CGN MEIYA POWER HOLDINGS CO., LTD.
中國廣核美亞電力控股有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 1811)

ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2014

HIGHLIGHTS OF THE ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2014

- For the purpose of the Listing, the Company has undergone a group reorganization to transfer our equity interests in the Disposal Group to the then sole shareholder with effect from 1 July 2014 (see note 3). As a result, the consolidated statement of profit or loss and other comprehensive income includes the following items which are not recurring:

  a. Share of profits for the 6 months ended 30 June 2014 contributed by the Disposal Group.

  b. A gain on disposal of subsidiaries, associates and a joint venture resulted from the Group Reorganization amounted to US$96.3 million.

- The results of the Remaining Group and the Disposal Group for the years ended 31 Decembers 2014 and 2013 have been separately disclosed as additional information on pages 11–18 in this announcement. Unless otherwise specified, the discussion and analysis of the financial and operating information only pertains to the Remaining Group.

- Revenue for the Remaining Group for the year ended 31 December 2014 amounted to US$1,370.3 million, representing an increase of 32.1% from US$1,037.3 million for the year ended 31 December 2013. Revenue for the Whole Group for the year ended 31 December 2014 amounted to US$1,379.6 million, representing an increase of 30.8% from US$1,054.5 million for the year ended 31 December 2013.

- Profit before tax for the Remaining Group for the year ended 31 December 2014 amounted to US$138.2 million, representing an increase of 26.0% from US$109.7 million for the year ended 31 December 2013. Profit before tax for the Whole Group for the year ended 31 December 2014 amounted to US$257.3 million, representing an increase of 120.7% from US$116.6 million for the year ended 31 December 2013. The significant increase in the profit before tax for the Whole Group is mainly due to the one-off gain on the disposal of subsidiaries, associates and a joint venture that amounts to US$96.3 million.

- Profit attributable to shareholders of the Company for the Remaining Group for the year ended 31 December 2014 amounted to US$85.1 million, representing an increase of 53.9% from US$55.3 million for the year ended 31 December 2013. Profit attributable to shareholders of the Company for the Whole Group for the year ended 31 December 2014 amounted to US$202.2 million, representing an increase of 262.4% from US$55.8 million for the year ended 31 December 2013.

- The earnings per Share of the Remaining Group for the year ended 31 December 2014 amounted to 2.51 US cents, representing a growth of 41.0% from 1.78 US cents for the year ended 31 December 2013. Earnings per Share of the Whole Group for the year ended 31 December 2014 amounted to 5.97 US cents, representing a growth of 231.7% from 1.80 US cents for the year ended 31 December 2013.

- The Board does not recommend any final dividend for the year ended 31 December 2014.

The Board is pleased to announce the annual results of the Whole Group for the year ended 31 December 2014 together with comparative figures for the corresponding period in 2013.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME OF THE WHOLE GROUP

FOR THE YEAR ENDED 31 DECEMBER 2014

	NOTES	**2014** *US$'000*	2013 *US$'000*
Revenue	3	**1,379,552**	1,054,523
Operating expenses:			
Coal, oil and gas		**996,629**	742,926
Depreciation of property, plant and equipment		**94,752**	71,282
Repair and maintenance		**23,525**	22,521
Staff costs		**60,394**	45,857
Others		**54,351**	54,950
Total operating expenses		**1,229,651**	937,536
Operating profit		**149,901**	116,987
Other income	3	**13,096**	12,901
Other gains and losses		**1,713**	3,127
Finance costs	3	**(63,274)**	(51,704)
Share of results of associates		**42,572**	28,936
Share of results of a joint venture		**21,016**	55,946
Impairment loss on interest in an associate		**—**	(18,758)
Impairment loss on property, plant and equipment		**—**	(24,000)
Gain on disposal of subsidiaries, associates and a joint venture		**96,343**	—
Listing expenses		**(4,087)**	(6,866)

	2014	2013
	US$'000	*US$'000*
Profit before tax	**257,280**	116,569
Income tax expense	**(39,568)**	(47,242)
Profit for the year	**217,712**	69,327
Other comprehensive (expense) income		
Items that may be reclassified subsequently to profit or loss:		
Exchange difference arising on translation of foreign subsidiaries, associates and a joint venture	**(27,577)**	42,258
Reclassification adjustments for amounts transferred to profit or loss		
— release of hedging reserve	**(139)**	(158)
— deferred tax credit arising on release of hedging reserve	**33**	38
— cumulative gain upon disposal of subsidiaries, associates and a joint venture	**(96,343)**	—
Other comprehensive (expenses) income for the year	**(124,026)**	42,138
Total comprehensive income for the year	**93,686**	111,465
Profit for the year attributable to:		
Owner of the Company	**202,203**	55,817
Non-controlling interests	**15,509**	13,510
	217,712	69,327
Total comprehensive income attributable to:		
Owner of the Company	**78,835**	93,129
Non-controlling interests	**14,851**	18,336
	93,686	111,465
Earnings per share, basic *(US cents)*	**5.97**	1.80

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2014

	2014	2013
	US$'000	*US$'000*
	Remaining Group	Whole Group
NON-CURRENT ASSETS		
Property, plant and equipment	**1,483,283**	1,680,963
Prepaid lease payments	**13,794**	18,966
Goodwill	**844**	844
Interests in a joint venture	**—**	455,077
Interests in associates	**168,271**	269,359
Amounts due from non-controlling shareholders	**860**	2,905
Other financial asset	**—**	—
Deferred tax assets	**1,356**	1,495
Other assets	**31,086**	26,541
	1,699,494	2,456,150
CURRENT ASSETS		
Inventories	**30,830**	28,587
Prepaid lease payments	**1,938**	2,102
Trade receivables	**158,003**	100,241
Other receivables and prepayments	**8,976**	17,433
Amount due from a non-controlling shareholder	**1,936**	1,573
Amounts due from associates	**37,090**	32,905
Amounts due from fellow subsidiaries	**87,943**	86
Tax recoverable	**658**	169
Pledged bank deposits	**118,132**	109,635
Fixed deposits with bank	**36,098**	—
Bank balances and cash	**284,673**	208,708
	766,277	501,439
Disposal entity classified as held-for-sale	**21,163**	—
	787,440	501,439

	2014	2013
	US$'000	*US$'000*
	Remaining Group	Whole Group
CURRENT LIABILITIES		
Trade payables	**157,007**	107,337
Other payables and accruals	**62,005**	65,667
Amount due to fellow subsidiaries	**90**	1,695
Amounts due to non-controlling shareholders	**7,470**	26,079
Advances from non-controlling shareholders — due within one year	**7,533**	7,560
Bank borrowings — due within one year	**197,819**	28,878
Bond payables — due within one year	**4,718**	4,834
Deferred connection charges	**175**	145
Tax payable	**7,842**	9,128
Derivative liabilities	**—**	2,606
	444,659	253,929
Liabilities associated with disposal entity classified as held-for-sale	**821**	—
	445,480	253,929
NET CURRENT ASSETS	**341,960**	247,510
TOTAL ASSETS LESS CURRENT LIABILITIES	**2,041,454**	2,703,660
NON-CURRENT LIABILITIES		
Advances from non-controlling shareholders — due after one year	**791**	4,782
Loan from a fellow subsidiary	**—**	6,561
Loan from an intermediate holding company	**—**	242,300
Bank borrowings — due after one year	**838,029**	1,110,728
Bond payables — due after one year	**349,008**	348,632
Deferred connection charges	**278**	179
Deferred tax liabilities	**37,258**	52,620
	1,225,364	1,765,802
NET ASSETS	**816,090**	937,858

	2014	2013
	US$'000	*US$'000*
	Remaining Group	Whole Group
CAPITAL AND RESERVES		
Share capital	**55**	40
Reserves	**708,993**	778,501
Equity attributable to owner of the Company	**709,048**	778,541
Non-controlling interests	**107,042**	159,317
TOTAL EQUITY	**816,090**	937,858

Revenue and segment information

The Group has three reportable segments as follows:

(1) Power plants in the PRC — Generation and supply of electricity;

(2) Power plants in Korea — Generation and supply of electricity; and

(3) Management companies in the PRC — Provision of management services to power plants operated by CGN and its subsidiaries.

During the year ended 31 December 2014, the Group has started to provide the management services operation, which is reported as a separate operating segment for the purposes of resource allocation and performance assessment.

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

For the year ended 31 December 2014

	Power Plants in the PRC *US$'000*	Power Plants in Korea *US$'000*	Management companies in the PRC *US$'000*	Total *US$'000*
Segment revenue — external	**305,514**	**1,065,063**	**8,975**	**1,379,552**
Segment results	**75,635**	**66,499**	**427**	**142,561**
Unallocated other income				**691**
Unallocated operating expenses				**(23,338)**
Unallocated finance costs				**(21,206)**
Other gains and losses				**2,728**
Share of result of associates				**42,572**
Share of result of a joint venture				**21,016**
Gain on disposal of subsidiaries, associates and a joint venture				**96,343**
Listing expenses				**(4,087)**
Profit before tax				**257,280**

For the year ended 31 December 2013

	Power Plants in the PRC *US$'000*	Power Plants in Korea *US$'000*	Total *US$'000*
Segment revenue — external	333,756	720,767	1,054,523
Segment results	76,889	44,670	121,559
Unallocated other income			868
Unallocated operating expenses			(19,619)
Unallocated finance costs			(24,504)
Other gains and losses			3,007
Share of result of associates			28,936
Share of result of a joint venture			55,946
Impairment loss on interest in an associate			(18,758)
Impairment loss on property, plant and equipment			(24,000)
Listing expenses			(6,866)
Profit before tax			116,569

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segment. Segment assets and liabilities as at 31 December 2013 represent the Whole Group while segment assets and liabilities as at 31 December 2014 represent only the Remaining Group:

	2014 ***US$'000***	2013 *US$'000*
Segment assets		
Power Plants in the PRC	**535,993**	818,339
Power Plants in Korea	**1,457,923**	1,328,421
Management companies in the PRC	**4,366**	—
Total segment assets	**1,998,282**	2,146,760
Interests in a joint venture	**—**	455,077
Interests in associates	**168,271**	269,359
Unallocated	**320,381**	86,393
Consolidated assets	**2,486,934**	2,957,589

	2014 *US$'000*	2013 *US$'000*
Segment liabilities		
Power Plants in the PRC	**97,790**	240,968
Power Plants in Korea	**1,068,694**	977,487
Management companies in the PRC	**1,062**	—
Total segment liabilities	**1,167,546**	1,218,455
Unallocated		
— Derivative liabilities	**—**	2,606
— Bank borrowings	**140,000**	190,000
— Bond payables	**353,726**	353,466
— Loan from an intermediate holding company	**—**	242,300
— Others	**9,572**	12,904
Consolidated liabilities	**1,670,844**	2,019,731

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda and its shares are listed on the Main Board of the Stock Exchange in October 2014. The registered office of the Company is at Victoria Place, 31 Victoria Street, Hamilton HM 10, Bermuda. The principal place of business of the Company is at 15/F., Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong. Its immediate holding company is CGNPC Huamei, a company incorporated in Hong Kong with limited liability and its ultimate holding company is CGN, a state-owned enterprise established in the PRC.

The consolidated financial statements have been prepared in accordance with the following accounting policies which conform with IFRSs. In addition, the consolidated financial statements include applicable disclosures required by the Listing Rules and the Hong Kong Companies Ordinance which for the year ended 31 December 2014 and the comparative period continue to be those of the predecessor Companies Ordinance (Cap. 32), in accordance with transitional and saving arrangements for Part 9 of the Hong Kong Companies Ordinance (Cap. 622), which are set out in sections 76 to 87 of Schedule 11 to that Ordinance.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

Application of new and revised IFRSs

The Group has applied the following new and revised IFRSs issued by the International Accounting Standards Board ("IASB") and International Financial Reporting Interpretations Committee ("IFRIC") for the first time in the current year:

Amendments to IFRS 10, IFRS 12 and IAS 27	Investment Entities
Amendments to IAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to IAS 36	Recoverable Amount Disclosures for Non-financial Assets
Amendments to IAS 39	Novation of Derivatives and Continuation of Hedge Accounting
IFRIC 21	Levies

The application of the new and revised IFRSs in the current year has had no material effect on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

The Group has not early applied any new and revised IFRSs that have been issued but are not yet effective.

3. DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND A JOINT VENTURE

During the year ended 31 December 2014, the Company underwent a group reorganization (the "**Group Reorganization**"), under which the Company transferred 100% equity interests in certain of its wholly-owned subsidiaries together with the net balances of amounts due from certain wholly-owned subsidiaries and certain subsidiaries of these wholly-owned subsidiaries, with all of their rights and obligations transferred to CGNPC Huamei with effect from 1 July 2014 (collectively referred to as the "**Disposal Group**"), by way of (1) a distribution in kind as a distribution from the contributed surplus and accumulated profits of the Company; (2) the transfer to CGNPC Huamei of the obligations of the Company under a facility agreement of which an outstanding principal amount of US$242,300,000 owed to an intermediate holding company of the Company, CGNPC International Limited; and (3) the declaration of an interim dividend in an amount of US$3,347,000 to CGNPC Huamei.

The financial position and results of the Disposal Group and the remaining group which is defined as the Whole Group excluding the Disposal Group (the "**Remaining Group**") for the years ended 31 December 2014 and 2013 have been prepared as additional information on a combined basis before elimination of transactions and balances between the Disposal Group and the Remaining Group.

Financial performance

For the year ended 31 December 2014

	Remaining Group *US$'000*	Disposal Group *US$'000*	Intergroup Elimination *US$'000*	Whole Group *US$'000*
Revenue	**1,370,337**	**9,215**	**—**	**1,379,552**
Operating expenses:				
Coal, oil and gas	**990,422**	**6,207**	**—**	**996,629**
Depreciation of property, plant and equipment	**93,377**	**1,375**	**—**	**94,752**
Repair and maintenance	**23,310**	**215**	**—**	**23,525**
Staff costs	**59,210**	**1,184**	**—**	**60,394**
Others	**54,082**	**269**	**—**	**54,351**
Total operating expenses	**1,220,401**	**9,250**	**—**	**1,229,651**
Operating profit (loss)	**149,936**	**(35)**	**—**	**149,901**
Other income	**12,851**	**245**	**—**	**13,096**
Other gains and losses	**1,713**	**—**	**—**	**1,713**
Finance costs	**(63,081)**	**(193)**	**—**	**(63,274)**
Share of results of associates	**40,850**	**1,722**	**—**	**42,572**
Share of results of a joint venture	**—**	**21,016**	**—**	**21,016**
Gain on disposal of subsidiaries, associates and a joint venture	**—**	**96,343**	**—**	**96,343**
Listing expenses	**(4,087)**	**—**	**—**	**(4,087)**
Profit before tax	**138,182**	**119,098**	**—**	**257,280**
Income tax expense	**(37,290)**	**(2,278)**	**—**	**(39,568)**
Profit for the year	**100,892**	**116,820**	**—**	**217,712**
Profit for the year attributable to:				
Owner of the Company	**85,131**	**117,072**	**—**	**202,203**
Non-controlling interests	**15,761**	**(252)**	**—**	**15,509**
	100,892	**116,820**	**—**	**217,712**
Earnings per share, basic *(US cent)*	**2.51**	**3.46**	**—**	**5.97**

For the year ended 31 December 2014

	Remaining Group *US$'000*	Disposal Group *US$'000*	Intergroup Elimination *US$'000*	Whole Group *US$'000*
Other information				
Revenue from major products and services				
Sales of electricity	**1,146,597**	**3,526**	**—**	**1,150,123**
Sales of steam	**79,935**	**5,689**	**—**	**85,624**
Capacity charges	**134,505**	**—**	**—**	**134,505**
Connection charges and others	**325**	**—**	**—**	**325**
Consultancy fee income	**8,975**	**—**	**—**	**8,975**
	1,370,337	**9,215**	**—**	**1,379,552**
Other income				
Government grant	**835**	**—**	**—**	**835**
Income on sales of scrap materials	**2,932**	**214**	**—**	**3,146**
Value added tax refund	**3,245**	**—**	**—**	**3,245**
Interest income	**3,518**	**2**	**—**	**3,520**
Equipment rental income	**955**	**—**	**—**	**955**
Others	**1,366**	**29**	**—**	**1,395**
	12,851	**245**	**—**	**13,096**
Finance costs				
Interest on bank and other borrowings	**(69,457)**	**(2,792)**	**—**	**(72,249)**
Less: amounts capitalised	**6,376**	**2,599**	**—**	**8,975**
	(63,081)	**(193)**	**—**	**(63,274)**

For the year ended 31 December 2013

	Remaining Group *US$'000*	Disposal Group *US$'000*	Intergroup Elimination *US$'000*	Whole Group *US$'000*
Revenue	1,037,349	43,628	(26,454)	1,054,523
Operating expenses:				
Coal, oil and gas	736,665	32,715	(26,454)	742,926
Depreciation of property, plant and equipment	68,586	2,696	—	71,282
Repair and maintenance	22,129	392	—	22,521
Staff costs	43,386	2,471	—	45,857
Others	51,291	3,659	—	54,950
Total operating expenses	922,057	41,933	(26,454)	937,536
Operating profit	115,292	1,695	—	116,987
Other income	12,054	847	—	12,901
Other gains and losses	2,973	154	—	3,127
Finance costs	(51,121)	(583)	—	(51,704)
Share of results of associates	37,392	(8,456)	—	28,936
Share of results of a joint venture	—	55,946	—	55,946
Impairment loss on interest in an associate	—	(18,758)	—	(18,758)
Impairment loss on property, plant and equipment	—	(24,000)	—	(24,000)
Listing expenses	(6,866)	—	—	(6,866)
Profit before tax	109,724	6,845	—	116,569
Income tax expense	(40,102)	(7,140)	—	(47,242)
Profit (loss) for the year	69,622	(295)	—	69,327
Profit for the year attributable to:				
Owner of the Company	55,338	479	—	55,817
Non-controlling interests	14,284	(774)	—	13,510
	69,622	(295)	—	69,327
Earnings per share, basic *(US cent)*	1.78	0.02	—	1.80

For the year ended 31 December 2013

	Remaining Group *US$'000*	Disposal Group *US$'000*	Intergroup Elimination *US$'000*	Whole Group *US$'000*
Other information				
Revenue from major products and services				
Sales of electricity	841,677	5,317	—	846,994
Sales of steam	85,997	11,857	—	97,854
Capacity charges	109,086	—	—	109,086
Connection charges and others	589	—	—	589
Sales of coal to Remaining Group	—	26,454	(26,454)	—
	1,037,349	43,628	(26,454)	1,054,523
Other income				
Government grant	801	270	—	1,071
Income on sales of scrap materials	3,212	406	—	3,618
Value added tax refund	2,713	—	—	2,713
Interest income	3,119	108	—	3,227
Equipment rental income	794	34	—	828
Consultancy fee income from a joint venture included in Disposal Group	305	—	—	305
Others	1,110	29	—	1,139
	12,054	847	—	12,901
Finance costs				
Interest on bank and other borrowings	(67,403)	(5,079)	—	(72,482)
Less: amounts capitalised	16,282	4,496	—	20,778
	(51,121)	(583)	—	(51,704)

As at 31 December 2013

	Remaining Group *US$'000*	Disposal Group *US$'000*	Intergroup Elimination *US$'000*	Whole Group *US$'000*
NON-CURRENT ASSETS				
Property, plant and equipment	1,445,277	235,686	—	1,680,963
Prepaid lease payments	16,641	2,325	—	18,966
Goodwill	844	—	—	844
Interests in a joint venture	—	455,077	—	455,077
Interests in associates	174,629	94,730	—	269,359
Amounts due from non-controlling shareholders	963	1,942	—	2,905
Deferred tax assets	1,495	—	—	1,495
Other assets	24,819	1,722	—	26,541
	1,664,668	791,482	—	2,456,150
CURRENT ASSETS				
Inventories	28,065	522	—	28,587
Prepaid lease payments	2,023	79	—	2,102
Trade receivables	97,215	3,026	—	100,241
Other receivables and prepayments	15,884	1,549	—	17,433
Amount due from a non-controlling shareholder	1,573	—	—	1,573
Amounts due from associates	32,465	440	—	32,905
Amounts due from fellow subsidiaries	86	—	—	86
Amounts due from Remaining Group	—	3,356	(3,356)	—
Amounts due from Disposal Group	253,119	—	(253,119)	—
Tax recoverable	169	—	—	169
Pledged bank deposits and restricted cash	109,635	—	—	109,635
Bank balances and cash	167,629	41,079	—	208,708
	707,863	50,051	(256,475)	501,439

As at 31 December 2013

	Remaining Group *US$'000*	Disposal Group *US$'000*	Intergroup Elimination *US$'000*	Whole Group *US$'000*
CURRENT LIABILITIES				
Trade payables	104,661	2,676	—	107,337
Other payables and accruals	51,297	14,370	—	65,667
Amount due to a fellow subsidiary	—	1,695	—	1,695
Amounts due to non-controlling shareholders	5,319	20,760	—	26,079
Advances from non-controlling shareholders — due within one year	7,560	—	—	7,560
Amounts due to Disposal Group	3,356	—	(3,356)	—
Amounts due to Remaining Group	—	253,119	(253,119)	—
Bank borrowings — due within one year	22,973	5,905	—	28,878
Bond payables — due within one year	4,834	—	—	4,834
Deferred connection charges	145	—	—	145
Tax payable	8,911	217	—	9,128
Derivative liabilities	2,606	—	—	2,606
	211,662	298,742	(256,475)	253,929
NET CURRENT ASSETS (LIABILITIES)	496,201	(248,691)	—	247,510
TOTAL ASSETS LESS CURRENT LIABILITIES	2,160,869	542,791	—	2,703,660

As at 31 December 2013

	Remaining Group *US$'000*	Disposal Group *US$'000*	Intergroup Elimination *US$'000*	Whole Group *US$'000*
NON-CURRENT LIABILITIES				
Advances from non-controlling shareholders				
— due after one year	745	4,037	—	4,782
Loan from a fellow subsidiary	—	6,561	—	6,561
Loan from an intermediate holding company	242,300	—	—	242,300
Bank borrowings				
— due after one year	1,035,919	74,809	—	1,110,728
Bond payables				
— due after one year	348,632	—	—	348,632
Deferred connection charges	179	—	—	179
Deferred tax liabilities	39,330	13,290	—	52,620
	1,667,105	98,697	—	1,765,802
NET ASSETS	493,764	444,094	—	937,858
Non-controlling interest	106,449	52,868	—	159,317

MANAGEMENT DISCUSSION AND ANALYSIS

I. Operating Results and Analysis

The following discussion and analysis pertains to the financial information of the Remaining Group.

In 2014, the revenue of the Group amounted to approximately US$1,370.3 million, representing an increase of approximately 32.1% compared with last year. The profit attributable to the shareholders of the Company amounted to approximately US$85.1 million, representing an increase of approximately US$29.8 million or 53.9% as compared with last year.

In 2014, the net profit of the Group amounted to approximately US$100.9 million, representing an increase of approximately US$31.3 million.

Revenue

In 2014, the revenue of the Group amounted to approximately US$1,370.3 million, representing an increase of 32.1% compared with approximately US$1,037.3 million of last year. The increase in revenue was mainly due to an increase in revenue from Yulchon II Power Project, offset by a decrease in revenue from Daesan I Power Project. The increase in revenue was also due to the recognition of operation and management services income charged under the Operation and Management Services Framework Agreements signed by the Company with CGN Energy Development Co., Ltd. and Huamei Holding Company Limited during 2014.

Operating Expenses

In 2014, the operating expenses of the Group amounted to approximately US$1,220.4 million, representing an increase of approximately 32.4% compared with approximately US$922.1 million of last year. The increase in operating expenses was mainly due to an increase in gas consumption and higher depreciation expenses in relation to Yulchon II Power Project, an increase in gas prices in Korea and the PRC, offset by a decrease in oil consumption by Daesan I Power Project.

Operating Profit

In 2014, the operating profit, which is equal to revenue minus operating expenses, of the Group amounted to approximately US$149.9 million, representing an increase of 30.0% compared with approximately US$115.3 million of last year. The increase is in line with the increment in revenue and operating expenses for the year.

Other Income

The other income mainly represented income from sales of scrapped materials, interest income and the refund of value added tax. The other income was stable in both years. In 2014, the other income of the Group amounted to approximately US$12.9 million, representing a slight increase of 6.6% compared with approximately US$12.1 million of last year.

Finance Costs

In 2014, the finance costs of the Group amounted to approximately US$63.1 million, representing an increase of 23.5% compared with approximately US$51.1 million of last year. The increase in finance costs was mainly due to an increase in bank borrowings for Yulchon II Power Project and the interest expense for the construction of the simple cycle operations of Yulchon II Power Project which could not be capitalised due to the commencement of operation from June 2013.

Share of Results of Associates

In 2014, the share of results of associates amounted to approximately US$40.9 million, representing an increase of approximately US$3.5 million compared with the share of results of approximately US$37.4 million in last year. The increase in profit of the associates was mainly due to higher generation from Huangshi II Coal-fired Project, the lower standard coal price in the PRC, offset by the national tariff reduction in September 2013 and September 2014 for all the PRC coal-fired plants.

Income Tax Expense

In 2014, the income tax expense of the Group amounted to approximately US$37.3 million, representing a decrease of approximately US$2.8 million compared with approximately US$40.1 million of last year. Income tax decrease in spite of higher profit before tax was mainly due to tax credit available for the energy saving facilities and equipment of Yulchon II Power Project.

Liquidity and Capital Resources

The Group's fixed bank deposit, bank balances and cash together with the amount due from a fellow subsidiary (represent the deposits placed with CGNPC Huasheng) increased from US$167.6 million as at 31 December 2013 to US$407.1 million as at 31 December 2014, primarily due to the net proceeds raised from the initial public offering of the Company's shares in October 2014, offset by the early repayment of US$50 million under a transferable senior secured term loan facility agreement from CDB ("**CDB Bank Loan**") in January 2014.

Net Debt/Equity Ratio

Our net debt/equity ratio decreased from 3.01 as at 31 December 2013 to 1.20 as at 31 December 2014 due to the decrease in net debt (which equals total debt less available cash) resulted by the proceeds raised from the initial public offering of the Company's shares and the transfer of the loan in the principal amount of US$242.3 million from CGNPC International Limited to CGNPC Huamei as a result of the Group Reorganization as disclosed in note 3 to the consolidated financial statement.

Dividend

The Company

For the year ended 31 December 2014, a distribution in kind of US$144 million, which represented a distribution from the contributed surplus of US$141.5 million and accumulated profits of US$2.5 million were declared and approved by the Board of the Company in relation to the Group Reorganization as defined in note 3.

An interim dividend of US$33.47 per share (2013: nil), amounting to US$3.3 million in aggregate was declared and approved by the Board of the Company in relation to the Group Reorganization as disclosed in note 3 to the consolidated financial statement.

The Group

The impact on the consolidated Group level in relation to the Group Reorganization as disclosed in note 3 included a distribution in kind of US$184.9 million out of contributed surplus of US$141.5 million and accumulated profits of US$43.4 million; and a deemed distribution of US$210.5 million in total out of non-distributable reserves of US$19.6 million and accumulated profits of US$190.9 million.

Earnings per Share

	2014	2013
	US$	*US$*
Earnings per share for the Remaining Group, basic *(US cents)* — calculated based on the weighted average number of ordinary shares for the year	**2.51**	1.78
Earnings per share for the Remaining Group, basic *(US cents)* — calculated based on the number of ordinary shares outstanding at year end	**1.98**	1.78

	Year ended 31 December	
	2014	2013
	US$'000	*US$'000*
Earnings for the purpose of calculating basic earnings per share (profit for the year attributable to owner of the Remaining Group)	**85,131**	55,338

	2014	2013
	'000	*'000*
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	**3,384,786**	3,101,800
Number of ordinary shares outstanding at year end	**4,290,824**	3,101,800

No diluted earnings per share was presented for both years as there was no potential ordinary share in issue.

The number of shares for the purpose of calculating basic earnings per share for the year ended 31 December 2013 was calculated based on the 3,101,800,000 ordinary shares of the Company after retrospective adjustment and assuring the issuance of 3,101,800,000 ordinary shares of HK$0.0001 each and the repurchase of 100,000 ordinary shares of US$0.4 each pursuant to the written resolutions passed by the then sole shareholder of the Company on 15 September 2014, had been effective on 31 December 2013.

Trade Receivables

	As at 31 December	
	2014	2013
	US$'000	*US$'000*
	Remaining Group	Whole Group
Trade receivables	**158,121**	100,362
Less: allowance for doubtful debts	**(118)**	(121)
	158,003	100,241

The Group allowed a credit period from 30 to 90 days throughout the year to its trade customers. Over 99% (2013: 99%) of the trade receivables were neither past due nor impaired as at 31 December 2014. The management considers that these receivables have good credit scoring attributable to the credit review policy adopted by the Group.

The following is an ageing analysis of trade receivables net of allowance for doubtful debts presented based on the invoice dates (which approximated the revenue recognition dates) at the end of the reporting period.

	As at 31 December	
	2014	2013
	US$'000	*US$'000*
	Remaining Group	Whole Group
0 – 60 days	**156,856**	99,661
61 – 90 days	**371**	377
Over 90 days	**776**	203
	158,003	100,241

Trade Payables

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

	As at 31 December	
	2014	2013
	US$'000	*US$'000*
	Remaining Group	Whole Group
0 – 60 days	**156,015**	104,287
61 – 90 days	**59**	1,300
Over 90 days	**933**	1,750
Total	**157,007**	107,337

The average credit period for purchases of goods was 33 (2013: 33) days for the year ended 31 December 2014. The Group has financial risk management policies in place to ensure all payables are settled within the credit frame.

Indebtedness

The Group's total bank borrowings decreased from US$1,058.9 million as at 31 December 2013 to US$1,035.8 million as at 31 December 2014 mainly due to the early repayment of CDB Bank Loan of US$50 million in January 2014, offset by the additional drawdown of bank borrowings for Yulchon II Power Project. The Company issued bonds in an aggregate principal amount of US$350 million on 19 August 2013 priced at 99.686% of the principal amount that carries interest at 4% per annum. The carrying amount of the bonds payable was US$353.7 million as at 31 December 2014.

Capital Expenditures

The Group's capital expenditure decreased by US$127.1 million to US$177.7 million in 2014 from US$304.8 million in 2013 due to the completion of construction of combined cycle operation of Yulchon II Power Project in March 2014.

Financial Position

Non-current assets increased from US$1,664.7 million as at 31 December 2013 to US$1,699.5 million as at 31 December 2014 mainly due to the construction of combined cycle operation of Yulchon II Power Project offset by the depreciation charge for the year ended 31 December 2014.

Current assets increased from US$707.9 million as at 31 December 2013 to US$787.4 million as at 31 December 2014 attributable to the increase in total bank balances, fixed bank deposits and cash as explained under "Liquidity and Capital Resources" in this announcement; offset by the transfer of amounts due from the Disposal Group to CGNPC Huamei pursuant to the Group Reorganization.

Current liabilities increased from US$211.7 million as at 31 December 2013 to US$445.5 million as at 31 December 2014, which was resulted from the increased bank borrowings repayable within one year. The increase was primarily due to the fact that US$140 million under the CDB Bank Loan that will be due in June 2015 has become repayable within one year as at 31 December 2014.

Non-current liabilities decreased from US$1,667.1 million as at 31 December 2013 to US$1,225.4 million as at 31 December 2014, which was resulted from the decreased bank borrowing repayable over one year (which equals total debt less available cash) as explained above; and the transfer of loan in the principal amount of US$242.3 million due to CGNPC International Limited pursuant to the Group Reorganization.

Contingent Liabilities

As at 31 December 2014, the Group had no material contingent liabilities (as at 31 December 2013: nil).

Pledged Assets

The Group pledged certain property, plant and equipment, land use rights, bank deposits and restricted cash for credit facilities granted to the Group. As at 31 December 2014, the total book value of the pledged assets amounted to US$1,246.7 million.

Employees and Remuneration Policy

As at 31 December 2014, the Group had about 1,472 full-time employees, with the majority based in China. The Group provides its employees with salaries and bonuses, as well as employee benefits, including retirement schemes, medical and life insurance schemes.

Employees located in China are covered by the mandatory social security schemes required by local practice and regulations of the PRC, which are essentially defined contribution schemes. The Group is required by the PRC law to contribute a certain percentage of the average salaries of the employees to various schemes in accordance with the respective regulatory requirements of each city. The PRC government is directly responsible for the payment of the benefits to these employees.

In Korea, the Group is required by law to contribute 4.5% of the employees' monthly salaries for the national pension, 2.995% for national health insurance (6.55% of the national health insurance contribution for long term care insurance), 0.9% for unemployment insurance, 1.0% (Seoul Office)/0.9% (Yulchon/Daesan I Power Projects) for the industrial accident compensation insurance and 0.08% for a wage claim guarantee fund.

In Hong Kong, the Group participates in a mandatory provident fund scheme established under the Mandatory Provident Fund Schemes Ordinance (Cap. 485). Employees contribute 5.0% of their relevant income to the mandatory provident fund scheme and the Group contributes 10.0% of each employee's monthly base salary.

II. Industry Overview

In 2014, facing ever-changing situation in the PRC and overseas, the development of national economy encountered challenges in different aspects when the macro economy slowed down, and the growth of electricity consumption of China hit a record low in 2014. According to the information published by the National Energy Administration of the PRC, the total electricity consumption in 2014 amounted to 5,523.3 TWh, representing a year-on-year increase of 3.8% with a drop of 3.7 percentage points in the growth rate as compared with that of last year. In this year, the coal price of the PRC continued to decline, and the on-grid tariff of thermal power dropped with the average decrease of RMB0.0093/kWh.

For the recent years, the power structure of the PRC was rapidly developing towards the direction of clean and renewable non-fossil energy. In this year, the cumulative grid-connected installed capacity of wind power amounted to 95.81 GW, representing a year-on-year increase of 25.6%; the cumulative grid-connected installed capacity of solar power generation amounted to 26.52 GW, representing a year-on-year increase of 67%. Under the background of slackened growth in the domestic electricity consumption, more intense competition will be seen among power-generating enterprises in 2015.

In 2014, the Korean power market felt the impact of a slowing economy and increased electricity generating capacity. The GDP of Korea grew at a rate of 3.4% in 2014, which was slower than the average growth rate of 3.9% over the past 4 years. The overall electricity consumption in 2013 and 2014 were 474.85 TWh and 477.59 TWh respectively. The addition of new capacity and the full operation of nuclear assets compounded the impact of slower growth. The commissioning of new gas-fired power plants and other generating capacity including renewable energy and coal-fired assets lowered the system marginal price (SMP) as these new plants are generally more efficient and have lower operating expenses. The average SMP fell from KRW 140.91/kWh in December 2013 to KRW 139.34/kWh in December 2014.

III. Business Review

The principal businesses of the Group are operated in the Chinese and Korean power markets with balanced regional operations. As of 31 December 2014, the operations in the PRC and Korea accounted for approximately 44.2% and 55.8% of our attributable installed capacity of 3,659.5 MW respectively. Additionally, our business in the PRC covers 4 provinces, an autonomous region and a municipality. The principal businesses of the Group involve various fuels. As of 31 December 2014, clean and renewable energy projects, namely gas-fired, hydro and fuel cell projects, accounted for approximately 51.6% of our attributable installed capacity, and conventional energy projects, namely coal-fired, oil-fired and cogen projects, accounted for approximately 48.4% of our attributable installed capacity.

In October 2014, the Company successfully completed its listing on the Main Board of the Stock Exchange, marking another milestone of the Group in business development and entering the international capital platform. This move brings robust capital strength to the Company for its continuous expansion of domestic and overseas businesses while consolidating its operation mode, and thus provides broader room for development.

The Group was awarded the "Independent Power Producer of the Year" Gold award in the 2014 Asian Power Awards ceremony. The award was assessed by an independent judging panel, recognizing the Group's outstanding contributions to clean energy development in Asia, in particular, the notable growth of the clean energy and highly-efficient power generation capacity.

The following table sets out items selected by us from results of the Remaining Group (by fuel type):

US$ million	Gas-fired projects	Coal-fired, cogen and steam projects	Oil-fired project	Hydro projects	Corporate	Remaining Group total
For the year ended 31 December 2014						
Revenue	**1,080.4**	**202.1**	**40.3**	**38.5**	**9.0**	**1,370.3**
Operating expenses	**(975.7)**	**(159.0)**	**(25.5)**	**(20.0)**	**(40.2)**	**(1,220.4)**
Operating profit	**104.7**	**43.1**	**14.8**	**18.5**	**(31.2)**	**149.9**
Profit for the year	**59.4**	**73.8**	**7.4**	**14.7**	**(54.4)**	**100.9**
Profit attributable to the owner of the Company	**53.7**	**64.2**	**7.4**	**14.2**	**(54.4)**	**85.1**

US$ million	Gas-fired projects	Coal-fired, cogen and steam projects	Oil-fired project	Hydro projects	Corporate	Remaining Group total
For the year ended 31 December 2013						
Revenue	660.1	213.9	125.3	38.0	—	1,037.3
Operating expenses	(588.4)	(174.3)	(113.2)	(19.9)	(26.3)	(922.1)
Operating profit	71.7	39.6	12.1	18.1	(26.3)	115.2
Profit for the year	35.4	64.7	6.7	13.1	(50.3)	69.6
Profit attributable to the owner of the Company	30	56.6	6.7	12.3	(50.3)	55.3

The attributable installed capacity of the Group's power assets from the Remaining Group as of 31 December 2014 and 2013 by fuel type are set out as follows:

	31 December 2014 *(MW)*	2013 *(MW)*	Rate of change
Clean and renewable energy portfolio			
Gas-fired	**1,770.7**	1,458.6	21.4%
Hydro	**119.3**	119.3	0.0%
Subtotal	**1,890.0**	1,577.9	19.8%
Conventional energy portfolio			
Coal-fired	**1,187.5**	854.4	39.0%
Oil-fired	**507.0**	507.0	0.0%
Cogen	**75.0**	75.0	0.0%
Subtotal	**1,769.5**	1,436.4	23.2%
Total attributable installed capacity	**3,659.5**	3,014.2	21.4%

As of 31 December 2014, the attributable installed capacity of the Group's power plants reached 3,659.5 MW, representing a year-on-year increase of approximately 645.3 MW or 21.4%. The consolidated installed capacity of power plants of the Group reached 2,867.8 MW as at 31 December 2014. During the reporting period, the Group expanded its businesses in the PRC and Korea. For businesses in the PRC, Unit 2 of Huangshi II Coal-fired Project commenced commercial operation ("COD") in April 2014. The Yulchon II Power Project also achieved COD in April 2014. It is a gas-fired combined cycle power project located adjacent to Yulchon I Power Project at the Yulchon Industrial Complex, Jeollanam-do, in the southern part of the Korean peninsula.

In 2014, the net electricity generated from the consolidated power generation projects of the Group reached 9,478.7 GWh, representing an increase of 33.2% compared with last year, mainly due to the COD of the combined cycle operation of Yulchon II Power Project. The total steam sold by the Group for the year ended 31 December 2014 amounted to 2,681,000 tons, representing a slight decrease of 2.3% as compared with to that of last year.

The following table sets out the average utilization hour applicable to our projects for the Remaining Group:

Average utilization hour by fuel type[(1)]

	For the year ended 31 December	
	2014	2013
PRC Gas-fired Projects[(2)]	**1,716**	2,004
Korea Gas-fired Projects[(3)]	**4,488**	4,258
PRC Coal-fired Projects[(4)]	**4,340**	5,131
PRC Cogen Projects[(4)]	**5,803**	6,250
Korea Oil-fired Projects[(5)]	**53**	478
PRC Hydro Projects	**4,862**	4,784

Notes:

(1) Utilization hour is the gross electricity generated in a specified period divided by the average installed capacity in the same period.

(2) Utilization hour for the PRC gas-fired projects decrease due to the cessation of operation from May 2014 by Hexie Power Project.

(3) Our Korea gas-fired power projects had higher utilization hour in 2014 mainly due to Yulchon II Power Project commencing combined cycle operation.

(4) Average utilization hour for the PRC coal-fired and cogen projects decreased in 2014 attributable to a general weakness in industrial demand.

(5) Our Korea oil-fired power project (i.e. Daesan I Power Project) had lower utilization hour in 2014 since there was a much higher Reserve Margins in Korea comparing to 2013, so there was a lower demand on oil-fired power plant.

The table below sets out the weighted average tariffs (inclusive of value-added tax ("**VAT**")) applicable to our projects in the PRC and Korea for the Remaining Group for the periods indicated:

Weighted average tariff (inclusive of VAT)[(1)]

	Unit	For the year ended 31 December 2014	2013
PRC Gas-fired Projects[(2)]	RMB per kWh	**0.5971**	0.6252
Korea Gas-fired Projects[(3)]	KRW per kWh	**166.2**	169.4
PRC Coal-fired Projects[(4)]	RMB per kWh	**0.4980**	0.5138
PRC Cogen Projects[(4)]	RMB per kWh	**0.5052**	0.5276
Korea Oil-fired Projects	KRW per kWh	**444.5**	458.5
PRC Hydro Projects	RMB per kWh	**0.3304**	0.3326
Weighted average tariff-steam (inclusive of VAT)			
PRC Cogen Projects[(5)]	RMB per ton	**194.5**	206.3

Notes:

(1) The weighted average tariffs are affected not only by the change in the tariff for each project but also the change in net power generation for each project.

(2) The tariff for gas-fired projects decreased due to the cessation of operation from May 2014 by Hexie Power Project that had a comparative higher power tariff, thus the average tariff became lower.

(3) The weighted average tariff (inclusive of VAT) for gas-fired power projects includes the tariff (inclusive of VAT) for the 10.4 MW fuel cell project owned by Yulchon I Power Project.

(4) The weighted average tariff (inclusive of VAT) for our cogen projects excludes steam tariff (inclusive of VAT).

The weighted average tariffs for the coal-fired and cogen projects decreased in 2014 since there have been 2 national on-grid tariff downward adjustments directed by the NDRC in September 2013 and September 2014.

(5) The weighted average tariff-steam decreased in 2014 was in line with the decrease in PRC coal price.

The following table sets out the weighted average gas and standard coal and average oil prices (inclusive of VAT) applicable to our projects in the PRC and Korea for the Remaining Group for the periods indicated:

		For the year ended 31 December	
	Unit	**2014**	2013
PRC weighted average gas price(1)(2)(3)	RMB per normal cubic meter (“Nm^3”)	**2.141**	1.861
PRC weighted average standard coal price(1)(4)	RMB per ton	**680.3**	756.8
Korea weighted average gas price(1)(5)	KRW per Nm^3	**822.7**	797.3
Korea average oil price(6)	KRW per liter	**1,456**	1,499

Notes:

(1) The weighted average standard coal and the weighted average gas prices are weighted based on the consumption of gas or coal in each applicable period.

(2) The PRC weighted average gas price excludes the gas price for Weigang Power Project, which exclusively uses blast furnace gas.

(3) Our PRC weighted average gas price in 2014 increased compared to 2013 due to the directive issued by the NDRC requiring relevant government bodies to increase city gate prices by no greater than RMB0.4 per m^3 in June 2013, with effect from 10 July 2013.

(4) The PRC weighted average standard coal price in 2014 increased compared to 2013 due to a general weakness in demand in 2014.

(5) Our Korea weighted average gas price in 2014 increased compared to 2013 due to increases in gas prices, as indicated by the Japanese Crude Cocktail, a measurement of average prices of crude oil imported into Japan and an important determinant of natural gas prices in Korean markets. However, the Yulchon I Power Project PPA allows us to contractually incorporate fuel cost fluctuations in the tariff charged to our customer.

(6) We only purchase oil in Korea to supply Daesan I Power Project.

IV. Risk Factors and Management

Risks Relating to the Industry

Our power projects are located in the PRC and Korea, both of which have undergone, and may continue to undergo, regulatory changes. Governmental regulations affect all aspects of our power project operations, including the amount and timing of electricity generation, the setting of tariffs, compliance with power grid controls, dispatch directives and environmental protection. Regulatory changes in the PRC and Korea can affect, among other things, dispatch policies, clean and renewable energy and environmental compliance policies and tariffs, and may result in a change of tariff-setting procedures or mandatory installation of costly equipment and technologies to reduce environmental pollutants.

Risk Relating to Fuel Cost

The non-renewable energy power projects of the Group require supplies of coal, oil and gas as fuel. Fuel costs represent a significant portion of our operating expenses and the operating expenses of our associates. The extent to which our profit is ultimately affected by the cost of fuel depends on our ability to pass through fuel costs to our customers as set out under the relevant regulatory guidelines and the terms of our power purchase agreement (PPA) for a particular project, as we currently do not hedge our exposure to fuel price fluctuations. Our fuel costs are also affected by the volume of electricity generated because the coal consumption rate of coal-fired and cogen power projects decrease when we generate more electricity as a result of economies of scale. In the PRC, government tariff regulations limit our ability to pass through changes in fuel costs. In Korea, while our Yulchon I Power Project is able to pass through our exposure to fuel price fluctuations through fuel cost pass-through provisions in the tariff formula, our Yulchon II and Daesan I Power Projects receive payments based on the system marginal price, which is influenced by market demand and supply, and may not fully reflect the power plants' respective fuel price fluctuations. Our diversified generation portfolio enables us to diversify the risks that we would face to utilize a single resource for electricity generation. In particular, our exposure to several fuel types mitigates risks such as price increases in or the availability of any particular fuel source.

Interest Rate Risk

We are exposed to interest rate risk resulting from fluctuations in interest rates on our debt with floating interest rates based on market prevailing rates. We undertake debt obligations to support general corporate purposes including capital expenditures and working capital needs. Certain of our indebtedness is calculated in accordance with floating interest rate or interest that are subject to adjustment by our lenders. We periodically review the ratio of debt with floating interest rates to debt with fixed rates, taking into account the potential impact on our profit, interest coverage and cash flows.

Foreign Exchange Risk

The functional currency of the Group is U.S. dollars, and our profit is affected by fluctuations in foreign currency exchange rates. We collect most of our revenue from our projects in Renminbi and Korean Won, some of which are converted into foreign currencies to (1) purchase foreign-made equipment and parts for repair and maintenance, (2) make investments in certain joint ventures or acquire interests from other companies, (3) pay out dividends to the shareholders of our project companies, and (4) service our outstanding debt. By managing and monitoring the risks of foreign currency, we ensure that appropriate measures are adopted effectively in a timely manner. We have in the past and may in the future enter into foreign currency hedges if and when it becomes economical to do so.

V. Prospects

In the future, CGN will spare no effort in supporting the Group to become a domestically first-rate and world-renowned non-nuclear clean energy developer and operator in the aspects of strategic management, continuous supply chain, preferred option of non-nuclear clean energy assets, excellent talent guarantee and others.

As CGN's sole global platform for development and operation of non-nuclear clean and renewable power generation projects, the Group, with remarkable advantages, has been making a long track record of successfully acquiring, developing, financing and profitably operating high quality power generation projects in Asia, projects that are strategically located in regional markets with solid economic fundamentals and favorable supply and demand dynamics, as well as a diversified portfolio of power projects. Meanwhile, the Company's highly experienced leadership team possesses extensive international experience, strong technical expertise supported by highly skilled employees.

70% of the proceeds raised from the Listing will be used for selective acquisition of the clean and renewable energy power projects from CGN, while the remaining 30% will be used for acquisition of operational power projects as well as development of greenfield projects acquired from independent third parties. From 2015 to 2018, we intend to selectively acquire clean and renewable power generation projects with solid returns from CGN with an aggregate installed capacity of 3.0 GW to 5.0 GW in several batches to maintain a balanced and diversified clean energy power project portfolio, etc. Accordingly, we will strive to become one of the clean and renewable energy independent power producers with strongest profitability in Asia. In the meantime, the Group grasped the precious opportunity of the public listing to take advantage of the financing and operation platform in Hong Kong capital market. As such, we will further intensify the structure adjustment and accelerate strategic transformation to enhance our core competitiveness and the level of corporate governance. Furthermore, being in strict compliance with the Listing Rules, we will use all proceeds with due diligence and further optimise the corporate governance structure, in addition to the reinforcement of risk control, improvement of incentive mechanism and enhancement of profitability, for purpose of returning the investors, customers, staff and the society with better operating performance of the Company.

USE OF PROCEEDS

The Company was listed on the Main Board of the Stock Exchange on 3 October 2014. Net proceeds from the global offering (including the proceeds from the exercise of the over-allotment option) were approximately HK$1,966.1 million (after deducting the underwriting fees and commissions and other listing-related expenses). As at 31 December 2014, the unutilised proceeds of approximately HK$1,950.0 million were deposited into short-term deposits and/or money market instruments while the remaining proceeds were kept in a current account with banks.

Use of net proceeds from global offering

	Percentage to total amount	Net proceeds *(HK$ million)*	Utilised amount (up to 31 December 2014) *(HK$ million)*	Unutilised amount (up to 31 December 2014) *(HK$ million)*
Selective acquisition of clean and renewable power projects from CGN, the parent company of the Company	70%	1,376.3	0.0	1,376.3
Acquisition of operational power projects and development of greenfield projects acquired from independent third parties	30%	589.8	0.0	589.8
		1,966.1	0.0	1,966.1

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company, nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2014 other than the initial public offering of the Shares in 2014.

CORPORATE GOVERNANCE CODE

During the Listing Period, the Company has complied with all the code provisions of the Corporate Governance Code.

COMPLIANCE WITH MODEL CODE

The Company has adopted its own Code for Securities Transactions by Directors (the "**Code**"), the stipulations of which are no less exacting than those set out in the Model Code, as a code of conduct for dealing in securities of the Company by the Directors.

Specific enquiries have been made with the Directors, and all Directors confirmed in writing that they have complied with the required standards in respect of securities transactions by the Directors set out in the Model Code and the Code during the Listing Period.

REVIEW OF ANNUAL RESULTS

The Group's annual results for the year ended 31 December 2014 have been reviewed by the audit committee of the Company.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Whole Group's consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2014 as set out in this announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Whole Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on this announcement.

FINAL DIVIDENDS

The Board does not recommend the payment of any final dividend for the financial year ended 31 December 2014.

CLOSURE OF REGISTER OF MEMBERS

In order to determine the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Wednesday, 27 May 2015 to Friday, 29 May 2015 (both days inclusive), during which period no transfer of Shares will be registered. In order to be qualified for attending and voting at the Annual General Meeting, all transfer of Shares accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by not later than 4:30 p.m. on Tuesday, 26 May 2015.

GENERAL

A circular containing, inter alia, the information required by the Listing Rules concerning (1) re-election of retiring Directors; (2) grant of general mandates to repurchase Shares and to issue new Shares; and (3) continuing connected transactions and major transactions, together with the notice of the Annual General Meeting, will be published and despatched to the Shareholders in the manner as required by the Listing Rules on or before 21 April 2015.

PUBLICATION OF RESULTS ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This announcement is published on the Stock Exchange's website (http://www.hkex.com.hk) and the Company's website (http://www.cgnmeiyapower.com). The 2014 annual report of the Company containing all the information required by the applicable Listing Rules will be despatched to the shareholders and available on the above websites on or before 21 April 2015.

DEFINITIONS

"Annual General Meeting"	an annual general meeting for year 2015 of the Company to be held on Friday, 29 May 2015 or any adjournment thereof
"Board"	the board of Directors
"CDB"	China Development Bank Corporation, Hong Kong Branch
"CGN"	China General Nuclear Power Corporation, Ltd. (中國廣核集團有限公司), a state-owned enterprise established in the PRC and the controlling shareholder of the Company
"CGN Finance"	CGN Finance Co., Ltd. (中廣核財務有限責任公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of CGN
"CGNPC Huamei"	CGNPC Huamei Investment Limited (中廣核華美投資有限公司), an indirectly wholly-owned subsidiary of CGN incorporated in Hong Kong with limited liability and the immediate shareholder of the Company
"CGNPC Huasheng"	CGNPC Huasheng Investment Limited (中廣核華盛投資有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of CGN

"Company"	CGN Meiya Power Holdings Co., Ltd., a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
"Consolidated installed capacity"	the aggregate installed capacity of our project companies that we fully consolidated in our consolidated financial statements only. It is calculated by including 100% of the installed capacity of our project companies that we fully consolidate in our consolidated financial statements and are deemed as our subsidiaries. Consolidated installed capacity does not include the capacity of our associated companies
"Corporate Governance Code"	Corporate Governance Code and Corporate Governance Report contained in Appendix 14 to the Listing Rules
"Daesan I Power Project"	a 507.0 MW oil-fired project in Korea
"Directors"	the Directors of the Company
"Group" or "Remaining Group"	the Company and its subsidiaries from time to time after the Group Reorganization
"GW"	gigawatt, equal to one million kilowatts
"GWh"	gigawatt-hour, or one million kilowatt-hours. GWh is typically used as a measure for the annual energy production of large power projects
"Hexie Power Project"	a 98.2 MW gas-fired project in Sichuan, the PRC
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	The Hong Kong Special Administrative Region of the PRC
"Huangshi II Power Project"	a 2×680 MW coal-fired project and base load facility located in Huangshi, near Wuhan, the capital of Hubei province
"Korea"	the Republic of Korea
"KRW"	Korean Won, the lawful currency of the Republic of Korea

"kWh"	kilowatt-hour, the standard unit of energy used in the power industry. One kilowatt-hour is the amount of energy that would be produced by a generator producing one thousand watts for one hour
"Listing"	the listing of the Shares on the Stock Exchange
"Listing Period"	the period from 3 October 2014, being the first day of the listing of the Shares on the Stock Exchange, to 31 December 2014
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules
"MW"	megawatt, or one million watts. The installed capacity of power projects is generally expressed in terms of MW
"NDRC"	National Development and Reform Commission of the PRC
"PRC"	the People's Republic of China, and for the purpose of this announcement, excludes Hong Kong, The Macau Special Administrative Region of the PRC and Taiwan
"Reserve Margin"	the available electricity generation capacity minus the peak electricity demand level divided by the peak electricity demand level
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) of HK$0.0001 each in the share capital of the Company
"Shareholders"	the shareholders of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"TWh"	terawatt-hour, or one million megawatt-hours. TWh is typically used as a measure for the annual energy production of a region or a country

"US$"	United States dollars, the lawful currency of the United States
"Whole Group"	the Company and its subsidiaries immediately before the Group Reorganization, i.e. the Remaining Group and the Disposal Group
"Yulchon I Power Project"	a 577.4 MW gas-fired project in Korea
"Yulchon II Power Project"	a 946.3 MW gas-fired project in Korea
"%"	per cent.

By order of the Board
CGN Meiya Power Holdings Co., Ltd.
Lin Jian
President

Hong Kong, 18 March 2015

As at the date of this announcement, the executive Directors of the Company are Mr. Chen Sui (Chairman) and Mr. Lin Jian (President), the non-executive Directors of the Company are Mr. Chen Qiming, Mr. Chen Huijiang, Mr. Dai Honggang, Mr. Lin Beijing and Mr. Xing Ping, and the independent non-executive Directors of the Company are Mr. Shen Zhongmin, Mr. Leung Chi Ching Frederick, Mr. Fan Ren Da Anthony and Mr. Wang Susheng.