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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)

Inside Information

Issuance of RMB3 Billion Perpetual Medium-Term Notes in the PRC

This announcement is made by China Power International Development Limited (the “Company”, and together with its subsidiaries, collectively the “Group”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the Company’s announcement dated 15 October 2021 in relation to the Company’s registration with the National Association of Financial Market Institutional Investors (中國銀行間市場交易商協會, the “NAFMII”) for issuing debt financing instruments (“DFI”) in the People’s Republic of China (the “PRC”) within an effective period of 2 years from August 2021. The Company has recently been approved by the NAFMII to extend the effective registration period of issuing DFI for another two years from September 2023. During the effective registration period, the Company is permitted to issue multi-type of DFI, including but not limited to super & short-term commercial papers, short-term commercial papers, medium-term notes, perpetual notes, asset-backed notes and green debt financing instruments in one or multiple tranches.

Under the above DFI registration, the Company would issue RMB3 billion perpetual medium-term notes by two tranches. On 1 November 2023, the Company issued its first-tranche of the perpetual medium-term notes (the DFI-PMTN-2023-1st-tranche, the “**Perpetual Note**”) with the following principal terms.

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| Issuer: | China Power International Development Limited |
| Principal amount: | RMB1.5 billion |
| Unit face value: | RMB100 |
| Coupon rate: | 3.58% per annum (fixed for an initial term of 3 years) |
| Maturity period: | 3+N(3) years, the Perpetual Note has an initial term of 3 years, (the “Initial Term”), the Company may at its sole discretion to defer in whole for another 3-year term without any limit as to the number of times it may elect to defer (“Extended Term”). |

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| Determination of the coupon rate: | <p>In respect of the Initial Term, the coupon rate is the sum of the initial benchmark interest rate and the initial spread.</p> <p><i>(The initial benchmark interest rate shall be the arithmetic mean of Government Bond yield with 3-year maturity periods as shown in ChinaBond Government Bond Yield Curve which is published on ChinaBond information website (中國債券信息網) (www.chinabond.com.cn) (or other websites as recognized by China Central Depository & Clearing Co., Ltd.) 5 working days prior to the date of book-building (rounded to 0.01%); while the initial spread is the coupon rate for the Initial Term less the initial benchmark interest rate.)</i></p> <p>Falling on the last business day of the Initial Term and each of the Extended Term, the coupon rate is subject to reset (the “Reset Date”).</p> <p>At each Reset Date, the coupon rate shall be adjusted according to the following formula:</p> <p>The sum of the prevailing benchmark interest rate, the initial spread and 300 basis points</p> |
| Method of interest payment: | <p>Interest shall be payable annually from the issue date of the Perpetual Note (“Interest Payment Date”) subject to the option for deferring interest payment below.</p> |
| Option for deferring interest payment: | <p>Unless any of the trigger events for compulsory interest payment occurs, at each Interest Payment Date, the Company may, at its sole discretion to defer in whole, any interest which otherwise scheduled to be paid on the Interest Payment Date (“Optional Deferral”) to the next Interest Payment Date (“Arrears of Interest”) by giving notice of not less than 10 business days prior to a scheduled Interest Payment Date. Each amount of the Arrears of Interest shall bear interest at the coupon rate as if it constituted the principal amount of the Perpetual Note (“Additional Interest Amount”).</p> |
| Trigger events for compulsory interest payment: | <p>Compulsory interest payment will be triggered if either of the following events occurs during the 12-month prior to any Interest Payment Date that: (i) a dividend distribution is declared, paid or made by the Company to its ordinary shareholders, or (ii) the Company has reduced its registered share capital.</p> |
| Restrictions under deferred interest payment: | <p>In the event that the Company exercised the Optional Deferral, it shall not (i) declare, distribute or pay any dividends to the Company’s ordinary shareholders, or (ii) reduce the Company’s registered share capital, unless all the Arrears of Interest and the Additional Interest Amount have been settled in full.</p> |
| Ranking of repayment: | <p>In the event of winding up of the Company, the rights and claims of the holders of Perpetual Note are subordinated to the ordinary debts of the Company.</p> |
| Right of redemption: | <p>The Perpetual Note may be redeemed at the option of the Company in whole, on each Reset Date, or on either of the following conditions:</p> <p>(i) Any Interest Payment Date falling on or after the third Interest Payment Date; or</p> |

- (ii) Any changes or amendments to the financial reporting standards or any applicable laws and regulations, the Perpetual Note must not or must no longer be recorded as equity in the consolidated financial statements of the Company, the Company may elect to redeem at the end of the year which the relevant change or amendment is due to take effect.

The Company may at its option to redeem the Perpetual Note in whole, at a redemption price below, to a date that is specified in either of the above conditions upon giving prior notice of not less than 20 business days to the holders of the Perpetual Note.

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| Redemption Price | The sum of the principal amount of the Perpetual Note, the unpaid coupon interest, the Arrears of Interest and the Additional Interest Amount, if any. |
| Guarantee: | Unsecured |
| Rating agency: | Golden Credit Rating International Co., Ltd. |
| Credit rating: | Corporate credit rating of the Company: AAA Rating outlook: Stable |
| Issue method: | Industrial and Commercial Bank of China Limited and China Merchants Bank Co., Ltd. acted as the joint lead underwriters for the Perpetual Note which was publicly offered in the interbank bond market in the PRC by way of a book-building exercise. |
| Use of funds: | Proceeds will be used for repayment of existing borrowings. |

In connection with the issuance of the Perpetual Note, the Company has published an announcement in the PRC to provide investors with certain information concerning its terms and conditions, credit rating report and financial information including the audited consolidated financial statements for the latest three financial years ended 31 December 2020, 2021 and 2022, and the unaudited interim condensed consolidated financial statements for the six months ended 30 June 2023 of the Group. The relevant documents have been disclosed on the websites at www.chinamoney.com.cn and www.shclearing.com.

By Order of the Board
China Power International Development Limited
HE Xi
Chairman

Hong Kong, 3 November 2023

As at the date of this announcement, the directors of the Company are: executive directors HE Xi and GAO Ping, non-executive directors ZHOU Jie and HUANG Qinghua, and independent non-executive directors LI Fang, Yau Ka Chi and HUI Hon Chung, Stanley.