



CR Power

We shape the future

Interim Report 2007



Contents

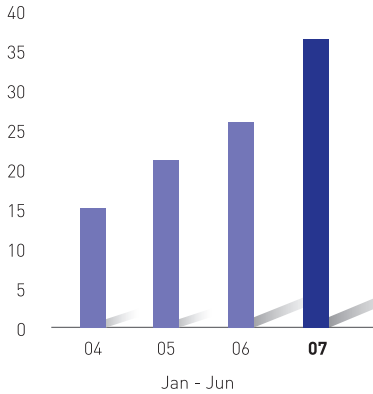
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Performance Highlights

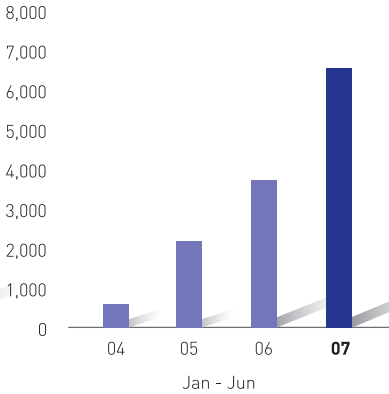
	1H2007	1H2006	1H2005	1H2004
Earnings per share (HK cents)				
Basic	36.71	26.29	21.44	15.15
Diluted	35.10	25.81	21.29	15.11
Turnover (HK\$'000)	6,628,010	3,767,656	2,208,773	609,076
Profit attributable to equity holders of the Company (HK\$'000)				
Operating power plants				
Subsidiaries	1,212,040	720,489	424,779	115,608
Associates	333,303	337,621	375,364	403,718
Jointly controlled entity	—	—	106,727	147,187
Others	(133,891)	(56,160)	(90,362)	(89,449)
Total	1,411,452	1,001,950	816,508	577,064
Generation volume of operating power plants (MWh)				
Total gross generation	37,585,705	26,819,508	23,231,209	15,199,668
Total net generation	35,218,775	25,184,623	21,848,634	14,311,182
	30/6/2007	30/6/2006	30/6/2005	30/6/2004
Extracts of balance sheet (HK\$'000)				
Equity attributable to equity holders of the Company	16,761,955	13,535,338	10,892,956	9,575,700
Total assets	43,491,530	30,999,410	23,915,563	17,841,334
Bank balances, cash and pledged bank deposits	2,932,147	4,053,686	2,819,497	3,238,691
Bank and other borrowings	19,125,562	12,767,282	10,382,668	6,321,182
Key financial ratios				
Current ratio (times)	0.61	0.99	1.49	0.98
Quick ratio (times)	0.55	0.93	1.42	0.96
Net debt to equity (%)	96.6	64.4	69.4	32.2
EBITDA interest coverage (times)	5.2	5.1	5.0	7.7
Attributable operational generation capacity (MW)				
Eastern China	3,380	2,676	1,926	555
Central China	2,961	1,911	1,323	51
Southern China	1,863	1,086	954	945
Northern China	537	537	460	150
Total	8,741	6,210	4,663	1,701

Performance Highlights *(Cont'd)*

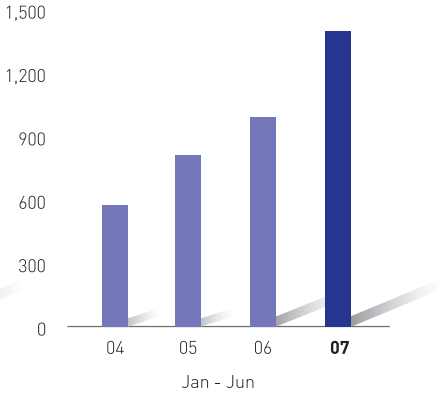
Basic EPS (HK cents)



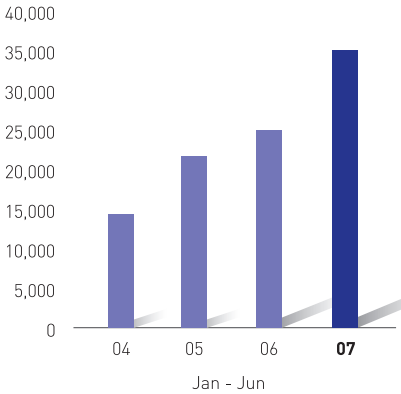
Turnover (HK\$ million)



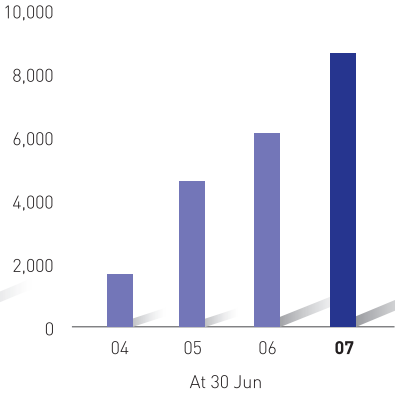
Profit attributable to equity holders of the Company (HK\$ million)



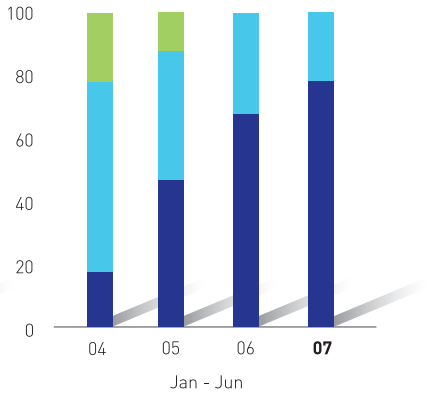
Net generation volume of operating power plants ('000 MWh)



Attributable operational generation capacity (MW)



Percentage of profit contribution (%)



- Subsidiaries
- Associates
- Jointly controlled entity

Major Events 1H2007

January 2007

- China Resources Power Holdings Company Limited ("CR Power") was awarded best-managed medium-cap corporate of 2006 in China by Asiamoney. The selection criteria for the award were mainly based on the comments of analysts and fund managers on business strategies, dividend policies and communications with shareholders.

February 2007

- CR Power announced that China Resources Wind Power (Shantou) Co., Ltd., with a total installed capacity of 26MW, was approved by the PRC Government. The wind power plant is scheduled to commence commercial operation in 2008 and is wholly owned by CR Power.

May 2007

- The first 70MW hydro generation unit of Yunnan China Resources Power (Honghe) Company Limited passed a 72-hour full-load pilot run and commenced commercial operation.



- The second 135 MW coal-fired generation unit of Guangdong Xingning Xingda Power Co., Ltd. passed a "72+24" hour pilot run and commenced commercial operation.



- CR Power entered into an equity acquisition agreement in relation to Yangzhou No.2 Power Plant Company ("Yangzhou No.2 Power Plant") to acquire 30% and 15% interests in Yangzhou No.2 Power Plant from Jiangsu Electric Power Company and East China Grid Company Limited respectively. Yangzhou No.2 Power Plant consists of two 600MW coal-fired generation units.

June 2007

- The first 650MW coal-fired generation unit of China Resources Power Hunan Company Limited passed a 168-hour full-load pilot run and commenced commercial operation. The construction of this unit only took 18 months and 20 days, setting a new record of shortest construction period for 600MW class coal-fired generation units in China and breaking the previous record set by China Resources Power Henan Shouyangshan Company Limited.



- CR Power entered into an equity acquisition agreement in relation to Xingtai Power Generation Company Limited ("Xingtai Power Plant") to acquire 44.7% interest in Xingtai Power Plant from Hebei Electric Power Corporation. Xingtai Power Plant consists of six 220MW coal-fired generation units.

Corporate Structure

As at 30 June 2007



* Fonts in red colour represent power plants in operation

* Fonts in purple colour represent power plants under construction

Service Areas



Chairman's Statement

Dear Shareholders,
On behalf of the Board, I am pleased to announce
the Company's operating results for the six
months ended 30 June 2007.

RESULTS

For the six months ended 30 June 2007, CR Power recorded a consolidated turnover of HK\$6,628 million, representing an increase of 75.9% as compared with the same period last year. Profit attributable to equity holders of the Company amounted to HK\$1,411 million, representing an increase of 40.9% as compared with the same period last year. Basic earnings per share was HK36.7 cents, representing an increase of 39.6% as compared with the same period last year. The Board resolved to declare an interim dividend of HK5 cents per share.

During the first six months of 2007, profit contribution from our subsidiaries increased to 78% from 68% in the same period last year.

REVIEW

CR Power continued to deliver good results in our business development and cost control during the first half of 2007.

During the reporting period, our installed generation capacity continued to grow at a fast pace. We continued to expand our business through development of green-field and brown-field projects as well as acquisitions. For the first six months of 2007, our attributable operational capacity increased 738MW to 8,741MW, representing an increase of 40.8% when compared with 6,210MW as at 30 June 2006. A number of our generation units were commissioned in the first half of 2007, including the first 650MW coal-fired generation unit of Liyujiang B Power Plant, the second 135MW coal-fired generation unit of Xingning Power Plant, and the first 70MW hydro generation unit of Yunpeng Power Plant. In addition, in the first half of 2007, we entered into two agreements to acquire equity interests in two power plants held by the State Grid Corporation of China, including the 45% equity interest in Yangzhou No.2 Power Plant and 44.7% equity interest in Xingtai Power Plant. We also announced a third acquisition in early July to acquire 100% equity interest in Jinzhou Power Plant. These acquisitions will result in an increase of 2,330MW of attributable operational capacity of the Company.

Chairman's Statement *(Cont'd)*

During the reporting period, coal-fired generation units of the Company generally recorded high utilisation rates as we benefit from the Government policies which aim at reducing resources consumption and emission level and leverage on our large-scale, more efficient generation units which account for a significant part of our attributable capacity. For example, in Eastern China, our Changshu Power Plant, Xuzhou Power Plant and Wenzhou Power Plant recorded increases in utilisation hours in the range from 8.2% to 11.7%. Despite the fact that the national average utilisation hours of coal-fired generation units decreased by 103 hours to 2,638 hours during the first half of the year when compared with the first half of 2006, the average utilisation hours of generation units of our 13 coal-fired power plants, which were in commercial operation throughout the first half of 2006 and 2007, were 2,965 hours, representing an increase of 180 hours or 6.4% as compared with the same period last year.

We also exercised stringent control over our fuel costs by deploying a number of measures including entering into long-term coal supply contracts, centralising coal procurement and improving coal blending techniques. During the first half of the year, the average standard coal cost for our consolidated power plants recorded an increase of 3.7% over the same period last year whilst the national average increase in thermal coal price was 9% as estimated by China Electricity Council. More importantly, commissioning of more large capacity, high efficiency power plants such as Shouyangshan Power Plant and Fuyang Power Plant resulted in a reduction in the Company's average coal consumption rate as well as unit fuel cost. The coal consumption rate of our consolidated power plants in the first half of the year was 334g/kWh, representing a decrease of 14g/kWh or 4.0% as compared with the same period last year. Unit fuel cost was RMB 167/MWh, representing a decrease of 0.6% as compared with the same period last year.

In respect of power plant construction, the Company continued to maintain its leading position in the industry. After the first generation unit of Changshu Power Plant and the first generation unit of Shouyangshan Power Plant, each of which set a shortest record in construction period in its respective year of commissioning, the first 650MW generation unit of Liyujiang B Power Plant in Hunan Province was completed in 18.7 months in June this year, setting a new record in construction period for 600MW class generation units in China.

OUTLOOK

Looking forward to the second half of 2007, Chinese IPPs will continue to benefit from the rapid economic growth in China, however, there is also uncertainty associated with coal price movement and interest rates. With such opportunities and challenges ahead, CR Power has identified various measures to strive for excellent results in both operation management and business development.

We will continue to benefit from high power consumption growth and the Government's policies aiming at reducing resources consumption and emission level. In the first six months, China's GDP and power consumption increased by 11.5% and 15.6% respectively on a year-on-year basis, maintaining a strong momentum for growth, which exceeded markets' and industry's expectations. In addition, the PRC Government has put more efforts in reducing the country's resources consumption and emission level and more widely implementing the energy-saving dispatchment mechanism of "replacing small-capacity units with large-capacity units" and more aggressively closing down inefficient small generation units. This will enable the Company's large generation units to continue to record high utilisation rates. The Company's coal-fired power plants are expected to continue to record high utilisation rates in the remaining months of 2007.

As for coal supply and demand, according to China Coal Transport and Distribution Association, coal demand in China in 2007 approximates 2.5 billion tons, while the amount of coal supply available from coal enterprises approximates 2.53 billion tons, indicating a slight surplus. However, Government policies may continue to increase coal production costs which may in turn lead to high coal prices. We will continue to take various measures to control our coal costs. Our target for 2007 is to control our average standard coal cost increase to be within 7% and maintaining stable unit fuel cost at the level of last year.

The People's Bank of China is still likely to raise interest rates in the remaining months of the year. The Company will continue to reduce its financing costs by capitalising on our flexibility of raising finance in both the domestic and international capital markets. In July 2007, the Company entered into agreements with a number of commercial banks to borrow approximately HK\$2.9 billion, mainly to finance the recent acquisitions of power plants. Interest rates of the loans are HIBOR/LIBOR plus 30 basis points, or 36 basis points including front end fees.

Chairman's Statement *(Cont'd)*

In 2007, the Company will continue to experience strong growth in attributable operational capacity. In July and August 2007, the second 70MW hydro generation unit of Yunpeng Power Plant, the first 180MW gas-fired generation unit of Guangzhou Thermal Power Plant and the second 650MW coal-fired generation unit of Liyujiang B Power Plant commenced commercial operation. The first 300MW coal-fired generation unit of Cangzhou Power Plant is also expected to commence operation within the year.

In July 2007, the Company completed the acquisition of 55% equity interest in Jinzhou Power Plant, and has commenced an improvement process in the corporate structure and business operation of the power plant with an aim to enhance its operational efficiency and profitability. We also plan to complete the acquisition of the 45% equity interest in Yangzhou No.2 Power Plant, 44.7% equity interest in Xingtai Power Plant and the remaining 45% equity interest in Jinzhou Power Plant in the remaining months of this year. Upon completion of such acquisitions, the Company will take various measures in order to generate a return on investment satisfactory to our shareholders as soon as practicable. It is expected that the Company's operational attributable capacity will reach more than 12,000MW by the end of 2007.

APPRECIATION

I would like to take this opportunity to express my gratitude towards the Directors, management team and general staff members for their precious contributions and dedications throughout the year. I would also like to take this opportunity to thank shareholders, business partners and customers for their support.

Yours sincerely,

Song Lin
Chairman

20 August 2007

Management's Discussion and Analysis

BUSINESS REVIEW FOR THE FIRST HALF OF 2007

Growth of generation capacity

As at 30 June 2007, we had 21 power plants in commercial operation with a total attributable operational generation capacity of 8,741MW. As a comparison, our attributable operational generation capacities were 6,210MW and 8,003MW, respectively as at 30 June 2006 and 31 December 2006.

Our attributable operational generation capacity increased by 2,531MW or 40.8% from 6,210MW as at 30 June 2006 to 8,741MW as at 30 June 2007, mainly due to:

- acquisition of a 55% equity interest in Fuyang Power Plant from our immediate holding company, China Resources (Holdings) Company Limited ("CRH") in September 2006. The two generation units of Fuyang Power Plant commenced commercial operation in March and June 2006, respectively;
- acquisition of a 65% equity interest in Yunpeng Power Plant from CRH in September 2006. Unit 1 of Yunpeng Power Plant commenced commercial operation in May 2007;
- commencement of commercial operation of the two generation units of Gucheng Power Plant in September and December 2006, respectively;
- commencement of commercial operation of unit 2 of Shouyangshan Power Plant in October 2006;
- commencement of commercial operation of the two generation units of Xingning Power Plant in October 2006 and May 2007, respectively; and
- commencement of commercial operation of unit 1 of Liyujiang B Power Plant in June 2007.

The following table sets out the attributable operational generation capacity of our power plants in the context of geographical distribution as at 30 June 2007:

	Attributable operational generation capacity	
	MW	%
Eastern China	3,380	38.7
Central China	2,961	33.9
Southern China	1,863	21.3
Northern China	537	6.1
Total	8,741	100.0

Management's Discussion and Analysis *(Cont'd)*

BUSINESS REVIEW FOR THE FIRST HALF OF 2007 *(Cont'd)*

Development of greenfield power plants

Our development strategy is to continue to identify suitable development opportunities in our target markets in order to maintain satisfactory growth of profitability and return on equity in the future.

In February 2007, we obtained approval from the PRC government for the construction of Shantou Wind Power Plant. Shantou Wind Power Plant is located in Nan'ao Island of Shantou City in Guangdong Province and is adjacent to Dannan Wind Power Plant. It has a total installed capacity of 26MW and is expected to commence commercial operation in 2008. The Company owns 100% equity interest in Shantou Wind Power Plant.

Acquisition of new power plants

On 30 May 2007, the Company entered into an agreement to acquire a 30% and 15% equity interest in Yangzhou No.2 Power Plant from Jiangsu Electric Power Company and East China Grid Company Limited, respectively. Yangzhou No.2 Power Plant is located in Yangzhou City, Jiangsu Province. It consists of two 600MW coal-fired generation units which commenced commercial operation in November 1998 and June 1999, respectively. The power generated by Yangzhou No.2 Power Plant is sold to Jiangsu Provincial Power Grid under East China Grid Company Limited.

On 8 June 2007, the Company entered into an agreement to acquire a 44.7% equity interest in Xingtai Power Plant from Hebei Electric Power Corporation. Xingtai Power Plant is located in Xingtai, Hebei Province. It consists of six 220MW coal-fired generation units which commenced commercial operation from December 1985 to October 1992. The power generated by Xingtai Power Plant is sold to Hebei Southern Provincial Power Grid under the North China Grid Company Limited.

Increase in generation volume

Total gross generation volume of our 21 operating power plants amounted to 37,585,705MWh in the first half of 2007, representing an increase of 40.1% from 26,819,508MWh in the first half of 2006. Total gross generation volume of our 15 consolidated power plants amounted to 22,157,087MWh in the first half of 2007, representing an increase of 70.9% from 12,964,678MWh in the first half of 2006.

Total net generation volume of our 21 operating power plants amounted to 35,218,775MWh in the first half of 2007, representing an increase of 39.8% from 25,184,623MWh in the first half of 2006. Total net generation volume of our 15 consolidated power plants amounted to 20,823,703MWh in the first half of 2007, representing an increase of 71.2% from 12,161,712MWh in the first half of 2006.

The increase in gross and net generation volume was primarily due to the growth of attributable operational generation capacity from 6,210MW as at 30 June 2006 to 8,741MW as at 30 June 2007.

Management's Discussion and Analysis *(Cont'd)*

BUSINESS REVIEW FOR THE FIRST HALF OF 2007 *(Cont'd)*

Increase in generation volume *(Cont'd)*

For the 13 coal-fired power plants which were in commercial operation for the entire first half of 2006 and 2007, gross generation volume and net generation volume for the first half of 2007 increased by 6.4% and 6.1% as compared to the first half of 2006, respectively.

The following three tables set out the gross generation, net generation and utilisation hours of our operating power plants for the six months ended 30 June 2006 and 2007:

Gross Generation

	For the six months ended		Increase/ (Decrease)
	30 June 2007	30 June 2006	%
	MWh	MWh	
Consolidated power plants			
Changshu Power Plant	5,144,535	4,607,207	11.7
Fuyang Power Plant	3,416,951	N/A	N/A
Shouyangshan Power Plant	3,250,830	151,542	N/A ⁽¹⁾
Liyujiang Phase II	2,307,186	2,141,004	7.8
Dengfeng Power Plant	1,917,808	1,926,693	(0.5)
Puqi Power Plant	1,807,026	1,944,888	(7.1)
Gucheng Power Plant	1,544,358	N/A	N/A
Jiaozuo Thermal Power Plant	753,425	668,650	12.7
Tangshan Thermal II Power Plant	623,727	575,599	8.4
Yixing Power Plant	437,926	456,065	(4.0)
Luoyang Power Plant	428,317	425,702	0.6
Beijing Thermal Power Plant	351,661	36,293	N/A ⁽¹⁾
Yunpeng Power Plant	85,415	N/A	N/A
Liyujiang B Power Plant	61,116	N/A	N/A
Dannan Wind Power Plant	26,806	31,035	(13.6)
Total of consolidated power plants	22,157,087	12,964,678	70.9
Associate power plants			
Shajiao C Power Plant	6,638,506	5,554,879	19.5
Xuzhou Power Plant	3,165,574	2,926,439	8.2
Wenzhou Telluride Phase II	1,899,618	1,715,982	10.7
Hengfeng Phase II	1,667,740	1,722,250	(3.2)
Hengfeng Power Plant	1,521,490	1,935,280	(21.4)
Xingning Power Plant	535,690	N/A	N/A
Total of associate power plants	15,428,618	13,854,830	11.4
Total of consolidated and associate power plants	37,585,705	26,819,508	40.1

Management's Discussion and Analysis *(Cont'd)*

BUSINESS REVIEW FOR THE FIRST HALF OF 2007 *(Cont'd)*

Increase in generation volume *(Cont'd)*

Net Generation

	For the six months ended		Increase/ (Decrease) %
	30 June 2007 MWh	30 June 2006 MWh	
Consolidated power plants			
Changshu Power Plant	4,868,276	4,369,363	11.4
Fuyang Power Plant	3,221,482	N/A	N/A
Shouyangshan Power Plant	3,044,381	140,294	N/A ⁽¹⁾
Liyujiang Phase II	2,145,939	1,997,017	7.5
Dengfeng Power Plant	1,814,110	1,818,998	(0.3)
Puqi Power Plant	1,714,329	1,847,773	(7.2)
Gucheng Power Plant	1,457,246	N/A	N/A
Jiaozuo Thermal Power Plant	703,115	611,742	14.9
Tangshan Thermal II Power Plant	559,227	512,399	9.1
Yixing Power Plant	402,545	419,482	(4.0)
Luoyang Power Plant	380,248	378,758	0.4
Beijing Thermal Power Plant	345,581	35,655	N/A ⁽¹⁾
Yunpeng Power Plant	84,897	N/A	N/A
Liyujiang B Power Plant	56,352	N/A	N/A
Dannan Wind Power Plant	25,975	30,231	(14.1)
Total of consolidated power plants	20,823,703	12,161,712	71.2
Associate power plants			
Shajiao C Power Plant	6,133,567	5,156,836	18.9
Xuzhou Power Plant	3,006,091	2,779,930	8.1
Wenzhou Telluride Phase II	1,780,553	1,631,195	9.2
Hengfeng Phase II	1,560,350	1,618,840	(3.6)
Hengfeng Power Plant	1,426,910	1,836,110	(22.3)
Xingning Power Plant	487,601	N/A	N/A
Total of associate power plants	14,395,072	13,022,911	10.5
Total of consolidated and associate power plants	35,218,775	25,184,623	39.8

Management's Discussion and Analysis *(Cont'd)*

BUSINESS REVIEW FOR THE FIRST HALF OF 2007 *(Cont'd)*

Increase in generation volume *(Cont'd)*

Utilisation hours

	For the six months ended	
	30 June 2007 Hours	30 June 2006 Hours
Consolidated power plants		
Changshu Power Plant	2,638	2,363
Fuyang Power Plant	2,669	N/A
Shouyangshan Power Plant	2,709	126 ⁽²⁾
Liyujiang Phase II	3,161	2,933
Dengfeng Power Plant	3,196	3,211
Puqi Power Plant	3,012	3,241
Gucheng Power Plant	2,574	N/A
Jiaozuo Thermal Power Plant	2,790	2,476
Tangshan Thermal II Power Plant	3,119	2,878
Yixing Power Plant	3,649	3,801
Luoyang Power Plant	4,283	4,257
Beijing Thermal Power Plant	2,344	242 ⁽²⁾
Yunpeng Power Plant	1,220 ⁽²⁾	N/A
Liyujiang B Power Plant	94 ⁽²⁾	N/A
Dannan Wind Power Plant	1,117	1,293
Associate power plants		
Shajiao C Power Plant	3,353	2,805
Xuzhou Power Plant	2,638	2,439
Wenzhou Telluride Phase II	3,166	2,860
Hengfeng Phase II	2,780	2,870
Hengfeng Power Plant	2,536	3,225
Xingning Power Plant	1,984 ⁽²⁾	N/A

Notes:

- (1) These power plants commenced commercial operation during the first half of 2006. Comparison of increase in generation volume is not meaningful.
- (2) These power plants commenced commercial operation during the reporting periods and their respective utilisation hours are not annualised.

Management's Discussion and Analysis *(Cont'd)*

BUSINESS REVIEW FOR THE FIRST HALF OF 2007 *(Cont'd)*

Control of fuel costs

Average unit fuel cost for our consolidated operating power plants in the first half of 2007 was RMB167.4/MWh, representing a decrease of 0.6% compared to the average unit fuel cost of the same period last year.

Average standard coal cost for our consolidated operating power plants in the first half of 2007 increased by 3.7% compared to the average standard coal cost of the same period last year.

Environmental compliance

All of our projects have been conducted in full compliance with the requirements under PRC Environmental Protection Law and the regulations promulgated by the PRC government. For the six months ended 30 June 2007, environmental fees paid by each of the operating power plants were in the range from RMB0.3 million to RMB8.6 million and the total amount of environmental fee paid by our subsidiary power plants was RMB25.2 million.

PROSPECTS FOR THE SECOND HALF OF 2007

Unit 1 of Guangzhou Thermal Power Plant and Unit 2 of Yunpeng Power Plant commenced commercial operation in July 2007. In addition, a number of our generation units are expected to commence commercial operation in the second half of 2007, including:

- unit 2 of Guangzhou Thermal Power Plant;
- unit 3 of Yunpeng Power Plant;
- unit 2 of Liyujiang B Power Plant; and
- unit 1 of Cangzhou Power Plant.

On 3 July 2007, Barco Resources Limited, a wholly-owned subsidiary of the Company, entered into an acquisition agreement with Pollen First Power Corporation whereby Barco Resources Limited agreed to acquire the entire shareholding in Eastern (Jinzhou) Investment Co., Ltd ("Eastern Jinzhou"). As at the date of the agreement, the sole asset held by Eastern Jinzhou is 55% equity interest in Jinzhou Power Plant. In addition, on 3 July 2007, Eastern Jinzhou entered into an agreement with Liaoning Province Power Company Limited to acquire the remaining 45% equity interest in Jinzhou Power Plant. The acquisition of the 55% equity interest in Eastern Jinzhou was completed on 25 July 2007.

We will continue to identify and develop new projects in line with our development strategies and investment principles in our target markets. Apart from applying for the PRC government's approval to develop new power plants, we will also continue to explore acquisition opportunities in our target markets.

For operating power plants, we will continue to monitor utilisation levels of the units in their respective locations and aim to maximise our dispatch volume and sales revenue.

Management's Discussion and Analysis *(Cont'd)*

OPERATING RESULTS

The results of operations for the six months ended 30 June 2007, which have been reviewed by the auditors and the audit committee of the Company, are as follows:

Condensed consolidated income statement

For the six months ended 30 June 2007

	2007 HK\$'000 (unaudited)	2006 HK\$'000 (unaudited)
Turnover	6,628,010	3,767,656
Operating expenses		
Fuel	(3,622,055)	(1,952,351)
Repair and maintenance	(110,222)	(77,219)
Depreciation and amortisation	(709,520)	(386,563)
Others	(539,942)	(391,010)
Total operating expenses	(4,981,739)	(2,807,143)
Other income	107,539	88,941
Profit from operations	1,753,810	1,049,454
Finance costs	(414,024)	(255,694)
Share of results of associates	347,842	347,079
Profit before taxation	1,687,628	1,140,839
Taxation	(5,383)	(5,081)
Profit for the period	1,682,245	1,135,758
Attributable to:		
Equity holders of the Company	1,411,452	1,001,950
Minority interests	270,793	133,808
	1,682,245	1,135,758
Dividend paid	539,236	609,976
Interim dividend proposed	194,903	152,620
Earnings per share		
– basic	36.71 cents	26.29 cents
– diluted	35.10 cents	25.81 cents

Management's Discussion and Analysis *(Cont'd)*

OPERATING RESULTS *(Cont'd)*

Condensed consolidated balance sheet

At 30 June 2007

	30 June 2007 HK\$'000 (unaudited)	31 December 2006 HK\$'000 (audited)
Non-current assets		
Property, plant and equipment	31,265,653	27,341,499
Prepaid lease payments	434,200	361,840
Interests in associates	4,075,952	3,769,171
Goodwill	213,506	213,506
Investment in investee companies	108,186	108,186
Deposits paid for investment in an associate	77,942	77,942
Deposits paid for acquisition of property, plant and equipment	175,808	109,540
Amount due from an associate	506,010	432,173
Pledged bank deposits	37,337	37,337
Deferred taxation assets	5,249	5,398
Derivative financial instruments	30,003	87
	36,929,846	32,456,679
Current assets		
Inventories	655,125	499,176
Trade receivables, other receivables and prepayments	2,919,992	2,316,773
Amount due from minority shareholders of subsidiaries	3,155	3,024
Dividend receivable from associates	61,089	—
Amounts due from associates	27,442	13,848
Amounts due from group companies	71	73
Pledged bank deposits	1,716	1,666
Bank balances and cash	2,893,094	2,747,242
	6,561,684	5,581,802

Management's Discussion and Analysis *(Cont'd)*

OPERATING RESULTS *(Cont'd)*

Condensed consolidated balance sheet *(Cont'd)*

At 30 June 2007

	30 June 2007 HK\$'000 (unaudited)	31 December 2006 HK\$'000 (audited)
Current liabilities		
Trade payables, other payables and accruals	5,416,328	4,097,677
Amounts due to an associate	198	—
Amounts due to group companies	59,310	100,293
Amounts due to minority shareholders of subsidiaries	129,649	92,723
Taxation payable	573	1,017
Bank and other borrowings - repayable within one year	5,117,918	3,993,946
	10,723,976	8,285,656
Net current liabilities	(4,162,292)	(2,703,854)
Total assets less current liabilities	32,767,554	29,752,825
Non-current liabilities		
Bank and other borrowings - repayable over one year	14,007,644	12,597,052
Deferred taxation liabilities	25,795	21,211
	14,033,439	12,618,263
	18,734,115	17,134,562
Capital and reserves		
Share capital	3,855,742	3,831,162
Share premium and reserves	12,906,213	11,453,697
Equity attributable to equity holders of the Company	16,761,955	15,284,859
Minority interests	1,972,160	1,849,703
	18,734,115	17,134,562

Management's Discussion and Analysis *(Cont'd)*

OPERATING RESULTS *(Cont'd)*

Condensed consolidated cash flow statement

For the six months ended 30 June 2007

	2007 HK\$'000 (unaudited)	2006 HK\$'000 (unaudited)
Net cash from operating activities	2,382,104	1,358,004
Net cash used in investing activities		
Dividend received from associates	309,524	459,418
Purchase of property, plant and equipment	(3,119,310)	(2,056,133)
Loan advance to an associate	(61,578)	(221,707)
Capital contribution for the investment in associates	(231,237)	—
Acquisition of interest in an associate	—	(136,537)
Acquisition of subsidiaries	—	(103,292)
Deposits paid for investment in an associate	—	(76,880)
Other investing cash outflow	(55,258)	(53,492)
	(3,157,859)	(2,188,623)
Net cash from financing activities		
New bank and other borrowings raised	6,471,913	3,904,831
Capital contributed from minority shareholders	153,811	87,524
Repayment of bank and other borrowings	(4,516,039)	(2,598,065)
Interest paid	(424,410)	(346,326)
Dividend paid	(539,236)	(609,976)
Dividend paid to minority shareholders of subsidiaries	(316,819)	(11,711)
Other financing cash inflow	71,430	9,319
	900,650	435,596
Net increase (decrease) in cash and cash equivalents	124,895	(395,023)
Cash and cash equivalents at beginning of the period	2,747,242	4,411,484
Effect of foreign exchange rate changes	20,957	—
Cash and cash equivalents at end of the period	2,893,094	4,016,461
Analysis of the balances of cash and cash equivalents:		
Bank balances and cash	2,893,094	4,016,461

Management's Discussion and Analysis *(Cont'd)*

OPERATING RESULTS *(Cont'd)*

Overview

For the six months ended 30 June 2007, our net profit increased by 40.9% to HK\$1,411.5 million from HK\$1,002.0 million for the same period last year. Our turnover increased by 75.9% from HK\$3,767.7 million for the first half of 2006 to HK\$6,628.0 million for the first half of 2007.

The improvement in the results of operations is mainly attributable to the increase in the Group's attributable operational capacity from 6,210MW as at 30 June 2006 to 8,741MW as at 30 June 2007.

In particular,

- contribution from Fuyang Power Plant which we acquired in September 2006 for the entire six months in the first half of 2007;
- a number of generation units including two generation units of Shouyangshan Power Plant, Beijing Thermal Power Plant and Gucheng Power Plant and unit 1 of Xingning Power Plant commenced commercial operation in 2006 and operated for the entire six months in the first half of 2007; and
- a number of generation units including unit 2 of Xingning Power Plant, unit 1 of Yunpeng Power Plant and unit 1 of Liyujiang B Power Plant commenced commercial operation in the first half of 2007.

Basis of preparation of the condensed financial statements

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

The Group had net current liabilities of HK\$4,162,292,000 as at 30 June 2007 (at 31 December 2006: HK\$2,703,854,000) with short-term bank borrowings which can be renewed on an annual basis at the discretion of the Company within limits approved by banks. The Directors are of the opinion that, taking into account the presently available banking facilities and internal financial resources of the Group, the Group has sufficient working capital for its present requirements and for at least the next 12 months commencing from the date of the financial statements. Hence, the financial statements have been prepared on a going concern basis.

Management's Discussion and Analysis *(Cont'd)*

OPERATING RESULTS *(Cont'd)*

Principal accounting policies

The condensed financial statements have been prepared under the historical cost convention except for certain financial instruments which are measured at fair values.

The accounting policies used in the condensed financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2006.

In the current interim period, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standard, amendments of Hong Kong Accounting Standards and interpretations (hereinafter collectively referred to as "new HKFRSs") issued by HKICPA, which are effective from 1 January 2007. The adoption of the new HKFRSs has no material effect on how the Group's results and financial position for the current and prior accounting periods are prepared and presented. Accordingly, no prior period adjustment is required.

Business segments

The Group is principally engaged in a single business segment, being the development, investment and operation of power plants in the PRC.

Geographical segments

Nearly all of the Group's assets and liabilities are located in the PRC and operations for the period were substantially carried out in the PRC. Accordingly, no geographical segment information for the period is presented.

Turnover

Turnover represents the amounts received and receivable for electricity delivered, and to a limited extent, the amounts received and receivable for heat delivered by thermal power plants, net of value added tax, during the period. Turnover for the six months ended 30 June 2007 amounted to HK\$6,628.0 million, representing a 75.9% increase from HK\$3,767.7 million for the six months ended 30 June 2006.

The significant increase was mainly due to the consolidation of turnover of Fuyang Power Plant, Shouyangshan Power Plant, Gucheng Power Plant and Beijing Thermal Power Plant (the "four power plants"), which were acquired or commenced commercial operation during 2006 and which made a full six-month contribution in the first half of 2007.

Management's Discussion and Analysis *(Cont'd)*

OPERATING RESULTS *(Cont'd)*

Operating expenses

Operating expenses amounted to HK\$4,981.7 million for the six months ended 30 June 2007, representing a 77.5% increase from HK\$2,807.1 million for the six months ended 30 June 2006. Operating expenses mainly comprise fuel costs, repair and maintenance, depreciation and amortisation and staff costs. The increase was mainly due to the consolidation of the operating expenses of the four power plants for the entire first half of 2007.

Fuel costs for the six months ended 30 June 2007 amounted to approximately HK\$3,622.1 million, representing an increase of 85.5% from HK\$1,952.4 million for the six months ended 30 June 2006. The increase in fuel costs was primarily due to the consolidation of the fuel costs of the four power plants in the entire first half of 2007. Fuel costs accounted for approximately 72.7% of the total operating expenses for the first half of 2007, compared to 69.5% for the first half of 2006.

Other income

Other income amounted to HK\$107.5 million for the six months ended 30 June 2007, representing a 20.9% increase from HK\$88.9 million for the six months ended 30 June 2006. Other income mainly comprises interest income from bank balances of approximately HK\$28.4 million and gain from foreign exchange rate changes of approximately HK\$23.8 million.

Profit from operations

Profit from operations represents profit from subsidiaries before deduction of finance costs and minority interests. Profit from operations amounted to HK\$1,753.8 million for the six months ended 30 June 2007, representing a 67.1% increase from HK\$1,049.5 million for the six months ended 30 June 2006. The increase was mainly due to the consolidation of the four power plants for the entire first half of 2007.

Management's Discussion and Analysis *(Cont'd)*

OPERATING RESULTS *(Cont'd)*

Finance costs

Finance costs amounted to HK\$414.0 million for the six months ended 30 June 2007, representing a 61.9% increase from HK\$255.7 million for the six months ended 30 June 2006. The increase was mainly due to the consolidation of the interest expenses of the four power plants for the entire first half of 2007. Interest expenses incurred during the construction of the power plants are capitalised and included as part of total construction costs of power plants.

	For the six months ended	
	30 June 2007 HK\$'000	30 June 2006 HK\$'000
Interest on bank and other borrowings		
– repayable within five years	367,297	103,806
– not repayable within five years	172,658	246,750
	539,955	350,556
Less: Interest capitalised	(125,931)	(94,862)
	414,024	255,694

Share of results of associates

Share of results of associates mainly represents our share of post-tax results of Shajiao C Power Plant, Wenzhou Telluride Phase II, Xuzhou Power Plant, Hengfeng Power Plant and Hengfeng Phase II.

Share of results of associates in the first half of 2007 amounted to HK\$347.8 million, representing a 0.2% increase compared to HK\$347.1 million in the first half of 2006.

Management's Discussion and Analysis *(Cont'd)*

OPERATING RESULTS *(Cont'd)*

Taxation

Taxation charge for the first half of 2007 was HK\$5.3 million, compared to HK\$5.1 million for the first half of 2006. Details of the taxation charge for the six months ended 30 June 2006 and 2007 are set out below:

	For the six months ended	
	30 June 2007	30 June 2006
	HK\$'000	HK\$'000
The charge comprises:		
The Company and its subsidiaries		
– Hong Kong Profits Tax	—	—
– PRC Enterprise Income Tax	1,342	1,576
– Deferred taxation	4,041	3,505
	5,383	5,081

No provision for Hong Kong Profits Tax has been made as the Group had no taxable profits in Hong Kong for the reporting periods.

PRC Enterprise Income Tax has been calculated based on the estimated assessable profits in accordance with the relevant tax laws applicable to the subsidiaries in the PRC.

Pursuant to the relevant laws and regulations in the PRC, the Company's PRC subsidiaries are exempted from the PRC Enterprise Income Tax for the two years from their first profit-making year, and enjoy a 50% reduction for the subsequent three years.

The PRC Enterprise Income Tax of HK\$1.3 million relates to tax paid by Dannan Wind Power Plant.

Management's Discussion and Analysis *(Cont'd)*

OPERATING RESULTS *(Cont'd)*

Profit for the period

Profit for the period has been arrived at after charging:

	For the six months ended	
	30 June 2007 HK\$'000	30 June 2006 HK\$'000
Depreciation of property, plant and equipment	713,875	392,421
Less: Depreciation of property, plant and equipment capitalised in construction in progress	(4,356)	(5,858)
	709,520	386,563
Share of tax of associates (included in share of results of associates)	50,242	54,105
and after crediting:		
Recognition of discount on acquisition of an associate (included in share of results of associates)	—	5,883
Interest income	28,403	71,033

Profit for the period attributable to equity holders of the Company

As a result of the above, the Group's net profit for the first half of 2007 increased to HK\$1,411.5 million, representing a 40.9% increase compared to HK\$1,002.0 million for the first half of 2006.

Management's Discussion and Analysis *(Cont'd)*

OPERATING RESULTS *(Cont'd)*

Earnings per share

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

	For the six months ended	
	30 June 2007 HK\$'000	30 June 2006 HK\$'000
Profit attributable to equity holders of the Company	1,411,452	1,001,950

	Number of ordinary shares	
	1 January 2007 to 30 June 2007	1 January 2006 to 30 June 2006
Weighted average number of ordinary shares for the purposes of basic earnings per share	3,845,116,243	3,811,371,862
Effect of dilutive potential ordinary shares on share options	175,772,283	71,060,807
Weighted average number of ordinary shares for the purposes of diluted earnings per share	4,020,888,526	3,882,432,669

Interim dividend and closure of register of members

The Board of Directors resolved to declare an interim dividend of HK5 cents per share for the six months ended 30 June 2007.

The interim dividend will be distributed to shareholders of the Company whose names appear on the register of members of the Company on Friday, 21 September 2007. The register of members of the Company will be closed from Monday, 17 September 2007 to Friday, 21 September 2007 (both days inclusive), during which 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 Friday, 14 September 2007. The dividend will be payable on or about 2 October 2007.

Management's Discussion and Analysis *(Cont'd)*

OPERATING RESULTS *(Cont'd)*

Liquidity and capital resources

The bank balances, cash and pledged bank deposits as at 30 June 2007 denominated in local currency and foreign currencies amounted to HK\$482.9 million, RMB2,333.7 million and US\$7.0 million.

For the six months ended 30 June 2007, the Group's primary sources of funding included loans provided by the PRC domestic commercial banks, net cash inflow from operating activities and dividend received from associates, which amounted to HK\$6,471.9 million, HK\$2,382.1 million and HK\$309.5 million, respectively. The Group's funds were primarily used in the repayment of short-term bank loans, purchase of properties, plants and equipment during the construction of new power plants, payment of dividend and payment of interest, which amounted to HK\$4,516.0 million, HK\$3,119.3 million, HK\$539.2 million and HK\$424.4 million, respectively.

Bank and other borrowings

The bank and other borrowings as at 30 June 2007 denominated in local currency and foreign currency amounted to HK\$1,000 million and RMB17,661 million, respectively.

During the six months ended 30 June 2007, the Group repaid bank and other borrowings amounting to HK\$4,516,039,000 (six months ended 30 June 2006: HK\$2,598,065,000) and obtained new bank and other borrowings amounting to HK\$6,471,913,000 (six months ended 30 June 2006: HK\$3,904,831,000), proceeds of which were used for general working capital and for financing the acquisition of property, plant and equipment.

Management's Discussion and Analysis *(Cont'd)*

OPERATING RESULTS *(Cont'd)*

Key financial ratios of the Group

	As at 30 June 2007	As at 31 December 2006
Current ratio (times)	0.61	0.67
Quick ratio (times)	0.55	0.61
Net debt to shareholders' equity (%)	96.6	90.3
EBITDA interest coverage (times)	5.21	5.48

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 total bank and other borrowings at the end of the period - balance of bank balances, cash and pledged bank deposits at the end of the period) / balance of equity attributable to equity holders of the Company at the end of the period
EBITDA interest coverage	=	(profit before taxation + interest expense + depreciation and amortisation) / interest expenditure (including capitalised interests)

Foreign exchange rate risk

We collect all of our revenue in Renminbi ("RMB") and most of our expenditures including expenditures incurred in the operation of power plants as well as capital expenditures are also denominated in RMB. Dividends receivable from the Company's subsidiaries and associates can be collected in either RMB, US Dollar ("USD") or Hong Kong Dollar ("HKD").

As at 30 June 2007, the Group had HK\$482.9 million and US\$7.0 million cash in deposit, and a HK\$1 billion long-term liability on its balance sheet, the remaining assets and liabilities of our power plants and subsidiaries were denominated in RMB. The appreciation of RMB against HKD and USD has an overall positive impact on the Group.

Contingent liabilities

The Group did not have any material contingent liabilities as at 30 June 2007.

Legal liabilities

The Group is not involved in any material litigation.

Employees

As at 30 June 2007, the Company and its subsidiaries employed approximately 3,300 employees.

Management's Discussion and Analysis *(Cont'd)*

OPERATION STATISTICS BY POWER PLANTS

The tables below set out certain operation statistics of our power plants for the years ended 31 December 2005 and 2006 and the six months ended 30 June 2006 and 2007:

Shajiao C Power Plant

	For the six months ended 30 June		For the year ended 31 December	
	2007	2006	2006	2005
Installed capacity at period end (MW)	1,980	1,980	1,980	1,980
Utilisation hours	3,353	2,805	6,639	6,962
Gross generation (MWh)	6,638,506	5,554,879	13,145,697	13,784,034
Net generation (MWh)	6,133,567	5,156,836	12,184,886	12,876,107
Equivalent availability factor (%)	91	81	89	97
Net generation standard coal consumption rate (grams/kWh)	330	327	328	322

Changshu Power Plant

	For the six months ended 30 June		For the year ended 31 December	
	2007	2006	2006	2005
Installed capacity at period end (MW)	1,950	1,950	1,950	1,300
Utilisation hours	2,638	2,363	5,317	N/A
Gross generation (MWh)	5,144,535	4,607,207	10,368,325	5,853,265
Net generation (MWh)	4,868,276	4,369,363	9,816,227	5,568,971
Equivalent availability factor (%)	100	100	100	92
Net generation standard coal consumption rate (grams/kWh)	308	325	321	327

Management's Discussion and Analysis *(Cont'd)*

OPERATION STATISTICS BY POWER PLANTS *(Cont'd)*

Fuyang Power Plant

	For the six months ended 30 June		For the year ended 31 December	
	2007	2006	2006	2005
Installed capacity at period end (MW)	1,280	N/A	1,280	N/A
Utilisation hours	2,669	N/A	N/A	N/A
Gross generation (MWh)	3,416,951	N/A	2,100,752	N/A
Net generation (MWh)	3,221,482	N/A	1,980,021	N/A
Equivalent availability factor (%)	100	N/A	84	N/A
Net generation standard coal consumption rate (grams/kWh)	319	N/A	332	N/A

Shouyangshan Power Plant

	For the six months ended 30 June		For the year ended 31 December	
	2007	2006	2006	2005
Installed capacity at period end (MW)	1,200	600	1,200	N/A
Utilisation hours	2,709	N/A	N/A	N/A
Gross generation (MWh)	3,250,830	151,542	2,085,817	N/A
Net generation (MWh)	3,044,381	140,294	1,954,551	N/A
Equivalent availability factor (%)	100	100	95	N/A
Net generation standard coal consumption rate (grams/kWh)	329	414	326	N/A

Xuzhou Power Plant

	For the six months ended 30 June		For the year ended 31 December	
	2007	2006	2006	2005
Installed capacity at period end (MW)	1,200	1,200	1,200	1,200
Utilisation hours	2,638	2,439	5,412	6,113
Gross generation (MWh)	3,165,574	2,926,439	6,494,983	7,336,039
Net generation (MWh)	3,006,091	2,779,930	6,169,358	6,967,120
Equivalent availability factor (%)	91	89	95	97
Net generation standard coal consumption rate (grams/kWh)	343	345	345	349

Management's Discussion and Analysis *(Cont'd)*

OPERATION STATISTICS BY POWER PLANTS *(Cont'd)*

Liyujiang Phase II

	For the six months ended 30 June		For the year ended 31 December	
	2007	2006	2006	2005
Installed capacity at period end (MW)	730	730	730	600
Utilisation hours	3,161	2,933	6,608	6,399
Gross generation (MWh)	2,307,186	2,141,004	4,823,830	3,839,190
Net generation (MWh)	2,145,939	1,997,017	4,501,777	3,610,275
Equivalent availability factor (%)	87	89	93	81
Net generation standard coal consumption rate (grams/kWh)	360	356	362	351

Dengfeng Power Plant

	For the six months ended 30 June		For the year ended 31 December	
	2007	2006	2006	2005
Installed capacity at period end (MW)	600	600	600	600
Utilisation hours	3,196	3,211	6,169	6,039
Gross generation (MWh)	1,917,808	1,926,693	3,701,327	3,623,430
Net generation (MWh)	1,814,110	1,818,998	3,492,649	3,389,694
Equivalent availability factor (%)	100	100	96	92
Net generation standard coal consumption rate (grams/kWh)	337	337	339	360

Wenzhou Telluride Phase II

	For the six months ended 30 June		For the year ended 31 December	
	2007	2006	2006	2005
Installed capacity at period end (MW)	600	600	600	600
Utilisation hours	3,166	2,860	6,539	7,379
Gross generation (MWh)	1,899,618	1,715,982	3,923,280	4,427,520
Net generation (MWh)	1,780,553	1,631,195	3,726,175	4,225,307
Equivalent availability factor (%)	93	81	89	96
Net generation standard coal consumption rate (grams/kWh)	334	329	329	329

Management's Discussion and Analysis *(Cont'd)*

OPERATION STATISTICS BY POWER PLANTS *(Cont'd)*

Puqi Power Plant

	For the six months ended 30 June		For the year ended 31 December	
	2007	2006	2006	2005
Installed capacity at period end (MW)	600	600	600	600
Utilisation hours	3,012	3,241	6,913	5,303
Gross generation (MWh)	1,807,026	1,944,888	4,147,888	3,181,650
Net generation (MWh)	1,714,329	1,847,773	3,937,377	3,028,690
Equivalent availability factor (%)	95	96	98	90
Net generation standard coal consumption rate (grams/kWh)	346	347	347	342

Hengfeng Phase II

	For the six months ended 30 June		For the year ended 31 December	
	2007	2006	2006	2005
Installed capacity at period end (MW)	600	600	600	300
Utilisation hours	2,780	2,870	6,035	N/A
Gross generation (MWh)	1,667,740	1,722,250	3,621,150	3,402,318
Net generation (MWh)	1,560,350	1,618,840	3,408,630	3,191,855
Equivalent availability factor (%)	96	85	86	90
Net generation standard coal consumption rate (grams/kWh)	343	345	343	342

Gucheng Power Plant

	For the six months ended 30 June		For the year ended 31 December	
	2007	2006	2006	2005
Installed capacity at period end (MW)	600	N/A	600	N/A
Utilisation hours	2,574	N/A	N/A	N/A
Gross generation (MWh)	1,544,358	N/A	302,874	N/A
Net generation (MWh)	1,457,246	N/A	286,806	N/A
Equivalent availability factor (%)	100	N/A	77	N/A
Net generation standard coal consumption rate (grams/kWh)	337	N/A	338	N/A

Management's Discussion and Analysis *(Cont'd)*

OPERATION STATISTICS BY POWER PLANTS *(Cont'd)*

Hengfeng Power Plant

	For the six months ended 30 June		For the year ended 31 December	
	2007	2006	2006	2005
Installed capacity at period end (MW)	600	600	600	600
Utilisation hours	2,536	3,225	6,086	6,353
Gross generation (MWh)	1,521,490	1,935,280	3,651,310	3,811,931
Net generation (MWh)	1,426,910	1,836,110	3,456,060	3,612,597
Equivalent availability factor (%)	90	96	93	96
Net generation standard coal consumption rate (grams/kWh)	343	340	341	342

Jiaozuo Thermal Power Plant

	For the six months ended 30 June		For the year ended 31 December	
	2007	2006	2006	2005
Installed capacity at period end (MW)	270	270	270	270
Utilisation hours	2,790	2,476	5,297	N/A
Gross generation (MWh)	753,425	668,650	1,430,298	1,094,521
Net generation (MWh)	703,115	611,742	1,323,505	991,958
Equivalent availability factor (%)	90	83	91	99
Net generation standard coal consumption rate (grams/kWh)	361	381	376	407

Tangshan Thermal II Power Plant

	For the six months ended 30 June		For the year ended 31 December	
	2007	2006	2006	2005
Installed capacity at period end (MW)	200	200	200	200
Utilisation hours	3,119	2,878	6,475	N/A
Gross generation (MWh)	623,727	575,599	1,294,967	852,223
Net generation (MWh)	559,227	512,399	1,156,643	772,335
Equivalent availability factor (%)	80	80	87	89
Net generation standard coal consumption rate (grams/kWh)	350	360	365	389

Management's Discussion and Analysis *(Cont'd)*

OPERATION STATISTICS BY POWER PLANTS *(Cont'd)*

Xingning Power Plant

	For the six months ended 30 June		For the year ended 31 December	
	2007	2006	2006	2005
Installed capacity at period end (MW)	270	N/A	135	N/A
Utilisation hours	N/A	N/A	N/A	N/A
Gross generation (MWh)	535,690	N/A	142,929	N/A
Net generation (MWh)	487,601	N/A	131,286	N/A
Equivalent availability factor (%)	88	N/A	68	N/A
Net generation standard coal consumption rate (grams/kWh)	411	N/A	424	N/A

Yixing Power Plant

	For the six months ended 30 June		For the year ended 31 December	
	2007	2006	2006	2005
Installed capacity at period end (MW)	120	120	120	120
Utilisation hours	3,649	3,801	7,016	N/A
Gross generation (MWh)	437,926	456,065	841,873	754,630
Net generation (MWh)	402,545	419,482	772,585	686,231
Equivalent availability factor (%)	98	93	95	92
Net generation standard coal consumption rate (grams/kWh)	400	413	412	420

Luoyang Power Plant

	For the six months ended 30 June		For the year ended 31 December	
	2007	2006	2006	2005
Installed capacity at period end (MW)	100	100	100	100
Utilisation hours	4,283	4,257	7,989	7,969
Gross generation (MWh)	428,317	425,702	798,883	796,860
Net generation (MWh)	380,248	378,758	709,415	712,183
Equivalent availability factor (%)	99	100	97	93
Net generation standard coal consumption rate (grams/kWh)	418	416	420	439

Management's Discussion and Analysis *(Cont'd)*

OPERATION STATISTICS BY POWER PLANTS *(Cont'd)*

Beijing Thermal Power Plant

	For the six months ended 30 June		For the year ended 31 December	
	2007	2006	2006	2005
Installed capacity at period end (MW)	150	150	150	N/A
Utilisation hours	2,344	N/A	N/A	N/A
Gross generation (MWh)	351,661	36,293	453,506	N/A
Net generation (MWh)	345,581	35,655	446,043	N/A
Equivalent availability factor (%)	95	85	66	N/A
Net generation standard gas consumption rate (Nm ³ /MWh)	225	281	240	N/A

Yunpeng Power Plant

	For the six months ended 30 June		For the year ended 31 December	
	2007	2006	2006	2005
Installed capacity at period end (MW)	70	N/A	N/A	N/A
Utilisation hours	N/A	N/A	N/A	N/A
Gross generation (MWh)	85,415	N/A	N/A	N/A
Net generation (MWh)	84,897	N/A	N/A	N/A

Liyujiang B Power Plant

	For the six months ended 30 June		For the year ended 31 December	
	2007	2006	2006	2005
Installed capacity at period end (MW)	650	N/A	N/A	N/A
Utilisation hours	N/A	N/A	N/A	N/A
Gross generation (MWh)	61,116	N/A	N/A	N/A
Net generation (MWh)	56,352	N/A	N/A	N/A
Equivalent availability factor (%)	52	N/A	N/A	N/A
Net generation standard coal consumption rate (grams/kWh)	351	N/A	N/A	N/A

Dannan Wind Power Plant

	For the six months ended 30 June		For the year ended 31 December	
	2007	2006	2006	2005
Installed capacity at period end (MW)	24	24	24	N/A
Utilisation hours	1,117	1,293	2,463	N/A
Gross generation (MWh)	26,806	31,035	59,105	N/A
Net generation (MWh)	25,975	30,231	57,435	N/A

Report on Review of Interim Financial Information



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

INTRODUCTION

We have reviewed the interim financial information set out on pages 38 to 57 which comprises the condensed consolidated balance sheet of China Resources Power Holdings Company Limited as of 30 June 2007 and the related condensed consolidated income statement, condensed consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended and certain explanatory notes. The Main Board Listing 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 the Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on the 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 enquiries, 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 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 HKAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
20 August 2007

Condensed Consolidated Income Statement

For the six months ended 30 June 2007

	NOTES	1.1.2007 to 30.6.2007 HK\$'000 (unaudited)	1.1.2006 to 30.6.2006 HK\$'000 (unaudited)
Turnover		6,628,010	3,767,656
Operating expenses			
Fuel		(3,622,055)	(1,952,351)
Repair and maintenance		(110,222)	(77,219)
Depreciation and amortisation		(709,520)	(386,563)
Others		(539,942)	(391,010)
Total operating expenses		(4,981,739)	(2,807,143)
Other income		107,539	88,941
Profit from operations		1,753,810	1,049,454
Finance costs	4	(414,024)	(255,694)
Share of results of associates		347,842	347,079
Profit before taxation		1,687,628	1,140,839
Taxation	5	(5,383)	(5,081)
Profit for the period	6	1,682,245	1,135,758
Attributable to:			
Equity holders of the Company		1,411,452	1,001,950
Minority interests		270,793	133,808
		1,682,245	1,135,758
Dividends paid	7	539,236	609,976
Interim dividend proposed	7	194,903	152,620
Earnings per share	8		
– basic		36.71 cents	26.29 cents
– diluted		35.10 cents	25.81 cents

Condensed Consolidated Balance Sheet

At 30 June 2007

	NOTES	30.6.2007 HK\$'000 (unaudited)	31.12.2006 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment	9	31,265,653	27,341,499
Prepaid lease payments		434,200	361,840
Interests in associates		4,075,952	3,769,171
Goodwill		213,506	213,506
Investment in investee companies		108,186	108,186
Deposit paid for investment in an associate		77,942	77,942
Deposits paid for acquisition of property, plant and equipment		175,808	109,540
Amount due from an associate		506,010	432,173
Pledged bank deposits		37,337	37,337
Deferred taxation assets		5,249	5,398
Derivative financial instruments		30,003	87
		36,929,846	32,456,679
Current assets			
Inventories		655,125	499,176
Trade receivables, other receivables and prepayments	10	2,919,992	2,316,773
Amounts due from minority shareholders of subsidiaries		3,155	3,024
Dividend receivable from associates		61,089	—
Amounts due from associates		27,442	13,848
Amounts due from group companies		71	73
Pledged bank deposits		1,716	1,666
Bank balances and cash		2,893,094	2,747,242
		6,561,684	5,581,802

Condensed Consolidated Balance Sheet *(Cont'd)*

At 30 June 2007

	NOTES	30.6.2007 HK\$'000 (unaudited)	31.12.2006 HK\$'000 (audited)
Current liabilities			
Trade payables, other payables and accruals	11	5,416,328	4,097,677
Amounts due to associates		198	—
Amounts due to group companies		59,310	100,293
Amounts due to minority shareholders of subsidiaries		129,649	92,723
Taxation payable		573	1,017
Bank and other borrowings – repayable within one year	12	5,117,918	3,993,946
		10,723,976	8,285,656
Net current liabilities		(4,162,292)	(2,703,854)
Total assets less current liabilities		32,767,554	29,752,825
Non-current liabilities			
Bank and other borrowings – repayable over one year	12	14,007,644	12,597,052
Deferred taxation liabilities		25,795	21,211
		14,033,439	12,618,263
		18,734,115	17,134,562
Capital and reserves			
Share capital	13	3,855,742	3,831,162
Share premium and reserves		12,906,213	11,453,697
Equity attributable to equity holders of the Company		16,761,955	15,284,859
Minority interests		1,972,160	1,849,703
		18,734,115	17,134,562

The condensed consolidated financial statements on pages 38 to 57 were approved by the Board of Directors and authorised for issue on 20 August 2007 and are signed on its behalf by:

SONG LIN
DIRECTOR

WANG SHUAI TING
DIRECTOR

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2007

	Attributable to the equity holders of the Company										
	Share capital HK\$'000	Share premium HK\$'000	General reserve HK\$'000	Special reserve HK\$'000	Translation reserve HK\$'000	Share option reserve HK\$'000	Hedging reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000	Minority interests HK\$'000	Total HK\$'000
At 1 January 2006	3,810,044	4,475,753	162,779	40,782	171,897	243,917	25,813	4,161,914	13,092,899	821,647	13,914,546
Exchange differences from translation of operations outside Hong Kong recognised directly in equity	—	—	—	—	322,393	—	—	—	322,393	61,337	383,730
Share of changes in reserve of associates	—	—	—	—	119,596	—	—	—	119,596	—	119,596
Loss on cash flow hedges	—	—	—	—	—	—	(25,726)	—	(25,726)	—	(25,726)
Net income (loss) recognised directly in equity	—	—	—	—	441,989	—	(25,726)	—	416,263	61,337	477,600
Profit for the year	—	—	—	—	—	—	—	2,364,856	2,364,856	369,109	2,733,965
Total recognised income and expenses for the year	—	—	—	—	441,989	—	(25,726)	2,364,856	2,781,119	430,446	3,211,565
Shares issued upon exercise of options	21,118	39,106	—	—	—	—	—	—	60,224	—	60,224
Recognition of equity settled share based payments	—	—	—	—	—	113,230	—	—	113,230	—	113,230
Transfer of share option reserve on exercise of share options	—	32,214	—	—	—	(32,214)	—	—	—	—	—
Capital contribution by minority shareholders	—	—	—	—	—	—	—	—	—	239,786	239,786
Dividends paid to minority shareholders	—	—	—	—	—	—	—	—	—	(171,824)	(171,824)
Acquisition of additional interests	—	—	—	—	—	—	—	—	—	(43,378)	(43,378)
Acquired on acquisition of subsidiaries	—	—	—	—	—	—	—	—	—	573,026	573,026
Dividends paid	—	—	—	—	—	—	—	(762,613)	(762,613)	—	(762,613)
Transfer of reserves	—	—	(4,985)	—	—	—	—	4,985	—	—	—
At 31 December 2006	3,831,162	4,547,073	157,794	40,782	613,886	324,933	87	5,769,142	15,284,859	1,849,703	17,134,562
Exchange differences from translation of operations outside Hong Kong recognised directly in equity	—	—	—	—	333,178	—	—	—	333,178	51,598	384,776
Share of changes in reserve of associates	—	—	—	—	98,315	—	—	—	98,315	—	98,315
Gain on cash flow hedges	—	—	—	—	—	—	29,916	—	29,916	—	29,916
Net income recognised directly in equity	—	—	—	—	431,493	—	29,916	—	461,409	51,598	513,007
Profit for the period	—	—	—	—	—	—	—	1,411,452	1,411,452	270,793	1,682,245
Total recognised income and expense for the period	—	—	—	—	431,493	—	29,916	1,411,452	1,872,861	322,391	2,195,252
Shares issued upon exercise of options	24,580	46,850	—	—	—	—	—	—	71,430	—	71,430
Recognition of equity settled share based payments	—	—	—	—	—	72,041	—	—	72,041	—	72,041
Transfer of share option reserve on exercise of share options	—	37,670	—	—	—	(37,670)	—	—	—	—	—
Capital contribution by minority shareholders	—	—	—	—	—	—	—	—	—	153,811	153,811
Dividends paid to minority shareholders	—	—	—	—	—	—	—	—	—	(353,745)	(353,745)
Dividends paid	—	—	—	—	—	—	—	(539,236)	(539,236)	—	(539,236)
Transfer of reserves	—	—	140,011	—	—	—	—	(140,011)	—	—	—
At 30 June 2007	3,855,742	4,631,593	297,805	40,782	1,045,379	359,304	30,003	6,501,347	16,761,955	1,972,160	18,734,115

Condensed Consolidated Statement of Changes in Equity (Cont'd)

For the six months ended 30 June 2007

	Attributable to the equity holders of the Company										
	Share capital HK\$'000	Share premium HK\$'000	General reserve HK\$'000	Special reserve HK\$'000	Translation reserve HK\$'000	Share option reserve HK\$'000	Hedging reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000	Minority interests HK\$'000	Total HK\$'000
At 1 January 2006	3,810,044	4,475,753	162,779	40,782	171,897	243,917	25,813	4,161,914	13,092,899	821,647	13,914,546
Exchange differences from translation of operations outside Hong Kong recognised directly in equity	—	—	—	—	(5,844)	—	—	—	(5,844)	259	(5,585)
Share of changes in reserve of associates	—	—	—	—	2,660	—	—	—	2,660	—	2,660
Loss on cash flow hedges	—	—	—	—	—	—	(8,552)	—	(8,552)	—	(8,552)
Net expense recognised directly in equity	—	—	—	—	(3,184)	—	(8,552)	—	(11,736)	259	(11,477)
Profit for the period	—	—	—	—	—	—	—	1,001,950	1,001,950	133,808	1,135,758
Total recognised income and expense for the period	—	—	—	—	(3,184)	—	(8,552)	1,001,950	990,214	134,067	1,124,281
Shares issued upon exercise of options	2,919	5,901	—	—	—	—	—	—	8,820	—	8,820
Recognition of equity settled share based payments	—	—	—	—	—	53,381	—	—	53,381	—	53,381
Transfer of share option reserve on exercise of share options	—	4,613	—	—	—	(4,613)	—	—	—	—	—
Capital contribution by minority shareholders	—	—	—	—	—	—	—	—	—	87,524	87,524
Dividends paid to minority shareholders	—	—	—	—	—	—	—	—	—	(11,711)	(11,711)
Acquisition of additional interests	—	—	—	—	—	—	—	—	—	(43,378)	(43,378)
Acquired on acquisition of subsidiaries	—	—	—	—	—	—	—	—	—	126,404	126,404
Dividends	—	—	—	—	—	—	—	(609,976)	(609,976)	—	(609,976)
Transfer of reserves	—	—	(685)	—	—	—	—	685	—	—	—
At 30 June 2006	3,812,963	4,486,267	162,094	40,782	168,713	292,685	17,261	4,554,573	13,535,338	1,114,553	14,649,891

Condensed Consolidated Cash Flow Statement

For the six months ended 30 June 2007

	NOTE	1.1.2007 to 30.6.2007 HK\$'000 (unaudited)	1.1.2006 to 30.6.2006 HK\$'000 (unaudited)
Net cash from operating activities		2,382,104	1,358,004
Net cash used in investing activities			
Dividend received from associates		309,524	459,418
Purchase of property, plant and equipment		(3,119,310)	(2,056,133)
Loan advanced to an associate		(61,578)	(221,707)
Capital contribution for the investment in associates		(231,237)	—
Acquisition of interest in an associate		—	(136,537)
Acquisition of subsidiaries	15	—	(103,292)
Deposits paid for investment in an associate		—	(76,880)
Other investing cash outflow		(55,258)	(53,492)
		(3,157,859)	(2,188,623)
Net cash from financing activities			
New bank and other borrowings raised		6,471,913	3,904,831
Capital contribution from minority shareholders		153,811	87,524
Repayment of bank and other borrowings		(4,516,039)	(2,598,065)
Interest paid		(424,410)	(346,326)
Dividend paid		(539,236)	(609,976)
Dividend paid to minority shareholders of subsidiaries		(316,819)	(11,711)
Other financing cash inflow		71,430	9,319
		900,650	435,596
Net increase (decrease) in cash and cash equivalents		124,895	(395,023)
Cash and cash equivalents at beginning of the period		2,747,242	4,411,484
Effect of foreign exchange rate changes		20,957	—
Cash and cash equivalents at end of the period		2,893,094	4,016,461
Analysis of the balances of cash and cash equivalents:			
Bank balances and cash		2,893,094	4,016,461

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2007

1. BASIS OF PREPARATION

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 on The Stock Exchange of Hong Kong Limited and Hong Kong Accounting Standard 34 "Interim financial reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The Group had net current liabilities of HK\$4,162,292,000 as at 30 June 2007 (at 31 December 2006: HK\$2,703,854,000) with short-term bank borrowings which could be renewed on an annual basis at the discretion of the Company within limit approved by banks. The Directors are of the opinion that, taking into account the presently available banking facilities and internal financial resources of the Group, the Group has sufficient working capital for its present requirements, that and for at least the next 12 months commencing from the date of the financial statements. Hence, the financial statements have been prepared on a going concern basis.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared under the historical cost convention except for certain financial instruments, which are measured at fair values, as appropriate.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2006.

In the current interim period, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standard ("HKFRS"), amendment of Hong Kong Accounting Standard ("HKAS") and Interpretations ("INTs") (hereinafter collectively referred to as "new HKFRSs") issued by the HKICPA, which are effective for the Group's financial year beginning 1 January 2007. The adoption of the new HKFRSs has no material effect on the results and financial position for the current and prior accounting periods. Accordingly, no prior period adjustment is required.

The Group has not early applied the following new and revised standards or interpretations that have been issued but are not yet effective. The directors of the Company anticipate that the application of these standards or interpretations will have no material impact on the results and the financial position of the Group.

HKAS 23 (Revised)	Borrowing costs ¹
HKFRS 8	Operating segments ¹
HK(IFRIC) – INT 11	HKFRS 2 – Group and treasury share transactions ²
HK(IFRIC) – INT 12	Service concession arrangements ³

¹ Effective for annual periods beginning on or after 1 January 2009

² Effective for annual periods beginning on or after 1 March 2007

³ Effective for annual periods beginning on or after 1 January 2008

3. SEGMENT INFORMATION

Business segments

The Group's principal activities are the development and operation of power stations as a single business segment.

Geographical segments

Nearly all of the Group's assets and liabilities are located in the People's Republic of China, other than Hong Kong (the "PRC"), and operations for the period were substantially located in the PRC. Accordingly, no geographical segment information for the period is presented.

Notes to the Condensed Consolidated Financial Statements (Cont'd)

For the six months ended 30 June 2007

4. FINANCE COSTS

	1.1.2007 to 30.6.2007 HK\$'000	1.1.2006 to 30.6.2006 HK\$'000
Interest on bank and other borrowings:		
– wholly repayable within five years	367,297	103,806
– not wholly repayable within five years	172,658	246,750
	539,955	350,556
Less: Interest capitalised	(125,931)	(94,862)
	414,024	255,694

5. TAXATION

	1.1.2007 to 30.6.2007 HK\$'000	1.1.2006 to 30.6.2006 HK\$'000
The charge comprises:		
The Company and its subsidiaries		
– Hong Kong Profits Tax	—	—
– PRC Enterprise Income Tax	1,342	1,576
– Deferred taxation	4,041	3,505
	5,383	5,081

No provision for Hong Kong Profits Tax has been made as the Group has 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 laws applicable to the subsidiaries in the PRC.

Pursuant to the relevant laws and regulations in the PRC, certain of the Company's PRC subsidiaries are exempted from PRC Enterprise Income Tax for two years starting from their first profit-making year, followed by a 50% reduction for the next three years. In addition, certain of the Company's PRC subsidiaries are entitled to a tax benefit ("Tax Benefit"), which is calculated as 40% of the current year's purchase of PRC produced plant and equipment for production use. The Tax Benefit is, however, limited to the amount of increase in enterprise income tax for the current year in which the plant and equipment are acquired as compared with the tax amount of the previous year. The portion of the Tax Benefit that is not utilised in the current year can be carried forward for future application for a period of not more than seven years.

On 16 March 2007, the National People's Congress promulgated the Corporate Income Tax Law of the PRC (the new "CIT") which will be effective from 1 January 2008. The new CIT will impose a single income tax rate of 25% for both domestic and foreign invested enterprises. The existing Tax Law of the PRC for Enterprises with Foreign Investment and Foreign Enterprises (the "FIE and FE tax laws") and Provisional Regulations of the PRC on Enterprise Income Tax (collectively referred to as the "existing tax laws") will be abolished simultaneously. Currently, the Company's subsidiaries in PRC applied tax rates under the existing tax laws to provide for current and deferred tax. The Corporate Income Tax Law detailed implementation rulings have not been released. It is uncertain for the Company, at this stage, to assess the impact of such new law. The Directors of the Company will continue to assess the future financial impact on the Group upon release of detailed implementation rulings.

Notes to the Condensed Consolidated Financial Statements (Cont'd)

For the six months ended 30 June 2007

6. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging:

	1.1.2007 to 30.6.2007	1.1.2006 to 30.6.2006
Depreciation of property, plant and equipment	713,875	392,421
Less: Depreciation of property, plant and equipment capitalised in construction in progress	(4,355)	(5,858)
	709,520	386,563
Share of tax of associates (included in share of results of associates)	50,242	54,105
and after crediting:		
Recognition of discount on acquisition of an associate (included in share of results of associates)	—	5,883
Interest income	28,403	71,033

7. DIVIDENDS

	1.1.2007 to 30.6.2007 HK\$'000	1.1.2006 to 30.6.2006 HK\$'000
Final dividend paid of HK\$0.14 (2005: HK\$0.10) per share on 3,851,688,000 shares (2005: 3,812,349,000 shares)	539,236	381,235
Special dividend paid of HK\$nil (2005: HK\$0.06) per share	—	228,741
	539,236	609,976
Interim dividend proposed	194,903	152,620

The Board of Directors resolved to propose an interim dividend of HK\$0.05 per share for the six months ended 30 June 2007 (six months ended 30 June 2006: HK\$0.04). The proposed interim dividend for 2007 is based on 3,898,067,178 shares in issue at 17 August 2007.

Notes to the Condensed Consolidated Financial Statements (Cont'd)

For the six months ended 30 June 2007

8. EARNINGS PER SHARE

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

	1.1.2007 to 30.6.2007 HK\$'000	1.1.2006 to 30.6.2006 HK\$'000
Profit attributable to equity holders of the Company	1,411,452	1,001,950
	Number of ordinary shares	
	1.1.2007 to 30.6.2007	1.1.2006 to 30.6.2006
Weighted average number of ordinary shares for the purpose of basic earnings per share	3,845,116,243	3,811,371,862
Effect of dilutive potential ordinary shares on share options	175,772,283	71,060,807
Weighted average number of ordinary shares for the purpose of diluted earnings per share	4,020,888,526	3,882,432,669

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2007, the Group spent HK\$3,119,310,000 (six months ended 30 June 2006: HK\$2,056,133,000) on acquisition of property, plant and equipment.

10. TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS

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

The following is an ageing analysis of trade receivables included in trade receivables, other receivables and prepayments at the balance sheet date:

	30.6.2007 HK\$'000	31.12.2006 HK\$'000
0 - 30 days	1,503,567	1,234,477
31 - 60 days	439,436	332,677
Over 60 days	22,347	247,734
	1,965,350	1,814,888

Notes to the Condensed Consolidated Financial Statements (Cont'd)

For the six months ended 30 June 2007

11. TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

The following is an ageing analysis of trade payables included in trade payables, other payables and accruals at the reporting dates:

	30.6.2007 HK\$'000	31.12.2006 HK\$'000
0 - 30 days	145,970	141,489
31 - 60 days	44,878	37,034
Over 60 days	142,575	79,398
	333,423	257,921

12. BANK AND OTHER BORROWINGS

During the six months ended 30 June 2007, the Group repaid bank and other loans amounting to HK\$4,516,039,000 (six months ended 30 June 2006: HK\$2,598,065,000) and obtained new bank and other loans amounting to HK\$6,471,913,000 (six months ended 30 June 2006: HK\$3,904,831,000) of which the proceeds were used for general working capital and for financing the acquisition of property, plant and equipment.

In addition, the Group has raised during the six months ended 30 June 2006 RMB2,000,000,000 (equivalent to approximately HK\$1,922,000,000) loans which are lent by China Resources National Corporation ("CRNC"), the ultimate holding company through a bank in PRC. The loan bears interest at 4.05% per annum and is repayable in 2021. There is no new loan raised from CRNC for the six months ended 30 June 2007.

13. SHARE CAPITAL

	Number of shares '000	Amount HK\$'000
Ordinary shares of HK\$1.00 each		
Authorised:		
Balance at 31 December 2006 and 30 June 2007	10,000,000	10,000,000
Issued and fully paid:		
Balance at 31 December 2006 and 1 January 2007	3,831,162	3,831,162
Issue upon exercise of share options	24,580	24,580
Balance at 30 June 2007	3,855,742	3,855,742

Notes to the Condensed Consolidated Financial Statements (Cont'd)

For the six months ended 30 June 2007

14. SHARE OPTIONS

The Company has share option scheme for eligible Directors of the Company and employees of the Group and other participants. Options granted are exercisable within a period of ten years within which there is a total vesting period of five years. 20% of the share options will be allowed to exercise upon each of the first five anniversary dates. Details of the share options outstanding during the current period are as follows:

	Number of share options
Outstanding at 1 January 2007	281,215,000
Exercised during the period	(24,580,000)
Addition during the period	25,200,000
Outstanding at 30 June 2007	281,835,000

The weighted average closing price of the Company's shares at dates on which the options were exercised during the period was HK\$13.57.

The fair value of the options was determined at the date of grant using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the share options were granted.

The following assumptions were used to calculate the fair values of share options granted.

	Grant date	
	30.3.2007	5.9.2006
Weighted average share price	HK\$12.43	HK\$7.05
Exercise price	HK\$12.43	HK\$7.05
Expected life of options	7.5 years	7.5 years
Expected volatility	50.00%	55.80%
Expected dividend yield	1.52%	1.42%
Risk free rate	4.51%	4.03%
Estimated fair value of option at grant date	HK\$5.96	HK\$3.79
Closing share price immediately before date of grant	HK\$11.98	HK\$6.88

Notes:

- (i) The volatility measured at the standard deviation of expected share price returns is based on a statistical analysis of daily share prices over certain periods immediately preceding the grant date.
- (ii) The above calculation is based on the assumption that there is no material difference between the expected volatility over the whole life of the options and the historical volatility of the shares in the Company set out above.
- (iii) As the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share price, changes in subjective input assumptions can materially affect the fair value estimate.

Notes to the Condensed Consolidated Financial Statements (Cont'd)

For the six months ended 30 June 2007

15. ACQUISITION OF SUBSIDIARIES

During the six months ended 30 June 2006, the Group acquired a 55% equity interest in Shantou Dan Nan Wind Power Co., Ltd. 汕頭丹南風能有限公司, 100% equity interest in Chenzhou Gaotingsi Coal Mine Co., Ltd. 郴州市高亭司礦業有限公司 and a further 26% equity interest in an associate, China Resources Concord (Beijing) Thermal Power Co., Ltd. 華潤協鑫(北京)熱電有限公司 ("Beijing Thermal") at an aggregate cash consideration of approximately HK\$134,849,000. Upon the completion of the acquisition of the further 26% equity interest in Beijing Thermal, Beijing Thermal becomes a 51% owned subsidiary of the Company. The transactions have been accounted for using the purchase method of accounting.

The combined net assets acquired in the transactions and the goodwill arising, are as follows:

	Acquirees' carrying amounts before combination HK\$'000	Fair value HK\$'000
Net assets acquired:		
Property, plant and equipment	714,951	714,951
Prepaid lease payments	1,752	1,752
Trade and other receivables	39,150	39,150
Inventories	1,271	1,271
Bank and cash balances	31,557	31,557
Trade and other payables	(92,360)	(92,360)
Bank borrowings	(446,269)	(446,269)
	<u>250,052</u>	250,052
Less: Minority interests		(126,404)
Net assets acquired		123,648
Transfer from interests in associates		(59,366)
Goodwill		70,567
Total consideration, satisfied by cash		134,849
Net cash outflow arising on acquisition:		
Cash consideration paid		134,849
Cash and cash equivalents acquired		(31,557)
		<u>103,292</u>

The goodwill arising on the acquisition of the subsidiaries is attributable to the anticipated future operating synergies from the combination.

These acquirees contributed approximately HK\$20,385,000 to the Group's turnover and HK\$5,359,000 to the Group's profit for the period between the date of acquisition and 30 June 2006.

Had the acquisition been completed on 1 January 2006, there would be insignificant impact on the total group revenue and profit for the six months ended 30 June 2006.

Notes to the Condensed Consolidated Financial Statements (Cont'd)

For the six months ended 30 June 2007

16. CAPITAL COMMITMENTS

	30.6.2007 HK\$'000	31.12.2006 HK\$'000
Capital expenditure in respect of the acquisition of construction in progress:		
– Contracted for but not provided in the financial statements	1,759,869	2,514,387
Capital expenditure in respect of the acquisition of investment in associates (note)	2,397,437	—
	4,157,306	2,514,387

Note:

On 31 May 2007, the Company entered into an agreement to acquire 45% equity interest in Yangzhou No.2 Power Plant Company Limited for a consideration of RMB1,806,000,000 (equivalent to approximately HK\$1,853,498,000) from Jiangsu Electric Power Company and East China Grid Company Limited, both of them are independent third parties in the opinion of the directors of the Company.

On 8 June 2007, the Company entered into an agreement to acquire 44.7% equity interest in Xingtai Power Generation Company Limited for a consideration of RMB530,000,000 (equivalent to approximately HK\$543,939,000) from Hebei Electric Power Corporation, an independent third party.

Both acquisitions are subject to the approval by the relevant government authorities as at 30 June 2007. Details are set out in the circular of the Company dated 18 June 2007. The aggregate capital commitment in respect of the acquisitions amounted to approximately HK\$2,397,437,000.

17. RELATED PARTY TRANSACTIONS

(a) During the period, the Group entered into the following significant transactions with related parties:

Name of related company	Relationship	Nature of transactions	1.1.2007 to 30.6.2007 HK\$'000	1.1.2006 to 30.6.2006 HK\$'000
CRNC	Ultimate holding company	Finance costs paid by the Group	123,316	108,286
China Resources (Holdings) Company Limited	Immediate holding company	Management fee income received by the Group	—	1,000
China Resources Property Management Co., Ltd.	Fellow subsidiary	Rental expenses paid by the Group	963	867
China Resources (Shenzhen) Co., Ltd.	Fellow subsidiary	Rental expense paid by the Group	1,585	1,505
Shenzhen China Resources Petroleum Co., Ltd.	Fellow subsidiary	Purchase of fuel, oil	4,015	—
Guangdong Guanghope Power Co., Ltd. ("Guangdong Guanghope")	Associate	Reimbursement of repair and maintenance fee to Guangdong Guanghope	—	1,551
Guangdong Xingning Xingda Power Co., Ltd.	Associate	Interest income	14,344	6,267
Key management personnel	Employee	Remuneration	14,945	15,126

Notes to the Condensed Consolidated Financial Statements (Cont'd)

For the six months ended 30 June 2007

17. RELATED PARTY TRANSACTIONS (Cont'd)

- (b) Transactions/balances with other state-controlled entities in the PRC

The Group operates in an economic environment currently predominated by entities directly or indirectly owned or controlled by the PRC government ("state-controlled entities"). In addition, the Group itself is part of a larger group of companies under CRNC which is controlled by the PRC government. Apart from the transactions with CRNC, CRH, and fellow subsidiaries disclosed in (a) above, the Group also conducts business with other state-controlled entities. During the period, the Group entered into the following transactions with other state-controlled entities in the PRC.

	1.1.2007 to 30.6.2007 HK\$'000	1.1.2006 to 30.6.2006 HK\$'000
Sales of electricity	6,606,444	3,767,656
Purchases of fuel		
– coal	2,195,241	1,026,435
– oil and gas	164,028	46,977
Acquisition of property, plant and equipment	585,175	626,530
Acquisition of construction materials	377	23,281
Subcontracting cost for		
– construction and renovation	1,142,061	403,818
– maintenance	43,792	24,103
Drawdown of bank and other borrowings	6,471,913	3,904,831
Interest expense of loans paid	393,922	365,583

18. POST BALANCE SHEET EVENTS

On 3 July 2007, the Group entered into a conditional sales and purchase agreement (the "Acquisition Agreement") in respect of the proposed acquisition of the entire issued share capital of Eastern (Jinzhou) Investment Co., Ltd., (the "Target Company"), for a total consideration of RMB 1,968 million (equivalent to approximately HK\$2,022 million), subject to adjustments and satisfaction of the conditions set out in the Acquisition Agreement. The sole assets held by the Target Company is 55% equity interest in 錦州東港電力有限公司 Jinzhou Eastern Power Co., Ltd. ("Jinzhou Power Plant"), a company principally engaged in the operation of power generation in Liaoning Province, PRC. On 3 July 2007, the Target Company entered into an equity transfer agreement in relation to the acquisition of the remaining 45% interest in Jinzhou Power Plant ("Remaining Interest"). Upon the completion of the Remaining Interest, the Group will indirectly be interested in the entire equity interest in Jinzhou Power Plant. Completion of the acquisition of the Remaining Interest is not a condition precedent to completion of the Acquisition Agreement.

The consideration, after deducting the RMB558 million payable by the Target Company in relation to the acquisition of the Remaining Interest ("Holdback Amount"), would be satisfied as to (i) RMB521.5 million in cash; and (ii) RMB888.5 million by the allotment and issue of 53,355,969 consideration shares. In the event that the acquisition of the Remaining Interest does not take place, the consideration for the transaction shall be diminished by the amount of the Holdback Amount.

Subsequent to the balance sheet date, the acquisition of 55% equity interest in Jinzhou Power Plant is completed.

Disclosure of Interests

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES AND DEBENTURES

Save as disclosed below, as at 30 June 2007, 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 Laws of Hong Kong) ("SFO") which were required to be notified to the Company and the Stock Exchange pursuant to the provisions under Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which he would be deemed or taken to have under Sections 344 and 345 of the SFO) or the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix 10 to the Listing Rules, or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein:

(A) The Company

Details of shares and outstanding options granted under the Pre-IPO Share Option Scheme and Share Option Scheme in the Company held by the Directors as at 30 June 2007 are as follows:

Name of Director	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
Wang Shuai Ting	Beneficial Owner	2,000,000	0.052%
Tang Cheng	Beneficial Owner	1,200,000	0.031%
Zhang Shen Wen	Beneficial Owner	500,000	0.013%
Wang Xiao Bin	Beneficial Owner	1,680,000	0.044%

Name of Director	Capacity	Date of grant	Date of expiry	Exercise price (HK\$)	Number of options and underlying shares as at 1 January 2007	Number of options granted during the period	Number of options lapsed or cancelled during the period	Number of options exercised during the period	Number of options and underlying shares as at 30 June 2007	Percentage of the issued share capital of the Company
Song Lin	Beneficial Owner	6 Oct 2003	5 Oct 2013	2.80	2,000,000	–	–	–	2,000,000	0.052%
	Beneficial Owner	18 Mar 2005	17 Mar 2015	3.99	900,000	–	–	–	900,000	0.023%
Wang Shuai Ting	Beneficial Owner	6 Oct 2003	5 Oct 2013	2.80	2,350,000	–	–	–	2,350,000	0.061%
	Beneficial Owner	18 Mar 2005	17 Mar 2015	3.99	900,000	–	–	–	900,000	0.023%
Tang Cheng	Beneficial Owner	6 Oct 2003	5 Oct 2013	2.80	3,000,000	–	–	(1,800,000)	1,200,000	0.031%
	Beneficial Owner	18 Mar 2005	17 Mar 2015	3.99	600,000	–	–	–	600,000	0.016%
Zhang Shen Wen	Beneficial Owner	6 Oct 2003	5 Oct 2013	2.80	3,000,000	–	–	(600,000)	2,400,000	0.062%
	Beneficial Owner	18 Mar 2005	17 Mar 2015	3.99	600,000	–	–	–	600,000	0.016%
Wang Xiao Bin	Beneficial Owner	6 Oct 2003	5 Oct 2013	2.80	2,800,000	–	–	(1,680,000)	1,120,000	0.029%
	Beneficial Owner	18 Mar 2005	17 Mar 2015	3.99	600,000	–	–	–	600,000	0.016%
Jiang Wei	Beneficial Owner	6 Oct 2003	5 Oct 2013	2.80	1,000,000	–	–	–	1,000,000	0.026%
	Beneficial Owner	18 Mar 2005	17 Mar 2015	3.99	600,000	–	–	–	600,000	0.016%
Anthony H. Adams	Beneficial Owner	18 Nov 2005	17 Nov 2015	4.725	200,000	–	–	–	200,000	0.005%
Wu Jing Ru	Beneficial Owner	18 Nov 2005	17 Nov 2015	4.725	200,000	–	–	–	200,000	0.005%
Chen Ji Min	Beneficial Owner	30 Mar 2007	29 Mar 2017	12.43	–	200,000	–	–	200,000	0.005%
Ma Chiu-Cheung, Andrew	Beneficial Owner	30 Mar 2007	29 Mar 2017	12.43	–	200,000	–	–	200,000	0.005%

Disclosure of Interests (Cont'd)

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES AND DEBENTURES (Cont'd)

(B) China Resources Enterprise, Limited

China Resources Enterprise, Limited ("CRE"), a fellow subsidiary of the Company, has a share option scheme to subscribe for the shares in CRE. Details of shares and outstanding options in CRE held by the Directors as at 30 June 2007 are as follows:

Name of Director	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of CRE
Song Lin	Beneficial Owner	1,800,000	0.076%
Zhang Shen Wen	Beneficial Owner	30,000	0.001%
Jiang Wei	Beneficial Owner	240,000	0.010%

Name of Director	Capacity	Date of grant	Date of expiry	Exercise price (HK\$)	Number of options and underlying shares as at 1 January 2007	Number of options granted during the period	Number of options exercised during the period	Number of options and underlying shares as at 30 June 2007	Percentage of the issued share capital of CRE
Zhang Shen Wen	Beneficial Owner	5 Mar 2002	4 Mar 2012	7.35	50,000	—	(30,000)	20,000	0.001%

(C) China Resources Logic Limited

China Resources Logic Limited ("CR Logic"), a fellow subsidiary of the Company, has a share option scheme to subscribe for the shares in CR Logic. Details of shares and outstanding options in CR Logic held by the Directors as at 30 June 2007 are as follows:

Name of Director	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of CR Logic
Song Lin	Beneficial Owner	4,680,000	0.168%

Name of Director	Capacity	Date of grant	Date of expiry	Exercise price (HK\$)	Number of options and underlying shares as at 1 January 2007	Number of options granted during the period	Number of options exercised during the period	Number of options and underlying shares as at 30 June 2007	Percentage of the issued share capital of CR Logic
Song Lin	Beneficial Owner	21 Sep 2000	20 Sep 2010	0.59	6,900,000	—	(6,900,000)	—	—
	Beneficial Owner	13 Jan 2004	12 Jan 2014	0.906	2,000,000	—	—	2,000,000	0.072%
Wang Shuai Ting	Beneficial Owner	9 Apr 2002	8 Apr 2012	0.82	540,000	—	—	540,000	0.019%
Tang Cheng	Beneficial Owner	9 Apr 2002	8 Apr 2012	0.82	90,000	—	—	90,000	0.003%
Zhang Shen Wen	Beneficial Owner	9 Apr 2002	8 Apr 2012	0.82	60,000	—	—	60,000	0.002%
Jiang Wei	Beneficial Owner	9 Apr 2002	8 Apr 2012	0.82	720,000	—	—	720,000	0.026%

Disclosure of Interests *(Cont'd)*

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES AND DEBENTURES *(Cont'd)*

(D) China Resources Land Limited

China Resources Land Limited ("CR Land"), a fellow subsidiary of the Company, has a share option scheme to subscribe for the shares in CR Land. Details of shares and outstanding options in CR Land held by the Directors as at 30 June 2007 are as follows:

Name of Director	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of CR Land
Wang Shuai Ting	Beneficial Owner	200,000	0.005%
Jiang Wei	Beneficial Owner	892,000	0.024%

Name of Director	Capacity	Date of grant	Date of expiry	Exercise price (HK\$)	Number of options and underlying shares as at 1 January 2007	Number of options granted during the period	Number of options exercised during the period	Number of options and underlying shares as at 30 June 2007	Percentage of the issued share capital of CR Land
Song Lin	Beneficial Owner	1 Jun 2005	31 May 2015	1.23	900,000	—	—	900,000	0.024%
Wang Shuai Ting	Beneficial Owner	4 Mar 2002	31 Jan 2012	1.59	540,000	—	—	540,000	0.014%
Zhang Shen Wen	Beneficial Owner	4 Mar 2002	31 Jan 2012	1.59	60,000	—	—	60,000	0.002%

INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

Save as disclosed below, as at 30 June 2007, the Directors or chief executive of the Company were not aware of any other persons (other than a Director or chief executive, whose interests are disclosed in the section headed "Directors' Interests and Short Positions in Securities and Debentures" above) who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register to be kept pursuant to Section 336 of the SFO:

Name of shareholders	Capacity	Number of issued ordinary shares held	Approximate % of shareholding
China Resources (Holdings) Company Limited ("CRH")	Beneficial owner	2,750,000,000	71.3%
CRC Bluesky Limited	Interest of a controlled corporation	2,750,000,000	71.3%
China Resources Co., Limited ("CRL")	Interest of a controlled corporation	2,750,000,000	71.3%
China Resources National Corporation ("CRNC")	Interest of a controlled corporation	2,750,000,000	71.3%

Note: CRH is a 100% subsidiary of CRC Bluesky Limited, which is in turn owned as to 100% by CRL, which is in turn held as to 99.98% by CRNC. Each of CRNC, CRL and CRC Bluesky Limited is deemed by virtue of Part XV of the SFO to have the same interests in the share capital of the Company as those of CRH.

Disclosure of Interests *(Cont'd)*

SHARE OPTIONS

(A) Pre-IPO Share Option Scheme

Movement of the options under the Pre-IPO Share Option Scheme during the period ended 30 June 2007 is as follows:

Name of Director	Date of grant	Number of options outstanding as at 1 January 2007	Number of options lapsed or cancelled during the period	Number of options exercised during the period ⁽¹⁾	Number of options outstanding as at 30 June 2007 ⁽²⁾	Date of expiry	Exercise price (HK\$)
Song Lin	6 Oct 2003	2,000,000	—	—	2,000,000	5 Oct 2013	2.80
Wang Shuai Ting	6 Oct 2003	2,350,000	—	—	2,350,000	5 Oct 2013	2.80
Tang Cheng	6 Oct 2003	3,000,000	—	(1,800,000)	1,200,000	5 Oct 2013	2.80
Zhang Shen Wen	6 Oct 2003	3,000,000	—	(600,000)	2,400,000	5 Oct 2013	2.80
Wang Xiao Bin	6 Oct 2003	2,800,000	—	(1,680,000)	1,120,000	5 Oct 2013	2.80
Jiang Wei	6 Oct 2003	1,000,000	—	—	1,000,000	5 Oct 2013	2.80
Aggregate total of employees	6 Oct 2003	81,559,000	—	(14,586,000)	66,973,000	5 Oct 2013	2.80
Aggregate total of other participants	6 Oct 2003	41,086,000	—	(3,816,000)	37,270,000	5 Oct 2013	2.80
		136,795,000	—	(22,482,000)	114,313,000		

Note:

- (1) The weighted average closing price of the Company's shares immediately before the dates on which the options were exercised was HK\$13.38.
- (2) Each option has a 10-year exercise period within which there is a total vesting period of five years. Commencing from the first, second, third, fourth and fifth anniversaries of the date of grant of an option, the relevant grantee may exercise up to 20%, 40%, 60%, 80% and 100% respectively of the shares comprised in his or her option.

Disclosure of Interests (Cont'd)

SHARE OPTIONS (Cont'd)

(B) Share Option Scheme

Movement of the options under the Share Option Scheme during the period ended 30 June 2007 is as follows:

Name of Director	Date of grant	Number of options outstanding as at 1 January 2007	Reclassification during the period	Number of options granted during the period ⁽¹⁾	Number of options lapsed or cancelled during the period	Number of options exercised during the period ⁽²⁾	Number of options outstanding as at 30 June 2007 ⁽³⁾	Date of expiry	Exercise price (HK\$)
Song Lin	18 Mar 2005	900,000	—	—	—	—	900,000	17 Mar 2015	3.99
Wang Shuai Ting	18 Mar 2005	900,000	—	—	—	—	900,000	17 Mar 2015	3.99
Tang Cheng	18 Mar 2005	600,000	—	—	—	—	600,000	17 Mar 2015	3.99
Zhang Shen Wen	18 Mar 2005	600,000	—	—	—	—	600,000	17 Mar 2015	3.99
Wang Xiao Bin	18 Mar 2005	600,000	—	—	—	—	600,000	17 Mar 2015	3.99
Jiang Wei	18 Mar 2005	600,000	—	—	—	—	600,000	17 Mar 2015	3.99
Anthony H. Adams	18 Nov 2005	200,000	—	—	—	—	200,000	17 Nov 2015	4.725
Wu Jing Ru	18 Nov 2005	200,000	—	—	—	—	200,000	17 Nov 2015	4.725
Chen Ji Min	30 Mar 2007	—	—	200,000	—	—	200,000	29 Mar 2017	12.43
Ma Chiu-Cheung, Andrew	30 Mar 2007	—	—	200,000	—	—	200,000	29 Mar 2017	12.43
Aggregate total of employees	1 Sep 2004	19,200,000	—	—	—	(480,000)	18,720,000	31 Aug 2014	4.25
	18 Mar 2005	19,980,000	—	—	—	(678,000)	19,302,000	17 Mar 2015	3.99
	18 Nov 2005	51,650,000	(600,000)	—	—	(80,000)	50,970,000	17 Nov 2015	4.725
	5 Sep 2006	27,200,000	—	—	—	—	27,200,000	4 Sep 2016	7.05
	30 Mar 2007	—	—	24,800,000	—	—	24,800,000	29 Mar 2017	12.43
Aggregate total of other participants	1 Sep 2004	4,300,000	—	—	—	—	4,300,000	31 Aug 2014	4.25
	18 Mar 2005	8,340,000	—	—	—	(860,000)	7,480,000	17 Mar 2015	3.99
	18 Nov 2005	9,150,000	600,000	—	—	—	9,750,000	17 Nov 2015	4.725
		144,420,000	—	25,200,000	—	(2,098,000)	167,522,000		

Notes:

- (1) The closing price of the Company's share immediately before the date of grant was HK\$12.46.
- (2) The weighted average closing price of the Company's shares immediately before the dates on which the options were exercised was HK\$14.09.
- (3) Each option has a 10-year exercise period within which there is a total vesting period of five years. Commencing from the first, second, third, fourth and fifth anniversaries of the date of grant of an option, the relevant grantee may exercise up to 20%, 40%, 60%, 80% and 100% respectively of the shares comprised in his or her option.

Detailed terms of the Pre-IPO Share Option Scheme and Share Option Scheme were disclosed in the 2006 Annual Report.

Corporate Governance and Other Information

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions set out in the Code on Corporate Governance Practices set out in Appendix 14 to the Listing Rules throughout the six months ended 30 June 2007.

MODEL CODE

The Company has adopted the 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 standard set out in Model Code and its code of conduct regarding directors securities transactions throughout the six months ended 30 June 2007.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

The Company and its subsidiaries did not purchase, sell or redeem any securities of the Company during the six months ended 30 June 2007.

AUDITORS AND AUDIT COMMITTEE

The interim report for the six months ended 30 June 2007 have been reviewed by Deloitte Touche Tohmatsu and the Audit Committee set up in compliance with Rule 3.21 of the Listing Rules. All of the four Audit Committee members are appointed from the independent non-executive Directors, with the Chairman of the Audit Committee having appropriate professional qualifications and experience in financial matters, including experience in review of financial statements.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has complied with Rules 3.10(1) and 3.10(2) of the Listing Rules and has appointed four independent non-executive directors including one with related financial management expertise.

Corporate Information

Chairman	Song Lin
Vice Chairman and Chief Executive Officer	Wang Shuai Ting
Executive Directors	Song Lin Wang Shuai Ting Tang Cheng Zhang Shen Wen Wang Xiao Bin
Non-Executive Director	Jiang Wei Chen Xiao Ying
Independent Non-Executive Directors	Anthony H. Adams Wu Jing Ru Chen Ji Min Ma Chiu-Cheung, Andrew
Company Secretary	Wang Xiao Bin
Auditors	Deloitte Touche Tohmatsu
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. General Line: (852) 2593 7530 Facsimile: (852) 2593 7531
Company Website	www.cr-power.com

Information for Investors

SHARE LISTING AND STOCK CODE

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

FINANCIAL DIARY

Six-month financial period end	30 June 2007
Announcement of interim results	20 August 2007
Last day to register for interim dividend	14 September 2007
Book close	17 September 2007 to 21 September 2007
Payment of interim dividend	2 October 2007

SHAREHOLDER ENQUIRIES

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

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

For inquires from investors and securities analysts, please contact:

Investor Relations Department
China Resources Power Holdings Company Limited
Room 3203-3204, 32nd Floor, China Resources Building,
26 Harbour Road, Wanchai, Hong Kong.
Telephone: (852) 2593 7550
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E-mail: crp-ir@crc.com.hk

OUR WEBSITE

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