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華電國際電力股份有限公司
Huadian Power International Corporation Limited*

(A Sino-foreign investment joint stock company limited by shares incorporated in the People's Republic of China (the "PRC"))

(Stock Code: 1071)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The announcement published by Huadian Power International Corporation Limited* (the "Company") on the website of the Shanghai Stock Exchange is set out herein for reference purpose only.

By order of the board of directors
Huadian Power International Corporation Limited*
Zhou Lianqing
Secretary to the Board

As at the date of this announcement, the board of directors of the Company comprises:

Tian Hongbao (Vice Chairman, Executive Director), Ni Shoumin (Vice Chairman, Non-executive Director), Gou Wei (Non-executive Director), Wang Xiaobo (Non-executive Director), Ding Huiqing (Independent Non-executive Director), Wang Dashu (Independent Non-executive Director), Wang Chuanshun (Independent Non-executive Director) and Zong Wenlong (Independent Non-executive Director).

Beijing, the PRC
27 March 2019

** For identification purposes only*

Special Notice:

The board of directors of the Company and all its members hereby warrant that there are no false representations, misleading statements or material omission in this announcement, and they individually and collectively accept full responsibility for the truthfulness, accuracy and completeness of the contents contained herein.

華電國際電力股份有限公司**Huadian Power International Corporation Limited *****ANNOUNCEMENT ON PROVISION FOR IMPAIRMENT OF ASSETS AND DISPOSAL LOSSES****I . Provision for impairment of assets and disposal losses****1. Provision for impairment of fixed assets**

Huadian Power International Corporation Limited (the “Company”) carried out a complete check of the fixed assets as of 31 December 2018. Certain subsidiaries of the Company dismantled some fixed assets in response to environmental protection, energy conservation and emission reduction as well as technical transformation. The dismantled fixed assets have lost the use value. The original value of the assets involved was RMB190,742,300, the accumulated depreciation was RMB77,608,600, and the net asset value was RMB113,133,700. Given that the disposal of above-mentioned assets has not been completed, the Company has made a comprehensive analysis and evaluation on the possibility of realizing the fixed assets and estimated that the recoverable amount is lower than the carrying value. Based on the principle of prudence, the Company made a full provision for such fixed assets of RMB113,133,700.

2. Fixed assets disposal losses

In 2018, the Company eliminated and made a disposal of some dismantled equipments due to technical renovation and some fixed assets which were not applicable for use owing to function loss, aging and no repair value. The original value of the assets involved was RMB1,058,046,800, the accumulated depreciation was RMB 929,311,800, the provision for impairment was RMB 59,579,200 and the net asset value was RMB69,155,800. Since the relevant assets had no value in use and the proceeds from the disposal were insignificant, taking into consideration the elimination cost, the Company recorded the assets disposal losses of RMB68,919,500 for the year.

3. Impact of provision for impairment of fixed assets and disposal losses on the Company

The provision for impairment of fixed assets and disposal losses resulted in a decrease in the total profit of the Company by RMB 182,053,200, a decrease in the net profit attributable to shareholders of the Company by RMB108,498,100 and a decrease in the equity attributable to the owners of the Company by RMB108,498,100 for the year 2018.

4. Procedures for review of provision for impairment of fixed assets and disposal losses

The Company held the 17th meeting of the 8th session of its board of directors from 26 March to 27 March 2019 for consideration and approval of the resolution on provision for impairment of fixed assets and disposal losses.

The board of directors of the Company believes that, in accordance with the Accounting Standards for Business Enterprises, the provision for impairment of fixed assets and disposal losses based on the principle of prudence is well substantiated and gives a fair view of the actual assets of the Company, and therefore the board of directors of the Company approved the provision for impairment of fixed assets and disposal losses.

II. Provision for the Non-operating Expenses arising from the Litigation Involving a Subsidiary and the Execution of the Judgment

1. Reasons for making the provision for impairment losses on the litigation

The Company acquired an 85% stake in Inner Mongolia Haoyuan Coal Company Limited* (內蒙古浩源煤炭有限公司) (“Haoyuan”) in 2011, which legally holds the license for mining rights of Yanjiata Open-pit Coal Mine. Prior to the takeover of Haoyuan by the Company, Haoyuan, which was previously under control of its former shareholders, entered into an equity transfer agreement with Shandong Shuntian Mining Co., Ltd.* (山東舜天礦業有限公司) (“Shuntian Mining”) in respect of Yanjiata Open-pit Coal Mine, stipulating that Haoyuan shall transfer the stake of Yanjiata Open-pit Coal Mine to Shuntian. Therefore, Shuntian consecutively paid the total consideration of RMB230 million to Haoyuan, which was then fully transferred to the personal accounts of the former shareholders.

In May 2018, Haoyuan received a civil complaint from the Higher People's Court of Inner Mongolia Autonomous Region (“Inner Mongolia Higher People’s Court”), in which Shuntian appealed to Inner Mongolia Higher People’s Court to terminate its equity transfer agreement with Haoyuan in respect of Yanjiata Open-pit Coal Mine, and order Haoyuan to repay the original consideration of RMB230 million and the interests thereon. On 12 October 2018, Haoyuan received the first-instance judgment from Inner Mongolia Higher People’s Court, which mainly states that: the agreement entered into between Shuntian and Haoyuan shall be terminated, and Haoyuan shall repay the consideration for the transfer of RMB230 million and the interests thereon.

2. Impact on the Company's annual results for 2018

Pursuant to the first-instance judgment from Inner Mongolia Higher People’s Court, Haoyuan shall repay the relevant consideration and interests with its own financial resources. As a result of the provision for impairment losses on the litigation, total profit, net profit attributable to the shareholders and the owners’ equity interests of the Company for 2018 would decrease by RMB342,911,400, RMB291,474,700 and RMB291,474,700, respectively.

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