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## **China Power International Development Limited**

**中國電力國際發展有限公司**

*(incorporated in Hong Kong with limited liability)*

**(Stock Code: 2380)**

### **VOLUNTARY ANNOUNCEMENT**

#### **Acquisition of Equity Interests in Three Clean Energy Project Companies**

This announcement is made by China Power International Development Limited (the “Company”, together with its subsidiaries, the “Group”) on a voluntary basis.

#### **ACQUISITION OF THE TARGET COMPANIES**

The board of directors (the “Board”) of the Company is pleased to announce that on 28 March 2019, Wu Ling Power Corporation\* (“Wu Ling Power”, a 63%-owned subsidiary of the Company) entered into three share transfer agreements (the “Agreements”) with Henan GCL New Energy Investment Company Limited\* and Suzhou GCL New Energy Investment Co., Ltd.\* (collectively, the “Sellers”) to acquire 55% of the issued share capital (the “Sale Shares”) in each of Ruzhou GCL Photovoltaic Power Co., Ltd.\*, Xin’an GCL Photovoltaic Power Co., Ltd.\* and Jiangling County GCL Photovoltaic Power Co., Ltd.\* (collectively, the “Target Companies”).

The aggregated consideration for the Sale Shares is RMB246,440,000 (equivalent to approximately HK\$286,558,000), subject to adjustments in line with the financials of the Target Companies up to the date of completion of the acquisition (the “Completion”). The consideration (subject to adjustments) is determined based on a comprehensive consideration of the net asset value and financial performance of the Target Companies, the warranties and undertakings given by the Sellers, and as a result of arm’s length negotiation between the Sellers and Wu Ling Power. The consideration will be payable to each of the Sellers by installments according to the conditions to be satisfied and/or agreed by both parties. The Completion is conditional upon the fulfilment and/or waiver (as the case may be) of certain customary conditions precedent. Following the Completion, the Target Companies will become the subsidiaries of Wu Ling Power. Wu Ling Power will finance the acquisition of the Target Companies by its internal resources.

## **THE SELLERS AND THE TARGET COMPANIES**

The Sellers and the Target Companies are indirect subsidiaries of GCL New Energy Holdings Limited, a company incorporated in Bermuda, the shares of which are listed on The Stock Exchange of Hong Kong Limited (stock code: 451) and principally engaged in the sale of electricity, development, construction, operation and management of solar power plants. The Target Companies are wholly-owned subsidiaries of the Sellers.

The Target Companies hold (1) an 80MW photovoltaic power station project in Wangzhai County in Ruzhou City, Henan Province, the PRC, (2) a 100 MW photovoltaic power station project in Xin'an County, Luoyang City, Henan Province, the PRC, and (3) a 100 MW photovoltaic power station project in Jiangling County, Jingzhou City, Hubei Province, the PRC.

## **REASONS FOR AND BENEFITS OF THE TRANSACTIONS**

Since the Target Companies are engaged in clean energy generation, the Board is of the opinion that entering into the Agreements aligns with the development strategy of the Group towards clean energy generation. It will increase the installed capacity of clean energy of the Group and help to generate sustainable revenue and profits for the Group. The strategic cooperation between the Group and GCL New Energy Holdings Limited is in line with the new round of State-owned enterprise reform and the development of mixed ownership with private sectors.

The Board believes that the terms of the Agreements are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

To the best of the knowledge, information and belief of the directors of the Company having made all reasonable enquiries, the Sellers and their ultimate beneficial owner are third parties independent of the Company and its connected persons.

As none of the applicable percentage ratios in respect of the Agreements and the transactions contemplated thereunder exceed 5%, the purchase of the Sale Shares does not constitute a notifiable transaction for the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

*\* English or Chinese translation, as the case may be, is for identification only*

By order of the Board  
**China Power International Development Limited**  
**Tian Jun**  
*Executive Director*

Hong Kong, 28 March 2019

*As at the date of this announcement, the directors of the Company are: executive director Tian Jun, non-executive directors Guan Qihong and Wang Xianchun, and independent non-executive directors Kwong Che Keung, Gordon, Li Fang and Yau Ka Chi.*