CHINA RENEWABLE ENERGY INVESTMENT LIMITED
中國再生能源投資有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 987)

(website: www.cre987.com)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2015

The board of directors (the "Board") of China Renewable Energy Investment Limited (the "Company" or "CRE") wishes to present the unaudited condensed consolidated interim financial information of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2015 as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 June 2015

		Unaudited Six months ended 30 June	
	Note	**2015**	2014
		HK$'000	*HK$'000*
Revenue	*5*	**74,303**	46,600
Cost of sales		**(44,118)**	(36,052)
Gross profit		**30,185**	10,548
Other income		**22**	–
Administrative expenses		**(11,228)**	(9,947)
Provision for impairment loss	*7*	**–**	(7,009)
Operating profit/(loss)	*6*	**18,979**	(6,408)
Finance income	*8*	**3,405**	2,525
Finance costs	*8*	**(22,198)**	(18,474)
Finance costs – net	*8*	**(18,793)**	(15,949)
Fair value loss on derivative liability		**–**	(597)
Share of profits less losses of associated companies		**39,179**	28,352

	Note	Unaudited Six months ended 30 June 2015 HK$'000	2014 HK$'000
Profit before income tax		**39,365**	5,398
Income tax expense	*9*	**(3,686)**	(474)
Profit for the period		**35,679**	4,924
Other comprehensive loss:			
Item that may be reclassified subsequently to profit or loss			
Currency translation differences		**(1,587)**	(44,284)
Other comprehensive loss for the period, net of tax		**(1,587)**	(44,284)
Total comprehensive income/(loss) for the period		**34,092**	(39,360)
Profit attributable to:			
Equity holders of the Company		**36,228**	5,681
Non-controlling interests		**(549)**	(757)
		35,679	4,924
Total comprehensive income/(loss) attributable to:			
Equity holders of the Company		**34,658**	(38,420)
Non-controlling interests		**(566)**	(940)
		34,092	(39,360)
Dividends	*10*	**–**	–
Earnings per share attributable to equity holders of the Company (expressed in HK cents per share)			
Basic earnings per share	*11(a)*	**1.54**	0.24
Diluted earnings per share	*11(b)*	**1.36**	0.20

CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 June 2015

	Note	**Unaudited 30 June 2015 *HK$'000***	Audited 31 December 2014 *HK$'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**1,137,953**	1,177,283
Construction in progress		**508**	500
Prepaid land lease payments		**15,391**	15,934
Intangible assets		**5,214**	5,448
Prepayments and other receivables	*12*	**27,165**	23,637
Interests in associated companies		**954,947**	965,691
Total non-current assets		**2,141,178**	2,188,493
Current assets			
Inventory		**6,198**	6,157
Trade and other receivables	*12*	**81,181**	103,944
Short-term bank deposits		**107,146**	–
Cash and cash equivalents		**228,793**	278,271
Total current assets		**423,318**	388,372
Total assets		**2,564,496**	2,576,865
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital		**26,564**	26,564
Reserves		**1,765,609**	1,730,951
Equity attributable to equity holders of the Company		**1,792,173**	1,757,515
Non-controlling interests		**779**	1,345
Total equity		**1,792,952**	1,758,860

	Note	Unaudited 30 June 2015 HK$'000	Audited 31 December 2014 HK$'000
LIABILITIES			
Non-current liabilities			
Bank borrowings		**579,833**	589,892
Deferred income tax liabilities		**32,798**	34,078
Total non-current liabilities		**612,631**	623,970
Current liabilities			
Trade and other payables	*13*	**69,117**	104,124
Current portion of bank borrowings		**89,796**	89,911
Total current liabilities		**158,913**	194,035
Total liabilities		**771,544**	818,005
Total equity and liabilities		**2,564,496**	2,576,865
Net current assets		**264,405**	194,337
Total assets less current liabilities		**2,405,583**	2,382,830

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 GENERAL INFORMATION

China Renewable Energy Investment Limited (the "Company" or "CRE") is an exempted company incorporated in the Cayman Islands with limited liability. The address of the registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company and its subsidiaries (collectively the "Group") are principally engaged in alternative energy business. The Group has operations mainly in the People's Republic of China (the "PRC").

The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). On 29 January 2015, the ultimate holding company was changed from HKC (Holdings) Limited ("HKC"), a company incorporated in Bermuda and listed in Hong Kong, to Claudio Holdings Limited, an unlisted company incorporated in the British Virgin Islands. HKC has become an intermediate holding company since 29 January 2015.

This unaudited condensed consolidated interim financial information is presented in thousands of units of Hong Kong dollars (HK$ thousand or HK$'000), unless otherwise stated. This unaudited condensed consolidated interim financial information was approved by the board of directors of the Company for issue on 24 August 2015.

2 BASIS OF PREPARATION

The unaudited condensed consolidated interim financial information for the six months ended 30 June 2015 has been prepared in accordance with Hong Kong Accounting Standards ("HKAS") 34 "Interim Financial Reporting". The unaudited condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2014, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS").

3 ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2014, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

For the financial year beginning on 1 January 2015, the Group has adopted the following amendments to standards and interpretation:

Annual improvements project	Annual improvements to HKFRS 2010-2012 cycle
Annual improvements project	Annual improvements to HKFRS 2011-2013 cycle

The Group has assessed the impact for the adoption of these amendments to standards and interpretation and considered that there was no significant effect on the Group's interim financial information.

The Group has not early adopted the new standards, amendments to standards and interpretations, which have been issued but are not effective for the financial year beginning 1 January 2015. The Group has commenced an assessment of the related impact but is not yet in a position to state whether any substantial changes to the Group's accounting policies and presentation of the financial information will be resulted.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2014.

5 REVENUE

The amount of each significant category of revenue recognised during the period is as follows:

	Six months ended 30 June	
	2015	2014
	HK$'000	*HK$'000*
Sales of electricity	**74,303**	46,600

Sales of electricity were all generated by the wind power plants of the Group. The Group has a single reportable segment which is wind power segment. As the Group does not have material operations outside the PRC, no geographic segment information is presented.

For the six months ended 30 June 2015, the Group's revenue for reportable segments from external customers of HK$74.3 million (six months ended 30 June 2014: HK$46.6 million) is only attributable to the China market.

For the six months ended 30 June 2015, the Group has two customers with revenue exceeding 10% of the Group's total revenue (six months ended 30 June 2014: two customers). Revenues from the customers amounting to HK$50.4 million and HK$23.9 million (six months ended 30 June 2014: HK$25.4 million and HK$21.2 million) respectively are solely attributable to alternative energy business.

6 OPERATING PROFIT/(LOSS)

Operating profit/(loss) is arrived at after (charging)/crediting the following items:

	Six months ended 30 June	
	2015	2014
	HK$'000	*HK$'000*
Auditor's remuneration	**(575)**	(860)
Amortisation of prepaid land lease payments	**(521)**	(486)
Amortisation of intangible assets	**(226)**	(243)
Depreciation of property, plant and equipment	**(38,544)**	(30,136)
Cost of other operations	**(2,612)**	(2,408)
Net exchange gain	**57**	1,620
Employee benefit expenses (including directors' emoluments)	**(7,658)**	(6,605)
Operating lease rental	**(842)**	(787)
Corporate expenses	**(524)**	(649)
Legal and professional fees	**(708)**	(1,120)
Management service fee	**(495)**	(495)
Repair and maintenance expenses	**(800)**	(1,924)

7 PROVISION FOR IMPAIRMENT LOSS

	Six months ended 30 June	
	2015	2014
	HK$'000	*HK$'000*
Provision for impairment loss on		
– assets held for sale of Linyi equity	**–**	7,009

8 FINANCE INCOME AND COSTS

	Six months ended 30 June	
	2015	2014
	HK$'000	*HK$'000*
Finance costs:		
– interest expense on convertible note wholly repayable within 5 years	**–**	(2,999)
– interest expenses on bank borrowings not wholly repayable within 5 years	**(22,198)**	(21,425)
Less: amount capitalised in construction in progress *(Note)*	**–**	5,950
Finance costs	**(22,198)**	(18,474)
Finance income:		
– interest income on bank deposits	**3,405**	2,525
Finance costs – net	**(18,793)**	(15,949)

Note: The capitalisation rate applied to funds borrowed and used for the construction of wind farms was between 6.03% and 6.55% per annum in 2014.

9 INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been made as the Group has no assessable profit for the period (six months ended 30 June 2014: Nil). Taxation on PRC profits has been calculated on the estimated assessable profit for the period at 25% (six months ended 30 June 2014: 25%), which is the rate of taxation prevailing in the PRC. Withholding tax on dividend income has been provided at rate 10% (six months ended 30 June 2014: 10%) on profit distribution upon declaration.

	Six months ended 30 June	
	2015	2014
	HK$'000	*HK$'000*
Withholding tax on dividends	**(4,935)**	(6,906)
Deferred income tax credit	**1,249**	6,432
Income tax expense	**(3,686)**	(474)

10 DIVIDENDS

No interim dividend was proposed and paid for the six months ended 30 June 2015 (six months ended 30 June 2014: Nil).

11 EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the unaudited profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2015	2014
Profit from attributable to equity holders of the Company (HK$ thousand)	**36,228**	5,681
Weighted average number of ordinary shares in issue (thousand)	**2,356,372**	2,356,372
Basic earnings per share (HK cents per share)	**1.54**	0.24

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. In 2015, the convertible preference shares are assumed to have been converted into ordinary shares.

	Six months ended 30 June	
	2015	2014
Profit from attributable to equity holders of the Company (HK$ thousand)	**36,228**	5,681
Weighted average number of ordinary shares in issue (thousand)	**2,356,372**	2,356,372
Adjustments for:		
– Assumed conversion of convertible preference shares (thousand)	**300,000**	300,000
– Assumed conversion of convertible note (thousand)	**–**	121,352
Weighted average number of ordinary shares for diluted earnings per share (thousand)	**2,656,372**	2,777,724
Diluted earnings per share (HK cents per share)	**1.36**	0.20

Diluted earnings per share for the six months ended 30 June 2015 did not assume the exercise of the share options outstanding during the period since the exercise would have an anti-dilutive effect.

Diluted earnings per share for the six months ended 30 June 2014 did not assume the exercise of the share options and the subscription rights for convertible preference shares outstanding during the period since the exercise would have an anti-dilutive effect.

12 PREPAYMENTS AND TRADE AND OTHER RECEIVABLES

		As at	
		30 June 2015	31 December 2014
	Note	***HK$'000***	*HK$'000*
Non-current			
Prepayments		**995**	997
Other receivables	*(b)*	**26,170**	22,640
		27,165	23,637
Current			
Trade receivables	*(a)*	**56,461**	81,796
Prepayments and other receivables	*(b)*	**24,720**	22,148
		81,181	103,944
		108,346	127,581

Notes:

(a) At 30 June 2015 and 31 December 2014, the ageing analysis of trade receivables by the Group's revenue recognition policy is as follows:

	As at	
	30 June 2015	31 December 2014
	HK$'000	*HK$'000*
Less than 30 days	**21,246**	29,405
More than 30 days and within 60 days	**7,028**	8,682
More than 60 days and within 90 days	**6,064**	6,250
More than 90 days	**22,123**	37,459
	56,461	81,796

At 30 June 2015 and 31 December 2014, the ageing analysis of trade receivables by invoice due date is as follows: *(Note i)*

	As at	
	30 June 2015	31 December 2014
	HK$'000	*HK$'000*
Less than 30 days	**49,109**	67,947
More than 30 days and within 60 days	**1,718**	–
More than 60 days and within 90 days	**870**	–
More than 90 days	**4,764**	13,849
	56,461	81,796

Note i:

The Group allows a credit period of 30 days to its trade customers. The electricity tariff receivables due from the government have to go through an approval procedure before issuing invoices, which the related receivables of which invoices were not issued as at 30 June 2015 of HK$36.5 million (31 December 2014: HK$59.0 million) are classified as less than 30 days in the ageing analysis. Trade receivables that are less than 30 days past due are not considered impaired. As at 30 June 2015, trade receivables of HK$9.3 million (31 December 2014: HK$13.8 million) were past due but not impaired. These relate to the government subsidies on the electricity tariff which have not been allocated and distributed. Based on past experience and industry practice, these tariff premiums are generally paid in 6 to 12 months from the date of the sales recognition. The amount included HK$4.2 million (31 December 2014: HK$13.8 million) trade receivables on alternative energy business being past due over 12 months. No impairment has been provided for these receivables as the balances are not in dispute and there is no indication that the amount will not be collectible.

(b) Included in other receivables were input value-added taxation recoverable of HK$34.9 million (31 December 2014: HK$37.4 million) arising from purchase of property, plant and equipment.

13 TRADE AND OTHER PAYABLES

	As at **30 June 2015** *HK$'000*	As at 31 December 2014 *HK$'000*
Trade payables	**307**	271
Payables for acquisition and construction of property, plant and equipment	**63,393**	96,060
Other payables and accruals	**5,417**	7,793
	69,117	104,124

At 30 June 2015 and 31 December 2014, the ageing analysis of trade payables is as follows:

	As at **30 June 2015** *HK$'000*	As at 31 December 2014 *HK$'000*
Less than 12 months	**97**	81
12 months and more	**210**	190
	307	271

MANAGEMENT DISCUSSION AND ANALYSIS

Financial review

For the six months ended 30 June 2015, China Renewable Energy Investment Limited ("CRE" or the "Company", and with its subsidiaries, collectively, the "Group") had HK$74.3 million in turnover from its alternative energy business. The wind resources returned to normal after an extremely poor wind year in 2014. Together with the contribution from the new Phase Two 49.5 mega-watt ("MW") wind farm in Siziwang Qi of Inner Mongolia, the revenue for the first six months of 2015 was 59% higher than last year's HK$46.6 million for the same period. With continued effort in controlling operational costs, the gross profit for the period increased 188% to HK$30.2 million, compared to last year's interim gross profit of HK$10.5 million.

Benefiting from similar weather conditions, the net profit contributed to the Group by the wind farms under the associated companies was HK$39.2 million as compared to the net contribution for the same period last year of HK$28.4 million.

As the investment right granted to a global private investment firm TPG Growth (with its subsidiary STAR Butterfly Energy, Ltd. ("STAR"), collectively, the "TPG") on 23 November 2010 expired in November 2014, no more fair value adjustment on the derivative liability was recognised in 2015.

Despite a slight increase in administrative expenses and net finance costs due to exchange rate fluctuations and the lowering of interest rates on the Group's bank deposits, the Group's net profit after tax attributable to the equity holders of the Group was around HK$36.2 million for the six months ended 30 June 2015 as compared to HK$5.7 million for the same period in 2014, an increase of 535%. This represents a basic earnings per share of HK1.54 cents, compared to a 2014 basic earnings per share for the same period of HK0.24 cents.

Liquidity and Financial Resources

The Group's total bank borrowing was HK$669.6 million as at 30 June 2015, compared to HK$679.8 million as at 31 December 2014. The Group made a principal repayment of HK$9.6 million on a bank loan, and further benefitted from currency exchange differences.

The bank borrowings represent interest-bearing Renminbi bank loans to the Group's wind farm projects in the People's Republic of China ("PRC", or "China"), with interest rates fixed at the People's Bank of China rates. The maturity dates for the Group's outstanding borrowings were spread over the next ten years. There were HK$89.8 million repayable within one year, HK$361.7 million repayable within two to five years and HK$218.1 million repayable after five years.

As at 30 June 2015, the Group's unrestricted bank deposits and cash increased to HK$335.9 million as compared to HK$278.3 million as at 31 December 2014. The increase was due to receipt of dividends HK$61.6 million from wind farm assets in the associated companies after paying normal operating expenses.

As the borrowings and incomes are in Renminbi, no hedging is required. The Group did not use any financial instruments for financial hedging purposes during the period under review.

Details of Charges in Group Assets

The Group's subsidiaries have pledged their assets including wind power equipment, construction in progress, prepaid land lease payments and trade receivables, worth approximately RMB945.2 million (equivalent to HK$1,180.5 million) as security for the bank borrowings as at 30 June 2015. Assets, worth approximately RMB988.8 million (equivalent to HK$1,236.5 million), were charged as at 31 December 2014. The difference arises from the decrease in trade receivables and the Renminbi currency exchange fluctuation.

Gearing Ratio

As at 30 June 2015, the Group's gearing ratio was 19% as compared to 23% as at 31 December 2014. It represents the total borrowings less unrestricted bank deposits and cash divided by total equity.

Contingent Liabilities

The Group did not have any contingent liabilities as at 30 June 2015 (Nil as at 31 December 2014).

Business review

Wind conditions returned to normal during the interim period. As a result, the Group's wind utilization hours increased, resulting in a significant improvement in revenues and profits. Further demonstrating the government's support for the wind sector, the Renewable Portfolio Standard was announced in May 2015. This Standard requires provinces to meet certain minimum renewable energy targets. As a result, there is now a strong incentive to encourage wind power at the provincial level.

The transmission infrastructure continues to improve as the government continues its investment in ultra-high-voltage grids, maintaining the same investment pace as in 2014. Curtailment for some regions has therefore improved. Moreover, in the northern regions, the government has announced that no new projects will be approved for regions where curtailment exceeds 20%, a policy which should further ameliorate curtailment. Renewable energy will be encouraged in the southern and central regions of China, where curtailment is less. In addition, the Ministry of Finance has settled many of the long outstanding tariff subsidy payments, helping to improve the cash position in some of the Group's wind farm projects.

Having finished construction and completing a thorough trial run, Siziwang Qi Phase Two, the second 49.5 mega-watt ("MW") project of a potential 1,000 MW wind farm complex in the West Inner Mongolia, has been put into commercial operation in January 2015. With this new addition, the Group has expanded its total gross power generating capacity to 660 MW. Considerable efforts have been made to ensure safety, reliability and cost-effectiveness of all wind farm assets. With wind resources normalizing in the first half of 2015, the performance of these assets improved significantly compared to the same period last year. However, curtailment still remains an issue, and the performance of various wind farms varied depending on the degree of curtailment.

Mudanjiang and Muling Wind Farms

Mudanjiang and Muling wind farms, located in Heilongjiang province, have a total of 59.5 MW of wind power capacity. The wind farms started commercial operation in the fourth quarter of 2007. The Group holds majority stakes of 86% and 86.68% respectively. Power despatch for the first six months of 2015 was around 31.7 million Kilowatt-hour ("KWh"), which was equivalent to 533 efficiency hours. Better wind resources but higher curtailment in 2015 resulted in only a slight increase from last year's six-month despatch of 27.9 million KWh, or an equivalent of 469 efficiency hours.

Siziwang Qi Phase One Wind Farm

Siziwang Qi Phase One wind farm has a total of 49.5 MW of wind power capacity and is wholly-owned by the Group. It is located 16 kilometres ("km") north of Wulanhua under Siziwang Qi of Western Inner Mongolia. Commercial operation started in January 2011. The wind farm is the first phase of a strategic 1,000 MW wind farm base for the Group. During the interim period, Siziwang Qi Phase One wind farm despatched approximately 38.1 million KWh, which was equivalent to 770 efficiency hours. As more new renewable energy supply, including both solar and wind farms, developed in the region, more curtailment was experienced despite the improved wind resources for the first six months of 2015. This resulted in a decrease from last year's six-month despatch of 45.4 million KWh (918 efficiency hours). Given anticipated improvement in the transmission infrastructure, the curtailment situation is expected to improve in the future.

Siziwang Qi Phase Two Wind Farm

Siziwang Qi Phase Two wind farm is wholly-owned by the Group with a total of 49.5 MW wind power capacity. It is located right next to the Siziwang Qi Phase One project, which is the second phase of the same strategic 1,000 MW wind farm base. It started commercial operation in the beginning of 2015. During the interim period, Siziwang Qi Phase Two wind farm despatched 53.0 million KWh, which was equivalent to 1,071 efficiency hours. Benefiting from new and more reliable equipment than those used in Siziwang Qi Phase One, the power despatch was more than Siziwang Qi Phase One despite relatively high curtailment.

Danjinghe Wind Farm

The Group has a 40% effective equity interest in the 200 MW Danjinghe wind farm located in Hebei. The majority and controlling shareholder is the wind power division of China Energy Conservation and Environmental Protection Group (collectively "CECEP"), which holds 60%. The entire wind farm started commercial operation in September 2010. During the first six months of 2015, the power despatched was around 234.4 million KWh, which was equivalent to 1,172 efficiency hours. This wind farm was obtained through national tender, and, therefore, experiences low curtailment. Operations were stable during the interim period and, with better wind resources, it performed slightly better compared to last year's power despatch of 223.5 KWh (1,118 efficiency hours).

Changma Wind Farm

Changma wind farm, located in Gansu province, is a joint venture with CECEP. The Group has a 40% effective interest in the project company. The 201 MW wind farm started commercial operation in November 2010. This wind farm was also obtained through national tender and experiences relatively low curtailment. With significantly improved wind resources, it despatched around 259.7 million KWh, which was equivalent to 1,292 efficiency hours, for the first six months of 2015. It was a major improvement compared to 2014's 184.1 million KWh (916 efficiency hours).

Lunaobao Wind Farm

Lunaobao wind farm is a joint venture with CECEP and is adjacent to the Danjinghe wind farm. The Group has a 30% effective equity interest. The wind farm capacity is 100.5 MW and started commercial operation in February 2011. Unlike Danjinghe, Lunaobao was not obtained through national tendering process; and, hence, does not enjoy low curtailment. For the first six months of 2015, Lunaobao despatched around 104.9 million KWh, which was equivalent to 1,044 efficiency hours. As wind resources were better this year, there was a slight improvement in the half year performance as compared to last year's 96.4 million KWh (959 efficiency hours). With new transmission infrastructure being put into operation at the second quarter of this year, we are expecting the curtailment situation will gradually improve in the second half of 2015.

Outlook

The Group anticipates the business environment and market conditions in the renewable energy sector will have little significant change throughout 2015. Promoting clean renewable energy to complement traditional relatively dirty coal-based energy will remain one of the key directives of the National Energy Administration ("NEA") of China. Project approval in accordance with the nationwide Five-Years Plan at the provincial level of the Development and Reform Committees ("DRC" or, on the national level, "NDRC") will continue to ensure orderly growth of renewable energy supply. Gradual development of transmission infrastructure and cross-regional ultra-high voltage transmission lines are in progress as planned. This should ease the transmission bottleneck and bring in a better balance between supply and demand. As a result, curtailment is expected to be reduced.

With Siziwang Qi Phase Two wind farm launched in January 2015, the Group is now developing other high quality projects and will continue to expand the project pipeline. As usual, a prudent and pragmatic approach will be adopted to carefully analyze the investment risks, returns and commercial viability. The Group has recently obtained development rights to develop a 100 MW wind farm in Song Xian, Henan Province. This potential wind farm has been included in NDRC's twelfth Five-Years Plan. The Group is currently conducting wind testing for a phase three 100 MW wind farm in Siziwang Qi, Inner Mongolia; and for a 49.5 MW wind farm project in Yiyang, Henan Province. The Group's business development team is currently preparing documents and obtaining various approvals necessary for the development of a phase one, 49.5 MW, of a potential 100 MW wind farm in Zhangbei of Hebei Province. The Group is also closely monitoring developments for its phase one 49.5 MW (out of a potential capacity of 200 MW) wind farm project in Kulun Qi of Tongliao City in East Inner Mongolia.

For the existing wind farms, the Group will continue to introduce industry best practices relating to the safety, reliability and availability of operations. As part of the Group's regular requirements, all business units will continue to ensure operational risk and operation costs are kept to a minimum. Considerable effort will be made to ensure spare parts supply for the equipment is uninterrupted. The Group will also closely monitor the impact of changing interest rate and exchange rate on the company's assets.

Despite the current focus on wind farm projects, the Group is open to consider investing in other forms of renewable energy over the long term if new technology emerges and they meet our strict investment return criteria. The Group will continue to assess its assets portfolio, seek strategic alliances and explore expansion opportunities so as to create the best return for our shareholders.

Employees

As at 30 June 2015, the Group's operations in Hong Kong and mainland China employed a total of 68 employees. The Group had also appointed technical consultants on contract terms for its alternative energy projects. All employees are remunerated according to the nature of their jobs, their individual performances, the Group's overall performance, and the prevailing marketing conditions.

INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2015 (2014: Nil).

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") comprises three Independent Non-executive Directors and one Non-executive Director with written terms of reference in accordance with the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), and reports to the Board. The Audit Committee has reviewed the unaudited condensed consolidated interim financial information of the Group for the six months ended 30 June 2015, which has also been reviewed by the Company's auditor, PricewaterhouseCoopers, 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.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

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

CORPORATE GOVERNANCE

The Company has complied with the code provisions (the "Code Provisions") and certain recommended best practices set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Listing Rules throughout the six months ended 30 June 2015, except for the following:

Code Provision A.2.1

According to the Code Provision A.2.1, the roles of chairman and chief executive officer ("CEO") should be separate and performed by different individuals. Under the current organisation structure of the Company, the functions of CEO are performed by the Chairman, Mr. OEI Kang, Eric, with support from other Executive Directors. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company, and has been effective in discharging its responsibilities satisfactorily and facilitating the Company's operation and business development. The Board will review the structure from time to time to ensure it continues to meet the principle and will consider segregation of the roles of chairman and CEO if and when appropriate.

Code Provision A.4.1

All independent non-executive directors of the Company were appointed with no specific term, but are subject to the rotation requirement in the articles of association of the Company, accomplishing the same purpose as being appointed for a specific term pursuant to Code Provision A.4.1 of the CG Code.

Code provision A.6.7

All independent non-executive directors and non-executive directors of the Company were encouraged to attend the general meeting to inter-face with shareholders of the Company but one Non-executive Director was not in a position to attend the annual general meeting of the Company held on 27 May 2015 (as provided for in Code Provision A.6.7 of the CG Code) due to overseas commitment.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Having made specific enquiry, all Directors confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30 June 2015.

The Company has also adopted a code for dealing in the Company's securities by relevant employees, who are likely to be in possession of unpublished inside information in relation to the securities of the Group, on no less exacting terms than the Model Code.

PUBLICATION OF INTERIM REPORT

The 2015 interim report will be published on the websites of the Company (www.cre987.com) and the Stock Exchange (www.hkexnews.hk) and dispatched to the shareholders of the Company in due course.

By Order of the Board
China Renewable Energy Investment Limited
OEI Kang, Eric
Chairman and Chief Executive Officer

Hong Kong, 24 August 2015

As at the date of this announcement, the Board comprises seven Directors, of which Mr. OEI Kang, Eric, Mr. LEUNG Wing Sum, Samuel and Mr. WONG Jake Leong, Sammy are executive Directors; Mr. WANG Sing is non-executive Director (with Mr. HUNG Leung as his alternate); and Mr. TANG Siu Kui, Ernest, Mr. YU Hon To, David and Mr. TIAN Yuchuan are independent non-executive Directors.