653	417,817	3,868,416
Transactions with owners														
Shares issued upon exercise of options	635	–	–	–	–	–	–	–	–	635	–	–	–	635
Transfer of share option reserve upon exercise of share options	305	–	–	–	–	–	(305)	–	–	–	–	–	–	–
Interest paid for perpetual capital securities	–	–	–	–	–	–	–	–	–	–	(150,164)	–	(150,164)	(150,164)
Redemption of the perpetual capital securities	–	–	–	–	–	–	–	–	–	–	(5,897,219)	–	(5,897,219)	(5,897,219)
Dividends paid to non-controlling interests	–	–	–	–	–	–	–	–	–	–	–	(1,682,744)	(1,682,744)	(1,682,744)
Dividends paid to owners of the Company (Note 12)	–	–	–	–	–	–	–	–	(3,578,474)	(3,578,474)	–	–	–	(3,578,474)
Profit appropriation to reserves	–	423,434	–	–	–	–	–	–	(423,434)	–	–	–	–	–
Transfers (Note 23)	–	–	–	99,285	–	–	–	–	(99,285)	–	–	355	355	355
Transfers upon utilisation (Note 23)	–	–	–	(70,572)	–	–	–	–	70,572	–	–	–	–	–
Transactions with owners	940	423,434	–	28,713	–	–	(305)	–	(4,030,621)	(3,577,839)	(6,047,383)	(1,682,389)	(7,729,772)	(11,307,611)
Balance at 30 June 2016	22,253,398	8,165,559	40,782	511,781	(550,180)	779,472	51,565	(23,919)	39,561,877	70,790,335	–	5,509,813	5,509,813	76,300,148

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2016

	Unaudited													
	Attributable to owners of the Company									Non-controlling interests			Total equity
	Share capital 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 earnings HK$'000	Total HK$'000	Perpetual capital securities HK$'000	Others HK$'000	Total HK$'000	Total HK$'000
Balance at 1 January 2015	22,102,792	5,870,507	40,782	426,160	(574,527)	8,989,836	60,711	(103,436)	33,981,578	70,794,403	5,897,106	9,100,859	14,997,965	85,792,368
Comprehensive income														
Profit for the period	—	—	—	—	—	—	—	—	6,812,796	6,812,796	210,807	989,192	1,199,999	8,012,795
Other comprehensive income														
Currency translation difference	—	—	—	—	—	80,721	—	—	—	80,721	—	7,694	7,694	88,415
Share of other comprehensive income of investments accounted for using the equity method	—	—	—	—	—	11,350	—	—	—	11,350	—	—	—	11,350
Release to profit or loss in relation to disposal of associates	—	—	—	(21)	—	(100,402)	—	—	—	(100,423)	—	(18)	(18)	(100,441)
Fair value changes on cash flow hedges	—	—	—	—	—	—	—	50,112	—	50,112	—	—	—	50,112
Total other comprehensive income, net of tax	—	—	—	(21)	—	(8,331)	—	50,112	—	41,760	—	7,676	7,676	49,436
Total comprehensive income for the period ended 30 June 2015	—	—	—	(21)	—	(8,331)	—	50,112	6,812,796	6,854,556	210,807	996,868	1,207,675	8,062,231
Transactions with owners														
Shares issued upon exercise of options	13,861	—	—	—	—	—	—	—	—	13,861	—	—	—	13,861
Transfer of share option reserve upon exercise of share options	6,422	—	—	—	—	—	(6,422)	—	—	—	—	—	—	—
Capital reduction by non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	(5,112)	(5,112)	(5,112)
Change in ownership interests in a subsidiary without change of control	—	—	—	100,488	—	—	—	—	—	100,488	—	289,067	289,067	389,555
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)	—	—	—	—	—	—	—	—	(3,334,147)	(3,334,147)	—	—	—	(3,334,147)
Profit appropriation to reserves	—	660,552	—	—	—	—	—	—	(660,552)	—	—	—	—	—
Transfers (Note 23)	—	—	—	118,888	—	—	—	—	(118,888)	—	—	—	—	—
Transfers upon utilisation (Note 23)	—	—	—	(65,387)	—	—	—	—	65,387	—	—	—	—	—
Transactions with owners	20,283	660,552	—	153,989	—	—	(6,422)	—	(4,048,200)	(3,219,798)	(210,717)	(765,130)	(975,847)	(4,195,645)
Balance at 30 June 2015	22,123,075	6,531,059	40,782	580,128	(574,527)	8,981,505	54,289	(53,324)	36,746,174	74,429,161	5,897,196	9,332,597	15,229,793	89,658,954

The notes on pages 47 to 73 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 2016

	Note	Unaudited Six months ended 30 June 2016 HK$'000	2015 HK$'000
Cash flows generated from operating activities – net		**9,977,322**	15,308,115
Cash flows from investing activities			
Dividends received from associates		**1,328,080**	312,939
Dividends received from a joint venture		**27,889**	—
Dividends received from available-for-sale investments		**14,993**	126,136
Decrease in pledged and restricted bank deposits		**65,492**	142,953
Proceeds from disposal of other equity investments		**182,472**	1,173,955
Acquisition of and deposits paid for property, plant and equipment and prepaid lease payments		**(6,328,403)**	(7,149,596)
Capital contribution into an associate		**—**	(12,329)
Capital contribution into a joint venture		**(95,434)**	—
Loans to associates		**(736,371)**	(868,233)
Other investing cash inflows		**89,955**	238,995
Cash flows used in investing activities – net		**(5,451,327)**	(6,035,180)
Cash flows from financing activities			
Proceeds from bank borrowings	26	**19,846,757**	18,390,515
Proceeds from notes discounted		**—**	722,969
Proceeds from issuance of corporate bonds	26	**5,892,050**	—
Proceeds from issuance of shares for exercised options		**635**	13,861
Proceeds from disposal of interests in a subsidiary without loss of control		**—**	389,555
Repayment of bank and other borrowings	26	**(21,001,102)**	(16,569,926)
Repayment of bonds	26	**—**	(1,982,720)
Repayment of advance to associates		**(314,746)**	(205,011)
(Repayment of advance to)/advance from joint ventures		**(98,248)**	145,146
Dividends paid to owners of the Company		**(3,578,050)**	(3,330,663)
Dividends paid to non-controlling interests of the subsidiaries		**(956,278)**	(917,857)
Interests paid		**(2,059,122)**	(2,256,540)
Interest paid on perpetual capital securities		**(210,915)**	(210,717)
Redemption of perpetual capital securities		**(5,835,750)**	—
Other financing cash inflows		**12,790**	100,858
Cash flows used in financing activities – net		**(8,301,979)**	(5,710,530)
Net (decrease)/increase in cash and cash equivalents		**(3,775,984)**	3,562,405
Cash and cash equivalents at beginning of the period		**7,273,945**	8,285,135
Exchange (losses)/gains		**(105,776)**	3,324
Cash and cash equivalents at end of the period		**3,392,185**	11,850,864

The notes on pages 47 to 73 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 2016

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 2016 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 2016.

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

The financial information relating to the year ended 31 December 2015 that is included in the condensed consolidated interim financial information for the six months ended 30 June 2016 as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2015 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622).

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Cap. 622).

2 Basis Of Preparation

This condensed consolidated interim financial information for the six months ended 30 June 2016 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 2015, which have been prepared in accordance with Hong Kong Financial Reporting Standards (the "HKFRS").

2.1 Going concern basis

As at 30 June 2016, the Group had net current liabilities of approximately HK$29,937,888,000. In addition, there was outstanding capital commitment amounting to HK$25,103,473,000 (Note 32). 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 26) 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 in the coming twelve months from the balance sheet date. Therefore, the condensed consolidated interim financial information has been prepared on a going concern basis.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2016

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 2015, as described in those annual financial statements.

(a) New and amended standards, effective for the financial year beginning on or after 1 January 2016:

- HKFRS 14 "Regulatory deferral accounts": The new standard describes regulatory deferral account balances as amounts of expense or income that would not be recognised as assets or liabilities in accordance with other standards, but that qualify to be deferred in accordance with HKFRS 14 because the amount is included, or is expected to be included, by the rate regulator in establishing the price(s) that an entity can charge to customers for rate-regulated goods or services. This change in accounting standards does not have any material impact on the Group.

- Amendment to HKFRS 11 "Accounting for acquisitions of interests in joint operations": The amendment requires an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a 'business' (as defined in HKFRS 3, "Business combinations". Specifically, an investor will need to measure identifiable assets and liabilities at fair value; expense acquisition-related costs; recognise deferred tax; and recognise the residual as goodwill. All other principles of business combination accounting apply unless they conflict with HKFRS 11. The amendment is applicable to both the acquisition of the initial interest and a further interest in a joint operation. The previously held interest is not remeasured when the acquisition of an additional interest in the same joint operation with joint control maintained. This change in accounting standards does not have any material impact on the Group.

- Amendments to HKAS 16 and HKAS 38 "Clarification of acceptable methods of depreciation and amortisation": The amendments clarify when a method of depreciation or amortisation based on revenue may be appropriate. The amendment to HKAS 16 clarifies that depreciation of an item of property, plant and equipment based on revenue generated by using the asset is not appropriate.The amendment to HKAS 38 establishes a rebuttable presumption that amortisation of an intangible asset based on revenue generated by using the asset is inappropriate. The presumption may only be rebutted in certain limited circumstances: where the intangible asset is expressed as a measure of revenue; or where it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated. These changes in accounting standards do not have any material impact on the Group.

- Amendments to HKAS 16 and HKAS 41 "Agriculture: bearer plants": The amendments change the reporting for bearer plants, such as grape vines, rubber trees and oil palms. Bearer plants should be accounted for in the same way as property, plant and equipment because their operation is similar to that of manufacturing. The amendments include them in the scope of HKAS 16 rather than HKAS 41. The produce on bearer plants will remain in the scope of HKAS 41. These changes in accounting standards do not have any material impact on the Group.

- Amendment to HKAS 27 "Equity method in separate financial statements": The amendment allows entities to use equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. This change in accounting standards does not have any material impact on the Group.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2016

3 Accounting policies (Continued)

(a) New and amended standards, effective for the financial year beginning on or after 1 January 2016: (Continued)

- Amendments to HKFRS 10, HKFRS 12 and HKAS 28 "Investment entities: applying the consolidation exception": The amendments clarify the application of the consolidation exception for investment entities and their subsidiaries. The amendments to HKFRS 10 clarify that the exception from preparing consolidated financial statements is available to intermediate parent entities which are subsidiaries of investment entities. The exception is available when the investment entity parent measures its subsidiaries at fair value. The intermediate parent would also need to meet the other criteria for exception listed in HKFRS 10. The amendments also clarify that an investment entity should consolidate a subsidiary which is not an investment entity and which provides services in support of the investment entity's investment activities, such that it acts as an extension of the investment entity. However, the amendments also confirm that if the subsidiary is itself an investment entity, the investment entity parent should measure its investment in the subsidiary at fair value through profit or loss. This approach is required regardless of whether the subsidiary provides investment-related services to the parent or to third parties. The amendments to HKAS 28 allow an entity which is not an investment entity, but has an interest in an associate or a joint venture which is an investment entity, a relief to retain the fair value measurement applied by the investment entity associate or joint venture, or to unwind the fair value measurement and instead perform a consolidation at the level of the investment entity associate or joint venture for their subsidiaries when applying the equity method. These changes in accounting standards do not have any material impact on the Group.

- Amendments to HKAS 1 "Disclosure initiative": The amendment clarifies guidance in HKAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies. Although the amendments do not require specific changes, they clarify a number of presentation issues and highlight that preparers are permitted to tailor the format and presentation of the financial statements to their circumstances and the needs of users. This change in accounting standards does not have any material impact on the Group.

- Annual improvements 2014 do not have any material impact on the Group.

(b) New and amended standards that have been issued but are effective for the financial year after 1 January 2016 and have not been early adopted by the Group:

		Effective for the financial year beginning on or after
HKAS12	'Income taxes'	1 January 2017
HKAS 7	'Statement of cash flows'	1 January 2017
HKFRS15	'Revenue from contracts with customers'	1 January 2018
HKFRS 9	'Financial instruments'	1 January 2018
HKFRS 16	'Lease'	1 January 2019
HKFRS 10 and HKAS 28	'Sale or contribution of assets between an investor and its associate or joint venture'	*To be determined*

The management is in the process of making an assessment of the impact of the above new 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.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2016

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 expenses. 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 2015. In addition, the directors made updates in their estimates that are required in determining the provisions of impairment for certain non-current non-financial assets (Note 13).

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 2015.

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

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 2.1, the Group had net current liabilities of approximately HK$29,937,888,000 and outstanding capital commitment of HK$25,103,473,000 as at 30 June 2016, 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 in the coming twelve months from 30 June 2016.

Compared to year ended 31 December 2015, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2016

5 Financial risk management and financial instruments (Continued)

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 2016:

	Level 1 HK$'000	Level 2 HK$'000	Level 3 HK$'000	Total HK$'000
Assets				
Available-for-sale investments	—	—	1,512,714	1,512,714
Liabilities				
Derivative financial instruments	—	3,874	—	3,874

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2015:

	Level 1 HK$'000	Level 2 HK$'000	Level 3 HK$'000	Total HK$'000
Assets				
Available-for-sale investments	—	—	1,497,284	1,497,284
Liabilities				
Derivative financial instruments	—	26,571	—	26,571

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.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2016

5 Financial risk management and financial instruments (Continued)

5.3 Fair value estimation (Continued)

(b) Financial instruments in level 3

Level 3 instruments mainly included available-for-sale investments in unlisted equity securities. As these investments are not traded in an active market, fair value of available-for-sale investments has been determined using dividend discounted model. There are no changes in the valuation model and key assumptions used in assessing fair value of available-for-sale investments since year end.

The movement of level 3 instruments for the period ended 30 June 2016 were as follows:

	Available-for-sale investments HK$'000	Derivative financial instrument HK$'000	Total HK$'000
Opening balance at 1 January	1,497,284	—	1,497,284
Exchange difference	(20,487)	—	(20,487)
Capital contribution	5,892	—	5,892
Fair value change	30,057		30,057
Disposal	(32)	—	(32)
Closing balance at 30 June	1,512,714	—	1,512,714
Total unrealised gains for the period included in profit or loss for assets held at the end of the reporting period	—	—	—

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	—	—	—

There are no gains/(losses) recognised for the period ended 30 June 2016 and 2015.

5 Financial risk management and financial instruments (Continued)

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 of the Group 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.

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 2015.

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 equity 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.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2016

6 Segment information (Continued)

For the six months ended 30 June 2016:

	Thermal power HK$'000	Renewable energy HK$'000	Coal mining HK$'000	Eliminations HK$'000	Total HK$'000
Segment revenue					
External sales	26,502,437	3,105,657	1,363,090	—	30,971,184
Inter-segment sales	—	—	49,876	(49,876)	—
Total	26,502,437	3,105,657	1,412,966	(49,876)	30,971,184
Segment profit/(loss)	8,706,484	1,799,667	(399,110)	—	10,107,041
Unallocated corporate expenses					(344,173)
Interest income					137,299
Fair value changes on derivative financial instruments					2,494
Gains on disposal of equity investments					174,007
Finance costs					(1,827,642)
Share of results of associates					173,554
Share of results of joint ventures					14,561
Dividend income from available-for-sale investments					14,993
Net exchange gains					30,001
Profit before income tax					8,482,135

6 Segment information (Continued)

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
Segment profit/(loss)	10,646,087	1,821,068	(644,692)	—	11,822,463
Unallocated 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
Net exchange losses					(123,902)
Profit before income tax					10,737,521

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 company, loans to/amounts due from associates and joint ventures, deferred income tax assets, pledged and restricted 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 2016

6 Segment information (Continued)

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

	As at 30 June 2016 HK$'000	As at 31 December 2015 HK$'000
Segment assets		
– Thermal power	**109,059,640**	111,351,972
– Renewable energy	**41,957,533**	42,150,744
– Coal mining	**28,066,847**	28,257,633
Total segment assets	**179,084,020**	181,760,349
Investments in associates	**8,731,563**	9,484,351
Investments in joint ventures	**3,689,907**	3,694,388
Available-for-sale investments and loans to an available-for-sale investee	**1,897,836**	1,890,171
Loans to/amounts due from associates and joint ventures	**980,317**	796,643
Pledged bank deposits, and cash and cash equivalents	**4,050,097**	7,997,349
Deferred income tax assets	**769,061**	556,150
Other corporate assets, mainly representing assets held by head office and investment holding companies	**1,022,936**	1,906,478
Consolidated assets	**200,225,737**	208,085,879

	As at 30 June 2016 HK$'000	As at 31 December 2015 HK$'000
Segment liabilities		
– Thermal power	**15,657,693**	18,025,456
– Renewable energy	**2,614,772**	3,875,579
– Coal mining	**7,157,760**	7,347,266
Total segment liabilities	**25,430,225**	29,248,301
Bank and other borrowings	**92,129,973**	88,517,336
Derivative financial instruments	**3,874**	26,571
Deferred income tax liabilities	**2,373,502**	2,459,682
Current income tax liabilities	**827,323**	1,330,166
Amounts due to associates and joint ventures	**1,258,775**	1,705,121
Amounts due to other related parties	**1,307,559**	577,667
Other corporate liabilities, mainly representing liabilities of head office and investment holding companies	**594,358**	481,692
Consolidated liabilities	**123,925,589**	124,346,536

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2016

7 Other income

	Six months ended 30 June	
	2016 **HK$'000**	2015 HK$'000
Sales of scrap materials	**235,089**	389,327
Interest income	**137,299**	145,197
Government grant	**72,268**	124,959
Service income from heat supply connection contracts	**53,793**	27,664
Service fee income	**45,210**	34,519
Dividend income from available-for-sale investments	**14,993**	49,360
Management fee income	**—**	14,569
Others	**22,931**	69,668
	581,583	855,263

8 Other gains/(losses) – net

	Six months ended 30 June	
	2016 **HK$'000**	2015 HK$'000
Gains on disposal of equity investments	**174,007**	41,258
Net exchange gains/(losses)	**30,001**	(123,902)
Fair value changes on derivative financial instruments (Note 31)	**2,494**	(14,263)
Others	**30,862**	37,123
	237,364	(59,784)

9 Finance costs

	Six months ended 30 June	
	2016 **HK$'000**	2015 HK$'000
Interests on bank borrowings	**1,744,453**	1,748,123
Interests on corporate bonds	**267,311**	370,011
Others	**48,300**	70,093
	2,060,064	2,188,227
Less: Interests capitalised in property, plant and equipment	**(232,422)**	(724,566)
	1,827,642	1,463,661

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2016

10 Income tax expense

	Six months ended 30 June	
	2016 HK$'000	2015 HK$'000
Current income tax		
– PRC enterprise income tax	**2,830,851**	2,952,788
Deferred income tax	**(305,755)**	(228,062)
	2,525,096	2,724,726

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	
	2016 HK$'000	2015 HK$'000
Profit attributable to owners of the Company	**5,336,094**	6,812,796

	Number of ordinary shares for six months ended 30 June	
	2016	2015
Weighted average number of ordinary shares for the purpose of basic earnings per share	**4,772,452,732**	4,762,192,487
Effect of dilutive potential ordinary shares:		
– share options	**1,316,215**	7,884,670
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**4,773,768,947**	4,770,077,157

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2016

12 Dividends

	Six months ended 30 June	
	2016 HK$'000	2015 HK$'000
Dividend recognised as distribution during the period: Final dividend paid in respect of the 2015 financial year of HK$0.75 (in respect of 2014: HK$0.7) per share on 4,771,299,000 shares (2015: 4,763,067,000 shares) (a)	**3,578,474**	3,334,147
Dividend proposed after the end of the interim reporting period: Interim dividend proposed in respect of the current financial period (b)	**596,561**	476,317

(a) During the period ended 30 June 2016, dividends recognised as distributions amounted to HK$3,578,474,000 (six months ended 30 June 2015: HK$3,334,147,000). They were stated after elimination of HK$26,079,000 (six months ended 30 June 2015: HK$25,406,000) 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$0.125 per share (2015: HK$0.1 per share) was proposed by the board of directors on 18 August 2016. The proposed interim dividend for 2016 is based on 4,807,255,600 shares in issue as at 18 August 2016, which included shares held by the Incentive Plan. The interim dividend, amounting to HK$596,561,000 (2015: HK$476,317,000) after elimination of HK$4,346,000 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 2016.

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**
Six months ended 30 June 2016:			
Opening balance at 1 January 2016	**142,845,210**	**15,815,897**	**3,344,056**
Additions	**4,128,269**	**—**	**106,849**
Depreciation and amortisation	**(4,761,595)**	**(167,482)**	**(48,232)**
Disposals	**(75,275)**	**—**	**—**
Impairment	**(95,425)**	**—**	**—**
Currency translation difference	**(2,870,398)**	**(269,120)**	**(66,383)**
Closing balance at 30 June 2016	**139,170,786**	**15,379,295**	**3,336,290**
Six months ended 30 June 2015:			
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	(417,557)	(6,503)	—
Currency translation difference	48,254	4,441	1,833
Closing balance at 30 June 2015	149,632,600	18,001,962	3,387,059

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2016

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.

Certain power assets were retired, consequently the Group has made an impairment charge of HK$95,425,000 for the six months ended 30 June 2016, 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.

As at 30 June 2016, total net book value of land use rights and property, plant and equipment pledged as collateral for the Group's bank borrowings amounted to HK$5,338,000 (31 December 2015: HK$51,985,000) and HK$3,248,735,000 (31 December 2015: HK$5,315,378,000), respectively (Note 26).

14 Investments in associates

	Six months ended 30 June	
	2016 HK$'000	2015 HK$'000
Opening balance at 1 January	**9,484,351**	11,222,297
Share of profits	**495,426**	652,125
Dividends	**(1,061,147)**	(666,837)
Capital contribution to an associate	—	12,329
Disposal of associates	**(23,379)**	(949,647)
Other comprehensive income	**(40,449)**	1,146
Currency translation differences	**(123,239)**	1,721
Closing balance at 30 June	**8,731,563**	10,273,134

As at 30 June 2016, the Group and the third parties provided guarantees amounting to HK$620,884,000 (31 December 2015: HK$633,424,000) and HK$610,547,000 (31 December 2015: HK$158,107,000) to secure bank loans of two associates, namely Guizhou Hualong Coal Mining Co., Ltd and Hunan Taohuajiang Nuclear Power Co., Ltd.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2016

15 Investments in joint ventures

	Six months ended 30 June	
	2016 **HK$'000**	2015 HK$'000
Opening balance at 1 January	**3,694,388**	2,472,578
Capital contribution to a joint venture	**95,434**	—
Share of profits	**14,561**	132,833
Dividends	**(27,889)**	(409,088)
Other comprehensive income	**(70,851)**	10,204
Currency translation differences	**(15,736)**	147
Closing balance at 30 June	**3,689,907**	2,206,674

As at 30 June 2016, the Group and a third party jointly provided guarantees amounting to HK$78,542,000 (31 December 2015: HK$159,266,000) to secure financial leasing of a joint venture, namely Shanxi Lanhua Daning Electric Power Co., Ltd.

16 Goodwill

	As at	
	30 June **2016** **HK$'000**	31 December 2015 HK$'000
Cost	**2,718,648**	2,737,742
Accumulated impairment loss	**(975,446)**	(976,818)
Net book amount	**1,743,202**	1,760,924

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

	Six months ended 30 June	
	2016 **HK$'000**	2015 HK$'000
Opening net book amount	**1,760,924**	3,123,668
Impairment	**—**	(425,728)
Currency translation differences	**(17,722)**	315
Closing net book amount	**1,743,202**	2,698,255

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2016

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:

Six months ended 30 June 2016:	Opening HK$'000	Exchange difference HK$'000	Closing HK$'000
Thermal power segment	1,730,178	(17,413)	1,712,765
Renewable energy segment	30,746	(309)	30,437
	1,760,924	(17,722)	1,743,202

Six months ended 30 June 2015:	Opening HK$'000	Impairment HK$'000	Exchange difference HK$'000	Closing HK$'000
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	—
	3,123,668	(425,728)	315	2,698,255

17 Available-for-sale investments

The available-for-sale investments represent investment in unlisted equity securities issued by ten (2015: eleven) limited liability entities registered in the PRC. The movement of the available-for-sale investments has been disclosed in Note 5.3(b).

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2016

18 Trade receivables, other receivables and prepayments

Trade receivables are generally due within 60 days from the date of billing, except for the portion of wind power or photovoltaic electricity tariff beyond the local thermal power benchmark tariff. The settlement of the portion of wind power or photovoltaic electricity beyond the local thermal power benchmark tariff is subject to approval by government agencies and being included in the renewable energy tariff subsidy directory. Funds to the local grid companies is disbursed upon obtaining the relevant approvals from government agencies, consequently resulting in a relatively longer time for settlement.

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 2016 HK$'000	31 December 2015 HK$'000
0 - 30 days	**6,225,308**	7,728,447
31 - 60 days	**441,134**	388,482
Over 60 days	**2,237,968**	1,359,320
	8,904,410	9,476,249

As at 30 June 2016, included in trade receivables were amounts of HK$55,098,000 (31 December 2015: HK$116,766,000) from joint ventures or associates and amounts of HK$5,806,000 (31 December 2015: Nil) from fellow subsidiaries, which are aged within one year.

Included in the prepayment balance of the Group are prepayments for purchase of coal and fuel amounting to HK$225,963,000 (31 December 2015: HK$187,266,000). In addition, other receivables and prepayments include an amount of input value added tax of HK$2,599,766,000 (31 December 2015: HK$2,853,351,000) and prepayment for income tax of HK$108,552,000 (31 December 2015: HK$108,600,000), respectively.

19 Loans to associates

	As at	
	30 June 2016 HK$'000	31 December 2015 HK$'000
Non-current (i):		
Loans	**3,983,994**	3,152,006
Less: written down of loans (a)	**(3,473,878)**	(3,152,006)
	510,116	—
Current (ii)	**22,933**	23,395

Note i. The loans were due from Taiyuan China Resources Coal, which have been written down to reflect the loss recognised in applying the equity method exceeding investment in the associate. The loans are denominated in RMB, unsecured, with annual interest rate of 5.225% and repayable within three to five years.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2016

19 Loans to associates (Continued)

(a) Movements on the written down are as follows:

	Six months ended 30 June	
	2016 HK$'000	2015 HK$'000
At 1 January	**3,152,006**	1,159,937
Share of loss of the associate	**321,872**	170,706
At 30 June	**3,473,878**	1,330,643

Note ii. As at 30 June 2016, loans to associates are all denominated in RMB, unsecured, with annual interest rates of 4.35%.

20 Loans to joint ventures

	As at	
	30 June 2016 HK$'000	31 December 2015 HK$'000
Loans to joint ventures	**347,532**	354,538
Less: provision for impairment of loans	**(180,374)**	(184,010)
	167,158	170,528

As at 30 June 2016, loans to joint ventures are unsecured and comprise principal amounts of RMB273,178,000 and RMB23,847,000, equivalent to approximately HK$319,630,000 and HK$27,902,000 (31 December 2015: HK$326,073,000 and HK$28,465,000) respectively due from two joint ventures, with annual interest rates ranging from 7.23% to 8.28%. No provision was made during the six months ended 30 June 2016 (during the six months ended 30 June 2015: HK$226,385,000). The net amounts of HK$139,245,000 (31 December 2015: HK$142,063,000) are overdue.

21 Pledged and restricted bank deposits

Pledged and restricted bank deposits represent deposits pledged to banks to secure banking facilities granted to the Group, deposits restricted for special purpose and time deposits. As at 30 June 2016, deposits amounting to HK$349,810,000 (2015: HK$296,653,000) had been pledged to secure bank acceptance bills. Deposits amounting to HK$162,077,000 (2015: HK$285,099,000) were restricted for environmental protection and industry transformation use with the approval of certain governments. Term deposits amounting to HK$146,025,000 (2015: HK$141,652,000) were three months to one year with deposit interest rates range from 1.55% to 3.85% per annum. The term deposits can be withdrawn on demand. None of the deposits is either past due or impaired. As at 30 June 2016, all the pledged and restricted bank deposits are denominated in RMB.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2016

22 Share capital

Ordinary shares, issued and fully paid:

	Number of shares '000	Share capital HK$'000
Balance at 1 January 2016	**4,807,204**	**22,252,458**
Issue upon exercise of share options	**52**	**940**
Balance at 30 June 2016	**4,807,256**	**22,253,398**
Balance at 1 January 2015	4,797,344	22,102,792
Issue upon exercise of share options	2,018	20,283
Balance at 30 June 2015	4,799,362	22,123,075

23 Other reserves

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	
	2016 HK$'000	2015 HK$'000
Opening balance at 1 January	**462,779**	426,160
Change in ownership interests in a subsidiary without change of control	**—**	100,488
Fair value changes on available-for-sale investments, net of tax	**20,289**	—
Release to profit or loss in relation to disposal of associates	**—**	(21)
Transfers (a)	**99,285**	118,888
Transfers upon utilisation (b)	**(70,572)**	(65,387)
Closing balance at 30 June	**511,781**	580,128

(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 2016, HK$70,572,000 (2015: HK$65,387,000) 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 2016

24 Share options

As at 30 June 2016, 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 at the end of each year.

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

	Outstanding at 1 January 2016	Exercised during the period	Lapsed during the period	Outstanding at 30 June 2016
Exercise price:				
– HK$6.925 per share	1,948,600	—	—	1,948,600
– HK$12.21 per share	5,904,660	(52,000)	—	5,852,660
Number of share option	7,853,260	(52,000)	—	7,801,260

The weighted average closing price of the Company's shares at dates on which the options were exercised during the period was HK$10.89.

25 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.

On 9 May 2016, the Group has redeemed all Perpetual Capital Securities.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2016

26 Borrowings

	As at	
	30 June 2016 HK$'000	31 December 2015 HK$'000
Non-current		
Bank loans		
– Secured	**3,782,286**	3,784,420
– Unsecured	**50,959,649**	47,440,070
Corporate bonds and notes	**15,543,981**	9,889,225
	70,285,916	61,113,715
Current		
Bank loans		
– Secured	**445,389**	2,636,491
– Unsecured	**21,398,668**	24,767,130
	21,844,057	27,403,621

Movement in borrowings is analysed as follows:

	Six months ended 30 June	
	2016 HK$'000	2015 HK$'000
Opening balance at 1 January	**88,517,336**	100,432,860
Proceeds from new borrowings	**19,846,757**	18,390,515
Proceeds from issuance of corporate bonds	**5,892,050**	—
Repayments of borrowings	**(21,001,102)**	(18,552,646)
Currency translation difference	**(1,125,068)**	8,972
Closing balance at 30 June	**92,129,973**	100,279,701

Certain bank loans were secured by the Group's land use rights and property, plant and equipment with carrying values of HK$5,338,000 (31 December 2015: HK$51,985,000) and HK$3,248,735,000 (31 December 2015: HK$5,315,378,000), respectively.

As at 30 June 2016, the interest rate risk of the Group's borrowings of HK$1,000,000,000 (31 December 2015: HK$5,317,586,000) was hedged by using interest rate swaps (floating to fixed interest swaps) (see Note 31 for details).

As at 30 June 2016, the Group had HK$138,118,446,000 of unutilised banking facilities granted by various financial institutions (31 December 2015: approximately HK$139,571,176,000). 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 2016

27 Trade payables, other payables and accruals

As at 30 June 2016, the ageing analysis of trade payables based on invoice date was as follows:

	As at	
	30 June 2016 HK$'000	31 December 2015 HK$'000
0 - 30 days	**4,296,715**	5,555,057
31 - 90 days	**1,826,705**	2,502,235
Over 90 days	**1,752,877**	2,365,826
	7,876,297	10,423,118

28 Amounts due to associates

	As at	
	30 June 2016 HK$'000	31 December 2015 HK$'000
Amounts due to associates	**465,792**	796,493

Except for those deposits in the capital pool amounting to HK$425,489,000 (31 December 2015: HK$726,424,000), amounts due to associates are unsecured, non-interest bearing, and repayable on demand. The interest rate for the deposits in the capital pool is implemented in accordance with the interest rate stipulated by the banks for the corresponding period.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2016

29 Amounts due to joint ventures

	As at 30 June 2016 HK$'000	As at 31 December 2015 HK$'000
Amounts due to joint ventures	**792,983**	908,628

Except for those deposits in the capital pool amounting to HK$776,463,000 (31 December 2015: HK$889,331,000), amounts due to joint ventures are unsecured, non-interest bearing, and repayable on demand. The interest rate for the deposits in the capital pool is implemented in accordance with the interest rate stipulated by the banks for the corresponding period.

30 Amounts due to other related companies

	As at 30 June 2016 HK$'000	As at 31 December 2015 HK$'000
Amounts due to non-controlling shareholders of subsidiaries	**1,267,772**	534,395
Amounts due to fellow subsidiaries	**3,246**	6,731
Amounts due to immediate holding company	**35,768**	35,768
Amounts due to an intermediate holding company	**773**	773
	1,307,559	577,667

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 2016

31 Derivative financial instruments

Derivative financial instruments are analysed as follows:

	As at 30 June 2016 HK$'000	As at 31 December 2015 HK$'000
Cash flow hedges - Interest rate swaps	**3,874**	26,571

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 2016 were HK$1,000,000,000 (31 December 2015: HK$5,317,586,000). As at 30 June 2016, the fixed interest rate is 1.120% (31 December 2015: 1.120% to 2.325%), and the main floating rate is HIBOR (31 December 2015: HIBOR and LIBOR).

For the six months ended 30 June 2016, the gross fair value gains and fair value losses from the interest rate swaps under cash flow hedge amounted to HK$20,204,000 (six months ended 30 June 2015: HK$51,565,000) and Nil (six months ended 30 June 2015: HK$1,453,000), respectively, which resulted in a net fair value gain of HK$20,204,000 (six months ended 30 June 2015: HK$50,112,000) being deferred in equity. Gains and losses recognised in the hedging reserve in equity on interest rate swap contracts as of 30 June 2016 will be continuously released to the consolidated statement of income until the repayment of the bank borrowings. Fair value gains and fair value losses of interest rate swaps for the ineffective portion of the instruments amounted to HK$2,494,000 (six months ended 30 June 2015: HK$877,000) and Nil (six months ended 30 June 2015: HK$15,140,000), respectively. The net gain of fair value amounting to HK$2,494,000 (six months ended 30 June 2015: net loss of HK$14,263,000) 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.

32 Capital commitments

	As at 30 June 2016 HK$'000	As at 31 December 2015 HK$'000
Contracted for but not provided in the financial statements		
– Capital expenditure in respect of the acquisition of property, plant and equipment	**19,690,442**	18,866,555
– Capital expenditure in respect of acquisition of mining/exploration rights	**5,401,057**	5,509,951
– Capital expenditure in respect of the acquisition of intangible assets	**11,974**	7,188
	25,103,473	24,383,694

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2016

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:

			Six months ended 30 June	
Name of related company	Relationship	Nature of transactions	2016 HK$'000	2015 HK$'000
China Resources Property Management Co., Ltd.	Fellow subsidiary	Rental expense paid by the Group	3,311	3,268
		Property management fee	467	702
		Transportation fee	91	—
Taiyuan China Resources Coal	Associate	Interest income received (Note 19)	90,105	72,203
		Purchase of coal	85	—
		Sales of raw materials	509	—
		Interest expense paid (Note 28)	626	—
Certain subsidiaries of China Resources Cement Holdings Limited	Fellow subsidiary	Sales of by product	—	923
China Resources Packaging Materials Co., Ltd.	Fellow subsidiary	Sales of coal	—	2,071
Jiangsu Zhenjiang Generator Co., Ltd.	Associate	Providing agency service fee	12,763	13,103
		Interest expense paid (Note 28)	4,705	—
China Resources (Xuzhou) Electric Power Co., Ltd.	Associate	Sales of power	25,104	115,100
		Sales of coal	1,750	7,128
		Providing maintenance service	4,948	6,294
		Providing agency service fee	9,497	10,306
		Interest expense paid (Note 28)	2,163	9,338
CRP Hezhou	Joint venture	Providing maintenance service	12,700	11,139
		Providing agency service fee	—	14,652
		Interest expense paid (Note 29)	1,285	2,707
Nanjing Yanjiang Heating Power Co., Ltd.	Associate	Sales of heat	36,707	41,991
Yangcheng Asia-america Daning Railway Operation Co.,Ltd.	Joint venture	Interest income received (Note 20)	7,550	11,887
Shanxi Lanhua Daning Electric Power Co., Ltd.	Joint venture	Interest income received (Note 20)	1,137	972

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2016

33 Related party transactions and balances (Continued)

(b) Other than disclosed elsewhere in the condensed consolidated interim financial information, the following transactions were carried out with related parties during the period: (Continued)

Name of related company	Relationship	Nature of transactions	Six months ended 30 June 2016 HK$'000	Six months ended 30 June 2015 HK$'000
China Resources Energy Service Co., Ltd.	Fellow subsidiary	Energy management fee	**20,123**	26,985
Tianjin Zhonghai China Resources Marine Shipping Company Limited	Joint venture	Shipping service fee	**42,136**	83,107
China Resources Northeast Power Engineering Co., Ltd.	Joint venture	Providing maintenance service	**60,905**	—
China Resources Power (Jinzhou) Co., Ltd.	Joint venture	Interest expense paid (Note 29)	**6,678**	—
Wuxi China Resources Microelectronics Co., Ltd.	Fellow subsidiary	Sales of power	**26,714**	—
Jiangsu Huai An Double-Crane Pharmaceutical Co.,Ltd.	Fellow subsidiary	Sales of power	**410**	—

(c) As at 30 June 2016, included in cash and cash equivalents is an amount of HK$33,345,000 (31 Decemeber 2015: HK$88,408,000) which is deposited in China Resources Bank of Zhuhai Co., Ltd, a fellow subsidiary of the Group, with interest rates ranging from 0.35% to 1.265% (2015: 0.35% to 1.265%) per annum.

(d) Except for those disclosed in Notes 19, 20, 28, 29, 30 and above, the amounts due from/to associates, amounts due from/to joint ventures, and amounts due from/to 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 2016 HK$'000	Six months ended 30 June 2015 HK$'000
Salary, wages and other benefits	**13,346**	13,545
Post-employment benefits	**449**	415
	13,795	13,960

33 Related party transactions and balances (Continued)

(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 2016, the Group provided certain guarantees amounting to HK$1,309,973,000 (31 December 2015: HK$950,797,000) to its related parties. Details of guarantees have been disclosed in notes 14 and 15.

In addition, there were certain pending litigations and claims against the Group as at 30 June 2016. 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 2015 Annual Report.

Movement of the options granted under the Share Option Scheme during the six months ended 30 June 2016 is as follows:

Participants	Date of grant	Number of options outstanding as at 1 January 2016	Number of options exercised during the period	Number of options lapsed or cancelled during the period	Number of options outstanding as at 30 June 2016	Date of expiry	Exercise price (HK$)
Aggregate total of employees	5 Sep 2006	1,948,600	—	—	1,948,600	4 Sep 2016	6.925
	30 Mar 2007	5,904,660	(52,000)	—	5,852,660	29 Mar 2017	12.210
		7,853,260	(52,000)	—	7,801,260		

Note: The weighted average closing price of the Shares immediately before the date on which the options were exercised was HK$10.89.

DIRECTORS' INTERESTS IN SECURITIES

Save as disclosed below and the section headed "Share Options", as at 30 June 2016, 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 2016 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	493,595	Long	0.010%
Wang Xiao Bin	Beneficial Owner	3,664,560	Long	0.076%
Zhang Shen Wen	Beneficial Owner	2,671,120	Long	0.056%
Wang Yan	Beneficial Owner	44,000	Long	0.001%
Raymond Ch`ien Kuo Fung	Beneficial Owner	30,167	Long	0.001%
	Interest of Spouse	4,000	Long	0.000%
Andrew Ma Chiu Cheung	Interest of Spouse	100,000	Long	0.000%
Ge Changxin	Beneficial Owner	4,828	Long	0.000%

(B) China Resources Beer (Holdings) Company Limited

China Resources Beer (Holdings) Company Limited ("CR Beer") is an associated corporation of the Company (as defined under the SFO). Details of shares in CR Beer held by the Directors as at 30 June 2016 are as follows:

Name of Director	Capacity	Number of issued ordinary shares held	Long/short position	Percentage of the total issued shares of CR Beer
Zhang Shen Wen	Beneficial Owner	20,000	Long	0.001%
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 2016 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%
Ge Changxin	Beneficial Owner	200	Long	0.000%

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 2016 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
Chen Ying	Beneficial Owner	500,000	Long	0.007%
Hu Min	Beneficial Owner	50,000	Long	0.001%

(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 2016 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, 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 2016, 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 2016
CRH (Power) Limited	1	Beneficial owner	3,027,003,337	Long	62.97%
CRH	1	Interest in a controlled corporation	3,027,905,337	Long	62.99%
CRC Bluesky Limited	1	Interest of a controlled corporation	3,027,905,337	Long	62.99%
China Resources Co., Limited* ("CRL")	1	Interest of a controlled corporation	3,027,905,337	Long	62.99%
CRNC	1	Interest of a controlled corporation	3,027,905,337	Long	62.99%
JPMorgan Chase & Co.	2	Beneficial owner/ Investment manager/ Approved lending agent	281,969,747	Long	5.87%
		Beneficial owner	2,893,500	Short	0.06%

Notes:

(1) 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 CRC, which is in turn held as to 100% by CRNC. Each of CRH, CRNC, CRC and CRC Bluesky Limited is deemed by virtue of Part XV of the SFO to have the same interests in 3,027,003,337 Shares as those of CRH (Power) Limited. CRH, through another wholly-owned subsidiary, is interested in 902,000 Shares of the Company. Accordingly, each of CRNC, CRC and CRC Bluesky Limited is deemed by virtue of Part XV of the SFO to have the same interests in the 902,000 Shares as those of CRH.

(2) JPMorgan Chase & Co. through its various directly and indirectly 100% controlled corporations, is interested in the above Shares in long and short positions, which included (i) interests in 224,186,592 Shares in lending pool, (ii) listed derivative interests in 2,425,500 Shares with physically settled in long position and listed derivative interests in 2,425,500 Shares with physically settled in short position, and (iii) unlisted derivative interests in 12,000 Shares with physically settled in long position and unlisted derivative interests in 468,000 Shares with physically settled in short position under 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 authorised 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

Disclosure of Interests

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.

Under the Plan, there were total of 34,771,553 Shares (31 December 2015: 34,771,553) held by the Trustee as at 30 June 2016.

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 under review, the Company has complied with the code provisions set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules, except for the deviation from code provision A.2.1 with regard to the separate roles of the Chairman and the President during the period from 1 January 2016 to 15 April 2016.

The division of responsibilities between the Chairman and the President has been clearly established and set out in writing. From 26 August 2014 to 15 April 2016, both roles were assumed by Ms. Zhou Junqing until a replacement could be identified for the role of the President. On 16 April 2016, Ms. Zhou Junqing terminated her role of Acting President of the Company and continued to serve as Executive Director and Chairman of the Company. Mr. Hu Min has been appointed as Executive Director and President of the Company with effect from 16 April 2016.

Model code for securities transactions by directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix 10 to the Listing Rules 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 during the period under review.

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 2016.

Board composition

As at 9 September 2016 (being the latest practicable date prior to printing of this Interim Report), the Board consists of 11 Directors, 5 of whom are Executive Directors, 2 are Non-executive Directors and 4 are Independent Non-executive Directors. The list of Directors are set out on page 81 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, risk management and financial reporting matters including a review of the unaudited consolidated results for the six months ended 30 June 2016 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 2016 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.

Corporate Governance and Other Information

Change of Directors' Information

Mr. Chen Ying and Mr. Wang Yan, the non-executive directors of the Company resigned as non-executive directors of CR Beer, a company listed on the main board of the Stock Exchange, with effect from 15 April 2016.

Independent non-executive directors

During the period ended 30 June 2016, 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 2016.

Audit and risk committee

During the period ended 30 June 2016, the Company has complied with Rule 3.21 of the Listing Rules and has established the Audit and Risk Committee comprising four members, one of them are Non-executive Directors and three of them 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, ceased from temporary role as the President of the Company on 16 April 2016)
	Zhang Shen Wen	(Vice Chairman)
	Ge Changxin	(Vice Chairman, appointed on 16 April 2016)
	Hu Min	(President, appointed on 16 April 2016)
	Wang Xiao Bin	(Chief Financial Officer and Company Secretary)
Non-Executive Directors	Chen Ying	
	Wang Yan	
	Du Wen Min	(resigned on 16 April 2016)
	Wei Bin	(resigned on 16 April 2016)
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 2016
Announcement of interim results	18 August 2016
Last day to register for interim dividend	27 September 2016
Book close	23 September 2016 to 27 September 2016
Payment of interim dividend	on or about 7 October 2016

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:

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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
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OUR WEBSITE

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