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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)**

### **GUARANTEED PROFITS AND ASSETS**

This announcement is made by China Power International Development Limited (the “**Company**”) pursuant to Rules 14.36B and 14A.63 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

#### ***Asset Restructuring***

Reference is made to the Company’s announcement dated 16 April 2025, the circular dated 20 May 2025 (the “**Asset Restructuring Circular**”) and the supplemental announcement dated 1 September 2025 (the “**Supplemental Announcement**”) in relation to the asset restructuring (the “**Asset Restructuring**”).

#### ***Asset Pre-restructuring***

Reference is made to the Company’s announcement dated 17 January 2025 (the “**Asset Pre-restructuring Announcement**”) in relation to the asset pre-restructuring (the “**Asset Pre-restructuring**”) that underwent prior to the Asset Restructuring.

Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Asset Restructuring Circular, the Supplemental Announcement and the Asset Pre-restructuring Announcement.

#### **Profit Undertaking in relation to Asset Restructuring**

Pursuant to Equity Transfer Agreement I dated 16 April 2025, the Company and Xiangtou International agreed to transfer their respective 63% and 37% equity interests in Wu Ling Power to Yuanda Environmental (now known as SPIC Hydropower Co., Ltd., abbreviated as “**SPIC Hydropower**”, a company listed on the SSE); and the parties entered into Wu Ling Power Compensation Agreement on the even date.

Pursuant to Equity Transfer Agreement II dated 16 April 2025, Guangxi Company agreed to transfer its 64.93% equity interest in Changzhou Hydropower to SPIC Hydropower; and the parties entered into Changzhou Hydropower Compensation Agreement on the even date.

Pursuant to Wu Ling Power Compensation Agreement and Changzhou Hydropower Compensation Agreement, if the cumulated actual net profits (after deducting extraordinary gains and losses) of the Profit Undertaking Assets are lower than the respective cumulated Committed Net Profits in any Applicable Period during the Compensation Period (FY2025, FY2026 and FY2027), the Compensation Obligor shall compensate SPIC Hydropower first by way of Compensation Shares and, to the extent that such Compensation Shares are insufficient, by cash.

According to the specific audit report issued by an external independent accounting firm, the difference between the cumulated actual net profits and the cumulated Committed Net Profits with respect to the Profit Undertaking Assets for FY 2025 are set out in the table below:

<b>Compensation Obligor</b>	<b>Profit Undertaking Assets</b>	<b>Cumulated Committed Net Profits FY2025 (RMB'000)</b>	<b>Cumulated actual net profits FY2025 (RMB'000)</b>	<b>Shortfall amount FY2025 (RMB'000)</b>
The Company and Xiangtou International	Wu Ling Profit Undertaking Assets	305,892.2	339,542.4	Nil
Guangxi Company	Changzhou Hydropower	320,534.3	417,583.3	Nil

As shown above, the cumulated actual net profits exceeded the corresponding cumulated Committed Net Profits of the respective Profit Undertaking Assets for FY2025. The profit undertaking in relation to the Asset Restructuring for FY2025 has been fulfilled, and therefore no compensation is required from the Company, Xiangtou International or Guangxi Company for FY2025.

### **Impairment Compensation Arrangement for Market Approach Assets in relation to Asset Restructuring**

Pursuant to Wu Ling Power Supplemental Compensation Agreement dated 29 August 2025 entered into between the Company, Xiangtou International and Yuanda Environmental (now known as SPIC Hydropower), certain assets of Wu Ling Power that were appraised using the market approach in the Asset Appraisal Reports (the “**Market Approach Assets**”), the Company and Xiangtou International are required to fulfil the impairment compensation obligations in respect of such assets.

If there is impairment in respect of any category group of Market Approach Assets in any Applicable Period during the Compensation Period (FY2025, FY2026 and FY2027), the Company and Xiangtou International shall compensate SPIC Hydropower in proportion to their respective shareholding in Wu Ling Power as at the date of Equity Transfer Agreement I.

The total impairment amount of the Market Approach Assets is the aggregate of (a) the difference between the valuation of each category group of Market Approach Assets as at the Appraisal Benchmark Date (31 October 2024) and the valuation of such category group of Market Approach Assets as at the end of each Applicable Period adjusted by the impact of capital increase, capital reduction, acceptance of grant and profit distribution during the Compensation Period, multiplied by (b) the percentage of equity interest held by Wu Ling Power in the relevant group.

According to the specific audit report issued by an external independent accounting firm, the impairment assessment of each category group of Market Approach Assets as at 31 December 2025 are set out in the table below:

Company which owns the Market Approach Assets	Category of asset	Valuation of the Market Approach Assets as at the Appraisal Benchmark Date (RMB'000)	Adjusted valuation of the Market Approach Assets as at 31 December 2025 (RMB'000)
Wu Ling Power	Investment in other equity instrument	180,531.6	194,425.6
	Self-owned properties	122,719.4	128,236.5
Hunan Wuling Power Engineering Co., Ltd.	Self-owned properties	673.5	722.5
Guizhou Qingshuijiang Hydropower Co., Ltd.	Self-owned properties	3,543.3	3,803.6
Wu Ling Hanxing Zhuzhou Hydrogen Technology Co., Ltd.	Self-owned land	42,472.1	45,755.8
	Total	349,939.9	372,944.0

As shown above, the adjusted valuation of each category group of Market Approach Assets as at 31 December 2025 exceeded their corresponding valuation as at the Appraisal Benchmark Date. The impairment compensation obligations for the Market Approach Assets in relation to the Asset Restructuring for FY2025 have been fulfilled, and therefore no impairment compensation is required from the Company or Xiangtou International for FY2025.

### **Profit Undertaking in relation to Asset Pre-Restructuring**

Prior to implementing the Asset Restructuring, Wu Ling Power first underwent the Asset Pre-restructuring through a series of transactions. Pursuant to Wu Ling External Acquisitions Agreements dated 17 January 2025 entered into between Wu Ling Power (as the buyer) and SPIC Associates and Beijing Xinying (as the sellers), the Compensation Obligor has undertaken that the cumulated actual net profits (which shall be the net profit attributable to the shareholders of the parent after deducting extraordinary gains and losses) of the Profit Undertaking Assets shall not be lower than the respective cumulated committed net profits in any Applicable Period during the Compensation Period (FY2025, FY2026 and FY2027).

The shortfall amount, being the difference between the cumulated committed net profits and the cumulated actual net profits, shall be multiplied by the percentage of equity interest in the Profit Undertaking Asset transferred by the relevant Compensation Obligor. Where multiple transactions are entered into between Wu Ling Power and the same Compensation Obligor, the cumulated committed net profits and cumulated actual net profits of the relevant Profit Undertaking Assets for any accounting year during the Compensation Period shall be respectively calculated on an aggregated basis and shall not be assessed individually. The relevant Compensation Obligor shall pay the respective shortfall amounts (if any) as compensation to Wu Ling Power in cash.

According to the specific audit report issued by an external independent accounting firm, the difference between the cumulated actual net profits and the cumulated committed net profits with respect to the Profit Undertaking Assets for FY 2025 are set out in the table below:

Compensation Obligors	Profit Undertaking Assets	Cumulated committed net profits FY2025 (RMB'000)	Cumulated actual net profits FY2025 (RMB'000)	(Note) Shortfall amount FY2025 (RMB'000)
SPIC Jiangxi Company	Dongan Qianxiang Wancun	38,364.6 (on an aggregated basis)	27,889.7 (on an aggregated basis)	10,799.3 (on an aggregated basis)
	Ningyuan Qianxiang Wancun			
	SPIC Hunan New Energy			
	Xiangtan Daliwan PV			
	Xiangxi Longshan Da'an			
	Xiangxiang Huiyuan			
Hunan Nuclear Power	Changde Xianghe	16,555.6 (on an aggregated basis)	28,055.7 (on an aggregated basis)	Nil
	Changsha Xianghe			
	Linli Hechuang			
	Xianghe New Energy			
Dongfang Intelligence	Changyun Power	10,010.5	4,181.8	4,080.1
Beijing Zhonghe Zero Carbon	Chenzhou Yunyi	3,901.8	4,675.9	Nil
Beijing Xinying and Mengdong Xiehe	Jianghua Yaozu	12,580.1	3,181.8	9,398.3
Jiangxi Gandian	Longhui Lengxishan	6,669.2	5,546.5	1,122.7
Qinghai Huanghe Hydropower	Miluo Qingxintou	1,320.8	1,313.1	7.7
SPIC Hainan Company	SPIC Haixiang	3,826.9	3,012.3	814.6
SPIC Hunan Energy Development	Zhuzhou Heshun Zhuoer	8,098.4	9,764.2	Nil
Total Shortfall				26,222.7

**Note:**

*The shortfall amount is calculated in accordance with the compensation formula pursuant to Wu Ling External Acquisitions Agreements, being the difference between the cumulated committed net profits and the cumulated actual net profits for FY2025, multiplied by the percentage of equity interest in the Profit Undertaking Asset transferred by the relevant Compensation Obligor.*

As shown above, the cumulated actual net profits of the Profit Undertaking Assets (other than those held by Hunan Nuclear Power, Beijing Zhonghe Zero Carbon and SPIC Hunan Energy Development (the “**Excluded Entities**”)) that fell short of their corresponding cumulated committed net profits for FY2025, the relevant Compensation Obligors (other than the Excluded Entities) shall pay the respective shortfall amounts as compensation to Wu Ling Power in cash, in aggregate of approximately RMB26,222,700.

The Board (including the independent non-executive directors) is of the view that, exercising the compensation right in relation to the Asset Pre-restructuring under the terms and conditions of the respective Wu Ling External Acquisitions Agreements is fair and reasonable, and is considered to be in the interests of the Company and its shareholders as a whole. The Company is in the process of taking necessary actions to formalize the profit compensation arrangement with the Compensation Obligors to ensure the fulfillment of their obligations under Wu Ling External Acquisitions Agreements. The Board will continue to monitor the performance of the Profit Undertaking Assets and make further announcement as and when necessary.

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

Hong Kong, 16 April 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.*