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華潤電力控股有限公司

China Resources Power Holdings Company Limited

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

(Stock Code: 836)

CONTINUING CONNECTED TRANSACTIONS

CR BANK STRATEGIC COOPERATION AGREEMENT 2015

Reference is made to the announcement of the Company dated 19th December, 2013 in relation to the entering of the Strategic Cooperation Agreement with CR Bank. The Strategic Cooperation Agreement will expire on 31st December, 2015 and the Company enters into new strategic cooperation arrangement with CR Bank whereby new annual caps are set taking into account of the Group's liquidity, business needs and the expected level of services to be received from CR Bank under the CR Bank Strategic Cooperation Agreement 2015.

As applicable size test percentage ratios exceed 0.1% but are less than 5% in respect of the continuing connected transactions under the CR Bank Strategic Cooperation Agreement 2015, the transactions are only subject to the reporting, annual review and announcement requirements but are exempted from the independent shareholders' approval requirement of the Listing Rules.

BACKGROUND

Reference is made to the announcement of the Company dated 19th December, 2013 in relation to the entering of the Strategic Cooperation Agreement with CR Bank. The Strategic Cooperation Agreement will expire on 31st December, 2015 and the Company enters into new strategic cooperation arrangement with CR Bank whereby new annual caps are set taking into account of the Group's liquidity, business needs and the expected level of services to be received from CR Bank under the CR Bank Strategic Cooperation Agreement 2015.

CR BANK STRATEGIC COOPERATION AGREEMENT 2015

Parties:	CR Bank and the Company.
Date of agreement:	18th December, 2015.
Date of commencement of agreement:	1st January, 2016.
Term of the agreement:	Three years ending 31 st December, 2018, unless extended for a further period.
Deposit services:	Any deposit made with CR Bank under these arrangements will bear the same interest and be on the same terms and conditions as would apply to a similar deposit made by any other customer of the bank, which rates shall be assessed with reference to the benchmark rates published by the People's Bank of China or other more favourable rates.

Other financial services:

Other than deposit services, from time to time, the Group may use the commercial banking services of CR Bank including, but not limited to, letter of credit, letter of guarantee, granting of loans with collaterals, bill acceptance and discount services, account receivable factoring services, RMB and foreign currency settlements, provision of entrustment loans and security, wealth and cash management services, financial consulting service and other financial services as agreed by the parties. These services will be provided on normal commercial terms and such service fees shall not be higher than the net discounted fees offered to other preferred customers of CR Bank.

Annual caps under the CR Bank Strategic Cooperation Agreement 2015

Set out below are the approximate historical figures of the maximum daily deposit amount, inclusive of interest payable, placed by the Group with CR Bank, and the maximum daily amount of financial services and products provided by CR Bank to the Group (excluding deposit services and financial services provided by CR Bank where only the fees and commissions paid by the Group are used to calculate the relevant percentage ratios) under the terms of the Strategic Cooperation Agreement during each of the years ended 31st December, 2013 and 2014 and the ten months ended 31st October, 2015:

	For the year ended 31st December,				For the ten months ended 31st October,	
	2013		2014		2015	
	<i>RMB million</i>	<i>HK\$ million</i>	<i>RMB million</i>	<i>HK\$ million</i>	<i>RMB million</i>	<i>HK\$ million</i>
Maximum daily deposit amount placed with CR Bank during the year/period	500	600	726	871	897	1,076
Maximum daily amount of other financial services and products provided by CR Bank during the year/period	0.003	0.0036	150	180	0	0

The proposed annual caps for financial services under the CR Bank Strategic Cooperation Agreement 2015 have been determined after taking into account of the Group's liquidity, business needs and the expected level of services to be received from CR Bank under the CR Bank Strategic Cooperation Agreement 2015.

The proposed maximum daily deposit amount, inclusive of interest payable rounded to the nearest million, placed by the Group with CR Bank for the term of the CR Bank Strategic Cooperation Agreement 2015 and a comparison of these caps with the Group's gross cash and bank balances and with the size of the Group using the highest of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules are as follows:

Maximum daily deposit amount for the year ending 31st December,						Unaudited consolidated cash and bank balances as at 30th June, 2015	Highest applicable percentage ratio
2016		2017		2018			
<i>RMB</i> <i>million</i>	<i>HK\$</i> <i>million</i>	<i>RMB</i> <i>million</i>	<i>HK\$</i> <i>million</i>	<i>RMB</i> <i>million</i>	<i>HK\$</i> <i>million</i>	<i>HK\$</i> <i>million</i>	%
2,000	2,400	2,000	2,400	2,000	2,400	11,851	3.45

The proposed maximum daily amount of financial services and products provided by CR Bank to the Group (excluding deposit services and financial services provided by CR Bank where only the fees and commissions paid by the Group are used to calculate the relevant percentage ratios) for the term of the CR Bank Strategic Cooperation Agreement 2015 and a comparison of these caps with the size of the Group using the highest of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules are as follows:

Maximum daily amount for the year ending 31st December,						Highest applicable percentage ratio
2016		2017		2018		
<i>RMB</i> <i>million</i>	<i>HK\$</i> <i>million</i>	<i>RMB</i> <i>million</i>	<i>HK\$</i> <i>million</i>	<i>RMB</i> <i>million</i>	<i>HK\$</i> <i>million</i>	%
1,000	1,200	1,000	1,200	1,000	1,200	1.72

It is expected that the aggregate annual amount of fees and commissions paid by the Group for the financial services provided by CR Bank during the term of the CR Bank Strategic Cooperation Agreement 2015 will not exceed 0.1% of the percentage ratios, other than the profits ratio, of the Listing Rules, and these arrangements will constitute de minimis transactions under the Listing Rules.

To the extent the aggregate annual amount of fees and commissions paid by the Group for the financial services provided by CR Bank during the term of the CR Bank Strategic Cooperation Agreement 2015 exceeds 0.1% and is below 5% of such percentage ratios, these arrangements will constitute continuing connected transactions exempted from independent shareholders' approval but will be subject to the annual review by the independent non-executive directors of the Company and the Company's auditors and a further announcement will be made by the Company stating the relevant caps as and when necessary. Under no circumstances will the amounts of fees and commissions paid in any one financial year exceed 5% of the percentage ratios, other than the profits ratio, of the Listing Rules unless the Company has obtained the prior approval of its independent shareholders.

LISTING RULES IMPLICATIONS

As at the date of this announcement, as CRC, being a controlling shareholder of the Company, holds approximately 75.33% of the registered capital of CR Bank, CR Bank is a connected person of the Company under the Listing Rules.

As the applicable size test percentage ratios exceed 0.1% but are less than 5% in respect of the continuing connected transactions under the CR Bank Strategic Cooperation Agreement 2015, the transactions are only subject to the reporting, annual review and announcement requirements but are exempted from the independent shareholders' approval requirement of the Listing Rules.

Mr. Wei Bin, a director of the Company, is also a director of CR Bank and he has abstained from voting on the CR Bank Strategic Cooperation Agreement 2015 at the board meeting. Save as disclosed above, none of the directors of the Company has any material interest in the transactions under the CR Bank Strategic Cooperation Agreement 2015, and none of them abstained from voting on the relevant board resolutions approving the CR Bank Strategic Cooperation Agreement 2015 and the transactions contemplated thereunder.

REASONS FOR AND BENEFITS OF THE PROPOSALS

The CR Bank Strategic Cooperation Agreement 2015 will enable the Group to use the deposit and other financial services of CR Bank and to support its development within the China Resources Group on normal commercial terms and on a scale which will not place the Group's resources at risk or affect its relationship with other financial institutions.

All directors of the Company (including independent non-executive directors of the Company) consider the CR Bank Strategic Cooperation Agreement 2015 was negotiated on an arm's length basis and is on normal commercial terms, and the relevant terms and annual caps are fair and reasonable and in the interests of the Company and its shareholders as a whole.

INFORMATION OF CR BANK AND THE COMPANY

CR Bank

CR Bank is a licensed bank regulated by the China Banking Regulatory Commission and is headquartered in Zhuhai. As of October 2015, it had 80 branches and sub-branches in total comprising one Head Office, one branch (Hengqin Branch) and 48 sub-branches in Zhuhai, one branch and 20 sub-branches in Shenzhen, one branch and two sub-branches in Zhongshan, one branch and two sub-branches in Foshan, one branch in Dongguan, one branch in Huizhou and one rural bank in each of Deqing, Guangdong and Baise, Guangxi.

The following table illustrates the historical figures of CR Bank's assets, deposits, loans and total equity from 31st December, 2013 to 30th June, 2015:

	As at 30th June, 2015		As at 31st December, 2014		As at 31st December, 2013		31st December, 2013 to 31st December, 2014	31st December, 2013 to 30th June, 2015
	<i>RMB billion</i>	<i>HK\$ billion</i>	<i>RMB billion</i>	<i>HK\$ billion</i>	<i>RMB billion</i>	<i>HK\$ billion</i>	<i>increase/ (decrease) %</i>	<i>increase/ (decrease) %</i>
Total Assets	104.6	125.5	107.5	129.0	129.6	155.5	-17%	-19%
Deposits	62.3	74.8	64.8	77.8	66.0	79.2	-2%	-6%
Loans	45.6	54.7	45.9	55.1	34.5	41.4	33%	32%
Total equity	8.8	10.6	8.7	10.4	7.8	9.4	12%	13%

The Company

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

The turnover, total assets and cash balance of the Group from 2013 to 2015 are as illustrated in the table below:

	As at 30th June, 2015	As at 31st December, 2014	As at 31st December, 2013	31st December, 2013 to 31st December, 2014 <i>increase/ (decrease)</i> %	31st December, 2014 to 30th June, 2015 <i>increase/ (decrease)</i> %
	<i>HK\$ billion</i>	<i>HK\$ billion</i>	<i>HK\$ billion</i>		
Total assets	229.1	225.6	213.9	5%	2%
Cash	11.9	8.3	6.0	38%	43%
Turnover for the year/period	36.9	70.7	69.6	2%	N/A

DEFINITIONS

In this announcement the following words have the following meanings, unless the context requires otherwise.

“China Resources Group”	CRC, CRH and their respective subsidiaries
“Company”	China Resources Power Holdings Company Limited (華潤電力控股有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 836)
“CR Bank”	珠海華潤銀行股份有限公司 China Resources Bank of Zhuhai Co., Ltd., a municipal bank headquartered in Zhuhai, in which CRC holds approximately a 75.33% equity interest as at the date of this announcement

“CR Bank Strategic Cooperation Agreement 2015”	the strategic cooperation agreement entered into by CR Bank and the Company on 18th December, 2015
“CRC”	China Resources Co., Limited, a joint stock limited liability company incorporated in the PRC, which is the holding company of CRH and the banking and trust activities in which the China Resources Group has an interest
“CRH”	China Resources (Holdings) Company Limited, a company incorporated in Hong Kong with limited liability and the intermediate holding company of the China Resources Group in Hong Kong, holding all the China Resources Group’s material interests apart from its banking and trust activities
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region, the People’s Republic of China
“independent shareholders”	shareholders of the Company other than CRH and its associates, as defined in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Strategic Cooperation Agreement”

the Strategic Cooperation Agreement in respect of the framework for the provision and engagement of banking services entered into between CR Bank and the Company on 19th December, 2013

For illustrative purpose of this announcement only, conversion of RMB into HK\$ is made at the rate of RMB1.00 = HK\$1.20.

By order of the board
**CHINA RESOURCES POWER
HOLDINGS COMPANY LIMITED**
Zhou Junqing
Chairman

Hong Kong, 18th December, 2015

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