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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

Cooperation Framework Agreement in relation to Potential Partial Disposal of Interest in Pingwei Power

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

THE COOPERATION FRAMEWORK AGREEMENT

Background

Pingwei Companies are joint ventures engaging in coal-fired power generation that are presently owned as to 60% and 40% by the Company and Huainan Mining respectively. Under the existing coal supply framework agreement dated 4 January 2023, Huainan Mining has committed to supply coal to the Pingwei Companies for the financial years ended 31 December 2023, 2024 and 2025 (*please refer to the Company's announcement dated 4 January 2023 for details*).

On 30 June 2024, the Company entered into the Cooperation Framework Agreement with Huainan Mining, pursuant to which, both parties agreed to further deepen the existing collaboration of “coal-and-power joint-operation” (煤電聯營) in respect of new project development and equity restructuring.

Project Cooperation

Pingwei Power will invest to develop the Pingwei Phase IV Project, i.e. the construction of two ultra-supercritical coal-fired power generating units with total installed capacity of 2,000MW, located in Anhui Province of the PRC. Pingwei Power's existing two coal-fired power generating units are expected to phase out from operation after the commissioning of Pingwei Phase IV Project.

Equity Cooperation

The Company will dispose of its existing equity interest of 11% in Pingwei Power by way of either increasing the registered capital of Pingwei Power or through direct equity transfer of its interest in Pingwei Power to Huainan Mining.

Impacts of the Potential Partial Disposal and other potential collaboration arrangements

The anticipated change of shareholding structure of Pingwei Power before and after the Potential Partial Disposal will be as follow:

Shareholder	% of shareholding <i>Before</i>	% of shareholding <i>After</i>
China Power	60%	49%
Huainan Mining	40%	51%

If the Potential Partial Disposal of Pingwei Power materializes, Pingwei Power will be owned as to 51% by Huainan Mining and 49% by the Company. Huainan Mining will hold the controlling stake of Pingwei Power and Pingwei Power will cease to be a subsidiary and become an associate of the Group.

Upon successful completion of the Potential Partial Disposal and contingent upon definitive agreements to be entered by the Company and Huainan Mining, it was further agreed between both parties to collaborate in the following areas: (i) Huainan Mining would undertake to ensure the consistent and stable coal supply to Pingwei Phase IV Project by entering into a long-term coal supply agreement; and (ii) the operation of Pingwei Power shall be entrusted to be managed by Pingwei II and Pingwei III by entering into an entrusted management agreement.

REASONS FOR AND BENEFITS OF THE COOPERATION FRAMEWORK AGREEMENT

Pingwei Phase IV Project is one of the principal power generation projects in Anhui Province under the national “14th Five-Year” plan and is of great significance to alleviating the power shortage in Anhui Province and supporting the sustainable development of the regional economy and community. Entering into the Cooperation Framework Agreement will ensure that the Company would be able to fully benefit from the clean and high-efficiency new generating units of Pingwei Phase IV Project, ensure the existing and consistent long-term favorable coal supply to Pingwei Companies, and ensure that the advantages of the “two joint operations” (兩個聯營) industrial models of “coal plus coal-fired power” and “coal-fired power plus new energy power” are fully unleashed. The Company is of the view that the “coal-and-power joint-operation” (煤電聯營) has positive significance for enhancing the Company’s high-quality development, and is coherent with the Company’s strategic goal of green and sustainable development as well as in the interests of its shareholders as a whole.

INFORMATION OF THE COMPANY AND THE GROUP

The Company is the core and flagship listed subsidiary of SPIC. The Group is principally engaged in generation and sales of electricity in Mainland China, including investment, development, operation and management of hydropower, wind power, photovoltaic power and thermal power plants, and provision of energy storage, green power transportation, and integrated intelligent energy solution services. Its businesses are located in various major power grid regions of China. As at the date of this announcement, the Company owns 60% equity interests in Pingwei Power, Pingwei II and Pingwei III.

INFORMATION OF THE HUAINAN MINING

Huainan Mining is a limited liability company incorporated under the laws of the PRC in November 1981. Huainan Mining is principally engaged in various industries such as coal mining, electricity, logistics and finance and ultimately controlled by 淮河能源控股集團有限公司 (Huaihe Energy Holding Group Co., Ltd.*), a wholly State-owned enterprise. As at the date of this announcement, Huainan Mining owns 40% equity interests in Pingwei Power, Pingwei II and Pingwei III. According to the Listing Rules, Huainan Mining is a connected person of the Company at the subsidiary level.

WARNING

Please be aware that the Potential Partial Disposal may or may not be proceeding further. It will be subject to, among other things, entering into definitive agreements by the Company and Huainan Mining, approval by the relevant regulatory authorities and fulfilment of applicable requirements under the Listing Rules. The Company will make further announcements in relation to the Potential Partial Disposal as and when appropriate.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in shares of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Board”	the board of Directors of the Company
“Company” or “China Power”	China Power International Development Limited (中國電力國際發展有限公司), a company incorporated in Hong Kong with limited liability whose shares are listed on the Main Board of the Stock Exchange
“Cooperation Framework Agreement”	the framework agreement dated 30 June 2024 entered into between the Company and Huainan Mining in respect of the development of the Pingwei Phase IV Project, the Potential Partial Disposal (as defined below) and other potential collaboration arrangements

“Group”	the Company and its subsidiaries from time to time
“Huainan Mining”	Huainan Mining Industry (Group) Company Limited* (淮南礦業(集團)有限責任公司), a company incorporated in the PRC with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MW”	megawatt, that is, one million watts. The installed capacity of a power plant is generally expressed in MW which is a unit of measurement for the output of power generation
“Pingwei II”	Huainan Pingwei No. 2 Electric Power Co., Ltd. (淮南平圩第二發電有限責任公司), a company incorporated in the PRC with limited liability which presently holds two supercritical coal-fired power generating units with total installed capacity of 1,280MW, located in Anhui Province of the PRC
“Pingwei III”	Huainan Pingwei No. 3 Electric Power Co., Ltd. (淮南平圩第三發電有限責任公司), a company incorporated in the PRC with limited liability which presently holds two ultra-supercritical coal-fired power generating units with total installed capacity of 2,000MW, located in Anhui Province of the PRC
“Pingwei Companies”	Pingwei Power, Pingwei II and Pingwei III collectively
“Pingwei Phase IV Project”	the construction of two ultra-supercritical coal-fired power generating units with total installed capacity of 2,000MW, located in Anhui Province of the PRC
“Pingwei Power”	Anhui Huainan Pingwei Electric Power Company Limited (安徽淮南平圩發電有限責任公司), a company incorporated in the PRC with limited liability which presently holds two subcritical coal-fired power generating units with total installed capacity of 1,260MW, located in Anhui Province of the PRC
“Potential Partial Disposal”	the proposed disposal of an 11% equity interest in Pingwei Power from the Company to Huainan Mining
“PRC” or “China”	the People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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

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

Hong Kong, 30 June 2024

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.