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華潤電力控股有限公司

China Resources Power Holdings Company Limited

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 836)

ANNOUNCEMENT

IN RELATION TO THE COMPANY'S PARTICIPATION IN SHENGJING ENERGY HEATING BUSINESS RESTRUCTURING

The board (the “**Board**”) of directors (the “**Director(s)**”) of China Resources Power Holdings Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) hereby announces that the Group will sign a restructuring investment agreement (the “**Agreement**”) with the manager (the “**Manager**”) of Shenyang Shengjing Energy Development Group Co., Ltd. (瀋陽盛京能源發展集團有限公司), Shenyang Shengjing Asset Management Group Co., Ltd.* (瀋陽盛京資產管理集團有限公司) (the “**Asset Management Group**”) and the Restructuring Subjects (as defined below), pursuant to which the Group will participate in the heating business restructuring of Shenyang Shengjing Energy Development Group Co., Ltd. and other 11 companies (together, the “**Restructuring Subjects**”). The Shenyang Municipal Intermediate People’s Court (the “**Court**”) has approved the restructuring plan (the “**Plan**”) of the Restructuring Subjects on 7 March 2022. The principal terms of the heating business restructuring plan are set out as below.

THE HEATING BUSINESS RESTRUCTURING PLAN

Participants : (1) the Manager;

(2) a wholly owned subsidiary of the Company;

(3) the Asset Management Group; and

(4) the Restructuring Subjects.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, each of the Manager, the Asset Management Group and the Restructuring Subjects and their ultimate beneficial owner(s) are independent third parties.

Date : 7 March 2022

Condition Precedent : The Plan is legally binding on all the participants upon approval by the Court.

As at the date of this announcement, the above condition precedent has been satisfied.

Shareholding structure : The Group shall contribute approximately RMB443 million to subscribe for 40% equity interests of the new heating business platform company to be formed in accordance with the Plan (the “**Platform Company**”).

The Asset Management Group shall contribute approximately RMB332 million to subscribe for 30% equity interests of the Platform Company.

The remaining 30% equity interests of the Platform Company shall be held by the creditors of the Restructuring Subjects.

The Platform Company will not be consolidated as a subsidiary of the Company at present.

Future financing^{Note} : The Group and the Asset Management Group will provide the Platform Company with shareholder’s loans of RMB513 million in proportion to their respective shareholding in the Platform Company, or will coordinate with external financing institutions to provide bank loans of the same amount to the Platform Company for its repurchase of the financial leasing assets and operation and production.

REASONS FOR PARTICIPATING IN HEATING BUSINESS RESTRUCTURING

The Restructuring Subjects own a heating area of more than 90 million square meters in Shenyang city, accounting for approximately 30% of the heating market in Shenyang city. Through the restructuring, other non-heating business assets will be spun-off and the Platform Company will only hold heating assets, including 100% equity interests in Shenyang Shengjing Energy Development Group Co., Ltd., Shenyang Huiyong Heating Co., Ltd. (瀋陽惠涌供熱有限責任公司), Shenyang Shengda Heating Co., Ltd.(瀋陽聖達熱力供暖有限責任公司), Shenyang Shendong Thermal Power Co., Ltd. (瀋陽瀋東熱電有限公司) and Shenyang Huisheng Heating Co., Ltd. (瀋陽惠盛供熱有限責任公司) and 29.99% equity interests in Shenyang Huitian Thermal Power Co., Ltd. (瀋陽惠天熱電股份有限公司, an A-share listed company), and will become the controlling shareholder of Shenyang Huitian Thermal Power Co., Ltd.. As a result of the restructuring, the debts borne by the heating business has been significantly reduced and the capital structure has been optimized through debt-to-equity arrangement, which is conducive to the healthy development of the heating business.

^{Note} Stipulated in the Agreement

By participating in the restructuring project, the Group has received full support from the Shenyang Municipal Government in terms of additional heating operation areas, construction of clean heat resources and staff stability. With the relocation of Shenhai thermal power project having been approved, participating in the restructuring project will integrate the Group's upstream and downstream resources in the heating business in Shenyang area and thereby create synergy effect between the power generation business and the heating business of the Group. By developing a large number of end-users, the Group's sales of electricity and integrated energy management business will also grow rapidly. Deepening the Company's cooperation with the Shenyang Municipal Government will facilitate the Group to further obtain new energy resources in Shenyang city and will improve the overall operating performance of the Group.

Leading by technology and scientific innovation, the Group will create a green, low-carbon, intelligent and efficient heating mode in Shenyang city, strive to practise the social responsibility of state owned enterprises, improve the life quality of urban people, and actively promote the realization of the goal of "carbon peak and carbon neutralization".

GENERAL

As all applicable percentage ratios as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**") calculated under Rule 14.07 of the Listing Rules in respect of the Plan are below 5%, the transaction contemplated under the Plan does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

On behalf of
**CHINA RESOURCES POWER
HOLDINGS COMPANY LIMITED**
WANG Chuandong
Chairman

Hong Kong, 9 March, 2022

As at the date of this announcement, the Board of the Company comprises three non-executive directors, namely Mr. WANG Chuandong (Chairman), Mr. LIU Guixin and Mr. CHEN Guoyong; three executive directors, namely Mr. SHI Baofeng, Mr. ZHANG Junzheng and Ms. WANG Xiao Bin; and four independent non-executive directors, namely Ms. LEUNG Oisie, Elsie, Dr. CH'IEN Kuo-fung, Raymond, Mr. SO Chak Kwong, Jack and Mr. YANG Yuchuan.

* *For identification purposes only*