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華潤電力控股有限公司

China Resources Power Holdings Company Limited

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 836)

CONTINUING CONNECTED TRANSACTIONS — DIRECT POWER SUPPLY

From 31 December 2015 to 15 July 2016, the Group, through its subsidiaries, entered into various Direct Power Supply Transactions in relation to the direct supply of electricity to various subsidiaries or associates of CRH.

At the time of the Direct Power Supply Transactions and as at the date of this announcement, CRH was and is interested in approximately 62.99% and 62.99%, respectively of the total issued capital of the Company and was and is the controlling shareholder of the Company. CRM (Wuxi) is an indirect wholly-owned subsidiary of CRH. Jiangsu Double-Crane is an indirect non-wholly-owned subsidiary of CRH. Each of CRC (Midu), CRC (Heqing) and CRC (Fengkai) is an indirect wholly-owned or non-wholly-owned subsidiary of CR Cement, of which CRH is the controlling shareholder. Each of Yunnan Jinjiang, Honghe Ziyang, Fengqing Xiqian and Zhenkang Cement & Building Materials is a wholly-owned or non-wholly-owned subsidiary of Yunnan Cement & Building Materials, which in turn is owned as to 50% by CR Cement. Therefore each of CRM (Wuxi), Jiangsu Double-Crane, CRC (Midu), CRC (Heqing), CRC (Fengkai), Yunnan Jinjiang, Honghe Ziyang, Fengqing Xiqian and Zhenkang Cement & Building Materials is a connected person of the Company under the Listing Rules. Accordingly, the Direct Power Supply Transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As at the date of this announcement, all applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the transactions completed and settled under the First Direct Power Supply Transaction to the Seventh Direct Power Supply Transaction, on an aggregated basis, are below 0.1%. No transaction has been conducted under the Eighth Direct Power Supply Transaction and the Ninth Direct Power Supply Transaction.

Given the recent trend in the development of the PRC power supply market, the Directors consider that the direct power supply transactions under the current market structure will fall within the scope of connected transactions under Chapter 14A of the Listing Rules. The Company makes this announcement on the details of the Direct Power Supply Transactions as the Directors expect that the transactions completed and settled under the Direct Power Supply Transactions, on an aggregated basis, will soon exceed the 0.1% percentage ratio threshold under the Listing Rules.

INTRODUCTION

From 31 December 2015 to 15 July 2016, the Group, through its subsidiaries, entered into various Direct Power Supply Transactions in relation to the direct supply of electricity to various subsidiaries or associates of CRH.

FIRST DIRECT POWER SUPPLY AGREEMENT

CRP (Changshu), CRM (Wuxi) and Jiangsu Electric Power Company entered into a direct power supply transaction on 31 December 2015 (the “**First Direct Power Supply Transaction**”). Principal terms of the First Direct Power Supply Transaction are set out below.

- Parties:**
- (i) CRP (Changshu) as supplier
 - (ii) CRM (Wuxi) as purchaser
 - (iii) Jiangsu Electric Power Company as power grid operator
- Term:** 1 January 2016 to 31 December 2016.
- Subject matter:** CRP (Changshu) shall, through Jiangsu Electric Power Company, supply 142,430 MWh of electricity to CRM (Wuxi).
- Fees and payment:** The electricity fees are payable monthly and are determined after arm’s length negotiation and calculated on the following basis:
- 1. Electricity fees payable by CRM (Wuxi) to CRP (Changshu) through Jiangsu Electric Power Company = the monthly amount of electricity utilized x the unit price of electricity of RMB0.40876/kWh*

If there is adjustment to the on-grid tariff applicable to CRP (Changshu) in 2016, the above unit price of electricity shall be increased or reduced by 50% of the adjustment

Starting from 1 January 2016, the on-grid tariff applicable to CRP (Changshu) was reduced by RMB0.0316/kWh, and electricity fees payable by CRM (Wuxi) to CRP (Changshu) was adjusted accordingly to RMB0.39296/kWh.

SECOND DIRECT POWER SUPPLY AGREEMENT

Jiangsu Nanre, Jiangsu Double-Crane and Jiangsu Electric Power Company entered into a direct power supply transaction on 31 December 2015 (the “**Second Direct Power Supply Transaction**”). Principal terms of the Second Direct Power Supply Transaction are set out below.

- Parties:**
- (i) Jiangsu Nanre as supplier
 - (ii) Jiangsu Double-Crane as purchaser
 - (iii) Jiangsu Electric Power Company as power grid operator
- Term:** 1 January 2016 to 31 December 2016.
- Subject matter:** Jiangsu Nanre shall, through Jiangsu Electric Power Company, supply 3,240 MWh of electricity to Jiangsu Double-Crane.
- Fees and payment:** The electricity fees are payable monthly and are determined after arm’s length negotiation and calculated on the following basis:
- 1. Electricity fees payable by Jiangsu Double-Crane to Jiangsu Electric Power Company = the monthly amount of electricity utilized x P1*
 - 2. Electricity fees payable by Jiangsu Electric Power Company to Jiangsu Nanre = the monthly amount of electricity utilized x P2*

Where:

Monthly amount of electricity utilized = the actual amount of electricity utilized during the month (where the cumulative electricity utilized does not exceed 103% of the total annual contracted amount of electricity) or the remaining contracted amount of electricity (where the cumulative electricity utilized exceeds 103% of the total annual contracted amount of electricity)

P1 = the tariff (目錄電價) applicable to Jiangsu Double-Crane - RMB0.0299/kWh (inclusive of tax)

P2 = the unit on-grid tariff approved by the government - RMB0.0299/kWh (inclusive of tax)

THIRD DIRECT POWER SUPPLY AGREEMENT

CRP (Haifeng), CRC Fengkai and Guangdong Power Grid Company entered into a direct power supply transaction on 1 January 2016 (the “**Third Direct Power Supply Transaction**”). Principal terms of the Third Direct Power Supply Transaction are set out below.

- Parties: (i) CRP (Haifeng) as supplier
(ii) CRC Fengkai as purchaser
(iii) Guangdong Power Grid Company as power grid operator
- Term: 1 January 2016 to 31 December 2016.
- Subject matter: CRP (Haifeng) shall, through Guangdong Power Grid Company, supply 300,000 MWh of electricity to CRC (Fengkai).
- Fees and payment: The electricity fees payable are determined after arm’s length negotiation and calculated on the following basis:
- 1. Electricity fees payable by CRC Fengkai to Guangdong Power Grid Company = the monthly amount of electricity utilized x P1*
 - 2. Electricity fees payable by Guangdong Power Grid Company to CRP (Haifeng) = the monthly amount of electricity utilized x P2*

Where:

Monthly amount of electricity utilized = the actual amount of electricity utilized during the month (where the cumulative electricity utilized does not exceed the total annual contracted amount of electricity) or the remaining contracted amount of electricity (where the cumulative electricity utilized exceeds the total annual contracted amount of electricity)

*P1 = the tariff (目錄電價) applicable to CRC (Fengkai)
- RMB0.009/kWh (inclusive of tax)*

*P2 = the unit on-grid tariff approved by the government
- RMB0.009/kWh (inclusive of tax)*

The timing of payment shall be determined in an agreement entered into between Guangdong Power Grid Company and each of CRC (Fengkai) and CRP (Haifeng) separately.

FOURTH DIRECT POWER SUPPLY AGREEMENT

Yunnan CRP and Yunnan Jinjiang entered into a direct power supply transaction on 16 May 2016 (the “**Fourth Direct Power Supply Transaction**”). Principal terms of the Fourth Direct Power Supply Transaction are set out below.

- Parties:** (i) Yunnan CRP as supplier
(ii) Yunnan Jinjiang as purchaser
- Term:** 1 June 2016 to 31 December 2016.
- Subject matter:** Yunnan CRP shall directly supply 34,813 MWh of electricity to Yunnan Jinjiang.
- Fees and payment:** The electricity fees payable by Yunnan Jinjiang are determined after arm’s length negotiation and calculated on the following basis:

Electricity fees payable by Yunnan Jinjiang to Yunnan CRP = The unit price of electricity of RMB0.22871/kWh x the lowest of (i) the monthly actual amount of electricity utilized by Yunnan Jinjiang, (ii) the monthly actual amount of electricity directly supplied by Yunnan CRP and (iii) 103% of the contractual electricity supply volume for the relevant month

The electricity fees shall be settled on a monthly basis and shall be payable by Yunnan Jinjiang to Yunnan CRP through Yunnan Electric Power Company.

FIFTH DIRECT POWER SUPPLY AGREEMENT

Yunnan CRP and Honghe Ziyang entered into a direct power supply transaction on 16 May 2016 (the “**Fifth Direct Power Supply Transaction**”). Principal terms of the Fifth Direct Power Supply Transaction are set out below.

- Parties:** (i) Yunnan CRP as supplier
(ii) Honghe Ziyang as purchaser
- Term:** 1 June 2016 to 31 December 2016.
- Subject matter:** Yunnan CRP shall directly supply 40,000 MWh of electricity to Honghe Ziyang.
- Fees and payment:** The electricity fees payable by Honghe Ziyang are determined after arm’s length negotiation and calculated on the following basis:

Electricity fees payable by Honghe Ziyang to Yunnan CRP = The unit price of electricity of RMB0.22871/kWh x the lowest of (i) the monthly actual amount of electricity utilized by Honghe Ziyang, (ii) the monthly actual amount of electricity directly supplied by Yunnan CRP and (iii) 103% of the contractual electricity supply volume for the relevant month

The electricity fees shall be settled on a monthly basis and shall be payable by Honghe Ziyang to Yunnan CRP through Yunnan Electric Power Company.

SIXTH DIRECT POWER SUPPLY AGREEMENT

Yunnan CRP and Fengqing Xiqian entered into a direct power supply transaction on 16 May 2016 (the “**Sixth Direct Power Supply Transaction**”). Principal terms of the Sixth Direct Power Supply Transaction are set out below.

- Parties:** (i) Yunnan CRP as supplier
(ii) Fengqing Xiqian as purchaser
- Term:** 1 June 2016 to 31 December 2016.
- Subject matter:** Yunnan CRP shall directly supply 73,900 MWh of electricity to Fengqing Xiqian.
- Fees and payment:** The electricity fees payable by Fengqing Xiqian are determined after arm’s length negotiation and calculated on the following basis:

Electricity fees payable by Fengqing Xiqian to Yunnan CRP = The unit price of electricity of RMB0.22871/kWh x the lowest of (i) the monthly actual amount of electricity utilized by Fengqing Xiqian, (ii) the monthly actual amount of electricity directly supplied by Yunnan CRP and (iii) 103% of the contractual electricity supply volume for the relevant month

The electricity fees shall be settled on a monthly basis and shall be payable by Fengqing Xiqian to Yunnan CRP through Yunnan Electric Power Company.

SEVENTH DIRECT POWER SUPPLY AGREEMENT

Yunnan CRP and Zhenkang Cement & Building Materials entered into a direct power supply transaction on 16 May 2016 (the “**Seventh Direct Power Supply Transaction**”). Principal terms of the Seventh Direct Power Supply Transaction are set out below.

- Parties:** (i) Yunnan CRP as supplier
(ii) Zhenkang Cement & Building Materials as purchaser
- Term:** 1 July 2016 to 31 December 2016.

Subject matter: Yunnan CRP shall directly supply 25,930 MWh of electricity to Zhenkang Cement & Building Materials.

Fees and payment: The electricity fees payable by Zhenkang Cement & Building Materials are determined after arm's length negotiation and calculated on the following basis:

Electricity fees payable by Zhenkang Cement & Building Materials to Yunnan CRP = The unit price of electricity of RMB0.22871/kWh x the lowest of (i) the monthly actual amount of electricity utilized by Zhenkang Cement & Building Materials, (ii) the monthly actual amount of electricity directly supplied by Yunnan CRP and (iii) 103% of the contractual electricity supply volume for the relevant month

The electricity fees shall be settled on a monthly basis and shall be payable by Zhenkang Cement & Building Materials to Yunnan CRP through Yunnan Electric Power Company.

EIGHTH DIRECT POWER SUPPLY AGREEMENT

Yunnan CRP and CRC (Midu) entered into a direct power supply transaction on 15 July 2016 (the "**Eighth Direct Power Supply Transaction**"). Principal terms of the Eighth Direct Power Supply Transaction are set out below.

Parties: (i) Yunnan CRP as supplier
(ii) CRC (Midu) as purchaser

Term: 1 August 2016 to 31 December 2016.

Subject matter: Yunnan CRP shall directly supply 75,000 MWh of electricity to CRC (Midu).

Fees and payment: The electricity fees payable by CRC (Midu) are determined after arm's length negotiation and calculated on the following basis:

Electricity fees payable by CRC (Midu) to Yunnan CRP = The unit price of electricity of RMB0.15267/kWh x the lowest of (i) the monthly actual amount of electricity utilized by CRC (Midu), (ii) the monthly actual amount of electricity directly supplied by Yunnan CRP and (iii) 103% of the contractual electricity supply volume for the relevant month

The electricity fees shall be settled on a monthly basis and shall be payable by CRC (Midu) to Yunnan CRP through Yunnan Electric Power Company.

NINTH DIRECT POWER SUPPLY AGREEMENT

Yunnan CRP and CRC (Heqing) entered into a direct power supply transaction on 15 July 2016 (the “**Ninth Direct Power Supply Transaction**”). Principal terms of the Ninth Direct Power Supply Transaction are set out below.

- Parties:** (i) Yunnan CRP as supplier
(ii) CRC (Heqing) as purchaser
- Term:** 1 August 2016 to 31 December 2016.
- Subject matter:** Yunnan CRP shall directly supply 54,500 MWh of electricity to CRC (Heqing).
- Fees and payment:** The electricity fees payable by CRC (Heqing) are determined after arm’s length negotiation and calculated on the following basis:

Electricity fees payable by CRC (Heqing) to Yunnan CRP = The unit price of electricity of RMB0.15404/kWh x the lowest of (i) the monthly actual amount of electricity utilized by CRC (Heqing), (ii) the monthly actual amount of electricity directly supplied by Yunnan CRP and (iii) 103% of the contractual electricity supply volume for the relevant month

The electricity fees shall be settled on a monthly basis and shall be payable by CRC (Heqing) to Yunnan CRP through Yunnan Electric Power Company.

Historical Transaction Amounts and Proposed Annual Cap

(a) Historical Transaction Amounts

The annual aggregate amounts paid by the subsidiaries of CRH, namely CR Microelectronics (for the years ended 31 December 2013, 2014 and 2015) and Jiangsu Double-Crane (for the year ended 31 December 2015), to the Group in relation to the direct power supply by the Group under various individual contracts for the years ended 31 December 2013, 2014 and 2015 amounted to RMB133.1 million, RMB131.6 million and RMB49.2 million, respectively (equivalent to approximately HK\$166.6 million, HK\$166.1 million and HK\$61.2 million, respectively).

(b) Proposed Annual Cap

The proposed annual cap for the Direct Power Supply Transactions on an aggregated basis for the year ending 31 December 2016 is expected to be RMB255.7 million (equivalent to approximately HK\$299.3 million).

The proposed annual cap for the Direct Power Supply Transactions has been determined after arm's length negotiation with reference to (i) the historical transaction amounts; (ii) the unit price of electricity under each Direct Power Supply Transaction; and (iii) the amount of electricity expected to be supplied by the Group under the Direct Power Supply Transactions.

REASONS FOR AND BENEFITS OF THE DIRECT POWER SUPPLY TRANSACTIONS

Pursuant to the 《江蘇省電力使用者與發電企業直接交易試點暫行辦法》(蘇監能市場[2014] 95號) (The Pilot Interim Measures for Direct Power Supply between Users and Power Companies in Jiangsu Province (Su Jian Neng Shi Chang [2014] No. 95)*) 《廣東省電力用戶與發電企業直接交易暫行辦法》(南方電監市場[2013]162號) (The Pilot Interim Measures for Direct Power Supply between Users and Power Companies in Guangdong Province (Nan Fang Dian Jian Shi Chang [2013] No. 162)*) and《關於印發雲南省電力用戶與發電企業直接交易試點方案的通知》(雲發改能源[2014] 1188號) (The Notice on Issuance of the Pilot Program for Direct Power Supply between Users and Power Companies in Yunnan Province (Yun Fa Gai Neng Yuan [2014]No. 1188)*), subject to qualification application and approval by the relevant authorities, major industrial electricity users may enter into agreement with certain power companies to directly purchase electricity from such power companies rather than from the provincial power grid company.

The Directors consider that the transactions contemplated under the Direct Power Supply Transactions will enable the Group to increase the power generation hours and utilization rate of its power plants, which will in turn maximize the plants' turnover and enhance profitability and help improve the plants' operating efficiency. The Directors are of the view that such transactions will benefit the operating results and financial position of the Group as a whole.

Having considered the foregoing, all Directors of the Company (including the independent non-executive Directors) consider that the Direct Power Supply Transactions are on normal commercial terms or better and in the ordinary and usual course of business of the Group, and the terms of the Direct Power Supply Transactions are fair and reasonable and in the interests of the Company and its shareholders as a whole.

INFORMATION ABOUT THE PARTIES

The Company

The Company was incorporated in Hong Kong with limited liability and the shares of the Company have been listed on the Stock Exchange since 12 November 2003. The Group is principally engaged in the investment, development, operation and management of power plants and coal mines in the PRC.

CRP (Changshu)

CRP (Changshu) is an indirect wholly-owned subsidiary of the Company. It is principally engaged in the operation of a 3x650MW coal-fired power plant in Jiangsu Province, the PRC.

Jiangsu Nanre

Jiangsu Nanre is an indirect wholly-owned subsidiary of the Company. It is principally engaged in the operation of a 2x600MW heat and power plant in Jiangsu Province, the PRC.

YUNNAN CRP

Yunnan CRP is an indirect non-wholly-owned subsidiary of the Company. It is principally engaged in the operation of a 3x70MW hydro power plant in Yunnan Province, the PRC.

CRC (Fengkai)

CRC (Fengkai) is an indirect wholly-owned subsidiary of CR Cement. It is principally engaged in the manufacture and sale of cement.

CRC (Heqing)

CRC (Heqing) is an indirect non-wholly-owned subsidiary of CR Cement. It is principally engaged in the manufacture and sale of cement.

CRC (Midu)

CRC (Midu) is an indirect non-wholly-owned subsidiary of CR Cement. It is principally engaged in the manufacture and sale of cement.

Yunnan Jinjiang

Yunnan Jinjiang is a direct wholly-owned subsidiary of Yunnan Cement & Building Materials, which in turn is owned as to 50% by CR Cement. It is principally engaged in the manufacture and sale of cement.

Honghe Ziyan

Honghe Ziyan is an indirect wholly-owned subsidiary of Yunnan Cement & Building Materials, which in turn is owned as to 50% by CR Cement. It is principally engaged in the manufacture and sale of cement.

Fengqing Xiqian

Fengqing Xiqian is a direct non-wholly-owned subsidiary of Yunnan Cement & Building Materials, which in turn is owned as to 50% by CR Cement. It is principally engaged in the manufacture and sale of cement.

Zhenkang Cement & Building Materials

Zhenkang Cement & Building Materials is a direct wholly-owned subsidiary of Yunnan Cement & Building Materials, which in turn is owned as to 50% by CR Cement. It is principally engaged in the manufacture and sale of cement.

CRM (Wuxi)

CRM (Wuxi) is an indirect wholly-owned subsidiary of CRH, the controlling shareholder of the Company. It is principally engaged in manufacturing and sales of IC, packaging and testing of IC, and investment holding.

Jiangsu Double-Crane

Jiangsu Double-Crane is a wholly-owned subsidiary of China Resources Double-Crane Pharmaceutical Co., Ltd., a company listed on the Shanghai Stock Exchange (stock code: 600062). It is principally engaged in the manufacture and sale of high-capacity injection.

Guangdong Power Grid Company

Guangdong Power Grid Company is the operator of the southern power grid (南方電網) in Guangdong Province, the PRC.

Jiangsu Electric Power Company

Jiangsu Electric Power Company is the operator of the state power grid (國家電網) in Jiangsu Province, the PRC.

Yunnan Electric Power Company

Yunnan Electric Power Company is the operator of the southern power grid (南方電網) in Yunnan Province, the PRC.

LISTING RULES IMPLICATIONS

At the time of the Direct Power Supply Transactions and as at the date of this announcement, CRH was and is interested in approximately 62.99% and 62.99%, respectively of the total issued capital of the Company and was and is the controlling shareholder of the Company. CRM (Wuxi) is an indirect wholly-owned subsidiary of CRH. Jiangsu Double-Crane is an indirect non-wholly-owned subsidiary of CRH. Each of CRC (Midu), CRC (Heqing) and CRC (Fengkai) is an indirect wholly-owned or non-wholly-owned subsidiary of CR Cement, of which CRH is the controlling shareholder. Each of Yunnan Jinjiang, Honghe Ziyang, Fengqing Xiqian and Zhenkang Cement & Building Materials is a wholly-owned or non-wholly-owned subsidiary of Yunnan Cement & Building Materials, which in turn is owned as to 50% by CR Cement. Therefore each of CRM (Wuxi), Jiangsu Double-Crane, CRC (Midu), CRC (Heqing), CRC (Fengkai), Yunnan Jinjiang, Honghe Ziyang, Fengqing Xiqian and Zhenkang Cement & Building Materials is a connected person of the Company under the Listing Rules. Accordingly, the Direct Power Supply Transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The PRC power supply market has been evolving in the past few years. In the past, electricity was only supplied by power companies via power grid operators to end users. The PRC government has gradually introduced changes to the structure of the power supply market, allowing power companies to match with end users directly with a view to eventually opening up a direct power supply market. The initial changes were in the following manner: out of the annual power generation volume prescribed by the relevant government authority and power grid operator for a plant,

a small portion was designated and categorized as “direct power supply”, at unit prices that were prescribed by the government, and only to certain end users selected and approved by the government, which, in the aforesaid cases of historical transactions, included CR Microelectronics and Jiangsu Double-Crane.

Given the background of the structure of the PRC power supply market, the Directors considered the historical transactions, which were conducted based on terms set by the government and with possible counterparties selected and approved by the government, did not constitute connected transactions of the Company under Chapter 14A of the Listing Rules. For illustration purposes, one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the aforesaid historical transaction amounts, on an aggregated basis, exceeded 0.1%.

Recently, the PRC power supply market has further evolved, and power companies are allowed to directly supply electricity to end users, and are free to negotiate the terms of such direct power supply transactions.

As at the date of this announcement, all applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the transactions completed and settled under the First Direct Power Supply Transaction to the Seventh Direct Power Supply Transaction, on an aggregated basis, are below 0.1%. No transaction has been conducted under the Eighth Direct Power Supply Transaction and the Ninth Direct Power Supply Transaction.

Given the recent trend in the development of the PRC power supply market, the Directors consider that the direct power supply transactions under the current market structure will fall within the scope of connected transactions under Chapter 14A of the Listing Rules. The Company makes this announcement on the details of the Direct Power Supply Transactions as the Directors expect that the transactions completed and settled under the Direct Power Supply Transactions, on an aggregated basis, will soon exceed the 0.1% percentage ratio threshold under the Listing Rules.

None of the Directors is considered to have material interest in the Direct Power Supply Transactions. As good corporate governance measure, Ms. Zhou Junqing, Mr. Chen Ying and Mr. Wang Yan abstained from voting on the relevant board resolutions for considering and approving the Direct Power Supply Transactions in view of their senior management roles at CRH.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“associate”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of directors of the Company
“Company”	China Resources Power Holdings Company Limited (華潤電力控股有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed and traded on the Main Board of the Stock Exchange (stock code: 836)
“connected person”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules
“CR Cement”	China Resources Cement Holdings Limited (華潤水泥控股有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed and traded on the Main Board of the Stock Exchange (stock code: 1313)
“CRC (Fengkai)”	China Resources Cement (Fengkai) Limited* (華潤水泥(封開)有限公司), a limited liability company established in the PRC and an indirect wholly-owned subsidiary of CR Cement
“CRC (Heqing)”	China Resources Cement (Heqing) Limited* (華潤水泥(鶴慶)有限公司), a limited liability company established in the PRC and an indirect non-wholly-owned subsidiary of CR Cement

“CRC (Midu)”	China Resources Cement (Midu) Limited* (華潤水泥(彌渡)有限公司), a limited liability company established in the PRC and an indirect non-wholly-owned subsidiary of CR Cement
“CRH”	China Resources (Holdings) Company Limited (華潤(集團)有限公司), a company incorporated in Hong Kong with limited liability and the controlling shareholder of the Company
“CR Microelectronics”	China Resources Microelectronics Limited, a limited liability company incorporated in the Cayman Islands and an indirect subsidiary of CRH
“CRM (Wuxi)”	Wuxi China Resources Microelectronics Co., Ltd.* (無錫華潤微電子有限公司), a limited liability company established in the PRC and an indirect wholly-owned subsidiary of CRH
“CRP (Changshu)”	China Resources Power (Changshu) Co., Ltd.* (華潤電力(常熟)有限公司), a wholly foreign owned enterprise established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“CRP (Haifeng)”	China Resources Power (Haifeng) Co., Ltd.* (華潤電力(海豐)有限公司), a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company
“Direct Power Supply Transactions”	collectively, the First Direct Power Supply Transaction, the Second Direct Power Supply Transaction, the Third Direct Power Supply Transaction, the Fourth Direct Power Supply Transaction, the Fifth Direct Power Supply Transaction, the Sixth Direct Power Supply Transaction, the Seventh Direct Power Supply Transaction, the Eighth Direct Power Supply Transaction and the Ninth Direct Power Supply Transaction, and each a “Direct Power Supply Transaction”

“Directors”	the directors of the Company
“Fengqing Xiqian”	Fengqing Xiqian Cement Co., Ltd.* (鳳慶縣習謙水泥有限責任公司), a limited liability company established in the PRC and a direct non-wholly-owned subsidiary of Yunnan Cement & Building Materials
“Group”	the Company and its subsidiaries
“Guangdong Power Grid Company”	Guangdong Power Grid Company* (廣東電網有限責任公司), the operator of the southern power grid (南方電網) in Guangdong Province, the PRC
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Honghe Ziyang”	Honghe Ziyang Cement Co., Ltd.* (紅河州紫燕水泥有限責任公司), a limited liability company established in the PRC and an indirect wholly-owned subsidiary of Yunnan Cement & Building Materials
“IC”	integrated circuit, an electronic circuit where all the elements of the circuit are integrated together on a single semiconductor substrate
“independent shareholders”	shareholders of the Company, other than CRH and its associates
“Jiangsu Double-Crane”	Jiangsu Huai An Double-Crane Pharmaceutical Co., Ltd.* (江蘇淮安雙鶴藥業有限責任公司), a limited liability company established in the PRC and an indirect non-wholly-owned subsidiary of CRH

“Jiangsu Electric Power Company”	Jiangsu Electric Power Company* (江蘇省電力公司), the operator of the state power grid (國家電網) in Jiangsu Province, the PRC
“Jiangsu Nanre”	Jiang Su Nanre Power Generation Co., Ltd.* (江蘇南熱發電有限責任公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“normal commercial terms or better”	has the meaning ascribed thereto under the Listing Rules
“PRC”	the People’s Republic of China, and for the purposes of this announcement, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Yunnan Cement & Building Materials”	Yunnan Cement & Building Materials Group Co., Ltd.* (雲南水泥建材集團有限公司), a limited liability company established in the PRC which is indirectly owned as to 50% by CR Cement and an associate of CR Cement
“Yunnan CRP”	Yunnan China Resources Power (Honghe) Co., Ltd.* (雲南華潤電力(紅河)有限公司), a sino-foreign equity joint venture established in the PRC with limited liability and an indirect non-wholly-owned subsidiary of the Company
“Yunnan Electric Power Company”	Yunnan Electric Power Company* (雲南電網公司), the operator of the southern power grid (南方電網) in Yunnan Province, the PRC

“Yunnan Jinjiang”	Yunnan Jinjiang Cangyuan Cement Industry Co., Ltd.* (雲南金江滄源水泥工業有限公司), a limited liability company established in the PRC and a direct wholly-owned subsidiary of Yunnan Cement & Building Materials
“Zhenkang Cement & Building Materials”	Zhenkang Cement & Building Materials Co., Ltd.* (鎮康源水泥建材有限公司), a limited liability company established in the PRC and a direct wholly-owned subsidiary of Yunnan Cement & Building Materials

For illustrative purpose of this announcement only, conversion of RMB into HK\$ is made at the following rates:

2013:RMB1.00 = HK\$1.2520.

2014:RMB1.00 = HK\$1.2625

2015:RMB1.00 = HK\$1.2454

2016:RMB1.00 = HK\$1.17

By Order of the Board
**CHINA RESOURCES POWER
HOLDINGS COMPANY LIMITED**
ZHOU Junqing
Chairman

Hong Kong, 28 July 2016

As at the date of this announcement, the executive Directors are Ms. ZHOU Junqing, Mr. ZHANG Shen Wen, Mr. GE Changxin, Mr. HU Min and Ms. WANG Xiao Bin; the non-executive Directors are Mr. CHEN Ying and Mr. WANG Yan; and the independent non-executive Directors are Mr. MA Chiu-Cheung, Andrew, Ms. Elsie LEUNG Oi-sie, Dr. Raymond Kuo-fung CH'IEN and Mr. Jack SO Chak Kwong.

* *For identification purposes only*