

中國廣核電力股份有限公司
CGN Power Co., Ltd.*

(A joint stock company incorporated in the People's Republic of China with limited liability)



2015 Interim Report

* For identification purpose only

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Unless otherwise defined in this Interim Report, the terms used in this Interim Report shall have the same meanings as those defined in the 2014 Annual Report of the Company. This Interim Report has been prepared in Chinese and English respectively. In case of discrepancy, the Chinese version shall prevail, except for the condensed consolidated financial statements prepared in accordance with International Financial Reporting Standards, of which the English version shall prevail.

Summary of Interim Results

The Board of Directors (the "Board") of CGN Power Co., Ltd. ("CGN Power", the "Company", "we" or "us") is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (the "Group") for the six months ended June 30, 2015 (the "Period", the "Reporting Period" or the "first half of 2015"), together with the comparative figures for the corresponding period in 2014.

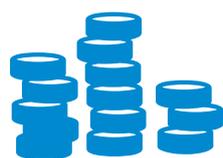
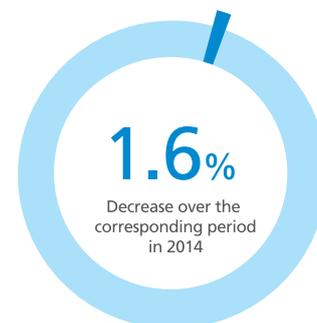
For the six months ended June 30, 2015



Revenue

9,590,181

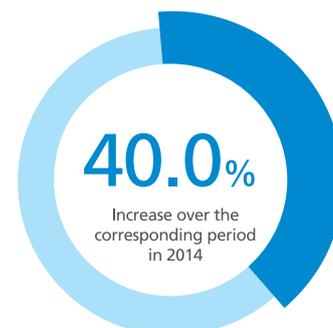
RMB'000



Profit before taxation

5,028,672

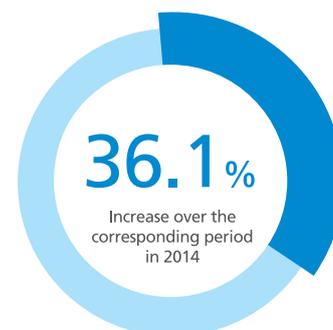
RMB'000



Profit attributable to owners of the Company

3,478,292

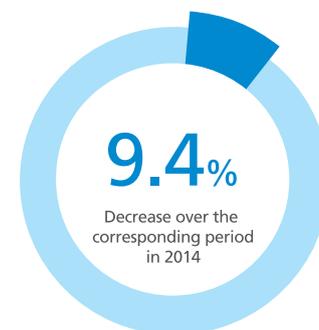
RMB'000



Basic earnings per share attributable to owners of the Company

0.077

RMB



The Board has proposed not to distribute interim dividends for the six months ended 30 June 2015 (corresponding period in 2014: Nil).

Overview

China's economy has entered into a new normal with the slowdown of its growth rate and the adjustment in the structure. In the first half of 2015, the electricity power supply and demand in China was generally on easing. Due to various factors such as the decline of industrial power consumption and the restructuring of industries, the power consumption within China reached approximately 2,662,400 GWh, representing an increase of 1.3% over the corresponding period in 2014.

In the first half of 2015, with our close attention to the changes of external environment and related policies, we focused on the operation and construction of each nuclear power unit based on the principle of "Safety First, Quality Foremost". With the strong support of the Company's shareholders and through the concerted efforts of all employees, we achieved an annual on-grid power generation of 36,308.70 GWh, representing an increase of 19.20% over the corresponding period in 2014. Two new units (Yangjiang Unit 2 and Ningde Unit 3) commenced commercial operation on June 5, 2015 and June 10, 2015, respectively.

In respect of the development of new projects, we have also made some progress. In March 2015, the National Nuclear Safety Administration (the "NNSA") approved the construction of Hongyanhe Units 5 and 6, which became the first nuclear power project being approved in the PRC since 2014. In particular, Hongyanhe Unit 5 officially commenced construction on March 29, 2015.

Our acquisition of Taishan Nuclear Power Joint Venture Co., Ltd. ("**Taishan Nuclear**") has been successfully completed as scheduled, and we currently, directly and indirectly, hold 51% equity interest.

As at June 30, 2015, the Group operated and managed a total of 13 nuclear power generating units in operation with installed capacity of 13,799 MW and 10 nuclear power generating units under construction with installed capacity of 12,290 MW. Our nuclear power generating units in operation and under construction had a total installed capacity accounting for approximately 58.5% and 48.5% market share in the market of Mainland China, respectively.

Financial Highlights

Highlights of Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	For the six months ended June 30, 2015	
	2015 RMB'000	2014 RMB'000
Revenue	9,590,181	9,745,327
Gross profit	4,632,799	5,134,546
Profit before taxation	5,028,672	3,591,182
Taxation	(740,576)	(531,061)
Profit for the period	4,288,096	3,060,121
Profit for the period attributable to:		
– Owners of the Company	3,478,292	2,555,752
– Non-controlling interests	809,804	504,369
Earnings per share attributable to owners of the Company		
– Basic and diluted (RMB)	0.077	0.085

Condensed Consolidated Statement of Financial Position

	June 30, 2015 RMB'000	December 31, 2014 RMB'000
Total non-current assets	184,306,551	178,297,794
Total current assets	27,324,422	42,590,705
Total assets	211,630,973	220,888,499
Total current liabilities	22,266,547	28,468,715
Total non-current liabilities	115,375,512	113,344,953
Total liabilities	137,642,059	141,813,668
Equity attributable to owners of the Company	53,193,799	59,450,087
Non-controlling interests	20,795,115	19,624,744
Total equity	73,988,914	79,074,831

Shareholders' Value

As of June 30, 2015, share price of the Company increased by 46.04% as compared to the issued price of public offer on December 10, 2014.

The shares of the Company were included in the FTSE Index on December 22, 2014, included in the MSCI China Index on December 24, 2014, included in the Hang Seng Composite Index and commenced trading through the Shanghai-Hong Kong Stock Connect on March 9, 2015 and included in the Hang Seng China Enterprises Index on June 8, 2015.

The above indices comprise companies which have greater size, sound growth potential as well as good market liquidity in the capital markets. The inclusion of our Company into these indices has enhanced the reputation of our Company in capital markets and enabled investors to have more understanding and interest in our Company. At the same time, large-scale index funds in the capital markets are also attracted to include shares of our Company in their portfolios.

Share Price Performance of CGN from December 10, 2014 to June 30, 2015



During the Reporting Period, the Company declared the distribution of a final dividend of RMB0.0025 per share for the year ended December 31, 2014 to owners of the Company. The total final dividend distributed during the Reporting Period amounted to RMB113,622,000. The proposed distribution of final dividend for the year ended December 31, 2014 was approved by shareholders of the Company at the 2014 Annual General Meeting held on June 12, 2015.

Pursuant to the Company's dividend distribution policy, and based on the Company's detailed results of operation in the first half of 2015, the Board does not propose the payment of an interim dividend for the six months ended June 30, 2015 (corresponding period in 2014: nil).

Shareholders' Diary

Payment of final dividend for 2014	July 29, 2015
Interim results for 2015	August 19, 2015
Publication of Interim Report on the website of the Company (www.cgnp.com.cn)	August 27, 2015
Dispatch of Interim Report to shareholders	August 28, 2015
Reverse roadshow in the second half of the year	September 2015
Balance Sheet Date of the Financial Year	December 31, 2015

Management Discussion & Analysis

Industry Overview

On June 30, 2015, the PRC government officially published the program of Intended Nationally Determined Contributions/INDC, namely Reinforcing the Actions in Response to Climate Change-Intended Nationally Determined Contributions (《強化應對氣候變化行動—中國國家自主貢獻》), which clearly sets out the goal to tackle climate change in China by 2030. The document again specifies that the non-fossil energy will account for about 15% and 20% of one-time energy consumption in 2020 and 2030, respectively, as well as the requirement for safe and efficient development of nuclear power. According to the statistics issued by the National Energy Administration, in 2014, the PRC accelerated the development of clean energy and further optimized the energy structure. As a result, the non-fossil energy accounted for approximately 11% of one-time energy consumption, and there was large space for achieving the target in 2020 and 2030.

In recent years, the nuclear power projects in the PRC have been put into operation in a large scale, which lead to a rapid growth of nuclear power generation. However, the proportion of nuclear power in the domestic energy structure remains relatively low. The table below sets out the percentage of total installed generation capacity in the PRC by energy type as of December 31, 2014:

	Thermal power	Hydropower	Wind power	Solar power	Nuclear power
Percentage to installed capacity by energy type as of December 31, 2014 (%) (Note)	67.4	22.2	7.0	1.9	1.5

Note: The source is from Electric Power Industry Statistical Report 2014 (2014年電力工業運行簡況) published by China Electricity Council (the "CEC")

In order to achieve the goal of energy structure adjustment and controlling air pollution, it is required to strengthen efforts to develop nuclear power in our country. We believe that, due to its advantages of low generation cost and high capacity and efficiency, the nuclear power shall be developed safely, stably and in a large scale.

China's economy has entered into a new normal status with a slowdown in growth and adjustment in the structure. According to the statistics of the National Bureau of Statistical, the growth of gross domestic product (GDP) for the first half of 2015 is 7.0%. Affected by a decline in industrial power consumption, the industrial restructuring as well as the climate change, total power consumption increased by 1.3% year-on-year, representing a drop of 4.1% year-on-year in growth rate. In particular, however, nuclear power generation continued to grow as fast as before. According to the statistics, nationwide nuclear power generation in the first half of 2015 amounted to approximately 77,200 GWh, representing an increase of 34.8% year-on-year, while on-grid nuclear power generation in the first half of 2015 was approximately 70,614 GWh, representing 2.65% of the total power consumption and a 33.92% year-on-year growth. In the first half of 2015, the national power generating equipment has been utilized for an aggregated number of 1,936 hours on average, representing a year-on-year decrease of 151 hours. Specifically, the national nuclear power generating equipment has been utilized for 3,456 hours on average, representing a year-on-year increase of 27 hours.

The national power supply and demand was loose in the first half of 2015. Particularly, supply capacity at the Northeast PRC and the Northwest PRC regions was more excessive, and supply and demand for the Central PRC was generally loose, while that for the Northern PRC, the Eastern PRC and the Southern PRC was generally balanced with somewhat excessive supply for certain provinces. In the first half of 2015, the Central PRC and the Northeast PRC regions recorded negative growth in power consumption with a decline of 0.3% and 2.0% year-on-year, respectively, which indicated relatively tough situation in the power market of the Northeast PRC region. CEC anticipated that the supply and demand relationship for the second half of 2015 will become looser in general.

Note: the above data was derived from the Report on the Analysis and Forecast of National Power Supply and Demand for the First Half of 2015 (《2015年上半年全國電力供需形勢分析預測報告》) and Briefings on the Operation of the Power Industry from January to June 2015 (《2015年1-6月份電力工業運行簡況》) of CEC

On March 15, 2015, the Central Committee of the Communist Party of China and the State Council issued Certain Opinions on the Further Reform of Power System (《關於進一步深化電力體制改革的若干意見》), which indicated the start of a new round of power system reform in our country. Four supporting documents, including Guiding Opinions on Improving Power Operation Regulation and Promoting Comprehensive Development of Clean Energies (《關於改善電力運行調節促進清潔能源多發滿發的指導意見》), published later by the National Development and Reform Commission (“NDRC”) successively, further specified the principles of preserving space for clean energy generating units to generate power with priority, and also required satisfaction of peak regulation demand while ensuring safety of the nuclear power. As the reform is progressing, a series of documents supporting the power reform will be published later.

The power system reform will bring profound impact on the power industry as a whole. We are of the opinion that, the power system reform presents opportunities as well as challenges to nuclear power enterprises as their management of electricity sales, cost control and risk control will be affected. We will accommodate the progress of reform by closely monitoring the development of policies auxiliary to the power reform and proactively supporting and advising on research of those policies, in addition to which, continuously enhancing our market-oriented operation and management capabilities.

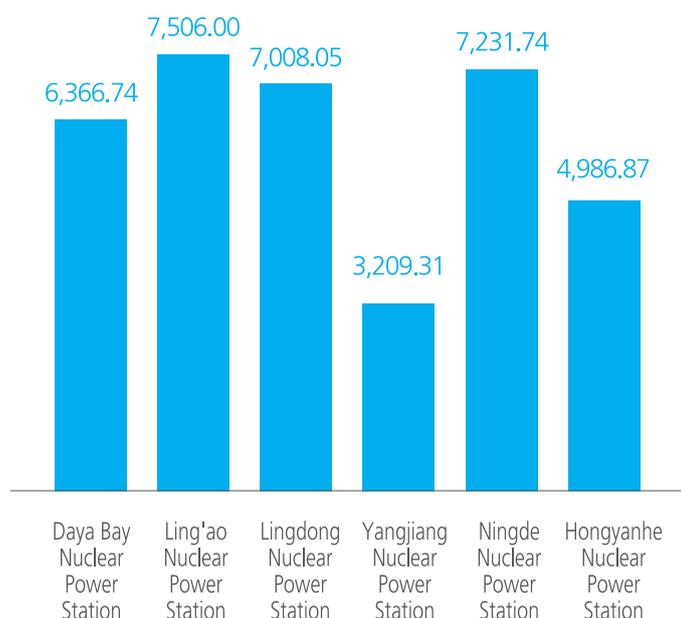
Business Performance and Analysis

We consistently adhered to the basic principle of “Safety First, Quality Foremost”, and implemented specialized, standardized and centralized (“**standardized, specialized and centralized**”) management strategy, so as to ensure the safe and stable operations of each nuclear power generating unit in operation and the orderly progress of construction of the nuclear power units under construction. In the first half of 2015, the operation of nuclear power generating units in operation managed by us was in good condition, and 2 generating units under construction commenced commercial operations in advance. We hereby mainly report on the business performance of our nuclear power generating units in operation and under construction during the first half of 2015, and the work carried out by us in respect of human resources and social responsibilities.

Nuclear Power Generating Units in Operation

For the six months ended June 30, 2015, the 13 nuclear power generating units in operation we managed achieved a total on-grid power generation of 36,308.70 GWh, representing an increase of 19.20% over the corresponding period of 2014. Among which, nuclear power stations operated and managed by our subsidiaries (including Daya Bay Nuclear Power Station, Ling'ao Nuclear Power Station, Lingdong Nuclear Power Station and Yangjiang Nuclear Power Station), our joint ventures (including Ningde Nuclear Power Station) and our associates (including Hongyanhe Nuclear Power Station) recorded a decrease of 2.68%, an increase of 240.28% and an increase of 39.22% of total on-grid power generation, respectively over the corresponding period of 2014.

For the six months ended June 30, 2015, on-grid power generation figures (unit: GWh) of our nuclear power stations are as follows:



Safety Management

In the first half of 2015, as a result of upholding the belief in the importance of effective operation of the developed safety regulation system, we placed much emphasis on the nuclear safety culture construction and the improvement of the nuclear emergency response and handling mechanism so as to raise nuclear safety awareness of our staff and to strengthen their capability to handle and react in case of emergency. We ensure that our nuclear power stations are safely operating in an economical and reliable manner in the interests of social and public safety.

Nuclear Safety Culture Building

As at the end of 2014, NNSA, the National Energy Administration and the State Administration of Science, Technology and Industry for National Defence ("SASTIND") jointly declared the Statement of Nuclear Safety Culture Policy (《核安全文化政策聲明》) (the "Statement"), which pointed out that "the core value of nuclear safety culture advocated by the PRC at the current stage is paying equal attention to development and safety, rights and obligations, independence and coordination as well as scratching the surface and getting to the root", that "the nuclear safety culture shall be fostered and developed greatly to increase the level of nuclear safety" and that "the fostering of nuclear safety culture is a long term process and should be promoted on an on-going basis". Our consistently upheld nuclear safety culture concept is fully in line with the requirements of these policies.

Currently, the number of nuclear power bases managed by us has increased to five, and as the new units were put into operation successively, most of the nuclear power bases need to manage both the nuclear power generating units in operation and nuclear power generating units under construction, which has increased the complexity and difficulty of safety management, and also increased the pressure of nuclear safety on us. The number of our new staff and new business partners has significantly increased due to the business development, and we need to help them understand the nuclear safety culture quickly, as well as help them to observe and implement relevant regulations and procedures. Meanwhile, we pay attention to the staff who have worked with the Company for a long time, so as to help them keep abreast of nuclear safety awareness. One of the key points we must focus on during the continuous implementation of nuclear safety culture building is how to ensure the nuclear safety concept is fully observed by all staff in their work.

To continue to enhance the safety culture of the Company, put the awareness and requirement of behaviors on safety into actions and strengthen the awareness of respect, compliance with regulations, responsibility and integrity, we have set 2015 as the Company's "Year of Safety Culture" (安全文化年) and organized and launched a series of activities with the theme "To Respect Nuclear Safety and To Uphold the Red Line with Diligence" (敬畏核安全、勤勉守紅線) by integrating the requirement of "Implementation of Special Actions on the Promotion of Nuclear Safety Culture" (關於開展核安全文化宣貫推進專項行動) of NNSA. For the six months ended June 30, 2015, we have accomplished preliminarily reflection on safety events happened to us, compilation on environmental laws and regulations of safety and quality, and the preparation of the red line standard and penalty system for staff behavior on safety and quality.

- By conducting reflection activities on safety events at different levels to reflect if there exists the mentality of not being responsible for our business and if there are still loopholes in our management and control of business, and to formulate improvement plans on individual behavior and enhancement plans on management and control of business;
- We have accomplished preliminarily the "Compilation on Environmental Laws and Regulations of Corporate Safety and Quality" (《公司安全質量環境法律法規彙編》), which covers the regulations and rules in the areas of safety, occupational safety, environment and emergencies, providing guidance and assistance to our development; and
- Each of the subsidiaries and affiliated companies has basically completed the preparation or improvement of the red line standard and penalty system for staff behavior on safety and quality and strengthened the awareness and behavior on "To Respect Nuclear Safety and To Uphold Nuclear Safety" (敬畏核安全,守護核安全) of each staff.

We have continuously tried different forms to amplify nuclear safety culture publicity campaigns, in order to promote the understanding and acceptance of the staff as to nuclear safety culture concept in a lively way. In accordance with the arrangement for "Year of Safety Culture" this year, we are conducting the solicitation activity of micro videos on implementation of nuclear safety culture, which themed as "To Uphold Nuclear Safety, Practice Individually" (守護核安全,踐行在身邊), encouraging the staff to observe and find good practice around and shoot it to share with the others.

Nuclear safety culture precautionary education is the education activity we carry out routinely every year, which is mainly delivered by all levels of management in the form of lectures in respect of the understanding on nuclear safety, cases analysis on important events and the requirements of the Company. We and our affiliates have successively initiated the nuclear safety culture precautionary education activities for this year.

Improvement of Nuclear Emergency Response Mechanism

We have implemented a comprehensive emergency response preparation and reaction system in all nuclear power stations managed by us, and organized different scales of drill in due course to ensure rapid response to accidents. However, with the successive commencement of new nuclear power generating units at each base area, we are required to enhance the emergency ability to respond to accidents of multiple units. The Company should establish an integrated emergency rescue system and relief materials safeguard system against nuclear accidents, as well as a unified mechanism for dealing with emergency issues and experience feedback system, to meet the development of the Company's business and new requirements of the country for emergency management of nuclear accidents.*

* On May 15, 2015, Li Ganjie, the deputy minister of the Ministry of Environmental Protection and the director of the NNSA, at the fourth forum of senior management of nuclear groups in respect of emergency response to nuclear accidents pointed out that, based on serious lessons from Japan's Fukushima nuclear accident, it was an important step to establish an emergency rescue force at nuclear accident sites of nuclear power stations at the level of nuclear group companies.

We have established a nuclear emergency response and rescue center according to the "standardized, specialized and centralized" management strategy in the emergency management field, with aims to realize the overall management of various emergency response forces at each base area, establish the nuclear emergency response command and decision-making platform and command mechanism interconnected to and shared by emergency response command center and other entities of the Company and each nuclear power station, and strengthen the Company's capacities of in-depth guidance, vigorous coordination and effective support for nuclear accidents, as well as comply with the latest requirements of regulatory authorities in respect of the Company's emergency response to nuclear accidents.

We have implemented the 24-hour emergency duty system for emergency organization personnel for years at each nuclear power station managed by us. Upon the establishment of the nuclear emergency response and rescue center, we have established the 24-hour emergency duty system for emergency organization personnel at the Company's level in response to the actual demand of the company management, taking full advantage of the interaction between the Company and each nuclear power station, deploying various resources within and outside the Company effectively and giving necessary guidance and support in accidents handling timely. Such system has become effective on April 1, 2015.

On June 26, 2015, under the organization of relevant national departments, we held a “Shendun-2015” national nuclear emergency joint drill together with joint drill inside and outside the nuclear power station prior to the first fuel loading of Taishan Nuclear, which was the first joint drill for nuclear accident emergency response at the national level after the release of the new version of National Nuclear Emergency Program (《國家核應急預案》). The National Coordinating Committee of Nuclear Accident Emergency Response, Guangdong provincial government and CGNPC (including us) engaged in this drill, being on behalf of emergency response organizations at all levels. During this drill, with the initiation of all the emergency response organizations of Taishan Nuclear, they adopted well-directed handling according to the status of the accident development and promptly reported to the relevant authorities of superior level, and accordingly, response actions were successively carried out. By way of the drill, we inspected the effectiveness of the Company’s emergency response mechanism and the cooperativity with external enterprises, enhanced the nuclear emergency response level and accident handling ability, which achieved the expected goal of the drill. After the drill, we made a conclusion and rationalized the methods to improve some problems in a timely manner, formulated the subsequent improvement actions and plans afterwards.



“Shendun-2015” national nuclear emergency joint drilling and joint drilling for inside and outside the station prior to the first fuel loading of Taishan Nuclear.

Safety Performance

According to the International Nuclear Events Scale (“INES”) (《國際核事件分級表》) set by the International Atomic Energy Agency, for the six months ended June 30, 2015, 3 incidents at level 0 in total occurred at the 13 nuclear power generating units we operated and managed. In the first half of 2015, we obtained all excellent safety evaluation for all the 25 safety inspections by the NNSA, the nuclear and radiation safety supervision stations and the China Atomic Energy Authority.

Base Area or Nuclear Power Station	Incidents (All are Level 0 Incidents) For the six months ended June 30	
	2015	2014
Daya Bay Base Area (including Daya Bay Nuclear Power Station, Ling'ao Nuclear Power Station and Lingdong Nuclear Power Station)	0	1
Yangjiang Nuclear Power Station	0	0
Ningde Nuclear Power Station	1	4
Hongyanhe Nuclear Power Station	2	0

Operation Performance

Capacity factor, load factor and average utilization hours are the three indicators continuously utilized by us to evaluate the utilization of the nuclear power generating units, which is an important factor affecting our overall results of operations and profitability.

In the first half of 2015, the mature units (nuclear power generating units that have completed operation through three fuel cycles) operated and managed by us had an average capacity factor of 83.71%, average load factor of 82.75% and average utilization hours of 3,594 hours, while these three indicators were 88.85%, 88.65%, 3,851 hours in the corresponding period of last year, respectively. This change was mainly due to the fact that 5 mature units had conducted outage in the first half of 2015. The new units (nuclear power generating units that have not completed operation through three fuel cycles after commercial operations, Yangjiang Unit 2 and Ningde Unit 3 commenced their commercial operations since June 2015, and the above two units are excluded from the below indicator data), had an average capacity factor of 70.75%, average load factor of 65.85% and average utilization hours of 2,861 hours, while these three indicators were 74.35%, 73.98% and 2,532 hours in the corresponding period of last year, respectively. This change was mainly due to the fact that Yangjiang Unit 1 had completed the first outage, and Hongyanhe Unit 2 had conducted a temporary deloading overhaul* in the first half of 2015.

* Due to the heating provision period in winter in Liaoning region, a temporary deloading overhaul was conducted for Hongyanhe Unit 2 in the first half of 2015 in line with the requirements of power grids. Accordingly, we adjusted our outage strategy, and advanced some overhaul projects of the first refueling outage which was scheduled to conduct for Hongyanhe Unit 2 to this period, which would shorten the time for the first refueling outage originally arranged for Hongyanhe Unit 2.

During the regular refueling period of the nuclear power stations, we mainly carry out preventive maintenance, corrective maintenance and related modifications projects, which are usually referred to as refueling outages by nuclear power stations. In addition, according to the technical requirements for operating nuclear power stations, we need to carry out inspection, testing and maintenance of major equipment every ten years. Such activities will be conducted during the refueling period of generating units, and this is usually referred to as 10-year outage by nuclear power stations.

In the first half of 2015, we carried out a total of seven refueling outages for the 13 nuclear power generating units in operation managed by us, including three 10-year outages or the first outages, which were equivalent to 10-year outages. In accordance with the “standardized, specialized and centralized” management strategy in outage area, we continuously optimized the management level of refueling outages, and with the cooperation and efforts of each party involved, the actual schedule of the first refueling outages for new generating units was shortened. For example, in respect of the first outage for Ningde Unit 2 carried out in the first half of 2015, its outage schedule was shortened by 24 days as compared to that of the first outage for Ningde Unit 1 completed in 2014, which was achieved based on the consolidation of the Group’s specialized technical forces and by reference to the experience feedback from the first outages for other nuclear power generating units. The total aggregate number of calendar days for refueling outages was 346 days in the first half of 2015.

The capacity factor and load factor of nuclear power generating units we operated and managed in the first half of 2015 are set out below:

Nuclear Power Stations	Capacity factor (%)		Load factor (%)	
	For the six months ended June 30		For the six months ended June 30	
	2015	2014	2015	2014
<i>From subsidiaries</i>				
Daya Bay Unit 1 ⁽¹⁾	57.33	99.95	57.86	100.71
Daya Bay Unit 2	97.32	99.95	98.01	100.55
Ling’ao Unit 1	99.91	80.76	99.26	79.93
Ling’ao Unit 2 ⁽²⁾	87.19	89.38	82.87	88.33
Lingdong Unit 1 ⁽³⁾	80.05	82.60	78.89	82.64
Lingdong Unit 2 ⁽⁴⁾	80.45	80.47	79.57	79.76
Yangjiang Unit 1 ⁽⁵⁾	58.59	99.97	58.79	100.09
Yangjiang Unit 2 ⁽⁶⁾	—	under construction	—	under construction
<i>From joint ventures</i>				
Ningde Unit 1 ⁽⁷⁾	99.93	19.55	98.09	19.48
Ningde Unit 2 ⁽⁸⁾	61.46	99.93	59.03	99.11
Ningde Unit 3 ⁽⁶⁾	—	under construction	—	under construction
<i>From associates</i>				
Hongyanhe Unit 1 ⁽⁹⁾	75.33	54.04	71.51	53.22
Hongyanhe Unit 2 ⁽¹⁰⁾	58.42	98.27	41.85	97.99

(1) Daya Bay Unit 1 completed a 10-year outage in the first half of 2015, while no refueling outage was conducted in the corresponding period last year.

(2) Ling’ao Unit 2 completed a refueling outage in the first half of 2015.

(3) Lingdong Unit 1 completed a refueling outage in the first half of 2015.

- (4) Lingdong Unit 2 completed a refueling outage in the first half of 2015.
- (5) Yangjiang Unit 1 completed the first outage after commencement of operation in the first half of 2015. The first outage was similar to a 10-year outage in nature.
- (6) Yangjiang Unit 2 and Ningde Unit 3 commenced their commercial operations in June 2015, and we started to collect statistics of their capacity factor and load factor in July.
- (7) No refueling outage was arranged for Ningde Unit 1 in the first half of 2015 but it had completed the first outage in the corresponding period last year. The first outage was similar to a 10-year outage in nature.
- (8) Ningde Unit 2 completed the first outage after commencement of operation in the first half of 2015. The first outage was similar to a 10-year outage in nature.
- (9) Hongyanhe Unit 1 completed a refueling outage in the first half of 2015 and the first outage in the corresponding period last year. The first outage was similar to a 10-year outage in nature.
- (10) Due to the heating provision period in winter in Liaoning, a temporary deloading was conducted for Hongyanhe Unit 2 in line with the requirements of power grids. Accordingly, we advanced some overhaul projects of the first refueling outage for Hongyanhe Unit 2 to such deloading period.

In accordance with the “standardized, specialized and centralized” management strategy in spare parts and components area and through comprehensive analysis, we planned to construct a central warehouse of strategic spare parts for nuclear power stations at the Daya Bay Base Area and the Yangjiang Nuclear Base Area. The central warehouse of strategic spare parts, once completed, will effectively resolve the problem that there was no space reserved for large strategic spare parts at each nuclear power station, and will achieve the unified management of the Company’s strategic spare parts. It can also reduce costs of spare parts for nuclear power stations and increase the reservation ratio of strategic spare parts. In addition, the central warehouse can ensure minimization of losses on nuclear power stations if, to which any significant and unexpected failure of equipment happened. We are currently carrying out the preparation work for the central warehouse of strategic spare parts.

In order to examine our operational level in the industry more comprehensively, identify our weaknesses and shortcomings, and improve and enhance our level of safe and stable operation in a target-oriented manner, we changed from 9 key performance indicators to all the 12 performance indicators of the Company in 2015 when compared with the benchmark of performance indicators for PWR set by the World Association of Nuclear Operators (“WANO”). For the six months ended June 30, 2015, when compared with the one-year value benchmark of 12 performance indicators for PWR set by WANO in 2014, among a total of 132 WANO performance indicators of our 11 nuclear power generating units in operation (Yangjiang Unit 2 and Ningde Unit 3 were put into commercial operations in early June, and excluded from the statistics in the Reporting Period), there were 105 indicators (79.5%) achieving the world’s top quartile level (advanced level), of which 95 indicators (72.0%) achieving the world’s top decile level (excellent level)*.

* Measuring by the 9 key performance indicators for PWR set by the WANO, our 11 nuclear power generating units in operation, which has 99 key performance indicators in aggregate, had 72 indicators reached the world’s top quartile level in the first half of 2015, increasing from 67 indicators in the corresponding period in 2014. They also had 62 indicators reaching the world’s top decile level in the first half of 2015, increasing from 57 indicators in the corresponding period in 2014.

Environmental Performance

In the first half of 2015, the radioactive waste management of the each nuclear power generating unit in operation managed by us has strictly complied with state laws and regulations, and has strictly met the standard requirement of the relevant technical specifications.

The following table sets forth the amounts and percentages of the various types of radioactive waste discharged at the nuclear power stations during the period as a percentage of the national standards:

	For the six months ended 30 June							
	Daya Bay Base Area (including Daya Bay Nuclear Power Station, Ling'ao Nuclear Power Station and Lingdong Nuclear Power Station)		Yangjiang Nuclear Power Station		Ningde Nuclear Power Station		Hongyanhe Nuclear Power Station	
	2015	2014	2015	2014	2015	2014	2015	2014
Amount of discharged liquid radioactive waste (radionuclides other than tritium) as a percentage of the national standards	0.32%	0.23%	0.28%	0.05%	0.17%	0.35%	0.20%	0.31%
Amount of discharged gas radioactive waste (inert gases) as a percentage of the national standards	0.19%	0.19%	0.05%	0.07%	0.21%	0.42%	0.06%	0.16%
Solid radioactive waste (cubic meters)	131.2	189.2	0	0	97.6	93.0	122.8	115.4
Results of environmental monitoring	Normal	Normal	Normal	Normal	Normal	Normal	Normal	Normal

As a clean energy, nuclear power contributes to energy saving and emission reduction. In the first half of 2015, our cumulative on-grid nuclear power generation in effect represented a reduction of approximately 11.65 million tons of standard coal consumption and approximately 28.67 million tons of carbon dioxide emissions, with an equivalent effect of a 80 thousand hectare forest.



Nuclear Power Generating Units under Construction

The quality of nuclear power stations under construction is important for the safe and efficient operations of nuclear power stations after commencement of operation. We meticulously organize project construction to ensure the quality, pass the inspection of the NNSA at the major project nodes, and enter into the next phase of work after having confirmed our full compliance with the requirements. We continue to learn from the experience feedback deriving from the construction of other domestic and international nuclear power stations to improve the safety and quality of our project construction and lay a solid foundation for the safe and stable operation of nuclear power stations in the future.

On March 10, 2015, the construction of Hongyanhe Units 5 and 6 was approved by the NDRC. In particular, we commenced the construction of Hongyanhe Unit 5 on March 29, 2015. As of June 30, 2015, we managed 10 nuclear power generating units under construction with installed capacity of 12,290MW, of which 1 unit was in the grid connection phase, 4 units in the commissioning phase, 3 in the equipment installation phase, and 2 in the civil construction phase.

Nuclear Power Generating Units	Civil Construction Phase	Equipment Installation Phase	Commissioning Phase	Grid Connection Phase	Expected Time of Commencement of Operation
<i>From subsidiaries</i>					
Yangjiang Unit 3			√		First half of 2016
Yangjiang Unit 4		√			Second half of 2017
Yangjiang Unit 5		√			Second half of 2018
Yangjiang Unit 6	√				Second half of 2019
Taishan Unit 1			√		First half of 2016
Taishan Unit 2		√			Second half of 2016
<i>From joint ventures</i>					
Ningde Unit 4			√		Second half of 2016
<i>From associates</i>					
Hongyanhe Unit 3				√	Second half of 2015
Hongyanhe Unit 4			√		Second half of 2015
Hongyanhe Unit 5	√				Second half of 2020

Nuclear power generating units may be affected by various factors during the progress of construction, including, among others, delivery delays, increase in the cost of key equipment and materials, delay in obtaining regulatory approvals, permits or licenses, unexpected engineering, environmental or geological problems, change of localization ratio as well as the implementation of additional PRC regulatory and safety requirements for nuclear safety, the actual date of commencement of operation may deviate from such expected date. We will provide updated information in accordance with the relevant rules from time to time.

Yangjiang Unit 2 and Ningde Unit 3 were entering the grid connection stage in the early and middle of March 2015 successively and have been put into commercial operation in June 2015, ahead of the expected time of commencement of operation.

On August 19, 2014, the State Council issued the Opinions of the State Council on Certain Major Policies and Measures Recently Adopted in Support of Revitalizing the Northeast China (《國務院關於近期支持東北振興若干重大政策舉措的意見》), which regards the establishment of a diversified clean energy system as one of the most important revitalization measures. In the first half of 2015, the Northeast China Energy Regulatory Bureau of National Energy Administration prepared the Research Report Advice and Suggestions on Electric Power Planning in the Northeast China during “the 13th Five-Year Plan” Period (《東北區域「十三五」電力規劃意見建議研究報告》), which put forward a series of suggestions on the establishment of a diversified clean energy system to solve the problem of “local oversupply of electricity”. However, it will take some time to adjust the energy structure, and the people demand provision of heating in winter in the Northeast China, both of which have, to some extent, affected the scheduled grid connection and commercial operation of our nuclear power generating units. Hongyanhe Unit 3 and Unit 4 are expected to be put into commercial operation in the second half of the year (Hongyanhe Unit 3 has met the conditions for commercial operation on August 16, 2015). Facing the current tough external situation, we responded actively and organized a specialized work team together with Liaoning Hongyanhe Nuclear Power Co., Ltd. (“**Hongyanhe Nuclear**”) to follow closely the changes in power consumption in Liaoning province, and to cooperate with the State’s ministries and commissions, local governments and power grids in implementing such measures as promoting optimized power networks, external distribution of regional electricity, allocation of regional electricity and consumption of clean energies to ensure the two units will successfully begin operation.

Taishan Nuclear project, which had been acquired by us, was constructed by using the third generation technology - European pressurized water reactor type. As of the date of this announcement, there has been no nuclear power generating units which have adopted the third generation nuclear power technology that has been put into commercial operation. As Taishan Nuclear project is one of the world's first nuclear power projects constructed by using the third generation technology, we do not have adequate external experience and feedback available for reference. Due to the new design, during the construction of Taishan Nuclear project, Taishan Nuclear is required to conduct more experimental verifications in respect of its design and equipment, which accordingly requires longer construction time.

In the first half of 2015, our nuclear island designer and supplier AREVA Group ("AREVA") conducted a chemical and mechanical properties test on a reactor pressurizer vessel roof being similar to that of the France-based Flamanville unit 3, the result of which showed that the carbon concentration in an area was higher than the expected value, which may result in lower-than-expected mechanical toughness value. The involved forge piece of this pressurizer vessel roof was manufactured by an affiliated manufacturer of AREVA, so were the relevant forge pieces of the two units' pressurizer vessels in Taishan Nuclear project. After learning of this information, we immediately required AREVA to fully re-examine the manufacturing process of relevant forge pieces used in Taishan Nuclear project under applicable regulations. We also re-examined the manufacturing process and found no non-compliance items. We have reported this matter to NNSA and maintained close communication. We are closely following up the development of similar foreign units and the further tests of AREVA, conducting analysis and evaluation work concerning this issue in the mean time.

Currently, Taishan Unit 1 is in the commissioning phase and Taishan Unit 2 is in the equipment installation phase. We have successfully overcome some problems in the construction of similar nuclear power units through continuously strengthening the cooperation with domestic and foreign partners on the basis of the communication and coordination mechanism at all levels. Subsequently, we will maintain a positive attitude and effective way in our work, and strengthen the control and management over the safety, quality, progress and investment of the project through the integration of all parties' resources to actively promote the smooth development of Taishan Nuclear project.



The panoramic view of the site of Taishan Nuclear Power Station

Human Resources

According to the human resources plan of the Company, during the Reporting Period, the Company recruited a total of 166 employees, and we had 10,998 employees (including those of our affiliates) as at June 30, 2015.

We are highly concerned about the occupational health of our employees who involves in the work of nuclear power stations, including our contractors and other personnel who normally enter into our workplace to carry out relevant activities. We ensure employees' occupational health through various means such as promotion and training, proactive prevention, identification and management of the occupational hazard factors. The average individual radiation exposure index among our personnel (including the staff, contractors and other personnel) who enter into the control area to work at the nuclear power stations is lower than the national standard limit (20 mSv/year/person). The table below sets out information on the maximum individual radiation exposure index (Unit: mSv) among the personnel who enter into the control area to work in the first half of 2015 and 2014 at the nuclear power stations operated and managed by us:

Nuclear power stations/units	Six months ended June 30	
	2015	2014
Daya Bay Nuclear Power Station	7.08*	1.38
Ling'ao Nuclear Power Station	2.14	7.73
Lingdong Nuclear Power Station	5.13	3.39
Yangjiang Nuclear Power Station Units 1 and 2	6.71*	1.02
Ningde Nuclear Power Station Units 1, 2 and 3	7.18	5.94
Hongyanhe Nuclear Power Station Units 1 and 2	5.62	7.49

* The relatively higher level of personal radiation exposure index was primarily due to the longer time of outage arranged by these nuclear power stations during the Reporting Period.

Social Responsibility

We continued to enhance information disclosure and public communication, and improve the trust level in a transparent way between the Company and the community by insisting in the philosophy of "Serving the Public and Giving Back to Society" (服務公眾、回饋社會) and adhering to a highly responsible attitude to stakeholders, with an aim to promote the mutual improvement of the society and community.

Information Disclosure

In the first quarter of 2015, we convened 6 press conferences where we conducted systemic explanation on the safe operation of nuclear power stations, their engineering constructions and the fulfilment of social responsibility over the past year. Each of our nuclear power stations under operation will update their nuclear and radiation information published on the public web page, which contains the updated environmental data and operational data. This can ensure such information is available to the public. Our nuclear power stations have voluntarily disclosed all of the 3 operational incidents occurred in the first half of the year in the nuclear and radiation information published on their public web pages, all of which are at level 0.

We enhanced communications with governments at all levels and with social media. We maintained regular and normalized communication mechanism with SASAC, the National Energy Administration, SASTIND, NNSA and the provincial and municipal governments at all levels, and timely provided the governments with important information in respect of nuclear energy policy, safe operation and engineering construction. In addition, we also offered advice and suggestions on the nuclear power companies and the industry as well as the local coordinated development to promote the better integration between the development of nuclear power and local economic and social development, serving as a qualified consultants and assistants for the government. We established stable and efficient channels of communication with mainstream media, working with all kinds of media to report the development of nuclear power and other hotspot issues of public concern. This can objectively describe the development trend of nuclear power, its safety performance, significant progress of the project, and enhance the media understanding and support for the development of nuclear power.



Yangjiang Nuclear organized the
"Nuclear Power Tour for Members of National People's Congress"

Public Communication

In 2015, we further improved public communication mechanisms and tools for communities, carried out a variety of communication activities and continued to expand the depth and coverage of communication. For example, Hongyanhe Nuclear and Dalian Science and Technology Association(大連市科學技術協會) have jointly engaged 20 nuclear science lecturers to start “Hundreds of Campaigns to Popularize Scientific Knowledge about Nuclear Power in Communities” (百場核電科普進社區) for the year of 2015. We plan to organize 100 campaigns with a coverage of 10,000 residents. We held the second “Hongyanhe Cup” (紅沿河杯) nuclear power science knowledge competition with a coverage of over 6,800 students in 31 high schools. Daya Bay Nuclear Power Operations and Management Co., Ltd. (大亞灣核電運營管理有限責任公司) provided comprehensive training for more than 60 volunteers from families involved in nuclear power industry to form a public communication team and to carry out a series of communication activities for nuclear power stations, such as “The Public Experience Day” (公眾開放體驗日), “Volunteers Stepping into Schools and the Community” (志願者進校園、進社區), and “Telling The Story of Volunteers” (講述志願者故事). Fujian Ningde Nuclear Power Co., Ltd. (“Ningde Nuclear”) conducted the public service activity of “Practicing Green Living, Sharing A Bright Future” (踐行綠色生活、共享美好未來), which enabled the nuclear science teaching activities to be carried out together with the community environmental protection activities, thus establishing a clean, environmentally friendly image of neighbour. Each of the nuclear power stations under our operation and management further promoted the project of “Nuclear Science Stepping into the Classroom” (核電科普進課堂). Accordingly, more primary and secondary schools set up the nuclear science course so as to help teachers and students to learn nuclear knowledge and understand the importance of the development of clean energy.



Family members of nuclear power industry practitioners turned into volunteers for popular science

Community Development

“A Nuclear Power Station for A City” (一座核電一座城). During the project construction and operation, we have at the same time focused on the community infrastructure construction, the improvement of the community environment, the creation of employment opportunities for local residents to improve the community’s living standards, the promotion of industrial tourism and localized procurement to build symbiotic community environment. For example, Hongyanhe Nuclear has enriched the form of services in surrounding community, gradually switching from the previous provision of material support such as increased employment opportunities and charity donation to the multi-dimensional and more extensive development and prosperity in respect of educational, medical, legal and other aspects, which could further strengthen the relationship between Hongyanhe Nuclear and its surrounding communities.

We have been enthusiastic about the development of social welfare undertakings, and continued to carry out various community outreach activities with a focus on poverty alleviation, special groups, education, cultural preservation. For example, in Qintou village adjacent to Taishan Nuclear, due to drought in Taishan during the year, the domestic water supply to the village could not be guaranteed, and all villagers’ daily life was severely affected accordingly. In order to help the living of community villagers, Taishan Nuclear provided more than a thousand tonnes of water to a total of more than 2,000 villagers and outsiders. Suzhou Institute carried out a summer public welfare activity, namely “To Bring Cool to the Single Elderly Persons” (給孤寡老人送清涼), to send fans and other summer items to the single elderly persons in the surrounding communities.



Bring cool to the single elderly persons in summer by Suzhou Institute

Financial Performance and Analysis

Financial statements reports are the transcripts of the Company's operations, reflecting the financial position, results of operation and cash flows of the Company. Our investment and operational strategies will affect our business performance, which in turn translates into the figures in our financial statements.

OVERVIEW OF FINANCIAL RESULTS AND POSITION

KEY FINANCIAL INDICATORS

Item	Six months ended June 30	
	2015	2014
Indicators of profitability		
EBITDA margin (%) ⁽¹⁾	82.1	65.8
Net profit margin (%) ⁽²⁾	44.7	31.4
Indicators of investment returns		
Return on equity (%) ⁽³⁾	5.6	5.7
Return on total assets (%) ⁽⁴⁾	2.0	1.6
Indicators of solvency		
Gearing ratio (%) ⁽⁵⁾	169.6	211.1
Debt to equity ratio (%) ⁽⁶⁾	154.0	194.8
Interest coverage ⁽⁷⁾	1.9	1.5

(1) The sum of profit before taxation, finance expenses and depreciation of property, plant and equipment divided by revenue and multiplied by 100%.

(2) Profit divided by revenue and multiplied by 100%.

(3) Profit divided by total average equity (the arithmetic mean of the opening and closing balances) and multiplied by 100%.

(4) Profit divided by total average assets (the arithmetic mean of the opening and closing balances) and multiplied by 100%.

(5) Total debt (the total amount of bank and other borrowings) divided by total equity and multiplied by 100%.

(6) Net debt (the total amount of bank and other borrowings less cash and cash equivalents and other bank deposits over three months) divided by total equity and multiplied by 100%.

(7) Profit before interest and tax divided by interest expense.

FINANCIAL RESULTS

In the first half of 2015, profit attributable to owners of the Company increased by 36.1% to RMB3,478.3 million, primarily due to the increase of RMB1,363.9 million in exchange gains as compared with the corresponding period in the last year as a result of the effects arising from the change of exchange rates. In the first half of 2015, net foreign exchange gain was RMB1,290.2 million, which lead to an increase of RMB652.4 million in profit for the period attributable to owners of the Company. Net foreign exchange loss was RMB73.7 million in the first half of 2014, which lead to a decrease of RMB47.4 million in profit for the period attributable to owners of the Company. Profit for the period attributable to owners of the Company deducted by net foreign exchange gain (loss) increased by 8.6% from RMB2,603.2 million in the first half of 2014 to RMB2,825.9 million in the first half of 2015.

REVENUE

	Six months ended June 30			Percentage change increase/ (decrease) %
	2015 RMB'000	2014 RMB'000	Movements increase/ (decrease) RMB'000	
Sales of electricity	8,953,560	9,079,849	(126,289)	(1.4)
Service revenue	534,458	615,362	(80,904)	(13.1)
Sales of other goods	102,163	50,116	52,047	103.9
Total revenue	9,590,181	9,745,327	(155,146)	(1.6)

Our total revenue decreased by 1.6% from RMB9,745.3 million in the first half of 2014 to RMB9,590.2 million in the first half of 2015, among which revenue from sales of electricity decreased by 1.4% from RMB9,079.8 million in the first half of 2014 to RMB8,953.6 million in the first half of 2015, primarily due to the decrease in our subsidiaries' on-grid power generation in the first half of 2015 as compared with the first half of 2014 as a result of different outage schedules.

COST OF SALES AND SERVICES

	Six months ended June 30			Percentage change increase/ (decrease) %
	2015 RMB'000	2014 RMB'000	Movements increase/ (decrease) RMB'000	
Cost of nuclear fuel	1,299,859	1,350,067	(50,208)	(3.7)
Depreciation of property, plant and equipment	1,263,375	1,189,272	74,103	6.2
Spent fuel disposal fund	360,836	394,963	(34,127)	(8.6)
Others	1,860,572	1,555,193	305,379	19.6
Total cost of sales and services	4,784,642	4,489,495	295,147	6.6

Our cost of sales and services increased by 6.6% from RMB4,489.5 million in the first half of 2014 to RMB4,784.6 million in the first half of 2015, among which, other cost of sales and services increased by 19.6% from RMB1,555.2 million in the first half of 2014 to RMB1,860.6 million in the first half of 2015, primarily due to the increase in operation and maintenance cost in the first half of 2015 as compared with the first half of 2014 as a result of the different outage schedules, and the increase in staff cost in the first half of 2015 as compared with the first half of 2014 as a result of the increased number of nuclear power generating units under our management.

OTHER INCOME

Our other income increased by 11.0% from RMB997.4 million in the first half of 2014 to RMB1,107.1 million in the first half of 2015, primarily due to the increase in interest income from bank deposits by 570.0% from RMB24.8 million in the first half of 2014 to RMB166.0 million in the first half of 2015.

SHARE OF RESULTS OF ASSOCIATES

Our associates mainly include Hongyanhe Nuclear and 中廣核一期產業投資基金有限公司 CGN Industry Investment Fund Phase I Co., Ltd. ("CGN Fund Phase I"). Our share of loss of associates increased by 130.2% from RMB39.3 million in the first half of 2014 to RMB90.4 million in the first half of 2015, primarily due to the decrease in gross profit percentage of Hongyanhe Nuclear's sales of electricity by 3.2% in the first half of 2015 as compared with the first half of 2014 as a result of the effects arising from utilization hours.

SHARE OF RESULTS OF JOINT VENTURES

Our joint ventures mainly include Ningde Nuclear. For the six months ended June 30, 2015, our share of profit of joint ventures was RMB274.1 million, primarily due to the profit generated from the operation of two units at Ningde Nuclear Station. In the first half of 2014, our share of loss of joint ventures was RMB154.8 million, primarily due to the first outage repair schedule for Ningde Unit 1 in the first half of 2014.

FINANCE COSTS

Our finance costs decreased by 2.1% from RMB1,515.2 million in the first half of 2014 to RMB1,483.0 million in the first half of 2015, primarily due to the decreased interest on bank borrowings and borrowings from our ultimate controlling shareholder in the first half of 2015 as compared with the first half of 2014 as a result of the impact of interest rate reduction.

TAXATION

Taxation increased by 39.5% from RMB531.1 million in the first half of 2014 to RMB740.6 million in the first half of 2015, primarily due to the increase in our profit before taxation by 40.0% in the first half of 2015 as compared with the first half of 2014.

PROFIT FOR THE PERIOD

As a result of the foregoing, our profit for the Period increased by 40.1% from RMB3,060.1 million in the first half of 2014 to RMB4,288.1 million in the first half of 2015.

FINANCIAL POSITION

As at June 30, 2015, the Group's total assets amounted to RMB211,631.0 million, representing a decrease of RMB9,257.5 million or 4.2% from RMB220,888.5 million as of December 31, 2014. The Group's total liabilities amounted to RMB137,642.1 million, representing a decrease of RMB4,171.6 million or 2.9% from RMB141,813.7 million as of December 31, 2014. The Group's total equity amounted to RMB73,988.9 million, representing a decrease of RMB5,085.9 million or 6.4% from RMB79,074.8 million as of December 31, 2014, among which equity interest attributable to owners of the Company amounted to RMB53,193.8 million, representing a decrease of RMB6,256.3 million or 10.5% from RMB59,450.1 million as of December 31, 2014.

NET CURRENT ASSETS (LIABILITIES)

As at June 30, 2015, the Group's net current assets amounted to RMB5,057.9 million. As at December 31, 2014, the Group's net current assets amounted to RMB14,122.0 million. The change was primarily due to the Company's payment of RMB9,700.2 million for the acquisition of equity interest of Taishan Nuclear and Taishan Investment.

CURRENT ASSETS

	As at June 30, 2015 RMB'000	As at December 31, 2014 RMB'000	Movements increase/ (decrease) RMB'000	Percentage Change increase/ (decrease) %
Inventories	10,512,196	9,346,453	1,165,743	12.5
Trade and bills receivables	2,997,733	2,345,547	652,186	27.8
Prepayments and other receivables	1,368,852	882,305	486,547	55.1
Cash and cash equivalents	8,824,610	26,962,549	(18,137,939)	(67.3)
Other deposits over three months	2,728,000	2,080,900	647,100	31.1
Other current assets	893,031	972,951	(79,920)	(8.2)
Total current assets	27,324,422	42,590,705	(15,266,283)	(35.8)

The total current assets of the Group amounted to RMB27,324.4 million as of June 30, 2015, representing a decrease of RMB15,266.3 million or 35.8% from RMB42,590.7 million as of December 31, 2014, primarily due to (i) the Company's payment of RMB9,700.2 million for the acquisition of equity interest of Taishan Nuclear and Taishan Investment, (ii) the Company's payment of a special dividend of RMB3,688.1 million (an amount equal to the retained earnings accrued during the period from the date of establishment to the listing date) to its pre-listing shareholders, and (iii) our repayment of part of short-term debt.

CURRENT LIABILITIES

	As at June 30, 2015 RMB'000	As at December 31, 2014 RMB'000	Movements increase/ (decrease) RMB'000	Percentage Change increase/ (decrease) %
Trade and other payables	5,904,657	6,655,421	(750,764)	(11.3)
Amounts due to related parties	841,972	5,194,421	(4,352,449)	(83.8)
Loans from ultimate holding company	4,700,000	3,745,000	955,000	25.5
Loans from fellow subsidiaries	1,197,760	658,400	539,360	81.9
Payable to ultimate holding company	1,730,000	3,530,000	(1,800,000)	(51.0)
Bank borrowings	6,201,589	7,338,137	(1,136,548)	(15.5)
Other current liabilities	1,690,569	1,347,336	343,233	25.5
Total current liabilities	22,266,547	28,468,715	(6,202,168)	(21.8)

The current liabilities of the Group amounted to RMB22,266.5 million as of June 30, 2015, representing a decrease of RMB6,202.2 million or 21.8% from RMB28,468.7 million as of December 31, 2014, primarily due to the fact that (i) the Company paid a special dividend of RMB3,688.1 million to its pre-listing shareholders, (ii) the Company returned the principle amount of medium-term notes, amounting to RMB1,800.0 million, and (iii) we made payment for a provision for spent fuel management of RMB770.3 million in 2014.

NON-CURRENT ASSETS

	As at June 30, 2015 RMB'000	As at December 31, 2014 RMB'000	Movements increase/ (decrease) RMB'000	Percentage Change increase/ (decrease) %
Property, plant and equipment	161,211,958	155,923,218	5,288,740	3.4
Interests in associates	7,108,792	7,062,093	46,699	0.7
Interests in joint ventures	5,105,138	4,831,016	274,122	5.7
Value-added tax recoverable	5,176,206	5,285,730	(109,524)	(2.1)
Prepaid lease payments	2,426,778	2,331,432	95,346	4.1
Other non-current assets	3,277,679	2,864,305	413,374	14.4
Total non-current assets	184,306,551	178,297,794	6,008,757	3.4

The non-current assets of the Group amounted to RMB184,306.6 million as of June 30, 2015, representing an increase of RMB6,008.8 million or 3.4% from RMB178,297.8 million as of December 31, 2014, primarily due to we continued to construct Yangjiang Nuclear Power Station and Taishan Nuclear Power Station.

NON-CURRENT LIABILITIES

	As at June 30, 2015 RMB'000	As at December 31, 2014 RMB'000	Movements increase/ (decrease) RMB'000	Percentage Change increase/ (decrease) %
Borrowings and notes payable	104,474,178	101,673,167	2,801,011	2.8
Payables to ultimate holding company	1,992,648	2,000,000	(7,352)	(0.4)
Loans from fellow subsidiaries	4,225,471	4,471,233	(245,762)	(5.5)
Provision	1,691,695	1,526,003	165,692	10.9
Other non-current liabilities	2,991,520	3,674,550	(683,030)	(18.6)
Total non-current liabilities	115,375,512	113,344,953	2,030,559	1.8

The non-current liabilities of the Group amounted to RMB115,375.5 million as of June 30, 2015, representing an increase of RMB2,030.5 million or 1.8% from RMB113,345.0 million as of December 31, 2014, among which, borrowings and notes payable amounted to RMB104,474.2 million, representing an increase of RMB2,801.0 million or 2.8% from RMB101,673.2 million as of December 31, 2014, primary due to the increase of long-term borrowings of Yangjiang Nuclear and Taishan Nuclear.

TOTAL EQUITY

As at June 30, 2015, the Group's total equity amounted to RMB73,988.9 million, representing a decrease of RMB5,085.9 million or 6.4% from RMB79,074.8 million as of December 31, 2014, primarily due to the facts that: (i) we completed the final settlement procedures for the acquisition of 12.5% equity in Taishan Nuclear and 60% equity in Taishan Investment in April 2015 by us. Taishan Nuclear and Taishan Investment became our subsidiaries. The above acquisitions were recorded as business combinations under a common control and the Group's consolidated financial statements were restated as if the combinations had been made before the earliest period presented. In preparation of the Group's restated consolidated financial statements as of December 31, 2014, after the incorporation of assets and liabilities of Taishan Nuclear and Taishan Investment, adjustment was made to equity interest attributable to owners of the Company upon the increase of net assets as a result of the combinations. After the restatement, equity interest attributable to owners of the Company increased by RMB8,661.5 million than before. After the completion of the above acquisitions in the first half of 2015, equity interest attributable to owners of the Company at the end of the Reporting Period was reduced by the final acquisition consideration of RMB9,612.2 million in the first half of 2015; and (ii) the reduction was partly offset by the profit in the period of RMB4,288.1 million realized in the first half of 2015.

CAPITAL EXPENDITURE

The capital expenditure of the Group amounted to approximately RMB6,777.3 million in the first half of 2015, representing a decrease of RMB825.6 million or 10.9 % from RMB7,602.9 million in the first half of 2014. It was primarily used for the continuing construction of Yangjiang Nuclear Power Station and Taishan Nuclear Power Station. The capital mainly includes external funds, internal funds, bank borrowings, and borrowings from other financing sources.

MAJOR INVESTMENTS IN EQUITY

In the first half of 2015, the Group increased its capital in associates and joint ventures, among which RMB205.5million, RMB130.6million, RMB51.8 million and RMB82.8 million were made to Ningde Nuclear, Hongyanhe Nuclear, Jiangsu Baoyin Special Steel Pipe Co., Ltd. (江蘇寶銀特種鋼管有限責任公司) and CGN Fund Phase I respectively.

MATERIAL ACQUISITION AND DISPOSAL

Pursuant to the Equity Transfer Agreement entered into between CGNPC and us on October 30, 2014, we have proceeded with and finished acquisition from CGNPC 12.5% equity interest in Taishan Nuclear and 60% equity interest in Taishan Investment on April 30, representing an aggregate 41% equity interest in Taishan Nuclear (the “**Subject Equity**”), and the payment of acquisition consideration and final settlement procedures have been completed. As the Subject Equity was controlled by CGNPC before and after the acquisition, it is accounted for as a business combination under common control. After the acquisition, we held 51% equity interest in Taishan Nuclear in total, directly and indirectly.

Saved as disclosed above, the Group has no other material acquisition and material disposal in the first half of 2015.

USE OF PROCEEDS

The Company issued 10,148,750,000 H shares by way of global offering in December 2014 with net proceeds of RMB21,603.5 million from the offering after deducting various issuance costs. For the six months ended June 30, 2015, the Company has utilized RMB16,517.0 million of the net proceeds for the purposes as set out in the Prospectus, among which:

- RMB9,700.2 million was used for the acquisition of an additional 41% equity interest in total of Taishan Nuclear;
- RMB5,476.8 million was used as the related capital expenditure for nuclear power stations under construction;
- RMB10.0 million was used for research and development activities to promote the development and commercial application of nuclear power technology, and to ensure the safety, reliability and economical efficiency of nuclear power generation; and
- RMB1,330.0 million was used to supplement working capital.

DEBT RISK MANAGEMENT

Financing modes available

In the first half of 2015, the global economy was still in a deeply adjusting period, and overall recovery was slow with insufficient growth momentum. A clear diversity was seen in the economic performance and monetary policies of major economies, and international financial markets were relatively more volatile. Major currencies depreciated against US dollars, and prices of bulk stock were falling. Non-economic disruption factors such as geopolitics still persisted.

Given the expectation of a recovery in future Gross Domestic Product (GDP), growth with a mild inflation in the United States, most market sources anticipated the Federal Reserve System would start raising interest rate by the end of 2015. Economies in the Euro zone remained in the downturn and are haunted by the Greek problems. The inflation rate was below the target level for a long term, and the European Central Bank reduced interest rate to negative value last year and further expanded asset acquisition plan since March this year. The easy monetary policy led to a decline in the Euro/USD exchange rate to approximately 1.1.

The economy of China was facing dual pressure from the deep adjustment in the global economy and a falling trend of growth in the domestic economy. The government launched a series of easy monetary policies since last year, and activities of the real economy were stabilized but without obvious rise. The increase rate of GDP was 7.0% during the first half of 2015. The People's Bank of China reduced the benchmark interest rates for loans and deposits and the deposit reserve rate for financial institutions three times during the first half of this year, and the benchmark interest rate for loans of one-year period reduced by 0.75% in aggregate, while the savings interest rate upper floating range was increased to 50%. The deposit insurance mechanism and certificates of deposit were also launched to promote market liberalization in interest rates.

Under the domestic environment of easy monetary policy, the financing interest rate of the Company declined in the first half of 2015, and as a result the safety index of financing rose further, providing room for optimizing the debt structure continuously. Meanwhile, under the complicated and changing international environment, fluctuations in foreign exchange rates increased the exchange rate risk of the Company's holdings of debt in foreign currency. We were cautious and adopted tackling measures actively.

Debt financing conditions

In the first half of 2015, we continued to maintain the financing mode of diversified financing products, diversification in cooperation partners, reasonableness in currency type and maturity structure, providing stable funds for business development of the Company. As at June 30, 2015, the total debt financing of the Company was RMB125,475.3 million, major financing channels included bank borrowings (accounting for approximately 79.8%), corporate bonds (accounting for approximately 8.4%), medium term notes (accounting for approximately 3.0%), borrowings from other financial institutions (accounting for

approximately 0.8%) and borrowings from CGNPC and a fellow subsidiary (accounting for approximately 8.0%). We maintained a debt structure primarily of RMB and long-term debts, which was in line with our stable and sound operation characteristics and would effectively prevent liquidity risk and systematic exchange rate risk. In the first half of 2015, the Company completed the further acquisition, directly and indirectly, of 41.0% equity interest in aggregate directly and indirectly in Taishan Nuclear, and Taishan Nuclear became a subsidiary of our Company, which leads to an increase in the proportions of our long-term debts and foreign currency debts. The foreign currency debts were mainly used to purchase equipment and related services in overseas markets.

In the first half of 2015, we strived to promote the financing of newly approved nuclear power projects according to changes in the financing environment, and continuously optimized our debt structure through direct financing modes:

- In February 2015, Taishan Nuclear issued a 3-year private placement note in the amount of RMB500.0 million.
- In May 2015, the Company's short-term financing bills were duly registered in the National Association of Financial Market Institutional Investors with a registered amount of RMB5,000.0 million. The Company's registration of short-term financing bills promote the development of financing channels for the Company, and the needs for liquid funds would be ensured when necessary.

Risk Management of Debt

In the first half of 2015, we maintained a good cooperation relationship with financial institutions, such as domestic and international banks, insurance companies, trust companies, and other debtors, so that we continued to receive sufficient debt financing support. As at June 30, 2015, we had undrawn bank credit line of approximately RMB50,000.0 million, bond limit available for public issue at any time of RMB5,000.0 million, cash and cash equivalents of RMB8,824.6 million, to ensure sufficient cash support for the Company's operation, and mitigate the effect of cash flow movement.

At the same time, we have focused on and studied the exchange rate fluctuation risk for the Company's stock of foreign currency debt, and are in the process of adopting debt hedging instruments, such as foreign currency forward contract, currency swap, and measures, such as foreign currency debt restructuring, to mitigate the impact of fluctuations in domestic and international financial markets on the Company's operating costs, expected earnings and cash flow.

As at June 30, 2015, we had derivative financial assets of RMB58.5 million and derivative financial debts of RMB398.6 million.

Credit Rating

In June 2015, given the high quality nuclear power assets, extensive nuclear power operation experience and strong profitability of the Company, China Cheng Xin Int. Credit Rating Co. Ltd. maintained our primary credit rating of AAA and the rating outlook was stable.

With successive commencement of operation of the Company's generating units under construction, the nuclear power generating capacity of the Company is likely to further increase. The Company continues to maintain remarkably strong profitability and smooth channels for financing were available. We will also continue to keep effective communications with the credit rating agencies and preserve sound creditworthiness of the Company.

CONTINGENCIES

EXTERNAL GUARANTEES

The Group confirmed that for the six months ended June 30, 2015, no external guarantees was provided.

PLEDGE OF ASSETS

As at June 30, 2015, the carrying value of the Group's assets pledged to banks and related parties was RMB21,087.5 million, which was used to secure loans for the Group. As at December 31, 2014, the carrying value of the Group's assets pledged to banks and related parties was RMB20,762.8 million.

As at June 30, 2015 and December 31, 2014, the rights for collection of electricity charges of Ling'ao Nuclear, Lingdong Nuclear, Yangjiang Nuclear and Taishan Nuclear were pledged to secure the banking facilities and loans from banks for such entities.

LEGAL PROCEEDINGS

The Group confirmed that there was no significant litigation, and the Board is not aware of any pending or threatened litigation against the Group which had or could have a material and adverse effect on the financial condition or operations of the Group for the six months ended June 30, 2015.

OUTLOOK FOR THE SECOND HALF OF THE YEAR

The Company strived to develop safety culture with leadership's exemplary actions, key personnel's exemplification and participation of all staff. According to the overall arrangement for "Year of Safety Culture" (安全文化年) of the Company, in the second half of 2015, we will continue to conduct and complete the activities in relation to the reflection on safety events happened to us, the nuclear safety culture precautionary education and the collection and selection of micro videos on implementation of nuclear safety culture, and prepare the Good Practices for Nuclear Safety Culture (《核安全文化良好實踐》) at each level. In addition, we will carry out assessment on the nuclear safety culture at each nuclear power station to identify deficiencies and make corresponding rectification, with a view of enhancing the safety culture of the Company.

For nuclear power generating units in operation, we will conduct fewer refueling outages for generating units in the second half of 2015, as compared to that for the first half of 2015, according to our annual outage schedule. We will grasp opportunities to maintain safe and stable operations of the nuclear power generating units in operation, and to increase utilization efficiency of those units for more on-grid power generation as compared to the first half of 2015 and achieve the stated goal as planned in 2015.

For nuclear power generating units under construction, in the second half of 2015, we will maintain communication and exchange with the peer to follow up and study good practices and experience feedback during the construction of similar nuclear power projects in a timely manner. In addition, on the basis of guaranteeing safety and quality, we will coordinate the allocation of resources to accommodate to the progress of each nuclear power generating unit under construction as scheduled.

For development of new projects, we will continue to keep an eye on the progress of CGNPC, our controlling shareholder, to develop domestic and overseas nuclear power projects, and will be active at studies on policies for developing new projects.

For financial management, the Company continues to uphold its prudence approach as always. Hedging instruments against foreign currency debts and risk precaution arrangements will be introduced in due course. Risk exposures will be reviewed regularly for consistent supervision and reporting and timely adjustments in response to expected market changes. Efforts will be made for minimizing impacts on the Company's operating costs, expected earnings and cash flow from domestic and international financial market fluctuations.

Corporate Governance

Compliance with Requirements of Appendix 14 to the Listing Rules

The Company has complied with the code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the “**Stock Exchange Codes**”) contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The Board has approved and adopted the Corporate Governance Code of CGN Power Co., Ltd. (First Edition) on November 18, 2014. For the six months ended June 30, 2015, the Company has complied with the all code provisions contained in the Stock Exchange Codes, except for one of the best recommended practices proposed in the Stock Exchange Codes (namely a listed company should announce and publish quarterly results report). We have adopted the approach of publishing business review and brief on material events on a quarterly basis.

According to the proposal of the Audit Committee of the Board (“**Audit Committee**”) and pursuant to the latest amended provisions of the Stock Exchange Code relating to risk management and internal control, the Company has reviewed and amended the Comprehensive Risk Management System (《公司全面風險管理制度》) of the Company and incorporated the latest requirements under the Stock Exchange Code into this system. After having reconsidered by the Audit Committee, the 7th Meeting of the Board of the Company approved this system.

The 2014 Annual General Meeting, which was the first annual general meeting of shareholders after the listing of the Company, was held on June 12, 2015 in Hong Kong. All current Directors and the Chairman of the Supervisory Committee attended the meeting on that day. The Board of the Company attached great importance to the opportunity of communication with shareholders in general through this meeting, presented the Company’s 2014 operation results to all shareholders who were present at the meeting, and responded to questions on issues concerned by shareholders.

Compliance with Domestic Regulatory Requirements

For the six months ended June 30, 2015, the corporate governance practices of the Company were in compliance with the laws and regulations of the PRC, the relevant regulatory requirements of the China Securities Regulatory Commission (“**CSRC**”) and The Stock Exchange of Hong Kong Limited (“**Hong Kong Stock Exchange**”), and will continue to be consistent with updated laws and regulations. The Company and its Directors, Supervisor, Senior Management were not subject to any administrative penalty, notice of criticism or reprimand.

Amendments to Documents of Governance such as Articles of Association

At the 2014 Annual General Meeting of the Company convened on June 12, 2015, special resolutions on amendments to the Articles of Association, Procedural Rules of the Board and Procedural Rules of Supervisory Committee were considered and approved. Major contents of the amendments are as follows:

Amendments to Articles of Association:

- According to the Company Law of the PRC, amendments were made to the Articles of Association in respect of the relevant changes in the shares issued after listing of the Company, the number and percentage of shares held by shareholders and the registered capital of the Company;
- Pursuant to the Opinions on Further Promoting Regulated Operations and Deepening of Reforms in Offshore Listed Companies (《關於進一步促進境外上市公司規範運作和深化改革的意見》) and the requirements of the CSRC to further improve the establishment of the Supervisory Committee, the number of members of the Supervisory Committee of the Company will increase from 3 members to 5 members.

Amendments to Procedural Rules of the Board of Directors:

Given the importance of nuclear safety, the 7th Meeting of the First Session of the Board of the Company had approved the establishment of the Nuclear Safety Committee under the Board, and had also approved the composition of members and terms of reference of the Nuclear Safety Committee. The Procedural Rules of the Board of Directors were also amended accordingly in respect of the establishment of the Nuclear Safety Committee.

Amendments to Procedural Rules of Supervisory Committee:

According to the requirements of the CSRC on further improvement of the establishment of the Supervisory Committee, the number of members of the Supervisory Committee was increased to 5 members, including 2 employee representative Supervisors.

Establishment of the Nuclear Safety Committee

The Board approved the establishment of the Nuclear Safety Committee of the Board on March 18, 2015, and elected the Chairman and members of the Nuclear Safety Committee. The Committee would be the supervisory and consultation institution on matters relating to nuclear safety for the Board. By way of reviewing reports, internal and external communications and on-site survey and research, improvement recommendations and opinions on the effectiveness of the Company's nuclear safety management would be proposed to the Board for its reference on decisions of the relevant matters. The establishment of the Nuclear Safety Committee reflects the high importance attached to nuclear safety by the Board.

The Nuclear Safety Committee comprises one Chairman, and its members shall include executive directors, non-executive director and independent non-executive director. At the 7th Meeting of the First Session of the Board of the Company, it was approved that Mr. Zhang Shanming, being Chairman of the Board and non-executive Director of the Company, was appointed as the Chairman of the First Session of Nuclear Safety Committee, and members included Mr. Gao Ligang, being executive Director, Mr. Xiao Xue and Mr. Zhuo Yuyun, being non-executive Directors, and Mr. Na Xizhi, being independent non-executive Director.

For the six months ended June 30, 2015, the Nuclear Safety Committee had convened one meeting.

Changes in Directors, Supervisors and Senior Management

As of June 30, 2015, the name lists of the Board, Supervisory Committee and Senior Management of the Company are as follows:

Board of Directors

Non-executive Directors	Executive Director	Independent non-executive Directors
Zhang Shanming (Chairman of the Board)	Gao Ligang	Na Xizhi
Zhang Weiqing		Hu Yiguang
Shi bing		Francis Siu Wai Keung
Xiao Xue		
Zhuo Yuyun		

Supervisory Committee

Non-employee representative Supervisor	Employee representative Supervisor
Pan Yinsheng (Chairman) Yang Lanhe Chen Rongzhen	Cai Zihua Wang Hongxin

Senior Management

President	Chief Financial Officer	Vice President	Board Secretary
Gao Ligang	Yue Linkang	Shu Guogang Su Shengbing	Fang Chunfa

During the Reporting Period, there was not material changes in the information of the Board, Supervisory Committee and Senior Management as compared with the contents as set out in the 2014 Annual Report except for the following changes:

- Mr. Zhang Shanming was appointed as the Chairman of the Nuclear Safety Committee, Mr. Gao Ligang, Mr. Xiao Xue, Mr. Zhuo Yuyun and Mr. Na Xizhi were appointed as members of the Nuclear Safety Committee, with effect from March 18, 2015;
- Mr. Francis Siu Wai Keung ceased to serve concurrently as independent non-executive director of Hop Hing Group Holdings Ltd. (合興集團控股有限公司) (stock code: 0047) listed on the Hong Kong Stock Exchange with effect from May 1, 2015, and ceased to serve concurrently as independent non-executive director of Shunfeng International Clean Energy Ltd. (順風國際清潔能源有限公司) (stock code: 1165) listed on the Hong Kong Stock Exchange with effect from June 26, 2015;
- Mr. Li Yourong resigned as Chairman of the Supervisory Committee and non-employee representative Supervisor of the Company on January 28, 2015 and with effect from June 12, 2015;
- Mr. Chen Sui resigned as non-employee representative Supervisor of the Company on January 28, 2015 and with effect from June 12, 2015;
- Mr. Shi Weiqi resigned as employee representative Supervisor of the Company on December 23, 2014 and with effect from June 12, 2015;
- Mr. Pan Yinsheng, Mr. Yang Lanhe and Mr. Chen Rongzhen were appointed as non-employee representative Supervisors of the Company with effect from June 12, 2015;
- Mr. Cai Zihua and Mr. Wang Hongxin were appointed as the employee representative Supervisors of the Company with effect from June 12, 2015;

- Mr. Pan Yinsheng was elected as Chairman of the Supervisory Committee at the 5th Meeting of the First Session of the Supervisory Committee held on June 19, 2015; and
- Mr. Fang Chunfa became a joint member of the Hong Kong Institute of Chartered Secretaries with effect from March 1, 2015.

The above changes in the duties and personal information of the Directors, Supervisors and Senior Management have been updated at the website of the Company.

Compliance with Appendix 10 to the Listing Rules by Directors and Supervisors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions of the Company by Directors and Supervisors of the Company. The Company has also formulated and adopted the Code for Securities Transactions by Directors and Specified Individuals (《董事及特定人士證券交易守則》) on terms no less exacting than those of the Model Code. According to the specific enquiry made to all Directors and Supervisors of the Company, all Directors, Supervisors and Senior Management of the Company have confirmed that they have strictly complied with the standards set out in the Model Code throughout the Reporting Period.

Internal Control

The Company has been continuously improving the building of an internal control system, the Comprehensive Risk Management System was considered and approved at the 7th Meeting of the First Session of the Board of the Company and officially published. The Company continued to promote workflow of business activities and the corresponding control measures were implemented at internal control risk points in the workflow.

For the six months ended June 30, 2015, generic issues discovered in the internal control evaluation and internal audit in 2014 have been rectified accordingly as planned. At the same time, the Company has conducted various supervision activities, including management auditing and economic responsibility auditing, according to the auditing plans for 2015, and no material issues which may have effect on shareholders has been discovered.

Details of the standards, procedures and effectiveness of the internal control system of CGN Power were set out in “Corporate Governance Report” on pages 99 to 101 of the 2014 Annual Report.

Audit Committee

The Company has established the Audit Committee in compliance with the requirements of Rule 3.21 of the Listing Rules and the Stock Exchange Codes with written terms of reference. The main responsibility of the Audit Committee is to assist the Board by provision of independent opinions on the financial reporting procedures, internal control and risk management systems of the Group, and to provide supervision on the auditing process and to fulfill all other duties and responsibilities designated by the Board. On the date of this report, the Audit Committee comprises one non-executive director (Mr. Zhuo Yuyun) and two independent non-executive directors (Mr. Na Xizhi and Mr. Francis Siu Wai Keung). Mr. Francis Siu Wai Keung, who possesses accounting qualification acted as the chairman of the Audit Committee.

On August 17, 2015, the interim results announcement for the six months ended June 30, 2015, the 2015 Interim Report and the unaudited interim financial statements for the six months ended June 30, 2015 prepared in accordance with the requirements of the International Accounting Standard 34 "Interim Financial Reporting" issued by the International Accounting Standards Board of the Group were reviewed and confirmed by the Audit Committee.

Changes in Remuneration

The Company's remuneration system maintained the policy in 2014. For the six months ended June 30, 2015, except that the remuneration of the external non-employee representative Supervisor newly appointed by the Company was determined based on factors, such as corporate size and the industry therein, the remuneration standards and enforcement basis for other Directors, Supervisors and Senior Management remained the same over the corresponding period of 2014. On our annual general meeting of 2014 convened on June 12, 2015, the resolution on the Company's Directors' and Supervisors' remuneration in 2015 was approved. In addition, the remuneration resolution for the Company's Senior Management was approved on the 7th meeting of the Board on March 18, 2015.

For the six months ended June 30, 2015, the aggregate remuneration of the Company's Directors, Supervisors and Senior Management amounted to RMB4.1 million, and the total staff costs was RMB1,723.2 million (excluding the associates and joint ventures).

(Unit: RMB'000)

	Emoluments	Salaries and other benefits	Pension scheme contributions*	Total
Directors	808	273	37	1,118
Supervisors	—	1,159	65	1,224
Senior Management	—	1,631	108	1,739

* The Company contributes a certain percentage of the salaries of all the employees for their basic pension insurance according to the national and local regulations on pensions, and the employees will collect their pension according the local polices upon retirement. In addition, the Company has also launched a corporation pension plan. According to the plan, the Company will contribute an amount not exceeding 5% of the individual contracted remuneration per month and the individuals will contribute an amount not exceeding one third of the contribution from the Company, and the employees can collect such pension from their individual accounts per month upon retirement. Besides, the Company has no more responsibilities for the pension scheme of the employees.

Corporate Governance

For the six months ended June 30, 2015, remuneration of Directors, Supervisors and Senior Management in aggregate amounted to RMB4.1 million and total staff costs amounted to RMB1,723.2 million (excluding associates and joint ventures).

At the 2014 Annual General Meeting held by the Company on June 12, 2015, the H Share Appreciation Rights Scheme was approved, and the Company will facilitate the subsequent implementation of the plan in due course.

Share Capital

As at June 30, 2015, the registered share capital of the Company was RMB45,448,750,000, divided into 45,448,750,000 shares (with a nominal value of RMB1.00 each) and comprising 34,285,125,000 Domestic Shares and 11,163,625,000 H Shares, representing approximately 75.44% and 24.56% of the registered share capital, respectively.

Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended June 30, 2015.

Interests

Interest of Directors, Supervisors and Chief Executive Officer

As recorded in the register required to be kept pursuant to Section 352 of Part XV of the Securities and Futures Ordinance of Hong Kong, none of the Directors, Supervisors and Chief Executive Officer held any interest/short position in the shares, underlying shares and debentures of the Company and its associated corporations as of June 30, 2015.

Interest of shareholders required to be disclosed under Securities and Futures Ordinance of Hong Kong

Pursuant to Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance of Hong Kong, the interest/short position held by the following persons (other than Directors, Supervisors and Chief Executive Officer of the Company) in the shares and underlying shares of the Company as of June 30, 2015 are set out in the table below.

Aggregate Long positions in the shares and underlying shares of the Company

The Company had been notified by the following shareholders of the interests held in the shares of the Company (other than equity derivatives under share options, call warrants or convertible bonds) as of June 30, 2015 as follows:

Shareholders	Capacity as holder of shares	Number and Class of Shares of the Company Held	Approximate % of the Relevant Share Classes	Approximate % of the Issued Shares of the Company
CGNPC	Beneficial owner/interest of controlled corporation	29,176,641,375 Domestic Shares	85.10%	64.20%
Guangdong Hengjian Investment Holdings Co., Ltd.	Beneficial owner/interest of controlled corporation	3,428,512,500股 Domestic Shares	10.00%	7.54%
National Council for Social Security Fund	Beneficial owner	1,029,584,300 H Shares	9.22%	2.26%

Aggregate short positions in the shares and underlying shares of the Company

As of June 30, 2015, the Company had not been notified of short positions held by any of the above shareholders in the shares and underlying shares of the Company.

Interest of Other Persons

As of June 30, 2015, the Company had not been notified of any persons other than the above shareholders who had interests or short positions in the shares or underlying shares of the Company, under Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance of Hong Kong.

Events after the Reporting Period

For the period from June 30, 2015 to the date of this announcement, there is no occurrence of events that had a significant impact on the Group's operation, financial and trading prospects.

Report on Review of Condensed Consolidated Financial Statements

TO THE BOARD OF DIRECTORS OF CGN POWER CO., LTD.

中國廣核電力股份有限公司

(Established in the People's Republic of China with limited liability)

Introduction

We have reviewed the condensed consolidated financial statements of 中國廣核電力股份有限公司CGN Power Co., Ltd. (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") set out on pages 43 to 84, which comprise the condensed consolidated statements of financial position as at June 30, 2015, and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six months 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 International Accounting Standard 34 ("IAS 34") "Interim Financial Reporting" issued by the International Accounting Standard Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements 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 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 these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with 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 condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.



Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

August 19, 2015

Condensed Consolidated Financial Statements

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended June 30, 2015

	NOTES	Six months ended June 30	
		2015 RMB'000 (Unaudited)	2014 RMB'000 (Audited and restated)
Revenue	4	9,590,181	9,745,327
Less: Tax surcharge		172,740	121,286
Cost of sales and services		4,784,642	4,489,495
Gross profit		4,632,799	5,134,546
Other income	5	1,107,058	997,398
Loss arising from changes in fair value of derivative financial instruments		(60,761)	(107,478)
Selling and distribution expenses		(781)	(1,552)
Other expenses		(12,249)	(37,998)
Administrative expenses		(626,377)	(608,459)
Other gains and losses	6	1,288,337	(76,027)
Share of results of associates		(90,443)	(39,283)
Share of results of joint ventures		274,122	(154,797)
Finance costs	7	(1,483,033)	(1,515,168)
Profit before taxation		5,028,672	3,591,182
Taxation	8	(740,576)	(531,061)
Profit for the period	9	4,288,096	3,060,121
Other comprehensive (expenses)income:			
– Exchange differences arising on translation of a subsidiary		(7,547)	72,526
– Others		(3,149)	(1,685)
Other comprehensive (expenses)income for the period, net of income tax		(10,696)	70,841
Total comprehensive income for the period		4,277,400	3,130,962

Condensed Consolidated Financial Statements

	NOTES	Six months ended June 30	
		2015 RMB'000 (Unaudited)	2014 RMB'000 (Audited and restated)
Profit for the period attributable to:			
Owners of the Company		3,478,292	2,555,752
Non-controlling interests		809,804	504,369
		4,288,096	3,060,121
Total comprehensive income attributable to:			
Owners of the Company		3,469,526	2,610,147
Non-controlling interests		807,874	520,815
		4,277,400	3,130,962
Earnings per share attributable to owners of the Company, basic and diluted (RMB)	11	0.077	0.085

Condensed Consolidated Statement of Financial Position

As at June 30, 2015

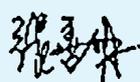
	NOTES	June 30 2015 RMB'000 (Unaudited)	December 31 2014 RMB'000 (Audited and restated)	2013 RMB'000 (Audited and restated)
NON-CURRENT ASSETS				
Property, plant and equipment	12	161,211,958	155,923,218	140,249,665
Intangible assets	13	1,258,328	1,134,763	1,152,093
Investment properties		665,025	697,278	182,506
Interests in associates	14	7,108,792	7,062,093	6,729,540
Interests in joint ventures	15	5,105,138	4,831,016	4,363,726
Available-for-sale investments	16	110,000	110,000	110,000
Deferred tax assets	17	135,109	125,239	119,750
Derivative financial instruments		18,225	18,137	216,104
Value-added tax recoverable	21	5,176,206	5,285,730	4,471,621
Prepaid lease payments	18	2,426,778	2,331,432	1,737,750
Deposits for property, plant and equipment		1,078,849	766,745	844,107
Other assets		12,143	12,143	12,143
		184,306,551	178,297,794	160,189,005
CURRENT ASSETS				
Inventories	19	10,512,196	9,346,453	8,387,072
Properties under development for sale		—	—	266,532
Completed properties for sale		—	—	46,768
Prepaid lease payments	18	63,567	63,007	50,058
Trade and bills receivables	20	2,997,733	2,345,547	1,623,065
Prepayments and other receivables	21	1,368,852	882,305	1,149,930
Amounts due from related parties	22	781,351	687,164	460,366
Loan to a fellow subsidiary		—	180,000	450,000
Derivative financial instruments		40,302	34,505	149,725
Restricted bank deposits		7,811	8,275	7,132
Cash and cash equivalents		8,824,610	26,962,549	7,595,622
Other deposits over three months		2,728,000	2,080,900	3,703,884
		27,324,422	42,590,705	23,890,154

Condensed Consolidated Financial Statements

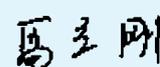
	NOTES	June 30	December 31	
		2015	2014	2013
		RMB'000	RMB'000	RMB'000
		(Unaudited)	(Audited and restated)	(Audited and restated)
CURRENT LIABILITIES				
Trade and other payables	23	5,904,657	6,655,421	10,991,653
Amounts due to related parties	24	841,972	5,194,421	1,842,132
Loans from ultimate holding company	25	4,700,000	3,745,000	9,131,000
Loans from fellow subsidiaries	25	1,197,760	658,400	2,165,862
Payable to ultimate holding company	25	1,730,000	3,530,000	—
Income tax payable		233,091	441,994	356,482
Provisions		360,551	770,320	736,819
Bank borrowings - due within one year	26	6,201,589	7,338,137	6,363,890
Borrowings from a financial institution		953,683	—	—
Derivative financial instruments		143,244	135,022	96,382
		22,266,547	28,468,715	31,684,220
NET CURRENT ASSETS (LIABILITIES)		5,057,875	14,121,990	(7,794,066)
TOTAL ASSETS LESS CURRENT LIABILITIES		189,364,426	192,419,784	152,394,939

	NOTES	June 30	December 31	
		2015	2014	2013
		RMB'000	RMB'000	RMB'000
		(Unaudited)	(Audited and restated)	(Audited and restated)
NON-CURRENT LIABILITIES				
Bank borrowings - due after one year	26	93,884,144	91,573,167	80,237,893
Notes payable		10,590,034	10,100,000	8,500,000
Deferred tax liabilities	17	1,958,704	1,695,069	1,285,360
Deferred income		777,421	766,030	640,759
Provisions		1,691,695	1,526,003	1,286,493
Derivative financial instruments		255,395	259,984	164,640
Borrowings from a financial institution		—	953,467	—
Loans from fellow subsidiaries	25	4,225,471	4,471,233	3,204,397
Loans from ultimate holding company	25	—	—	1,200,000
Payables to ultimate holding company	25	1,992,648	2,000,000	5,530,000
		115,375,512	113,344,953	102,049,542
NET ASSETS				
		73,988,914	79,074,831	50,345,397
Capital and reserves				
Paid-in/share capital	27	45,448,750	45,448,750	19,767,604
Reserves		7,745,049	14,001,337	11,411,884
Equity attributable to owners of the Company				
Non-controlling interests		53,193,799	59,450,087	31,179,488
		20,795,115	19,624,744	19,165,909
TOTAL EQUITY				
		73,988,914	79,074,831	50,345,397

The consolidated financial statements on pages 43 to 84 were approved and authorised for issue by the board of directors on August 19, 2015 and are signed on its behalf by:



DIRECTOR



DIRECTOR

Condensed Consolidated Statement of Changes in Equity

For the six months ended June 30, 2015

	Attributable to owners of the Company							Non-controlling interests	Total equity
	Paid-in/ share capital	Capital reserve	Statutory		Retained earnings	Total			
			surplus reserve	Translation reserve					
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000		
At January 1, 2014 (Restated)	19,767,604	3,368,341	2,206,292	(2,044,854)	7,882,105	31,179,488	19,165,909	50,345,397	
Profit for the period	—	—	—	—	2,555,752	2,555,752	504,369	3,060,121	
Other comprehensive income (expenses) for the period	—	—	—	54,395	—	54,395	16,446	70,841	
Total comprehensive income for the period	—	—	—	54,395	2,555,752	2,610,147	520,815	3,130,962	
Arising from reorganization	8,137,039	(6,908,906)	—	—	—	1,228,133	—	1,228,133	
Capital injections	7,395,357	2,728,352	—	—	—	10,123,709	434,059	10,557,768	
Deemed distribution to ultimate holding company	—	(3,045,646)	—	—	—	(3,045,646)	—	(3,045,646)	
Dividend paid (note 10)	—	—	—	—	(4,174,537)	(4,174,537)	(729,113)	(4,903,650)	
At June 30, 2014 (Restated)	35,300,000	(3,857,859)	2,206,292	(1,990,459)	6,263,320	37,921,294	19,391,670	57,312,964	
At January 1, 2015 (Restated)	45,448,750	7,596,927	3,525,740	(2,014,097)	4,892,767	59,450,087	19,624,744	79,074,831	
Profit for the period	—	—	—	—	3,478,292	3,478,292	809,804	4,288,096	
Other comprehensive (expenses) income for the period	—	—	—	(8,766)	—	(8,766)	(1,930)	(10,696)	
Total comprehensive income for the period	—	—	—	(8,766)	3,478,292	3,469,526	807,874	4,277,400	
Capital injections	—	—	—	—	—	—	371,071	371,071	
Acquisition of subsidiaries under common control (note 33)	—	(7,596,927)	(2,015,263)	—	—	(9,612,190)	—	(9,612,190)	
Dividend declared (note 10)	—	—	—	—	(113,624)	(113,624)	(8,574)	(122,198)	
At June 30, 2015	45,448,750	—	1,510,477	(2,022,863)	8,257,435	53,193,799	20,795,115	73,988,914	

Notes:

- (a) Capital reserve of the Group included deemed contribution from (distribution to) the ultimate holding company in relation to the nuclear power assets and liabilities transferred from the ultimate holding company to the Group before the completion of reorganization of the ultimate holding company (the "Reorganization"), the effects from change in Group's ownership interest in subsidiaries without loss of control as well as that from Reorganization, and capital injection from owners of the Company in excess of paid-in share capital and issued ordinary shares deducted by share issue cost.
- (b) As stipulated by the relevant laws in the People's Republic of China (the "PRC"), entities in PRC are required to maintain a statutory surplus reserve. The statutory surplus reserve is 10% of profit after taxation of the entities according to the PRC statutory financial statements. The appropriation may cease to apply if the balance of the statutory surplus reserve has reached 50% of the PRC entities registered capital. The surplus reserve can be used to make up losses or for conversion into capital. The PRC subsidiaries may, upon the approval by a resolution of the owners, convert their surplus reserves into capital in proportion to their then existing capital contribution.
- (c) Capital reserves of the Company represents the excess of fair value of assets and liabilities transferred from China General Nuclear Power Corporation (formerly known as 中國廣東核電集團有限公司 China Guangdong Nuclear Power Corporation Limited) ("CGNPC") to the Company on March 25, 2014 and cash paid for subscription of ordinary shares less the par value of issued ordinary shares deducted by share issue cost.

Condensed Consolidated Financial Statements

Condensed Consolidated Statement of Cash Flows

For the six months ended June 30, 2015

	Six months ended June 30	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Audited and restated)
Operating activities		
Profit before taxation	5,028,672	3,591,182
Provisions for nuclear power operation	367,361	400,459
Depreciation of property, plant and equipment	1,360,601	1,309,186
Amortization of prepaid lease payments	15,307	13,266
Amortization of investment properties	32,245	21,083
Amortization of intangible assets	60,071	27,310
Finance costs	1,483,033	1,515,168
Recognition of allowance for trade and other receivables	—	2,209
Allowance for inventories	24,723	27,469
Loss on disposals of property, plant and equipment	1,892	8,191
Unrealized fair value change in derivative financial instruments	(2,304)	156,709
Government grant related to assets	(15,496)	(10,041)
Interest income	(246,933)	(90,918)
Share of results of joint ventures	(274,122)	154,797
Share of results of associates	90,443	39,283
Unrealized net exchange (gains) loss	(188,236)	106,906
Operating cash flows before movements in working capital	7,737,257	7,272,259
Increase in inventories	(1,190,466)	(1,082,880)
Increase in trade and other receivables	(834,640)	(596,386)
Decrease increase in trade and other payables	(271,829)	(879,288)
Decrease in nuclear power provision	(768,882)	(737,239)
Decrease in completed properties for sale	—	4,714
Increase in properties under development for sale	—	(7,584)
Decrease in derivative financial liabilities, net	52	14,155
Cash generated from operations	4,671,492	3,987,751
Income tax paid	(694,897)	(509,189)
Net cash generated from operating activities	3,976,595	3,478,562

	Note	Six months ended June 30	
		2015 RMB'000 (Unaudited)	2014 RMB'000 (Audited and restated)
Investing activities			
Interest received		246,933	90,918
Deposit paid and purchase of property, plant and equipment		(5,605,640)	(10,432,953)
Addition to intangible assets		(183,636)	(104,316)
Addition to prepaid lease payments		(127,699)	(70,662)
Proceeds from disposals of property, plant and equipment		2,820	88,238
Government grants received		26,887	3,652
Placement of deposits with original maturity over three months		(1,513,100)	(4,693,286)
Withdrawal of deposits with original maturity over three months		866,000	8,010,930
Placement of restricted bank deposits		(7,920)	(7,168)
Withdrawal of restricted bank deposits		8,384	7,132
Repayments of entrusted loans from fellow subsidiaries		180,000	—
Capital contributions to associates		(265,127)	(127,183)
Capital contributions to joint ventures		(205,477)	(147,321)
Dividends received from associates		127,985	107,979
Dividends received from joint ventures		205,477	—
Acquisition of a subsidiary		(9,700,196)	—
Advance to related parties		(154,588)	(66,458)
Repayment from related parties		148,407	32,720
Net cash used in investing activities		(15,950,490)	(7,307,778)

	Note	Six months ended June 30	
		2015 RMB'000 (Unaudited)	2014 RMB'000 (Audited and restated)
Financing activities			
Capital injections from non-controlling interests		371,071	434,059
Capital injections		—	10,123,709
Interest paid		(3,363,638)	(3,053,531)
Loans from fellow subsidiaries		1,551,000	4,042,546
Repayments to fellow subsidiaries		(1,256,648)	(3,415,400)
Loans from ultimate holding company		2,729,000	13,061,000
Repayments to ultimate holding company		(3,574,000)	(18,470,350)
Proceeds from bank borrowings		7,887,217	11,028,232
Repayment of bank borrowings		(6,513,197)	(3,179,346)
Proceeds from notes payable		500,000	600,000
Proceeds from borrowings from a financial institution		—	953,467
Dividends paid		(3,688,111)	(4,174,537)
Dividends paid to non-controlling shareholders with significant influence over the subsidiaries		(628,122)	(729,113)
Advance from related parties		1,500,392	1,400,831
Repayment to related parties		(1,658,806)	(3,415,494)
Net cash (used in) from financing activities		(6,143,842)	5,206,073
Net (decrease) increase in cash and cash equivalents		(18,117,737)	1,376,857
Cash and cash equivalents at the beginning of the period		26,962,549	7,595,622
Effects of exchange rate changes		(20,202)	(32,310)
Cash and cash equivalents at the end of the period		8,824,610	8,940,169

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2015

1. GENERAL INFORMATION

The Company was established in the PRC on March 25, 2014 (the “Date of Establishment”) as a joint stock company with limited liability under the Company Law of the PRC and its Shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on December 10, 2014.

The parent and the ultimate holding company of the Company is CGNPC, a state-owned enterprise in the PRC controlled by the State-Owned Assets Supervision and Administration Commission of the State Council (the “SASAC”) of the State Council.

The respective addresses of the registered office and the principal place of business of the Company are Science & Technology Building No. 1001 Shangbuzhong Road Shenzhen, Guangdong Province, the PRC.

The condensed consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company and its principal subsidiaries.

2. BASIS OF PRESENTATION

The condensed consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board as well as 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”).

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at revalued amounts or fair values, as appropriate.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended June 30, 2015 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended December 31, 2014.

For the six months ended June 30, 2015

4. REVENUE AND SEGMENT INFORMATION

Revenue mainly represents revenue arising from sales of electricity derived from nuclear power plants.

An analysis of the Group's revenue for each reporting period is as follows:

	Six months ended June 30	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Audited and restated)
Sales of electricity	8,953,560	9,079,849
Service revenue	534,458	615,362
Sales of other goods	102,163	50,116
	9,590,181	9,745,327

Information reported to the Board, being the chief operating decision makers ("CODM") of the Group, for the purposes of resources allocation and assessment of performance focuses on the types of goods or services delivered or provided. During the Reporting Period, the Group derived substantially all of the revenue from sales of electricity generated by its nuclear power plants.

The CODM regularly review sales reports, electricity supply reports and construction progress reports. However, no discrete financial information is available for the various businesses respectively. For the purpose of allocating resources and assessing performance, the CODM regularly review the Group's revenue and Group's profit as a whole and as such, there is only one operating and reportable segment.

4. REVENUE AND SEGMENT INFORMATION (Continued)

The segment revenue is the same as the Group's revenue. Segment profit is the Group's profit before taxation without taking into account of unrealized (loss) gain arising from changes in fair value of derivative financial instruments, share of results of the Group's associates and joint ventures. This is the measure reported to the CODM for resources allocation and performance assessment. The reconciliation is as follows:

	Six months ended June 30	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Audited and restated)
Segment profit before taxation reported to the board of directors	4,842,689	3,941,971
Add: Unrealized gain (loss) arising from changes in fair value of derivative financial instruments	2,304	(156,709)
Add: Share of results of associates	(90,443)	(39,283)
Add: Share of results of joint ventures	274,122	(154,797)
Group's profit before taxation	5,028,672	3,591,182

Geographical information

As the Group's operations and non-current assets are all located in the PRC, no other geographical segment information is presented.

Information about major customers

Revenue from customers of each reporting period contributing over 10% of the total sales of the Group are as follows:

	Six months ended June 30	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Audited and restated)
Entities under control by the PRC Government ¹	7,525,998	7,566,403
Hong Kong Nuclear Investment Co., Ltd. ("HKNIC") ²	1,964,536	1,962,905

1 revenue from sales of electricity, service revenue and other goods

2 revenue from sales of electricity

For the six months ended June 30, 2015

4. REVENUE AND SEGMENT INFORMATION (Continued)**Segment assets and liabilities**

Information reported to board of directors of the Company for the purposes of resources allocation and performance assessment does not include any assets and liabilities. Accordingly, no segment assets and liabilities are presented.

5. OTHER INCOME

	Six months ended June 30	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Audited and restated)
Value-added tax refunds (note a)	834,922	893,100
Interest income from bank deposits	165,968	24,773
Interest income from fellow subsidiaries	80,965	66,145
Government grants		
– related to expenses items (note b)	9,229	2,869
– related to assets	15,496	10,041
Others	478	470
	1,107,058	997,398

Notes:

- (a) During the Reporting Period, 嶺澳核電有限公司Ling Ao Nuclear Power Co, Ltd. (“Ling’ao Nuclear”) and 嶺東核電有限公司Ling Dong Nuclear Power Co, Ltd. (“Lingdong Nuclear”), are entitled to the value-added tax refund of 75% for the first five years, 70% for the second five years and 55% for the third five years for their revenue from the sales of electricity to a grid company. The first revenue year of Ling’ao Nuclear and Lingdong Nuclear are 2002 and 2010 respectively. There were no conditions or limitations attached to these valued-added tax refunds.
- (b) The amounts represent incentives from various PRC government authorities in connection with the enterprise expansion support, technology advancement support and product development support for the six months ended June 30, 2015, which had no conditions imposed by the respective PRC government authorities.

6. OTHER GAINS AND LOSSES

	Six months ended June 30	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Audited and restated)
Net foreign exchange gain (loss)	1,290,241	(73,658)
Recognition of allowance for trade and other receivables	—	(2,209)
Loss on disposals of property, plant and equipment	(1,892)	(8,191)
Others	(12)	8,031
	1,288,337	(76,027)

7. FINANCE COSTS

	Six months ended June 30	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Audited and restated)
Interest on bank borrowings	2,690,611	2,757,433
Interest on borrowings from a financial institution	30,228	4,708
Interest on notes payable	210,028	210,364
Interest on loans from ultimate holding company	102,157	160,050
Interest on long term payables to ultimate holding company	134,129	134,856
Interest on loans from fellow subsidiaries	134,828	143,248
Interests relating to provision for nuclear power plant decommissioning	47,917	42,728
Total interest expenses	3,349,898	3,453,387
Less: capitalized in construction in progress	(1,866,865)	(1,938,219)
Total finance costs	1,483,033	1,515,168

Borrowing costs were capitalized to the construction of the nuclear power plants based on the effective interest rates of bank and other borrowings obtained for the construction work.

8. TAXATION

	Six months ended June 30	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Audited and restated)
Current tax:		
– PRC Enterprise Income Tax (“EIT”)	493,353	478,738
– Over-provision in prior years	(7,359)	(4,791)
Deferred taxation (note 17):		
– Current period	254,582	57,114
Taxation	740,576	531,061

PRC subsidiaries are subject to PRC EIT at 25%, except for the following subsidiaries which enjoyed certain tax exemption and relief.

中廣核檢測技術有限公司 CGN Inspection Technology Co., Ltd., 蘇州熱工研究院有限公司 Suzhou Nuclear Power Research Institute, 中廣核(北京)仿真技術有限公司 China Nuclear Power (Beijing) Simulation Technology Corporation Ltd., 中科華核電技術研究院有限公司 China Nuclear Power Technology Research Institute, 廣東核電合營有限公司 Guangdong Nuclear Power Joint Venture Co, Ltd. (“GNPJVC”) and Ling’ao Nuclear were approved to enjoy the preferential tax rate of 15% in accordance with the relevant EIT laws and regulations for the six months ended June 30, 2015.

Lingdong Nuclear, being enterprise engaged in public infrastructure project, was entitled to tax holiday of three years followed by 50% exemption for the next three years commencing from 2010, which is the first revenue generating year. Pursuant to the Supplementary Notice of Tax Benefit Scheme in relation to Public Infrastructure Project 《關於公共基礎設施項目享受企業所得稅優惠政策問題的補充通知》 issued in July 2014, the tax authority clarified that the first year revenue of public infrastructure project should be based on individual reactor project instead of the legal entity as a whole. Since the first revenue generating year of second reactor project of Lingdong Nuclear commenced in 2011, therefore, the applicable tax rate for Lingdong Nuclear was 12.5% for the six months ended June 30, 2015.

陽江核電有限公司 Yangjiang Nuclear Power Co., Ltd. (“Yangjiang Nuclear”), being enterprise engaged in public infrastructure project, was entitled to tax holiday of three years followed by 50% exemption for the next three years commencing from 2014, which was the first revenue generating year of Yangjiang Nuclear’s first reactor.

Details of the deferred taxation are set out in note 17.

9. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging (crediting):

	Six months ended June 30	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Audited and restated)
Directors' emoluments	2,342	1,064
Other staff costs:		
Salaries and other benefits	1,627,184	1,570,589
Retirement benefit scheme contributions	93,716	75,802
Total other staff costs	1,720,900	1,646,391
Less: Capitalized in construction in progress	(346,785)	(360,248)
Less: Capitalized in intangible assets	(23,700)	(66,648)
	1,350,415	1,219,495
Depreciation and amortization of:		
– Property, plant and equipment	1,480,492	1,344,752
Less: Capitalized in construction in progress	(119,891)	(35,566)
	1,360,601	1,309,186
– Intangible assets	60,071	27,310
– Investment properties	32,245	21,083
– Prepaid lease payments	31,784	31,184
Less: Capitalized in construction in progress	(16,477)	(17,918)
	15,307	13,266
	1,468,224	1,370,845

9. PROFIT FOR THE PERIOD (Continued)

	Six months ended June 30	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Audited and restated)
Recognition of allowance on:		
– Inventories	24,723	27,469
– Trade and other receivables	—	2,209
Cost of inventories recognized as expenses	3,916,052	3,541,991
Gross rental income from investment properties	(9,781)	(6,821)
Less: Direct operating expenses incurred for investment properties that generated rental income	47,037	23,510
	37,256	16,689

10. DIVIDEND

Pursuant to the shareholders' resolution passed on September 17, 2014, the special dividend was declared in an amount equal to the retained earnings accrued during the period from March 25, 2014 (the Date of Establishment) to December 10, 2014 (the "Listing Date", approximately RMB3,688,111,000 (representing approximately RMB0.10 per share), to the shareholders including CGNPC, Guangdong Hengjian Investment Holding Co., Ltd. ("Hengjian Investment") and China National Nuclear Corporation ("CNNC"). The special dividend has been paid during the Reporting Period.

During the Reporting Period, a final dividend of RMB0.0025 per share in respect of the year ended December 31, 2014 was declared to the owners of the Company. The aggregate amount of the final dividend declared in the Reporting Period amounted to RMB113,624,000. The proposed final dividend in respect of the year ended December 31, 2014 was approved by the Company's shareholders at the 2014 annual general meeting convened on June 12, 2015.

The Board have proposed that no dividend will be paid in respect of the interim period.

11. EARNINGS PER SHARE

The basic earnings per share is calculated based on the profit attributable to the owners of the Company and the weighted average number of ordinary shares for each reporting period.

	Six months ended June 30	
	2015 (Unaudited)	2014 (Audited and restated)
Profit attributable to the owners of the Company (RMB'000)	3,478,292	2,555,752
Weighted average number of ordinary shares (in million)	45,449	30,091
Basic earnings per share (RMB)	0.077	0.085

No diluted earnings per share is presented for the six months ended June 30, 2015 and 2014, since there is no potential ordinary shares in issue during both periods.

12. PROPERTY, PLANT AND EQUIPMENT

During the Reporting Period, the Group acquired items of property, plant and equipment of approximately RMB6,777,348,000 (Six months ended June 30, 2014: RMB7,602,880,000) to expand its operations. The additions for the Reporting Period mainly included RMB154,916,000 (Six months ended June 30, 2014: RMB26,230,000) in nuclear facilities, RMB5,057,000 (Six months ended June 30, 2014: RMB11,213,000) in plant and machinery, RMB4,888,000 (Six months ended June 30, 2014: RMB1,023,000) in motor vehicles, RMB89,078,000 (Six months ended June 30, 2014: RMB43,364,000) in office and electronic equipment and RMB6,523,409,000 (Six months ended June 30, 2014: RMB7,520,106,000) in construction in progress. The Group disposed of certain plant and machinery with an aggregate carrying amount of RMB4,712,000 (Six months ended June 30, 2014: RMB96,429,000) for cash proceeds of RMB2,820,000 (Six months ended June 30, 2014: RMB95,909,000), resulting in a loss on disposal of RMB1,892,000 (Six months ended June 30, 2014: RMB520,000).

As at June 30, 2015, the Group pledged property, plant and equipment with carrying amount of approximately RMB19,214,109,000 (December 31, 2014: RMB19,533,805,000) to secure loan facilities granted to the Group. Details of pledge of assets are set out in note 31.

As at June 30, 2015, buildings with carrying amount of approximately RMB646,269,000 (December 31, 2014: RMB647,823,000) are without property certificates. The Group is in the process of obtaining the property certificates.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2015

13. INTANGIBLE ASSETS

Intangible assets mainly represent AP1000 and related technology of approximately RMB359,665,000 (December 31, 2014: RMB351,470,000), fuel reloading technology of approximately RMB118,714,000 (December 31, 2014: RMB75,580,000) and facilitation and related costs of approximately RMB779,949,000 (December 31, 2014: RMB707,713,000).

14. INTERESTS IN ASSOCIATES

	At June 30 2015 RMB'000 (Unaudited)	At December 31 2014 RMB'000 (Audited)
Unlisted cost of interests in associates	7,257,850	6,992,723
Share of post-acquisition profits (losses) net of dividends received	(149,058)	69,370
	7,108,792	7,062,093

15. INTERESTS IN JOINT VENTURES

	At June 30 2015 RMB'000 (Unaudited)	At December 31 2014 RMB'000 (Audited)
Cost of interests in joint ventures - unlisted	4,875,157	4,669,680
Share of post-acquisition profits net of dividends received	229,981	161,336
	5,105,138	4,831,016

16. AVAILABLE-FOR-SALE INVESTMENTS

	At June 30 2015 RMB'000 (Unaudited)	At December 31 2014 RMB'000 (Audited and restated)
Unlisted investment, at cost		
– 15% equity interests in中核能源科技有限公司 (note)	110,000	110,000

Notes:

The unlisted investment represents equity securities of a state-owned entity established in the PRC. It is measured at cost less impairment at the end of the Reporting Period because the range of reasonable fair value estimates is so significant that the directors are of the opinion that its fair values cannot be measured reliably. The Group does not intend to dispose it in the near future.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2015

17. DEFERRED TAXATION

The following are the major deferred tax assets (liabilities) recognized and movements thereon during each reporting period:

Deferred tax assets (liabilities)	Unrealized profit RMB'000	Receipt in advance RMB'000	Decelerated depreciation on property, plant and equipment RMB'000	Exchange difference arising from borrowings RMB'000	Derivative financial instruments RMB'000	Accelerated depreciation on property, plant and equipment RMB'000	Others RMB'000	Total RMB'000
At January 1, 2014 (audited and restated)	104,532	6,533	5,658	(171,893)	(11,468)	(1,101,999)	3,027	(1,165,610)
Credit (charge) to profit or loss	2,374	(3,413)	(76)	4,917	1,691	(62,596)	(11)	(57,114)
Exchange differences	—	—	—	—	—	(8,411)	—	(8,411)
At June 30, 2014 (audited and restated)	106,906	3,120	5,582	(166,976)	(9,777)	(1,173,006)	3,016	(1,231,135)
Credit (charge) to profit or loss	9,585	138	(5,582)	(343,264)	7,555	(14,802)	2,474	(343,896)
Exchange differences	—	—	—	—	—	5,201	—	5,201
At December 31, 2014 (audited and restated)	116,491	3,258	—	(510,240)	(2,222)	(1,182,607)	5,490	(1,569,830)
Credit (charge) to profit or loss	8,449	(57)	—	(230,482)	2,063	(36,033)	1,478	(254,582)
Exchange differences	—	—	—	—	—	817	—	817
At June 30, 2015 (unaudited)	124,940	3,201	—	(740,722)	(159)	(1,217,823)	6,968	(1,823,595)

17. DEFERRED TAXATION (Continued)

The following is the analysis of the deferred tax balances for financial reporting purposes:

	At June 30 2015 RMB'000 (Unaudited)	At December 31 2014 RMB'000 (Audited and restated)
Deferred tax assets	135,109	125,239
Deferred tax liabilities	(1,958,704)	(1,695,069)
	(1,823,595)	(1,569,830)

Details of tax losses not recognized at the end of each reporting period are set out below:

	At June 30 2015 RMB'000 (Unaudited)	At December 31 2014 RMB'000 (Audited and restated)
Tax losses	828,729	845,578

17. DEFERRED TAXATION (Continued)

No deferred tax asset has been recognized in respect of the tax loss due to the unpredictability of future profit stream for relevant subsidiaries. Included in unrecognized tax losses are losses that will expire as the following:

	At June 30 2015 RMB'000 (Unaudited)	At December 31 2014 RMB'000 (Audited and restated)
2016	24,197	24,329
2017	8,124	8,124
2018	4,253	4,325
2019	711,149	808,800
2020	81,006	—
	828,729	845,578

18. PREPAID LEASE PAYMENTS

During the Reporting Period, the Group acquired prepaid lease payments of approximately RMB127,699,000 (Six months ended June 30, 2014: RMB70,662,000) to expand its buildings. The Group had no disposal of the prepaid lease payment for six months ended June 30, 2015 and 2014.

At June 30, 2015, the Group pledged leasehold land with carrying amount of RMB29,642,000 (December 31, 2014: RMB29,621,000) to secure loan facilities. Details of pledge of assets are set out in note 31.

At June 30, 2015, the Group is still in the process of obtaining the land use right certificate with carrying amount of RMB6,195,000 (December 31, 2014: RMB6,283,000).

19. INVENTORIES

	At June 30 2015 RMB'000 (Unaudited)	At December 31 2014 RMB'000 (Audited and restated)
Nuclear fuel	8,470,249	7,449,792
Materials and consumable parts	2,031,482	1,889,582
Others	10,465	7,079
	10,512,196	9,346,453

20. TRADE AND BILLS RECEIVABLES

	At June 30 2015 RMB'000 (Unaudited)	At December 31 2014 RMB'000 (Audited)
Amounts due from third parties	1,983,786	1,755,982
Less: allowance of doubtful debts	(8,120)	(8,120)
	1,975,666	1,747,862
Amount due from ultimate holding company	4,371	9,523
Amounts due from joint ventures	171,148	101,318
Amounts due from associates	200,894	81,757
Amounts due from fellow subsidiaries	148,190	181,477
Amount due from a non-controlling shareholder with significant influence over the relevant subsidiary	492,811	218,612
Bills receivables	4,653	4,998
Total trade and bills receivables	2,997,733	2,345,547

20. TRADE AND BILLS RECEIVABLES (Continued)

The following is an analysis of trade receivables by age, net of allowance for doubtful debts presented based on the invoice date at the end of each reporting period:

	At June 30 2015 RMB'000 (Unaudited)	At December 31 2014 RMB'000 (Audited)
1 day to 30 days	2,800,937	2,104,219
31 days to 1 year	180,561	200,281
1 year to 2 years	14,636	34,367
2 years to 3 years	1,504	2,188
Over 3 years	95	4,492
	2,997,733	2,345,547

Trade receivables from third parties and bills receivables of the Group, as well as amount due from a non-controlling shareholder with significant influence on the relevant subsidiary, primarily represent receivables from grid companies. The credit terms granted to grid companies on the sales of electricity are 30 days. At June 30, 2015, except for an amount of RMB8,120,000 (December 31, 2014: RMB8,120,000) aged above one year which are past due and fully impaired as the recoverability is considered as unlikely, trade receivables amounting to approximately RMB1,975,666,000 (December 31, 2014: RMB1,747,862,000) are neither past due nor impaired and have good credit quality assessed by the management of the Group.

For other related parties, the Group has not granted any credit period and all the balances are past due but not impaired and aged within one year.

The Group pledged trade receivables from grid companies resulting from the pledge of tariff collection rights with carrying amount of approximately RMB1,835,961,000 (December 31, 2014: RMB1,191,128,000) to secure loan facilities granted to the Group as at the end of the Reporting Period. Details of pledge of assets are set out in note 31.

21. PREPAYMENTS AND OTHER RECEIVABLES

	At June 30 2015 RMB'000 (Unaudited)	At December 31 2014 RMB'000 (Audited and restated)
Value-added tax recoverable	5,936,384	5,741,815
Prepayments to third parties for materials and consumable parts	426,337	236,028
Prepayments to fellow subsidiaries for services and materials	113,579	110,294
Others	68,758	79,898
	6,545,058	6,168,035
Analysed for financial reporting purpose:		
Non-current	5,176,206	5,285,730
Current	1,368,852	882,305
	6,545,058	6,168,035

22. AMOUNTS DUE FROM RELATED PARTIES

	At June 30 2015 RMB'000 (Unaudited)	At December 31 2014 RMB'000 (Audited and restated)
Other receivables from ultimate holding company	293,847	233,966
Other receivables from fellow subsidiaries	478,267	452,315
Other receivables from associates	8,711	279
Other receivables from joint ventures	526	604
	781,351	687,164

In the opinion of the management, the balances are unsecured, non-trade nature, interest-free and expected to be settled within one year from the end of the Reporting Period.

23. TRADE AND OTHER PAYABLES

	At June 30 2015 RMB'000 (Unaudited)	At December 31 2014 RMB'000 (Audited and restated)
Amounts due to third parties	1,775,238	1,651,385
Amounts due to fellow subsidiaries	109,352	567,500
Receipts in advance from associates	40,540	534
Receipts in advance from fellow subsidiaries	6,832	6,181
Receipts in advance from a non-controlling shareholder with significant influence over the relevant subsidiary	—	25,062
Receipts in advance from third parties	10,345	12,691
Total trade payables	1,942,307	2,263,353
Construction payables to third parties	1,624,235	1,309,712
Construction payables to fellow subsidiaries	1,486,204	2,239,863
Construction payables to ultimate holding company	38,417	25,064
Construction payables to a non-controlling shareholder with significant influence over the relevant subsidiary	—	8,598
Value-added tax and other tax payables	308,258	292,791
Staff cost payables	98,872	31,203
Interest on notes payable	252,547	297,102
Other payables and accruals to third parties	153,817	187,735
Total other payables	3,962,350	4,392,068
	5,904,657	6,655,421

The credit period on purchases of goods ranges from 180 days to 360 days. The Group has financial risk management policies in place to ensure all payables are settled within the credit frame.

Other payables mainly include payable for outstanding operating expenses. The balances are unsecured, interest-free and repayable on demand.

23. TRADE AND OTHER PAYABLES (Continued)

The following is an aged analysis of trade payables presented based on the invoice date at the end of each reporting period:

	At June 30 2015 RMB'000 (Unaudited)	At December 31 2014 RMB'000 (Audited and restated)
Within 1 year	1,942,307	2,263,353

24. AMOUNTS DUE TO RELATED PARTIES

	At June 30 2015 RMB'000 (Unaudited)	At December 31 2014 RMB'000 (Audited and restated)
Dividend payable to ultimate holding company	72,942	3,138,582
Dividend payables to non-controlling shareholders	45,102	664,650
Dividend payable to Hengjian Investment	8,571	368,812
Dividend payable to CNNC	4,200	180,717
Dividend payable to H shareholders	27,911	—
Other payable to ultimate holding company	301,037	454,718
Other payables to fellow subsidiaries	45,869	50,602
Other payables to associates	336,340	336,340
	841,972	5,194,421

The amounts are unsecured, interest-free and repayable on demand.

25. LOANS FROM ULTIMATE HOLDING COMPANY/FELLOW SUBSIDIARIES/PAYABLES TO ULTIMATE HOLDING COMPANY

During the Reporting Period, the Group obtained new loans from the ultimate holding company amounting to RMB2,729,000,000, carried interest at floating rates ranging from 4.76% to 5.35% and are repayable over a period of 1 year.

During the Reporting Period, the Group obtained new loans from fellow subsidiaries amounting to RMB1,551,000,000, carried interest at floating rates ranging from 4.59% to 5.60% and are repayable over a period from 3 months to 1 year.

26. BANK BORROWINGS

During the Reporting Period, the Group obtained new bank borrowing amounting to RMB6,011,612,000. The loans carry interest at floating rates ranged from 0.36% to 5.54% and are repayable over a period of 6 months to 25 years.

During the Reporting Period, the Group obtained new bank borrowing amounting to RMB1,875,605,000. The loans carry interest at fixed rates ranged from 4.3% to 5.78% and are repayable over a period of 1 year to 16 years.

27. PAID-IN/SHARE CAPITAL

The share capital at June 30, 2015 and at December 31, 2014 represents the registered and paid share capital of the Company.

Details of the movement of the number of shares comprising the domestic shares and H shares are shown as below:

	Domestic shares '000	H shares '000
Ordinary shares of RMB1.00 each		
Issue of shares at the Date of Establishment upon the Reorganization	27,904,643	—
Issue of shares for cash	7,395,357	—
Issue of shares upon listing of the Company's shares on the Stock Exchange on December 10, 2014	—	8,825,000
Conversion of domestic shares into H shares	(1,014,875)	1,014,875
Issue of shares on the exercise of over-allotment option on December 22, 2014	—	1,323,750
At December 31, 2014 and June 30, 2015 (Unaudited)	34,285,125	11,163,625

The Company was established on March 25, 2014 and the registered share capital was RMB35,300,000,000 divided into 35,300,000,000 shares of RMB1.00 each.

On April 25, 2014, May 9, 2014 and June 5, 2014, a total of 7,395,356,630 shares of RMB1.00 each were issued to CGNPC, Hengjian Investment and CNNC at an aggregate consideration of approximately RMB10,124 million in cash.

On December 10, 2014, 8,825,000,000 H shares of RMB1.00 each of the Company were issued at a price of HK\$2.78 by way of global offering. On the same date, the Company's shares were listed on the Main Board of the Stock Exchange. The proceeds of HK\$11,163,753,000 (equivalent to RMB8,825,000,000) representing the par value of the shares of the Company, were credited to the Company's share capital. The remaining proceeds of approximately HK\$13,369,747,000 (equivalent to RMB10,540,522,000), before issuing expenses, were credited to capital reserve.

27. PAID-IN/SHARE CAPITAL (Continued)

Pursuant to the approval by the relevant authority, the domestic shares of 1,014,875,000 were converted into H shares on a one-for-one basis in December 2014.

On December 22, 2014, 1,323,750,000 H shares of RMB1.00 each of the Company were issued at a price of HK\$2.78 pursuant to the exercise of over-allotment option. The proceeds of HK\$1,676,673,000 (equivalent to RMB1,323,750,000) representing the par value of the shares of the Company, were credited to the Company's share capital. The remaining proceeds of approximately HK\$2,003,352,000 (equivalent to RMB1,581,667,000), before issuing expenses, were credited to capital reserve.

28. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

The Group's derivative financial instruments are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial liabilities are determined (in particular, the valuation techniques and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

28. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

(Continued)

Financial assets/liabilities	Fair value as at				Fair value hierarchy	Valuation technique and key inputs
	At June 30, 2015		At December 31, 2014			
	Assets RMB'000	Liabilities RMB'000	Assets RMB'000	Liabilities RMB'000		
Foreign currency forward contracts	45,383	92,231	33,409	60,544	Level 2	Discounted Cash Flow Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the Reporting Period) and contract forward exchange rates, discounted at a rate that reflects the credit risk of various counterparties
Currency swap contracts	13,144	33,665	19,099	53,869	Level 2	Discounted Cash Flow Future cash flows are estimated based on exchange rates at the end of the Reporting Period and contract exchange rates, discounted at a rate that reflects the credit risk of various counterparties Monte Carlo Simulation Model Black Scholes Model Key inputs are U.S. swap for 2-30 years, Swap rate, CNY-denominated interest rate, price volatility, risk free rate, contract exchange rates

28. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

(Continued)

Financial assets/liabilities	Fair value as at				Fair value hierarchy	Valuation technique and key inputs
	At June 30, 2015		At December 31, 2014			
	Assets RMB'000	Liabilities RMB'000	Assets RMB'000	Liabilities RMB'000		
Interest rate swap contracts	—	272,743	134	280,593	Level 2	Discounted Cash Flow Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the Reporting Period) and contract interest rates, discounted at a rate that reflects the credit risk of various counterparties Monte Carlo Simulation Model Black Scholes Model Key inputs are U.S. swap for 2-30 years, Swap rate, CNY-denominated interest rate, price volatility, risk free rate, contract interest rates

29. CAPITAL COMMITMENTS

	At June 30 2015 RMB'000 (Unaudited)	At December 31 2014 RMB'000 (Audited and restated)
Capital expenditure in respect of acquisition and construction of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements	26,699,390	39,697,331

29. CAPITAL COMMITMENTS (Continued)

The Group's share of the capital commitments made jointly with the other venturer relating to its joint venture, Ningde Nuclear, is as follows:

	At June 30 2015 RMB'000 (Unaudited)	At December 31 2014 RMB'000 (Audited)
Capital expenditure in respect of acquisition and construction of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements	2,170,575	2,053,150

30. OPERATING LEASE COMMITMENTS

The Group as lessee

At the end of each reporting period, the Group had commitments for future minimum lease payments under non-cancelable operating leases which fall due as follows:

	At June 30 2015 RMB'000 (Unaudited)	At December 31 2014 RMB'000 (Audited and restated)
Within one year	66,989	67,433
In the second to fifth years inclusive	203,543	216,123
Over five years	159,121	149,126
	429,653	432,682

Operating lease payments represent fixed rentals payable by the Group for certain of its office premises. Lease of rented premises are negotiated with fixed lease term for 1 to 20 years.

30. OPERATING LEASE COMMITMENTS (Continued)**The Group as lessor**

During the Reporting Period, rental income earned by the Group from its investment property for approximately RMB9,781,000 (Six months ended June 30, 2014: RMB6,821,000).

All of the properties leased out have committed tenants for 1 to 3 years without termination options granted to tenants.

At the end of each reporting period, the Group had contracted with tenants for the following future minimum lease payments:

	At June 30 2015 RMB'000 (Unaudited)	At December 31 2014 RMB'000 (Audited)
Within one year	8,384	5,555
In the second to fifth years inclusive	2,314	—
	10,698	5,555

31. PLEDGE OF ASSETS

At the end of each reporting period, the assets with following carrying amounts were pledged to banks and related parties to secure loans from banks, related parties and a financial institution granted to the Group:

	At June 30 2015 RMB'000 (Unaudited)	At December 31 2014 RMB'000 (Audited and restated)
Property, plant and equipment	19,214,109	19,533,805
Trade receivables representing tariff collection rights	1,835,961	1,191,128
Prepaid lease payments	29,642	29,621
Bank deposits	7,811	8,275
	21,087,523	20,762,829

31. PLEDGE OF ASSETS (Continued)

At the end of each reporting period, the tariff collection rights of Lingdong Nuclear, Yangjiang Nuclear, Ling'ao Nuclear, 台山核電合營有限公司 Taishan Nuclear Power Joint Venture Co., Ltd. (“Taishan Nuclear”) were pledged to secure the banking facilities, loans from banks and related parties.

32. RELATED PARTY TRANSACTIONS

(a) Significant related party transactions

Save as disclosed elsewhere in the condensed consolidated financial statements, the Group entered into the following transactions with related parties during each reporting period:

	Six months ended June 30	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Audited and restated)
Sales of goods to ultimate holding company	—	4,260
Sales of goods to fellow subsidiaries	88,814	31,356
Sales of goods to a joint venture	399	1,689
Sales of goods to associates	8,980	1,068
Sales of electricity to a non-controlling shareholder with significant influence over the relevant subsidiary	1,964,536	1,962,905
Service revenue from fellow subsidiaries	116,872	226,058
Service revenue from ultimate holding company	331	34,286
Service revenue from joint ventures	158,116	115,477
Service revenue from associates	163,462	35,265
Disposal of property, plant and equipment	—	78,335
Purchase of nuclear fuel from a fellow subsidiary	1,083,358	747,077
Construction cost payable to and acquisition of property, plant and equipment from fellow subsidiaries	2,691,524	2,708,463
Service fee to a non-controlling shareholder with significant influence over the relevant subsidiary, capitalized in construction in progress	—	13,051
Service fee to ultimate holding company	96	27,946
Service fee to associates	47	—
Rental income from fellow subsidiaries	4,528	2,372
Rental income from joint ventures	975	—

32. RELATED PARTY TRANSACTIONS (Continued)**(b) Acquisition of equity interests with related parties**

During the Reporting Period, the Group acquired 12.5% equity interest in Taishan Nuclear Power Joint Venture Co., Ltd. (“**Taishan Nuclear**”) and 60% equity interest in Taishan Nuclear Power Industry Investment Co., Ltd. (“**Taishan Investment**”) from the ultimate holding company. Details are set out in note 33.

(c) Compensation of key management personnel

The remuneration of key management (including directors and supervisors) during each reporting period were as follows:

	Six months ended June 30	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Audited)
Short-term benefits	3,871	1,718
Post-employment benefits	210	107
	4,081	1,825

The remuneration of key management is determined having regard to the performance of individuals and market trends.

(d) Significant transactions with other government-related entities

The Group is ultimately controlled by the PRC government and the Group operates in an economic environment predominated by the entities controlled, jointly controlled or significantly influenced by the PRC government (“**government- related entities**”).

32. RELATED PARTY TRANSACTIONS (Continued)

(d) Significant transactions with other government-related entities

In addition to transactions and balances with the ultimate holding company, fellow subsidiaries, associates, joint ventures and non-controlling shareholders with significant influence over the subsidiaries disclosed in note 32(a) and elsewhere in the condensed consolidated financial statements, significant related party transactions and balances conducted with other government-related entities in the normal course of businesses of the Group for each reporting period are as follows:

	Six months ended June 30	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Audited)
Sales of electricity	6,989,024	7,116,944
Service fee for disposal of spent fuel	360,836	394,963

	At June 30	At December 31
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Audited)
Trade receivables	1,883,098	1,657,912

The transactions conducted with government-related entities are based on terms as set out in the underlying agreements, based on statutory rates or market prices or actual cost incurred, or as mutually agreed.

The Group has entered into various transactions, including deposits placements, borrowings (other than notes payable) and other general banking facilities, with banks and financial institution which are government-related entities. Thus, the related interest income and expenses are with government-related entities.

33. ACQUISITION OF SUBSIDIARIES UNDER COMMON CONTROL

In October 2014, the Company entered into an equity transfer agreement with CGNPC, the ultimate holding company of the Group. Pursuant to the agreement, the Company agreed to acquire 60% of the equity interests in Taishan Investment and 12.5% of the equity interests in Taishan Nuclear from CGNPC at a cash consideration of RMB9,700,196,000, which has been paid in full by the Company by April 30, 2015 (the "acquisition date").

In accordance with the equity transfer agreement, the consideration is subject to an adjustment which equal to the Company's acquisition equity interests' share of change of net assets of Taishan Investment and Taishan Nuclear from March 31, 2014 up to the transaction completion date. As a result, part of the consideration paid in the amount of approximately RMB88,006,000 needs to be refunded by CGNPC to the Company pursuant to the equity transfer agreement. The Company recorded this refundable consideration as other receivables as at June 30, 2015. The final consideration of the acquisition amounts to approximate RMB9,612,190,000.

As the Company, Taishan Investment and Taishan Nuclear are under common control of CGNPC, the above acquisition has been recorded as business combination under common control. The assets and liabilities of Taishan Investment and Taishan Nuclear have been recognised at the carrying amounts recognised previously in CGNPC consolidated financial statements. The consolidated financial statements of the Group have been restated as if the combination had occurred prior to the start of the earliest period presented.

Recognised amounts of carrying value of identifiable assets acquired and liabilities at the acquisition date are as follows:

Taishan Investment

	Carrying amount RMB'000
Non-current asset	
Investment in associate	11,696,723
Current asset	
Cash and cash equivalents	540
Current liability	
Amount due to ultimate holding company	(9,799)
Net assets	11,687,464

33. ACQUISITION OF SUBSIDIARIES UNDER COMMON CONTROL

(Continued)

Taishan Nuclear

	Carrying amount RMB'000
Non-current assets	
Property, plant and equipment	64,007,520
Intangible assets	406,310
Value-added tax recoverable	2,711,950
Prepaid lease payments	778,017
Deposit for property, plant and equipment	41,374
Current assets	
Inventories	16,085
Prepaid lease payments	16,626
Other receivables	6,643
Amount due from related parties	145,497
Derivative financial instruments	3,094
Cash and cash equivalents	710,057
Current liabilities	
Other payables	(418,305)
Amounts due to related parties	(129,025)
Loan from a fellow subsidiary	(300,000)
Bank borrowings – due within one year	(3,962,787)
Derivative financial instruments	(22,868)
Non-current liabilities	
Deferred tax liabilities	(711,758)
Bank borrowings – due after one year	(37,232,284)
Loans from fellow subsidiaries	(1,210,777)
Deferred income	(53,707)
Notes payable	(2,100,000)
Derivative financial instruments	(41,320)
Net assets	22,660,342

33. ACQUISITION OF SUBSIDIARIES UNDER COMMON CONTROL

(Continued)

Details of the restatement of the Group's consolidated financial statements are as follows:

	The Group RMB'000	Taishan Nuclear RMB'000	Taishan Investment RMB'000	Elimination RMB'000	The Group (as restated) RMB'000
Results of operations for the six months ended June 30, 2014:					
Net profit	3,089,574	(27,839)	(13,237)	11,623	3,060,121
Profit for the period attributable to:					
Owners of the Company	2,571,559	(19,487)	(7,943)	11,623	2,555,752
Non-controlling interests	518,015	(8,352)	(5,294)		504,369
Total comprehensive income attributable to:					
Owners of the Company	2,648,860	(19,487)	(7,943)	(11,283)	2,610,147
Non-controlling interests	534,461	(8,352)	(5,294)		520,815
Basic and diluted earnings per share (RMB)	0.085	—	—	—	0.085
Balance sheet as at 1 January 2014:					
Non-current assets	105,914,380	56,704,948	10,573,008	(13,003,331)	160,189,005
Current assets	21,760,791	2,144,466	578	(15,681)	23,890,154
Current liabilities	26,462,447	5,227,655	9,799	(15,681)	31,684,220
Non-current liabilities	69,520,891	32,620,818	—	(92,167)	102,049,542
Equity attributable to owners of the Company	23,051,721	21,000,941	10,563,787	(23,436,961)	31,179,488
Non-controlling interests	8,640,112	—	—	10,525,797	19,165,909
Balance sheet as at 1 January 2015:					
Non-current assets	114,776,179	65,890,780	11,029,815	(13,398,981)	178,297,794
Current assets	42,149,904	443,557	563	(3,319)	42,590,705
Current liabilities	23,559,373	4,902,862	9,799	(3,319)	28,468,715
Non-current liabilities	73,950,430	39,468,834	—	(74,311)	113,344,953
Equity attributable to owners of the Company	50,788,560	21,962,641	11,020,579	(24,321,693)	59,450,087
Non-controlling interests	8,627,720	—	—	10,997,024	19,624,744

Company Information

Legal Name of the Company

中國廣核電力股份有限公司

English Name of the Company

CGN Power Co., Ltd. *

Registered Office

Science & Technology Building, No. 1001 Shangbuzhong Road, Shenzhen, Guangdong Province, PRC

Headquarter in the PRC

Science & Technology Building, No. 1001 Shangbuzhong Road, Shenzhen, Guangdong Province, PRC

Principal Place of Business in Hong Kong

36/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong

Legal Representative of the Company

Mr. Zhang Shanming

Authorized Representatives

Mr. Gao Ligang

Ms. Yung Mei Yee (FCIS · FCS)

Joint Company Secretaries

Mr. Fang Chunfa

Ms. Yung Mei Yee (FCIS · FCS)

* For identification purpose only

Board of Directors and Board Committees

	Audit Committee	Remuneration Committee	Nomination Committee	Nuclear Safety Committee
Chairman of the Board and Non-executive Director				
Mr. Zhang Shanming			M	C
Executive Director				
Mr. Gao Ligang				M
Non-executive Directors				
Mr. Zhang Weiqing				
Mr. Shi Bing				
Mr. Xiao Xue		M		M
Mr. Zhuo Yuyun	M			M
Independent Non-executive Directors				
Mr. Na Xizhi	M		C	M
Mr. Hu Yiguang		C	M	
Mr. Francis Siu Wai Keung	C	M		

Note:

C: Chairman of the relevant Board Committee

M: Member of the relevant Board Committee

Supervisory Committee

Mr. Pan Yinsheng (Chairman), Mr. Yang Lanhe, Mr. Chen Rongzhen, Mr. Cai Zihua, Mr. Wang Hongxin

Compliance Advisor

China International Capital Corporation
Hong Kong Securities Limited
29/F, One International Finance Centre,
1 Harbour View Street, Central, Hong Kong

Auditor

Deloitte Touche Tohmatsu
35/F, One Pacific Place, 88 Queensway, Hong Kong

Legal Advisors

Hong Kong Law

King & Wood Mallesons
13/F, Gloucester Tower, The Landmark,
15 Queen's Road Central, Hong Kong

PRC Law

King & Wood Malleson
28/F, Landmark 4028 Jintian Road, Futian District,
Shenzhen, PRC

Principal Bankers

China Development Bank Corporation (Shenzhen Branch)

11/F – 15/F, Citic Building, 1093 Shennan Zhong Road, Futian District, Shenzhen, Guangdong Province, PRC.

Bank of China Limited (Shenzhen Branch)

International Finance Building, 2022 Jianshe Road, Luohu District, Shenzhen, Guangdong Province, PRC.

Industrial and Commercial Bank of China Limited (Shenzhen Branch)

1/F, North Tower, World Financial Centre, 4003 Shennan East Road, Luohu District, Shenzhen, Guangdong Province, PRC.

Agricultural Bank of China Limited (Shenzhen Branch)

5008 Shennan East Road, Luohu District, Shenzhen, Guangdong Province, PRC.

Postal Savings Bank of China Co., Ltd. (Shenzhen Branch)

43/F, Postal Information Complex Building, 5055 Yitian Road, Futian District, Shenzhen, Guangdong Province, PRC.

H Share Registrar

Computershare Hong Kong Investor Services Limited

Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong

Stock Name and Stock Code of the Company

Stock Name: CGN Power

Hong Kong Stock Exchange: 1816

Investors' Enquiry

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Collection of the Interim Report

This Interim Report will be published on the website of the Company (www.cgnp.com.cn) on August 27, 2015 and posted to shareholders who have elected to receive corporate communications from the Company in printed form on August 28, 2015.

Those shareholders who (a) received our 2015 Interim Report electronically and would like to receive a printed copy or vice versa; or (b) received a printed copy of our 2015 Interim Report in either English or Chinese language only and would like to receive a printed copy of the other language version or to receive printed copies of both language versions in the future, are requested to write to the Company or the Company's Registrar.

Shareholders may at any time change their choice of the language version or means of receipt of the Company's corporate communications free of charge by notice in writing to the Company or the Company's Registrar.

CGN Power

A world-class nuclear power supplier and service provider
with international competitiveness



本中期報告以環保紙張印製。

This Interim Report is printed on environmentally friendly paper.