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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 II in relation to Potential Equity Transfer in Pingwei II and Pingwei III

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).

Reference is made to the announcements issued by the Company dated 30 June 2024 and 6 December 2024 (“**Announcements**”) in relation to the deemed disposal of 11% equity interest in Pingwei Power from the Company to Huainan Mining. Capitalized terms used herein shall have the same meanings as those defined in the Announcements unless the context requires otherwise.

THE COOPERATION FRAMEWORK AGREEMENT II

On 6 December 2024, with an aim to further deepen the existing collaboration and development model of “coal-and-power joint operation” (煤電聯營) after Completion of the Deemed Disposal, the Company and Huainan Mining entered into the Cooperation Framework Agreement II. Pursuant to which, both parties agreed to extend their equity cooperation to Pingwei II and Pingwei III.

Equity Restructuring

Pingwei II and Pingwei III 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.

Upon Completion of the Deemed Disposal, the Company will dispose its existing 9% equity interest in Pingwei II and Pingwei III to Huainan Mining by way of direct equity transfer (“**Potential Equity Transfer**”).

Impacts of the Potential Equity Transfer

The anticipated change of shareholding structure of Pingwei II and Pingwei III before and after the Potential Equity Transfer will be as follows:

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

If the Potential Equity Transfer materializes, Pingwei II and Pingwei III will be owned as to 51% by the Company and 49% by Huainan Mining. After completion of the Potential Equity Transfer, both Pingwei II and Pingwei III will remain as subsidiaries of the Company. The Company will maintain the controlling stake of Pingwei II and Pingwei III and continue to consolidate their financial statements to the Group.

Subsequent collaboration arrangements

The Company and Huainan Mining agreed that (i) upon completion of the Deemed Disposal and the Potential Equity Transfer, both parties will formulate an equitable mechanism for the returns (including dividend distribution and profit sharing) generated from Pingwei Power, Pingwei II and Pingwei III; and (ii) to procure conclusion of the Entrusted Management Agreement and the coal supply agreement for the three Pingwei Companies pursuant to the “Post-Completion Commitments” of the Capital Injection Agreement.

REASONS FOR AND BENEFITS OF THE COOPERATION FRAMEWORK AGREEMENT II

The Cooperation Framework Agreement II represents a strategic partnership expanding further on the initial Cooperation Framework Agreement between the Company and Huainan Mining.

The Company believes that by allowing Huainan Mining to increase its equity interest in Pingwei II and Pingwei III through the Cooperation Framework Agreement II, it could ensure both parties to fully benefit from the advantages of the “two joint operations” (兩個聯營) industrial model, namely, “coal plus coal-fired power” and “coal-fired power plus new energy power”, as well as maximize the synergy brought about by the integrated mode of management.

WARNING

Please be aware that the Potential Equity Transfer may or may not be proceeding further. It will be subject to, among other things, entering into definitive agreement 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 announcement in relation to the Potential Equity Transfer as and when appropriate.

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

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

Hong Kong, 6 December 2024

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