

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**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  
**Huadian Power International Corporation  
Limited\***  
**Zhang Gelin**  
*Company Secretary*

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

*Ding Huande (Chairman, Executive Director), Ni Shoumin (Vice Chairman, Non-executive Director), Peng Xingyu (Non-executive Director), Luo Xiaoqian (Executive Director), Zhang Zhiqiang (Non-executive Director), Li Pengyun (Non-executive Director), Wang Xiaobo (Non-executive Director), Feng Rong (Executive Director), Feng Zhenping (Independent Non-executive Director), Li Xingchun (Independent Non-executive Director), Li Menggang (Independent Non-executive Director) and Wang Yuesheng (Independent Non-executive Director).*

Beijing, the PRC

20 April 2022

**HUADIAN POWER INTERNATIONAL CORPORATION LIMITED**  
**ANNOUNCEMENT IN RELATION TO THE PROVISION OF**  
**ENTRUSTED LOANS TO AND RELATED PARTY TRANSACTION**  
**WITH AN ASSOCIATED COMPANY**

The Board of Directors and all Directors of Huadian Power International Corporation Limited undertake that there are no false representations, misleading statements or material omissions in this announcement, and jointly and severally accept full responsibility for the truthfulness, accuracy and completeness of this announcement.

**Important:**

- Borrower of the entrusted loans: CNNP CHD Hebei Nuclear Power Company Limited (中核華電河北核電有限公司) (“**Hebei Nuclear Power Company**”)
- Amount of the entrusted loans: maximum principal balance is RMB327.4695 million
- Term of the entrusted loans: no more than 36 months
- Loan rates: based on the benchmark interest rate for loans denominated in RMB of financial institutions in the same period issued by PBOC

**I. Basic Information of this Transaction**

On 20 April 2022, Huadian Power International Corporation Limited (the “**Company**”) entered into an entrusted loan framework agreement with Hebei Nuclear Power Company Limited, pursuant to which the Company agreed to provide entrusted loans for Hebei Nuclear Power Company Limited with its internal funds in the form of entrusted loans through relevant commercial banks during the term of the agreement, and Hebei Nuclear Power Company agreed to accept such loans. The provision of such loans will be made in compliance with the conditions under the agreement and relevant regulatory rules of the place where the Company’s securities are listed.

Hebei Nuclear Power Company is an associated company of the Company and the provision of entrusted loans by the Company to it constitutes a related party transaction. Considering that Hebei Nuclear Power Company's gearing ratio was over 70% by the end of 2021, the Board of the Company has reviewed and approved this transaction and will submit it to the general meeting for consideration and approval.

## II. Information about the Related Party

### (I) Relationship with the related party

A senior management of the Company is currently a director of Hebei Nuclear Power Company, and the Company holds 39% of the shares of Hebei Nuclear Power Company. Therefore, Hebei Nuclear Power Company is a related associated company of the Company according to the relevant provisions of the Rules Governing the Listing of Stock on the Shanghai Stock Exchange.

### (II) Basic information about the related party

Detailed information about Hebei Nuclear Power Company is set out as follows:

Name	CNNP CHD Hebei Nuclear Power Company Limited
Unified social credit code	9113092439891854X7
Type	Other limited liability company
Registered capital	RMB395.692 million
Legal representative	ZHONG Weidong
Operating period	1 August 2014 to 31 July 2054
Domicile	3rd Floor, Bank of China Haixing Sub-branch, Haizheng Road, Haixing County, Cangzhou City, Hebei Province
Business scope	Construction, operation and management of nuclear power plants; production and sales of electricity and related products; technical consultation and technical services (for items subject to approval in accordance with the laws, operating activities can only be conducted upon approval by the relevant authorities)

Hebei Nuclear Power Company is owned by China National Nuclear Power Co., Ltd. (中國核能電力股份有限公司), the Company and Jointo Energy Investment Co., Ltd. Hebei (河北建投能源投資股份有限公司) as to 51%, 39% and 10% respectively. Both China National Nuclear Power Co., Ltd. and Jointo Energy Investment Co., Ltd. Hebei are third parties independent from the Company and its controlling shareholders.

As of the end of 2021, Hebei Nuclear Power Company had total assets of RMB 1.921 billion, total liabilities of RMB 1.525 billion and net assets of RMB396 million, with a gearing ratio of 79.39%. As the project of Hebei Nuclear Power Company is in the early stage, no operating income has yet been recorded.

## III. Main Content of and Performance Arrangement on this Transaction

Principal terms of this transaction are as follows:

1. Date: 20 April, 2022
2. Parties: Huadian Power International Corporation Limited; and  
CNNP CHD Hebei Nuclear Power Company Limited
3. Subject matter: the Company agreed to provide entrusted loans to Hebei Nuclear Power Company with its own funds by way of entrusting loans through a commercial bank, and Hebei Nuclear Power Company agreed to accept such entrusted loans provided by the Company.
4. Terms of entrusted loans: the maximum principal balance of entrusted loans under this agreement amounted to RMB327,469,500, carrying interest at an interest rate with reference to the RMB loan benchmark interest rates for financial institutions for the same term published by the PBOC, with a term no more than 36 months. Such loans shall be used in the preliminary construction of the project. Prior to the commencement of specific entrusted loans, specific agreements shall be signed by both parties separately according to the aforesaid terms.
5. Conditions precedent: upon the appropriate approval by both parties, this agreement will take effect after being signed by the legal representatives (responsible officers) or authorized representatives and affixed with official stamps from both parties.
6. Term: terms of this agreement will be from July 1, 2022 to June 30, 2025, and the termination or extension of which, upon its expiry, shall be subject to the approval of the Company. Any adjustment to the maximum principal balance of such entrusted loans during the term is subject to the appropriate approval of both parties through friendly negotiation, where a separate framework agreement shall be signed and this agreement shall be terminated.

#### **IV. Necessity of this Transaction and its Impact on the Company**

As the nuclear project is in the early stage and subject to approval, Hebei Nuclear Power Company is unable to conduct independent financing. The funds for the commencement of the project need to be financed through capital contribution and entrusted loans by shareholders. All shareholders of Hebei Nuclear Power Company provided entrusted loans under the same terms, and the entrusted loans provided by the Company will not exceed the proportion of its capital contribution.

The Company utilized its own funds to provide entrusted loans to Hebei Nuclear Power Company to meet its capital needs on the premise of maintaining the funds required for its normal production and operation, which will promote the progress of nuclear projects of Hebei Nuclear Power Company, and will be in line with the long-term development strategy and interests of the

Company as a whole.

## **V. Risk Analysis of this Transaction**

Hebei Nuclear Power Company is an associated company of the Company. The Company can be well aware of the utilization of the above entrusted loans, and the risk of the entrusted loans is controllable. The Company will monitor the daily operation performance of Hebei Nuclear Power Company to strengthen the tracking and management of repayment. The Company will timely take appropriate measures to control or reduce the risk of the entrusted loans once any adverse factors are found or figured out.

## **VI. Review Procedures of this Transaction**

After prior review, the independent directors of the Company approved the related party transaction and agreed to submit relevant resolutions to the board of directors for consideration. According to the independent opinion of independent directors, the entrusted loans granted to Hebei Nuclear Power Company as the financial assistance provided by the Company to the associated company meets the development needs of the Company with overall risk controllable. The decision-making procedure is legal and valid, and there is no circumstance that will damage the interests of shareholders of the Company, especially those of minority shareholders.

The audit committee under the board of directors of the Company has approved the related party transaction and agreed to submit the same to the board of directors for consideration. The Resolution on the Related Party Transaction of Providing Entrusted Loans to CNNP CHD Hebei Nuclear Power Company and the Submission to the General Meeting for Consideration has been considered and approved at the 24th meeting of the ninth session of the board of directors of the Company, and no related directors shall be required to abstain from voting due to their interested relations.

This transaction is subject to the approval at the general meeting of the Company.

## **VII. Historical Transactions**

Over the past 12 months, the Company has provided the entrusted loans of RMB172,649,700 to Hebei Nuclear Power Company; as of the date of this announcement, the Company has provided the balance of entrusted loans of RMB327,469,500 to Hebei Nuclear Power Company. Save for the above, the Company has not provided any entrusted loans to other related parties.

The announcement is hereby made.

Huadian Power International Corporation Limited

20 April 2022