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 3 July 2026, Yuanda Engineering and Yuanda Waterworks, indirect non wholly-owned subsidiaries of the Company, entered into the EPC Contracting Agreement with Chayuan Power. Pursuant to the Agreement, Yuanda Engineering and Yuanda Waterworks will provide system design, equipment procurement, construction and installation, and other technical support services for the construction of a Desulfurization System for the Chayuan Project at a consideration of RMB146,800,000 (equivalent to approximately HK$168,736,00).

As at the date of this announcement, SPIC owns approximately 65.81% of the issued share capital of the Company and is the ultimate controlling shareholder of the Company. SPIC, its subsidiaries and associates are connected persons of the Company within the meaning of the Listing Rules.

Chayuan Power is an indirect non wholly-owned subsidiary of SPIC. Accordingly, Chayuan Power is a connected person of the Company and entering into the EPC Contracting Agreement constitutes a connected transaction of the Company under the Listing Rules.

As the highest applicable percentage ratio as defined under Rule 14.07 of the Listing Rules in respect of the EPC Contracting Agreement exceeds 0.1% but is less than 5%, the transaction contemplated under the Agreement 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 and Yuanda Waterworks, indirect non wholly-owned subsidiaries of the Company, entered into the EPC Contracting Agreement with Chayuan Power on 3 July 2026 in relation to the construction of a Desulfurization System for the Chayuan Project.

EPC CONTRACTING AGREEMENT

Date

3 July 2026

Parties

(i) the Consortium (Yuanda Engineering and Yuanda Waterworks), as the Contractor; and

(ii) Chayuan Power, as the Employer.

Services to be provided by the Contractor

The Consortium has agreed to act as the main contractor to provide a range of services for the construction of a Desulfurization System for the Chayuan Project, which include system design, manufacturing, equipment procurement, transportation and storage, construction and installation, commissioning, completion certification (trial runs, error elimination, performance assessment assurance acceptance, etc.), performance quality assurance, final delivery, and follow-up services throughout the defect liability period (being 12 months following the successful completion of 168-hour full-load operation and handover of the Desulfurization System for operation), during which the Contractor is obliged to rectify any defects and damages that may arise.

Consideration

The consideration payable by the Employer is categorized as follows:

Fees	**Amount** (RMB) (Inclusive of all taxes)
Survey design fees	2,250,000
Construction and installation fees	81,325,800
Equipment procurement fees	57,138,800
Health, safety and environmental measures fees	2,085,400
Commissioning fees	2,000,000
Estimated fees	2,000,000
Total	**146,800,000**

Payment terms

The Employer shall make an interest-free prepayment to the Contractor, which shall cover (i) 10% for survey design fees and construction and installation fees; and (ii) 50% for health, safety and environmental measures fees.

All other remaining fees shall be payable by installments according to construction or equipment procurement progress or as the actual amount incurred, of which the following shall be retained as warranties for quality assurance:

(i) 3% of the construction and installation fees shall be payable upon completion of the defect liability period, provided that no quality issues are identified;

(ii) 10% of the equipment procurement fees shall be payable within 60 days upon expiry of one-year after the handover of the Desulfurization System for operation; and

(iii) 5% of the survey and design fees and commissioning fees shall be payable within 30 days and 60 days, respectively, following the expiry of the defect liability period.

The estimated fees serve as a buffer to cover any additional work or equipment as needed during the construction, installation, and equipment procurement phases, and the relevant payments shall be made in accordance with the progress of construction or equipment procurement within their respective fee categories.

Pricing Principles

The Contractor 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 中國招標投標公共服務平台 (China Public Service Platform for Tendering and Bidding*), 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 Desulfurization System construction projects in the PRC; and (ii) the consideration for comparable projects that involve the supply of the same type of Desulfurization System construction and its related services by the Contractor to independent third parties.

REASONS FOR AND BENEFITS OF THE CONNECTED TRANSACTION

As environmental protection standards for coal-fired power plants are becoming more stringent in the PRC, the Contractor applies its expertise to provide desulfurization and zero wastewater discharge engineering contracting services that assist clients in meeting mandatory regulatory compliance requirements. The Company believes the EPC Contracting Agreement will consolidate the Contractor's position in the environmental protection field and is coherent with 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 for providing the same services of Desulfurization System construction 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 received 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 Chinese Mainland, 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, environmental protection and pollution control businesses. Its businesses are located in various major power grid regions of China.

INFORMATION OF THE CONTRACTOR

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

Yuanda Waterworks was incorporated in the PRC in November 2001 and is principally engaged in the technical development, design and waterworks related contracting services for municipal sewage, municipal tap water and industrial wastewater and water treatment systems for the power industry. Yuanda Waterworks holds a Grade A qualification certificate in environmental engineering (prevention and control of water pollution engineering), a first-class qualification certificate for professional contracting of environmental protection engineering, as well as a second-class qualification certificate for general contracting of municipal public works construction.

Both Yuanda Engineering and Yuanda Waterworks are subsidiaries of SPIC Hydropower (a non wholly-owned subsidiary of the Company).

INFORMATION OF THE EMPLOYER

Chayuan Power was incorporated in the PRC in November 2025 and is primarily engaged in investment, development and construction of power generation projects, electricity generation and sales, integrated smart energy supply, coal procurement, and the comprehensive utilization and operation of power plant waste. Chayuan Power holds the development right to build an ultra-supercritical coal-fired power generating unit with a total installed capacity of 660MW in Guizhou Province of the PRC. As of the date of this announcement, Chayuan Power is an indirect non wholly-owned subsidiary of SPIC.

INFORMATION OF SPIC

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, SPIC owns approximately 65.81% of the issued share capital of the Company. As SPIC is the ultimate controlling shareholder of the Company, SPIC, its subsidiaries and associates are connected persons of the Company within the meaning of the Listing Rules.

Chayuan Power is an indirect non wholly-owned subsidiary of SPIC. Accordingly, Chayuan Power is a connected person of the Company and entering into the EPC Contracting Agreement constitutes a connected transaction of the Company under the Listing Rules.

As the highest applicable percentage ratio as defined under Rule 14.07 of the Listing Rules in respect of the EPC Contracting Agreement exceeds 0.1% but is less than 5%, the transaction contemplated under the Agreement 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:

"associate"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors of the Company
"Chayuan Power" or "Employer"	貴州金元茶園第二發電有限責任公司(Guizhou Jinyuan Chayuan No. 2 Power Generation Co., Ltd.*) is a limited liability company incorporated in PRC and an indirect non wholly-owned subsidiary of SPIC
"Chayuan Project"	a project held by Chayuan Power involving the development and construction of a 660MW ultra-supercritical coal-fired power generating unit in Guizhou Province, the PRC, for the purpose of replacing four old coal-fired power generating units with an aggregate installed capacity of 4 x 135MW
"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
"Consortium" or "Contractor"	a consortium consisting of Yuanda Engineering (as the consortium leader) and Yuanda Waterworks (as the consortium member)
"Desulfurization System"	a system employing the wet flue gas desulfurization process to remove sulfur dioxide (SO2) from exhaust flue gases during coal-fired power generation, together with a zero-discharge wastewater treatment facility for the treatment and recycling of desulfurization wastewater, which collectively serve to reduce pollutant emissions and ensure compliance with the applicable environmental regulations in the PRC

"Director(s)"	director(s) of the Company
"EPC Contracting Agreement" or "Agreement"	the agreement dated 3 July 2026 entered into between the Contractor and Chayuan Power in relation to the provision of system design, equipment procurement, construction and installation, and other technical support services for the construction of a Desulfurization System for the Chayuan 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"	國家電投集團遠達環保工程有限公司 (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
"Yuanda Waterworks"	國電投遠達水務有限公司 (SPIC Waterworks Co., Ltd.*), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of SPIC Hydropower

*   *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 RMB0.87 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, 3 July 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.