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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)

CONNECTED TRANSACTION

EPC Contracting Agreement in relation to Desulfurization System Construction

On 29 January 2026, Yuanda Engineering Company, an indirect non wholly-owned subsidiary of the Company, entered into the EPC Contracting Agreement with Dazhou Energy. Pursuant to which Yuanda Engineering Company will provide system design, equipment procurement, construction and installation, and other technical support services for the Desulfurization System of the Dazhou Project at a consideration of RMB199,188,000 (equivalent to approximately HK\$223,807,000).

As at the date of this announcement, CPI Holding owns approximately 59.42% of the issued share capital of the Company and is the controlling shareholder of the Company. Dazhou Energy is an indirect wholly-owned subsidiary of CPI Holding. CPI Holding, its subsidiaries and associates are connected persons of the Company within the meaning of the Listing Rules. Accordingly, entering into the EPC Contracting Agreement constitutes a connected transaction of the Company under the Listing Rules.

As certain applicable percentage ratios as defined under Rule 14.07 of the Listing Rules in respect of the EPC Contracting Agreement exceed 0.1% but are less than 5%, the transaction contemplated thereunder is therefore subject to the announcement and reporting requirements but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

The Board announces that Yuanda Engineering Company, an indirect non wholly-owned subsidiary of the Company, as the Contractor, entered into the EPC Contracting Agreement with Dazhou Energy on 29 January 2026 in relation to the provision of system design, equipment procurement, construction and installation, and other technical support services for the Desulfurization System of the Dazhou Project.

EPC CONTRACTING AGREEMENT

Date

29 January 2026

Parties

- (i) Yuanda Engineering Company, as the Contractor; and
- (ii) Dazhou Energy, as the Employer.

Services to be provided by Yuanda Engineering Company

Yuanda Engineering Company has agreed to act as the main contractor to provide a range of services for the Desulfurization System of the Dazhou Project, which include system design, equipment procurement, transportation and storage, construction and installation, commissioning, completion certification (trial runs, error elimination, performance assessment assurance acceptance, etc.), training, performance quality assurance, final delivery and follow-up services throughout the entire defect liability period (being one year after the last system unit has completed its 168-hour full-load trial run). During the defect liability period, Yuanda Engineering Company is obligated to rectify any defects and damages that may arise.

Consideration

The total consideration under the EPC Contracting Agreement payable by the Employer is RMB199,188,000 (inclusive of all taxes), and is categorized as follows:

Fees	Amount (RMB) (Inclusive of all taxes)
Survey design fees	5,500,000
Equipment procurement fees	81,576,500
Construction and installation fees	103,425,900
Health, safety and environmental measures fees	2,585,600
Other technical service fees [#]	1,600,000
Provisional fees	4,500,000
Total	199,188,000

[#] Other technical service fees include training fees and commissioning fees.

Payment terms

Dazhou Energy shall make an interest-free prepayment to Yuanda Engineering Company, which shall cover (i) 10% of the equipment procurement fees, construction and installation fees, and other technical service fees; and (ii) 50% of the health, safety and environmental measures fees.

All other remaining fees shall be payable by installments according to the construction or equipment procurement progress, with the following amounts shall be retained as warranty for quality assurance:

- (i) 10% of the equipment procurement fees is payable within 60 days of the issuance of the final acceptance certificate; and
- (ii) 3% of the construction and installation fees, 3% of the other technical service fees and 5% of the survey design fees, are payable within one month after expiry of the defect liability period (subject to any applicable deductions).

The provisional fees are intended to serve as a buffer to cover any additional work or equipment needed during the construction, installation, and equipment procurement phases. Payments for the provisional amounts will be made in accordance with the progress of construction or equipment procurement within their respective fee categories.

Pricing Principles

Yuanda Engineering Company was awarded the EPC Contracting Agreement through an open market tendering process publicly accessible on the procurement and bidding platform and networks in the PRC, including 中國電力設備信息網 (China Electric Power Equipment Information Network*) and 國家電投電子商務平台 (SPIC E-commerce Platform*). The consideration for the EPC Contracting Agreement was determined with reference to (i) the recent publicly available data in relation to the tender prices of successful bids for similar type of the Desulfurization System construction projects in the PRC; and (ii) the consideration for comparable projects that involve the same type of Desulfurization System construction and its related services offered by Yuanda Engineering Company to independent third parties.

REASONS FOR AND BENEFITS OF THE CONNECTED TRANSACTION

As flue gas emission standards for coal-fired power plants are becoming more stringent in the PRC, Yuanda Engineering Company applies its expertise to deliver desulfurization engineering contracting services that assist clients in achieving flue gas emission regulatory compliance. By obtaining the EPC Contracting Agreement for the Desulfurization System of the Dazhou Project, Yuanda Engineering Company can broaden its market presence in flue gas treatment and reinforce its position in the environmental protection field, thereby furthering the Group's strategic goal of transforming into a green and low carbon energy supplier.

The consideration of the EPC Contracting Agreement conforms with the prevailing market rates charged by other companies on providing the same services for similar type of the Desulfurization System in the market. The Directors are of the view that the consideration of the EPC Contracting Agreement and its respective terms are no less favourable to the Group than those from independent third parties.

The Directors (including the independent non-executive Directors) are of the view that, as far as the shareholders of the Company are concerned, the EPC Contracting Agreement has been conducted in the ordinary and usual course of business of the Group, on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

None of the Directors has material interest in the transaction contemplated under the EPC Contracting Agreement or is required to abstain from voting on the relevant Board resolutions.

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, integrated intelligent energy solution services, and pollution control businesses. Its businesses are located in various major power grid regions of China.

INFORMATION OF THE CONTRACTOR

Yuanda Engineering Company was incorporated in the PRC in February 1999 and is primarily engaged in the building engineering construction, design, management and supervision. It also provides services related to air pollution control, ecological restoration and protection, carbon reduction and carbon capture, and the sales of related equipment and components. Yuanda Engineering Company holds a Grade A qualification certificate in environmental engineering design (prevention and control of air pollution engineering). It also possesses a Level One qualification certificate for professional contracting of environmental protection engineering, Level Two qualification certificates for general contracting of building and electrical engineering construction.

As of the date of this announcement, Yuanda Engineering Company is 97.80% owned by SPIC Hydropower, a non wholly-owned subsidiary of the Company.

INFORMATION OF THE EMPLOYER

Dazhou Energy was incorporated in the PRC in July 2023 and is principally engaged in power generation, power transmission, power supply and distribution business, and production and sales of heat. Dazhou Energy holds the development right to build two ultra-supercritical coal-fired power generating units with a total installed capacity of 2,000MW located in Sichuan Province of the PRC.

On 12 September 2025, the Company entered into an equity transfer agreement to acquire 31% equity interest of Dazhou Energy (*please refer to the Company's announcement of the even date for details*). As of the date of this announcement, the acquisition is still in progress, and Dazhou Energy remains an indirect wholly-owned subsidiary of CPI Holding.

INFORMATION OF CPI HOLDING AND SPIC

CPI Holding is the immediate holding company of the Company and a wholly-owned subsidiary of SPIC. It is an investment holding company.

SPIC, the ultimate controlling shareholder of the Company, is an investment holding company principally engaged in businesses that cover various sectors, including power, coal, aluminum, logistics, finance, environmental protection and high-tech industries in the PRC and abroad. SPIC, together with its subsidiaries, is an integrated energy group which simultaneously owns thermal power, hydropower, nuclear power and renewable energy resources in the PRC.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CPI Holding owns approximately 59.42% of the issued share capital of the Company and is the controlling shareholder of the Company. Dazhou Energy is an indirect wholly-owned subsidiary of CPI Holding. CPI Holding, its subsidiaries and associates are connected persons of the Company within the meaning of the Listing Rules. Accordingly, entering into the EPC Contracting Agreement constitutes a connected transaction of the Company under the Listing Rules.

As certain applicable percentage ratios as defined under Rule 14.07 of the Listing Rules in respect of the EPC Contracting Agreement exceed 0.1% but are less than 5%, the transaction contemplated thereunder is therefore subject to the announcement and reporting requirements but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

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”	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
“CPI Holding”	China Power International Holding Limited, a company incorporated in Hong Kong with limited liability, the controlling company of the Company and a wholly-owned subsidiary of SPIC
“Dazhou Energy” or “Employer”	達州興川能源有限公司 (Dazhou Xingchuan Energy Co., Ltd.*), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of CPI Holding
“Dazhou Project”	a project held by Dazhou Energy involving the development and construction of two ultra-supercritical coal-fired power generating units with a total installed capacity of 2,000MW located in Dazhou City of Sichuan Province, the PRC
“Desulfurization System”	a system employs the wet flue gas desulfurization process to remove sulfur dioxide (SO ₂) from exhaust flue gases during coal-fired power generation, which plays a crucial role in reducing air pollution and complying with environmental regulations in PRC

“Director(s)”	director(s) of the Company
“EPC Contracting Agreement”	the agreement dated 29 January 2026 entered into between Yuanda Engineering Company and Dazhou Energy in relation to the provision of system design, equipment procurement, construction and installation, and other technical support services for the Desulfurization System of the Dazhou Project
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“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
“PRC” or “China”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“SPIC”	國家電力投資集團有限公司 (State Power Investment Corporation Limited*), the ultimate controlling shareholder of the Company, a wholly State-owned enterprise established by the approval of the State Council
“SPIC Hydropower”	SPIC Hydropower Co., Ltd. (國家電投集團水電股份有限公司), formerly known as SPIC Yuanda Environmental-Protection Co., Ltd. (國家電投集團遠達環保股份有限公司), a company incorporated in the PRC with limited liability whose shares are listed on the Shanghai Stock Exchange (A-shares stock code: 600292.SH) and a non wholly-owned subsidiary of the Company. It is principally engaged in hydropower generation and sales, energy conservation, environmental protection and pollution control businesses in the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Yuanda Engineering Company” or “Contractor”	國家電投集團遠達工程有限公司 (SPIC Yuanda Environmental Protection Engineering Co., Ltd.*), a company incorporated in the PRC with limited liability, and is 97.80% owned by SPIC Hydropower and 2.20% owned by two third parties independent of the Company and its connected persons

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

This announcement contains translation between Renminbi and Hong Kong dollars at RMB0.89 to HK\$1.00. The translation shall not be taken as representation that the Renminbi could actually be converted into Hong Kong dollars at that rate, or at all.

By Order of the Board
China Power International Development Limited
GUI Xude
Chairman

Hong Kong, 29 January 2026

As at the date of this announcement, the directors of the Company are: executive directors GUI Xude and ZHAO Yonggang, non-executive directors HU Jiandong, ZHOU Jie, HUANG Qinghua and CHEN Pengjun, and independent non-executive directors LI Fang, YAU Ka Chi and HUI Hon Chung, Stanley.