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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)**

### **RIGHTS ISSUE ON THE BASIS OF ONE RIGHTS SHARE FOR EVERY THREE EXISTING SHARES HELD ON THE RECORD DATE AND CLOSURE OF REGISTER OF MEMBERS**

Sole Global Coordinator, Sole Bookrunner and Sole Underwriter



Reference is made to the Announcements. On 9 October 2017, the Company (as purchaser) and CPI Holding (as vendor) entered into Agreement I, pursuant to which the Company has conditionally agreed to acquire and CPI Holding has conditionally agreed to sell Target Companies I at an aggregate consideration of RMB4,852,240,000 (equivalent to approximately

HK\$5,708,517,600). On the same date, the Company (as purchaser) and SPIC (as vendor) entered into Agreement II, pursuant to which the Company has conditionally agreed to acquire and SPIC has conditionally agreed to sell Target Companies II at an aggregate consideration of RMB117,081,000 (equivalent to approximately HK\$137,742,400).

## **RIGHTS ISSUE**

The Company proposes to raise a minimum of approximately HK\$4,462 million before expenses, by issuing not less than 2,451,721,580 Rights Shares (assuming no Exercisable Options are exercised on or before the Record Date) or a maximum of approximately HK\$4,469 million before expenses, by issuing not more than 2,455,501,580 Rights Shares (assuming all Exercisable Options are exercised on or before the Record Date), by way of the Rights Issue on the basis of one Rights Share for every three Existing Shares at the Subscription Price of HK\$1.82 per Rights Share.

The Company will provisionally allot one Rights Share in nil-paid form for every three Existing Shares held by the Qualifying Shareholders on the Record Date. The Rights Issue is not available to the Non-Qualifying Shareholders.

## **IRREVOCABLE UNDERTAKING AND UNDERWRITING AGREEMENT**

As at the date of this announcement, CPI Holding (a controlling shareholder of the Company), together with CPDL (CPI Holding's wholly-owned subsidiary), are interested in an aggregate of 4,090,138,546 Shares, representing approximately 55.61% of the issued share capital of the Company. Pursuant to the Irrevocable Undertaking, CPI Holding has, among other things, irrevocably undertaken to the Company and the Sole Underwriter that it will take up 697,879,515 Rights Shares, and will procure CPDL to take up 665,500,000 Rights Shares, representing their respective full entitlements to the new Shares under the Rights Issue.

On 8 November 2017, the Company, CPI Holding and the Sole Underwriter entered into the Underwriting Agreement. Pursuant to the Underwriting Agreement, the Sole Underwriter has conditionally agreed to fully underwrite all the Rights Shares other than those agreed to be taken up by CPI Holding and CPDL pursuant to the Irrevocable Undertaking.

## **TRADING ARRANGEMENTS**

The last day of dealings in the Shares on a cum-rights basis is expected to be on Monday, 13 November 2017. The Shares are expected to be dealt in on an ex-rights basis from Tuesday, 14 November 2017. The Rights Shares are expected to be dealt with in their nil-paid form from Tuesday, 28 November 2017 to Tuesday, 5 December 2017 (both dates inclusive).

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company as at the close of business on the Record Date (currently Wednesday, 22 November 2017) and be a Qualifying Shareholder. The register of members of the Company will be closed from Thursday, 16 November 2017 to Wednesday, 22 November 2017 (both dates inclusive) during which period no transfer of Shares will be registered. In order to be registered as a member of the Company as at the Record Date so as to qualify for the Rights Issue, all transfer documents of the Shares must be lodged (together with the relevant Share certificates) with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor,

Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 15 November 2017.

### **LISTING RULES IMPLICATIONS**

As the Rights Issue will not increase the number of issued shares or the market capitalization of the Company by more than 50%, the Rights Issue is not subject to the approval of the Shareholders in a general meeting. The Rights Issue Documents setting out details of the Rights Issue will be despatched to the Qualifying Shareholders as soon as practicable.

CPI Holding is a controlling shareholder of the Company and CPDL is a wholly-owned subsidiary of CPI Holding, and they are therefore connected persons of the Company under Chapter 14A of the Listing Rules. Pursuant to the Listing Rules, the taking up of their entitlements to the Rights Issue by CPI Holding and CPDL as Qualifying Shareholders and subscription for the Rights Shares in excess of their entitlements under the Rights Issue (if applicable) are exempt from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

### **WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND THE NIL-PAID RIGHTS SHARES**

**It should be noted that the Rights Issue is conditional upon several conditions, details of which are set out in the section headed "Underwriting – Conditions of the Rights Issue" in the full text of this announcement. If the conditions are not fulfilled (or waived) or the Underwriting Agreement is terminated pursuant to its terms, the Rights Issue will not proceed.**

**Any Shareholder or other person dealing in Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Sole Underwriter's right of termination of the Underwriting Agreement ceases) and any person dealing in the nil-paid Rights Shares during the period from Tuesday, 28 November 2017 to Tuesday, 5 December 2017 will bear the risk that the Rights Issue may not become unconditional or may not proceed. If in any doubt, Shareholders and potential investors are recommended to consult their professional advisers. Shareholders and potential investors should exercise caution in dealing in the securities of the Company.**

Reference is made to the Announcements. Unless otherwise defined, all capitalized terms used herein shall have the respective meanings ascribed to them in the Announcements.

On 9 October 2017, the Company (as purchaser) and CPI Holding (as vendor) entered into Agreement I, pursuant to which the Company has conditionally agreed to acquire and CPI Holding has conditionally agreed to sell Target Companies I at an aggregate consideration of RMB4,852,240,000 (equivalent to approximately HK\$5,708,517,600). On the same date, the Company (as purchaser) and SPIC (as vendor) entered into Agreement II, pursuant to which the Company has conditionally agreed to acquire and SPIC has conditionally agreed to sell Target Companies II at an aggregate consideration of RMB117,081,000 (equivalent to approximately HK\$137,742,400).

Details of the Rights Issue are set out below.

## **RIGHTS ISSUE**

### **Issue statistics**

Basis of the Rights Issue	one Rights Share for every three Existing Shares
Number of Shares in issue	7,355,164,741 Shares as at the date of this announcement
Number of Rights Shares (assuming no Exercisable Options are exercised on or before the Record Date)	2,451,721,580 Rights Shares
Number of Rights Shares (assuming all Exercisable Options are exercised on or before the Record Date)	2,455,501,580 Rights Shares
Subscription price	HK\$1.82 per Rights Share
Enlarged number of Shares upon completion of the Rights Issue (assuming no Exercisable Options are exercised on or before the Record Date)	9,806,886,321 Shares
Enlarged number of Shares upon completion of the Rights Issue (assuming all Exercisable Options are exercised on or before the Record Date)	9,822,006,321 Shares
Sole Underwriter	Merrill Lynch Far East Limited

As at the date of this announcement, the Company has 11,340,000 Outstanding Options which are exercisable from date of this announcement to the Record Date. Had such Exercisable Options been exercised in full, an additional of 11,340,000 Shares (which entitle to 3,780,000 Rights Shares) would have been issued assuming no further grant of share option by the Company for the period from the date of this announcement to the Record Date.

Save for the aforesaid, the Company does not have any options outstanding under the Share Option Scheme of the Company or any other derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares as at the date of this announcement.

The 2,451,721,580 nil-paid Rights Shares (assuming no Exercisable Options are exercised on or before the Record Date) proposed to be provisionally allotted represent:

- (a) approximately 33.3% of the Company's existing issued share capital; and
- (b) approximately 25.0% of the Company's enlarged issued share capital as enlarged by the issue of the Rights Shares.

The 2,455,501,580 nil-paid Rights Shares (assuming all Exercisable Options are exercised on or before the Record Date) proposed to be provisionally allotted represent:

- (a) approximately 33.4% of the Company's existing issued share capital; and
- (b) approximately 25.0% of the Company's enlarged issued share capital as enlarged by the issue of the Rights Shares.

The Underwritten Shares are fully underwritten by the Sole Underwriter on the terms and subject to the conditions of the Underwriting Agreement, details of which are set out under the paragraph headed "Underwriting" below.

### **Subscription Price**

The subscription price for the Rights Shares is HK\$1.82 per Rights Share, subject to the Set-off Arrangement, payable in full upon acceptance of the relevant provisional allotment of Rights Shares or otherwise subject to the Set-off Arrangement or, where applicable, upon application for excess Rights Shares under the Rights Issue or when a renounee of any provisional allotment of the Rights Shares or a transferee of nil-paid Rights Shares applies for Rights Shares. The Subscription Price represents:

- (a) a discount of approximately 27.5% to the Last Closing Price;
- (b) a discount of approximately 22.1% to the theoretical ex-rights price (assuming no exercise of the Outstanding Options) of approximately HK\$2.34 per Share, which is calculated on the basis of the Last Closing Price;
- (c) a discount of approximately 26.4% to the average of the closing prices per Share for the five trading days ended on the Last Trading Day of approximately HK\$2.47; and
- (d) a discount of approximately 26.6% to the average of the closing prices per Share for the ten trading days ended on the Last Trading Day of approximately HK\$2.48.

The Subscription Price was arrived at with reference to the then market environment and the prevailing Share prices. After taking into consideration the reasons for the Rights Issue as stated in the section headed "Use of proceeds and Reasons for and Benefits of the Rights Issue" below, the Directors consider the terms of the Rights Issue, including the Subscription Price (and the discounts to the relative values as indicated above), to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **Qualifying Shareholders**

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be:

- (a) registered as a member of the Company at the close of business on the Record Date; and
- (b) a Qualifying Shareholder.

In order to qualify for the Rights Issue, a holder of Exercisable Options must (i) exercise its subscription rights in accordance with the relevant procedures specified in the rules of the Share Option Scheme by 4:30 p.m. on Wednesday, 15 November 2017 which is the latest time for the Shareholders to qualify for the Rights Issue; (ii) be registered as a holder of the Shares allotted pursuant to the exercise of the subscription rights of the Exercisable Options on or before the Record Date; and (iii) not be a Non-Qualifying Shareholder.

The last day of dealings in Shares on a cum-rights basis is expected to be on Monday, 13 November 2017. The Shares are expected to be dealt in on an ex-rights basis from Tuesday, 14 November 2017.

In order to be registered as a member of the Company as at the Record Date so as to qualify for the Rights Issue, all transfer documents of the Shares must be lodged (together with the relevant Share certificates) with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 15 November 2017.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with (subject to the Set-off Arrangement) a cheque or banker's cashier order for the Rights Shares being applied for with the Company's share registrar in Hong Kong on or before 4:00 p.m. on the Acceptance Date.

The PRC Southbound Trading Investors may participate in the Rights Issue through China Clear. China Clear will provide nominee services for the PRC Southbound Trading Investors to (a) sell their nil-paid Rights Shares on the Stock Exchange; and/or (b) subscribe for their pro-rata entitlement in respect of Shares held on the Record Date at the Subscription Price under the Rights Issue in accordance with the relevant laws and regulations. However, China Clear will not support applications by such PRC Southbound Trading Investors for excess Rights Shares under the Rights Issue through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect.

Qualifying Shareholders who take up their pro-rata entitlement in full will not suffer any dilution to their interests in the Company (except in relation to any dilution resulting from the taking up by third parties of any Rights Shares arising from the aggregation of fractional entitlements). If a Qualifying Shareholder does not take up any of his entitlement in full under the Rights Issue, his proportionate shareholding in the Company will be diluted.

### **Closure of Register of Members**

For the purpose of determining entitlements to the Rights Issue, the register of members of the Company will be closed from Thursday, 16 November 2017 to Wednesday, 22 November 2017 (both dates inclusive) during which period no transfer of Shares will be registered.

### **Non-Qualifying Shareholders**

The Rights Issue Documents are not intended to be registered or filed under applicable securities legislation of any jurisdiction other than (a) Hong Kong; and (b) the PRC, in accordance with the notice issued by the China Securities and Regulatory Commission of *Filing Requirements for Hong Kong Listed Issuers Making Rights Issues to Mainland Shareholders through Mainland-Hong Kong Stock Connect (Announcement [2016] No.21)*.

As at the date of this announcement, there are eight Overseas Shareholders with registered addresses located in Australia, Canada, the PRC (other than the PRC Southbound Trading Investors), Japan, Macau and Malaysia. The Company has made enquiries with overseas legal advisers regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange in that place of extending the Rights Issue to such Overseas Shareholders. The Directors, based on results of such enquiries made, consider that it is necessary or expedient not to offer the Rights Shares to any Overseas Shareholder with registered address located in the aforesaid jurisdictions. Subject to compliance with the relevant local laws, regulations and

requirements, the Company will send a copy of the Prospectus to each of such Overseas Shareholders for information only, but not the PAL or the EAF.

Arrangements will be made for Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders to be sold for their benefit as soon as practicable after dealings in the nil-paid Rights Shares commence on the Stock Exchange and in any event before the Acceptance Date at a net premium in excess of all expenses of sale. The aggregate net proceeds of such sale will be distributed to the Non-Qualifying Shareholders pro-rata to their shareholdings on the Record Date, provided that if any of such persons would be entitled to a sum not exceeding HK\$100, such sum will be retained by the Company for its own benefit. Any unsold nil-paid Right Shares to which such Non-Qualifying Shareholders would otherwise have been entitled will be made available for excess application by the Qualifying Shareholders under the EAFs.

Beneficial Owners may or may not be eligible to take part in the Rights Issue.

**The Company reserves the right to treat as invalid any acceptance of or applications for Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, Overseas Shareholders should exercise caution when dealing in the Shares.**

**The Rights Issue does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, nil-paid Right Shares or fully-paid Right Shares or to take up any entitlements to nil-paid Right Shares or fully-paid Right Shares in any jurisdiction in which such an offer or solicitation is unlawful. Shareholders and Beneficial Owners of the Shares (including, without limitation, their respective agents, custodians, nominees and trustees) should inform themselves of and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.**

#### **Fractional Entitlements to the Rights Shares**

The Company will not provisionally allot and issue and will not accept application for any fraction of the Rights Shares and the entitlements of the Qualifying Shareholders will be rounded down to the nearest whole number. No odd lot matching services will be provided. Fractional entitlements to any Rights Shares will be disregarded and will be aggregated and allocated to satisfy excess applications (if any) and/or disposed of in such manner as the Directors in their absolute discretion deem appropriate and for the benefits and interests of the Company and more particularly described in the section headed "Application for excess Rights Shares" below.

#### **Application for excess Rights Shares**

Qualifying Shareholders (other than the PRC Southbound Trading Investors) may apply, by way of excess application, for:

- (a) any Rights Shares representing fractional entitlements;
- (b) any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders or otherwise not subscribed for by renounces or transferees of nil-paid Right Shares; and
- (c) any Rights Shares representing any unsold entitlements of the Non-Qualifying Shareholders.

If a Qualifying Shareholder (other than the PRC Southbound Trading Investors) wishes to apply for any Rights Shares in addition to his provisional allotment, he must complete and sign an EAF and lodge it with the Company's share registrar in Hong Kong, together with (subject to the Set-off Arrangement) a separate cheque or banker's cashier order for the amount payable on application in respect of the excess Rights Shares applied for by no later than 4:00 p.m. on the Acceptance Date, or such later time and/or date as may be agreed between the Company and the Sole Underwriter.

The Board will allocate the excess Rights Shares at their discretion on a fair and equitable basis and as far as practicable on the following principles:

- (a) no preference will be given to applications for topping up odd-lot holdings to whole-lot holdings as the giving of such preference may potentially be abused by certain investors by splitting their nil-paid Rights Shares and thereby receiving more Rights Shares than they would receive if such preference is not given, which is an unintended and undesirable result; and
- (b) subject to the availability of sufficient excess Rights Shares, any excess Rights Shares will be allocated to Qualifying Shareholders (other than the PRC Southbound Trading Investors) who apply for them on a pro-rata basis by reference to the number of excess Rights Shares applied for under each application. Reference will only be made to the number of excess Rights Shares being applied for, and no reference will be made to Rights Shares comprised in applications under any PAL or the existing number of Shares held by Qualifying Shareholders. If the aggregate number of Rights Shares not taken up by the Qualifying Shareholders under PALs is greater than the aggregate number of excess Rights Shares applied for under EAFs, the Directors will allocate to each Qualifying Shareholder (other than the PRC Southbound Trading Investors) who applies for excess Rights Shares in full application.

The Directors consider the above basis for allocation to be fair and reasonable. Subject to CPI Holding and CPDL taking up in full their respective portions of Undertaking Rights Shares pursuant to the Irrevocable Undertaking, any Rights Shares not applied for by the Qualifying Shareholders will be taken up by the Sole Underwriter.

Investors with their Shares held by a nominee company (or which are deposited in CCASS) should note that the Board will regard the nominee company (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company. Accordingly, the Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to Beneficial Owners individually. Investors with their Shares held by a nominee company (or which are deposited in CCASS) are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own name(s) prior to the Record Date.

For investors whose Shares are held by a nominee company (or which are deposited in CCASS) and would like to have their names registered on the register of members of the Company, they must lodge all necessary documents with the Company's share registrar in Hong Kong, for completion of the relevant registration by 4:30 p.m. on Wednesday, 15 November 2017.

## **Status of the Rights Shares**

The Rights Shares, when allotted, issued and fully paid (including credited as fully-paid as the case may be), will rank *pari passu* in all respects with the Shares then in issue such that holders of such Rights Shares will be entitled to receive all future dividends and distributions the record dates of which are on or after the date of allotment of such Rights Shares.

## **Set-off Arrangement**

A Qualifying Shareholder, shall be entitled to set off all or part of the aggregate subscription monies in respect of the Rights Shares against such sums due from the Company to such Qualifying Shareholder under any existing legally valid, binding and enforceable agreement between the Company and such Qualifying Shareholder as determined by the Company, provided that all conditions precedent in such agreement (if any) having been fully satisfied or waived (if applicable) according to the terms thereof.

In particular, Set-off Agreement I and Set-off Agreement II were entered into pursuant to which the Company agreed that the amount of the subscription monies in respect of the Rights Shares allotted to and accepted by CPI Holding and CPDL may be set off against the corresponding portions of the consideration payable by the Company to CPI Holding under Agreement I, provided that all conditions precedent in Agreement I having been fully satisfied or waived (if applicable) according to the terms thereof.

## **Application for listing**

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms. The nil-paid Rights Shares shall have the board lot size of 1,000 nil-paid Rights Shares in one board lot, same as the existing board lot size of the Shares, namely, 1,000 Shares in one board lot.

## **Stamp duty and other applicable fees and charges**

Dealings in the Rights Shares (in both their nil-paid and fully-paid forms) will be subject to the payment of stamp duty and any other applicable fees and charges in Hong Kong.

## **Rights Shares will be eligible for admission into CCASS**

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day after the date of the transaction. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbrokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

## **Share certificates and refund cheques for the Rights Issue**

Subject to the fulfillment of the conditions of the Rights Issue, share certificates for all fully-paid (including credited as fully-paid as the case may be) Rights Shares are expected to be posted on Friday, 15 December 2017 to those who have accepted and (where applicable) applied for (subject to the Set-off Arrangement), and paid for, the Rights Shares by ordinary post at their own risk. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on Friday, 15 December 2017 by ordinary post to the applicants at their own risk.

## **IRREVOCABLE UNDERTAKING FROM CPI HOLDING**

As at the date of this announcement, CPI Holding (a controlling shareholder of the Company) and CPDL (CPI Holding's wholly-owned subsidiary) hold 2,093,638,546 Shares and 1,996,500,000 Shares, respectively, and are therefore interested in an aggregate of 4,090,138,546 Shares, representing approximately 55.61% of the issued share capital of the Company.

Pursuant to the Irrevocable Undertaking, CPI Holding has, among other things, irrevocably undertaken to the Company and the Sole Underwriter that it will take up 697,879,515 Undertaking Rights Shares, and will procure CPDL to take up 665,500,000 Undertaking Rights Shares, representing their respective full entitlements to the new Shares under the Rights Issue, and will make (or set off, if applicable) full payment to the Company for the subscription monies payable.

Save for the Irrevocable Undertaking, the Company has not obtained undertakings from any other Shareholders that they will subscribe for any or all of the Rights Shares to be provisionally allotted to them.

## **UNDERWRITING**

### **The Underwriting Agreement**

Date	8 November 2017
Parties	The Company, CPI Holding and Merrill Lynch Far East Limited as the Sole Underwriter
Number of Underwritten Shares	The total number of Underwritten Shares shall not less than 1,088,342,065 Rights Shares (assuming no Exercisable Options are exercised on or before the Record Date) and not more than 1,092,122,065 Rights Shares (assuming all Exercisable Options are exercised on or before the Record Date), being such number of Rights Shares to be issued pursuant to the Rights Issue less the number of the Undertaking Rights Shares, representing approximately 11.10% (assuming no Exercisable Options are exercised on or before the Record Date) and 11.12% (assuming all Exercisable Options are exercised on or before the Record Date) of the issued share capital of the Company as enlarged by the issue of the Rights Shares

Sole Underwriter's commission

An aggregate fee of 2% of the Subscription Price multiplied by 1,088,342,065

In addition, the Company may, at its sole and absolute discretion, pay to the Sole Underwriter a discretionary bonus up to 0.3% of the Subscription Price multiplied by 1,088,342,065

### **Conditions of the Rights Issue**

The obligations of the Sole Underwriter under the Underwriting Agreement are conditional upon:

- (a) the Rights Shares being duly issued and provisionally allotted by the authorized representatives of the Board on the terms set out in the Rights Issue Documents to the Qualifying Shareholders;
- (b) delivery of an email confirmation by Mr. Shou Rufeng, a vice president of the Company, to the Sole Underwriter in accordance with the time specified in the Underwriting Agreement in a form as agreed between the parties;
- (c) delivery of a certificate of the financial controller of the Company to the Sole Underwriter on the Prospectus Posting Date in a form as agreed between the parties;
- (d) the Sole Underwriter receiving from the Company all conditions precedent documents under the Underwriting Agreement in accordance with the time specified therein;
- (e) the delivery of the Prospectus and the PAL to the Stock Exchange and the issue by the Stock Exchange of a certificate of authorization of registration before 3:00 p.m. or such later time as agreed by the Stock Exchange on the trading day before the Prospectus Posting Date;
- (f) the Registrar of Companies in Hong Kong registering the Prospectus and the PAL and having all the documents required by the provisions of section 38D of the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the trading day before the Prospectus Posting Date;
- (g) the Stock Exchange granting the listing of and permission to deal in the Rights Shares (in their nil-paid and fully-paid forms), either unconditional or subject only to allotment and despatch of the share certificates in respect thereof, and such listing and permission not subsequently being withdrawn or revoked;
- (h) the despatch of the Rights Issue Documents in accordance with the provision of the Underwriting Agreement on or before the Prospectus Posting Date;
- (i) CPI Holding having performed and discharged all its obligations under the Irrevocable Undertaking and not having breached such undertaking in any material respect, with a written confirmation from a director of CPI Holding to this effect to be provided to the Sole Underwriter by the Latest Time for Acceptance; and

- (j) all conditions precedent as set out in Agreement I having been satisfied or waived (as the case may be) in accordance with the provisions therein with an email confirmation by Mr. Shou Rufeng, a vice president of the Company, to this effect to be provided to the Sole Underwriter by the Latest Time for Acceptance or, alternatively, CPI Holding having sufficient and readily available funds to pay for the Undertaking Rights Shares in full with an email confirmation by the financial controller of the Company to this effect and a written confirmation or acknowledgement of receipt of the funds for the Undertaking Rights Shares in full (except for the Undertaking Rights Shares held through CCASS, if applicable) by the Company's share registrar in Hong Kong being provided to the Sole Underwriter by the Latest Time for Acceptance.

The Sole Underwriter, shall have the right, in its absolute discretion, on or before the last day on which each of the conditions is required to be fulfilled, either: (i) to waive (conditionally or unconditionally) any or all of the conditions specified above (except the conditions specified in (a), (e), (f), (g) and (h)), or (ii) to extend the deadline for the fulfilment of any condition by such number of days or in such manner as the Sole Underwriter may determine.

### **Termination of the Underwriting Agreement**

The Underwriting Agreement contains provisions granting the Sole Underwriter, by notice in writing to the Company, the right to terminate the Underwriting Agreement on the occurrence of certain events.

The Sole Underwriter may terminate the arrangements set out in the Underwriting Agreement by written notice to the Company at any time prior to the Latest Time for Termination if, since the time of execution of the Underwriting Agreement:

- (i) there shall have developed, occurred, happened or come into effect any change, or any development involving a prospective change, or any event or circumstance likely to result in a change or a development involving a prospective change, in or affecting the assets, liabilities, business, general affairs, management, prospects, shareholders' equity, profits, losses, results of operations, position or condition, financial or otherwise, or performance of the Group, taken as a whole, the effect of which change, development, event or circumstance is, individually or in the aggregate, in the absolute judgment of the Sole Underwriter, so material and adverse as to make it or likely to make it impracticable or inadvisable or inexpedient to proceed with the Rights Issue or the delivery of the Rights Shares on the terms and in the manner contemplated in the Prospectus or likely to have a material adverse effect on the level of the Rights Shares taken up, or
- (ii) there shall have developed, occurred, happened or come into effect any of the following:
  - (A) a suspension or material limitation (including, without limitation, any minimum or maximum price limit or range) in or on trading in securities generally on the Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market, the London Stock Exchange, the Tokyo Stock Exchange, the Shenzhen Stock Exchange or the Shanghai Stock Exchange;
  - (B) a suspension for a continuous period of 10 business days in trading in any securities of the Company listed on the Stock Exchange;
  - (C) a general moratorium on commercial banking activities declared by relevant Authorities (as defined in the Underwriting Agreement) in the Relevant Jurisdictions or a material disruption in commercial banking or foreign exchange trading or securities settlement or clearance services, procedures or matters in the Relevant Jurisdictions;

- (D) any change, or any development involving a prospective change (whether permanent or not), or any event or circumstance likely to result in a change or a development involving a prospective change (whether permanent or not), in or affecting any taxation, exchange controls or currency exchange rates in the Relevant Jurisdiction;
- (E) any new Laws (as defined in the Underwriting Agreement) or any change, or any development involving a prospective change, or any event or circumstance likely to result in a change or a development involving a prospective change, in or affecting existing Laws or the interpretation or application of existing Laws by any court or other competent Authority in the Relevant Jurisdictions;
- (F) any director of the Company being arrested or detained for, or committing any act of fraud or other offense;
- (G) any event or circumstance in the nature of force majeure (including, without limitation, any act of government, economic sanctions, strike or lock-out (whether or not covered by insurance), riot, fire, explosion, flooding, earthquake, civil commotion, act or declaration of war, outbreak or escalation of hostilities (whether or not war is or has been declared), act of terrorism (whether or not responsibility has been claimed), act of God, pandemic, epidemic, outbreak of infectious disease, declaration of a state of emergency or calamity or crisis, in each case, involving or affecting the Relevant Jurisdictions; or
- (H) any change or development involving a prospective change or any event or circumstance likely to result in a change or a development involving a prospective change in any financial, political, economic, legal, military, industrial, fiscal, regulatory, currency or market conditions (including, without limitation, conditions in the stock and bond markets, money and foreign exchange markets, interbank markets and credit markets) in or affecting the Relevant Jurisdictions,

if the effect of any such event or circumstance specified in clauses (A) to (H) above, individually or in the aggregate, in the judgment of the Sole Underwriter, makes it or is likely to make it inadvisable or inexpedient to proceed with the Rights Issue as a whole or have a material adverse effect on the delivery of the Rights Shares on the terms and in the manner contemplated in the Prospectus or likely to have a material adverse effect on the level of the Rights Shares taken up; or

- (iii) there comes to the notice of the Sole Underwriter any of the following:
  - (A) any representations and warranties and other statements in the Underwriting Agreement on the part of the Company or the Undertaking Shareholder being untrue, inaccurate or misleading in any respect or having been breached in any respect; or
  - (B) any material breach of any of the obligations of the Company under the Underwriting Agreement; or
  - (C) any material investigation or claim or litigation being instigated against any member of the Group by any Authority or the creditors other than those disclosed in the Prospectus or publically announced on the website of the Stock Exchange by the Company before the date of the Underwriting Agreement; or

- (D) a petition is presented for the winding-up or liquidation of any member of the Group or any member of the Group makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of the Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of the Group or anything analogous thereto occurs in respect of any member of the Group.

**In the event the Sole Underwriter exercises its right to terminate the Underwriting Agreement prior to the Latest Time for Termination, save in respect of certain rights or obligations under the Underwriting Agreement, the Company shall not be under any obligation or liability under the Underwriting Agreement and the Sole Underwriter shall be under no obligation or liability to the Company.**

**If the Sole Underwriter exercises such right, the Rights Issue will not proceed. Further announcement will be made if the Underwriting Agreement is terminated by the Sole Underwriter.**

The commission rate was determined after arm's length negotiations between the Company and the Sole Underwriter with reference to, among other things, the scale of the Rights Issue, the current and expected market conditions and the commission rates charged by underwriters in the recent market precedents of rights issue. In addition, the Company may, at its sole and absolute discretion, pay to the Sole Underwriter a discretionary bonus up to 0.3% of the Subscription Price multiplied by 1,088,342,065. The Directors (including the independent non-executive Directors) consider the terms of the Underwriting Agreement, including the commission payable by the Company are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. None of the Directors has a material interest in the transaction contemplated under the Underwriting Agreement.

#### **EXPECTED TIMETABLE**

The expected timetable for the Rights Issue is set out below:

<b>Event</b>	<b>2017</b>
Last day of dealings in the Shares on a cum-rights basis	Monday, 13 November
First day of dealings in the Shares on an ex-rights basis	Tuesday, 14 November
Latest time for lodging transfers of Shares in order to qualify for the Rights Issue	4:30 p.m. on Wednesday, 15 November
Closure of the Register of Members for determining entitlements under the Rights Issue (both dates inclusive)	Thursday, 16 November to Wednesday, 22 November
Record Date for determining entitlements under the Rights Issue	Wednesday, 22 November
Rights Issue Documents expected to be despatched on	Friday, 24 November

First day of dealings in the nil-paid Rights Shares	9:00 a.m. on Tuesday, 28 November
Latest time for splitting nil-paid Rights Shares	4:30 p.m. on Thursday, 30 November
Last day of dealings in the nil-paid Rights Shares	Tuesday, 5 December
Latest time for acceptance of and payment for Rights Shares and for application and payment for excess Rights Shares	4:00 p.m. on Friday, 8 December
Latest time for the termination of the Underwriting Agreement and for the Rights Issue to become unconditional	4:00 p.m. on Wednesday, 13 December
Publication of announcement of results of the Rights Issue and excess applications	Thursday, 14 December
Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares expected to be despatched on or before	Friday, 15 December
Share certificates for fully-paid Rights Shares expected to be despatched on or before	Friday, 15 December
First day of dealings in the fully-paid Rights Shares	9:00 a.m. on Monday, 18 December

Note: All times and dates in this announcement refer to Hong Kong local times and dates. Dates or deadlines specified in this announcement for events in the timetable for (or otherwise in relation to) the Rights Issue are indicative only and may be extended or varied by agreement between the Company and the Sole Underwriter and as appropriate, in accordance with the Listing Rules. Any changes to the anticipated timetable for the Rights Issue will be published or notified to the Shareholders and the Stock Exchange as appropriate.

## **EFFECT OF THE RIGHT ISSUE ON THE SHAREHOLDINGS IN THE COMPANY**

The shareholdings in the Company (a) as at the date of this announcement; (b) immediately after completion of the Rights Issue (assuming all Rights Shares will be taken up by Qualifying Shareholders); and (c) immediately after completion of the Rights Issue (assuming no Rights Shares will be taken up by Qualifying Shareholders other than CPI Holding and CPDL pursuant to the Irrevocable Undertaking and the Sole Underwriter will take up all unsubscribed Rights Shares pursuant to the Underwriting Agreement), will be as follows:

	As at the date of this announcement <sup>(1)</sup>		Immediately after completion of the Rights Issue (assuming no Exercisable Options are exercised on or before the Record Date and all Rights Shares are taken up by Qualifying Shareholders) <sup>(1)</sup>		Immediately after completion of the Rights Issue (assuming all Exercisable Options are exercised on or before the Record Date and all Rights Shares are taken up by Qualifying Shareholders) <sup>(1)</sup>		Immediately after completion of the Rights Issue (assuming no Exercisable Options are exercised on or before the Record Date and no Rights Shares are taken up by Qualifying Shareholders (save for CPI Holding and CPDL)) <sup>(1)</sup>		Immediately after completion of the Rights Issue (assuming all Exercisable Options are exercised on or before the Record Date and no Rights Shares are taken up by Qualifying Shareholders (save for CPI Holding and CPDL)) <sup>(1)</sup>	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
CPI Holding	2,093,638,546	28.47	2,791,518,061	28.47	2,791,518,061	28.42	2,791,518,061	28.47	2,791,518,061	28.42
CPDL	1,996,500,000	27.14	2,662,000,000	27.14	2,662,000,000	27.10	2,662,000,000	27.14	2,662,000,000	27.10
Director and other employees <sup>(2)</sup>	-	0	-	0	15,120,000	0.16	-	0	11,340,000	0.12
Public	3,265,026,195	44.39	4,353,368,260	44.39	4,353,368,260	44.32	4,353,368,260	44.39	4,357,148,260	44.36
<b>Total</b>	<b>7,355,164,741</b>	<b>100</b>	<b>9,806,886,321</b>	<b>100</b>	<b>9,822,006,321</b>	<b>100</b>	<b>9,806,886,321</b>	<b>100</b>	<b>9,822,006,321</b>	<b>100</b>

Notes:

- (1) The percentages showing in the above table are approximate figures; certain percentage figures have been subject to rounding adjustments. Accordingly figures shown as totals may not be an arithmetic aggregation of the figures preceding them.
- (2) The interests of the above Director and other employees of the Company in the underlying shares of the Company represent the share options granted to him/her under the Share Option Scheme. Other than that, the above Director and other employees of the Company have no interest in any securities of the Company.

## TAXATION

Qualifying Shareholders are advised to consult their professional advisers if they are in any doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the fully-paid Rights Shares and, regarding Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sales of the nil-paid Rights Shares on their behalf.

## USE OF PROCEEDS AND REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE

The Group is principally engaged in generation and sale of electricity in Mainland China, including investment, development, operation and management of coal-fired power, hydropower, wind power and photovoltaic power plants. Its businesses are located in the major power grid regions of China.

CPI Holding is an investment holding company, is wholly owned by SPIC and is principally engaged in investment and development of power plants in the PRC and overseas.

The funds raised from the proposed Rights Issue will be used to finance the Aggregate Consideration of the Acquisitions. CPI Holding has offered its support to the Group for raising fund through the Undertaking Rights Shares.

The Acquisitions will accelerate the Company's transition to a clean energy company. The Target Companies are principally engaged in clean energy power generation, mainly including hydropower, natural gas power, wind power and photovoltaic power. Those quality clean energy projects will enlarge the Group's operational capacity, assets and business coverage, and thus enhance its overall market competitiveness. It is a strategic opportunity for the Company to strengthen its presence in the high growth regional markets namely the five provinces of Guangdong, Guangxi, Anhui, Hubei and Shandong. The Company expects the development potentials of the Target Companies of the

Acquisitions to have significant impact to the Group in the coming future, in particular as to the power generation projects held under the Target Companies, as follows:

Guangdong Company is located in Guangdong Province and holds Hengqin thermal power projects (橫琴熱電項目) which are integrated multi-energy supply projects located in Guangdong-Hong Kong-Macao Big Bay Area which are built to fulfill the energy supply to the entire Zhuhai Hengqin New Area (珠海橫琴新區), and are municipal infrastructure projects with dominant competitive advantages.

Guangxi Company is located in Guangxi Province that has played an important role in the commercial exchange between China and Association of Southeast Asian Nations (ASEAN). With the advance of China's "Belt and Road Initiative" (一帶一路戰略), economic development of Guangxi Province is facing new and favorable opportunities.

Sihui Company holds a natural gas project under construction with an installed capacity of 800MW. It is an integrated multi-energy supply project that is regarded as one of the key composites of Guangdong Province Zhujiang Delta Reform and Development Plan (《珠江三角洲地區改革發展規劃綱要》) and listed on the 2017 Key Project List of Zhujiang Delta 9-Year Big Leap Plan (《珠三角”九年大跨越”重大項目 2017 年目標表》). This project is expected to commence commercial operation by the end of 2017 and contribute foreseeable positive cash flow and earnings to the Group since 2018.

Likewise, those Target Companies located in Anhui Province, Hubei Province and Shandong Province are holding high quality photovoltaic and wind power projects under construction, where curtailment is limited and well under control. With the support of the central and the regional government in those provinces, photovoltaic and wind power projects enjoy various preferential policies such as guarantee of minimal power purchase and tax incentives.

The Company believes the Acquisitions are of strategic importance to the Group's ability to enhance market competitiveness and improve its profitability and shareholders' return in the coming future. The Directors consider that it is fair and reasonable and in the interest of the Company and Shareholders as a whole to raise the required financing for the Acquisitions by way of Rights Issue.

The Directors believe that the Rights Issue will strengthen the capital base of the Company and more importantly, the fund raising can augment the financial position of the Group to enable it to proceed with the Acquisitions, whilst allowing all the Qualifying Shareholders the equitable opportunity to increase their investment in the Company and participate in the Company's future prospects. **However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled should note that their shareholdings in the Company will be diluted.**

Without taking into account the Set-off Arrangement, the estimated net proceeds of the Rights Issue will be not less than approximately HK\$4,410 million (assuming no Exercisable Options are exercised on or before the Record Date) and not more than approximately HK\$4,417 million (assuming all Exercisable Options are exercised on or before the Record Date). The net subscription price per Rights Shares upon full acceptance of the relevant provisional allotment of Rights Shares is expected to be approximately HK\$1.80. In case the completion of the Acquisitions does not take place, further announcement will be made by the Company in relation to (among others things) the change in the use of proceeds.

## **PREVIOUS FUND RAISING EXERCISE OF THE COMPANY**

The Company has not undertaken any equity fund raising exercise in the 12-month period immediately preceding the date of this announcement.

## LISTING RULES IMPLICATIONS

As the Rights Issue will not increase the number of issued shares or the market capitalization of the Company by more than 50%, the Rights Issue is not subject to the approval of the Shareholders in a general meeting. The Rights Issue Documents setting out details of the Rights Issue will be despatched to the Qualifying Shareholders as soon as practicable.

CPI Holding is a controlling shareholder of the Company and CPDL is a wholly-owned subsidiary of CPI Holding, and they are therefore connected persons of the Company under Chapter 14A of the Listing Rules. Pursuant to the Listing Rules, the taking up of their entitlements to the Rights Issue by CPL Holding and CPDL as Qualifying Shareholders and subscription for the Rights Shares in excess of their entitlements under the Rights Issue (if applicable) are exempt from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND THE NIL-PAID RIGHTS SHARES

**It should be noted that the Rights Issue is conditional upon several conditions, details of which are set out in the section headed "Underwriting - Conditions of the Rights Issue" in the full text of this announcement. If the conditions are not fulfilled (or waived) or the Underwriting Agreement is terminated pursuant to its terms, the Rights Issue will not proceed.**

**Any Shareholder or other person dealing in Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Sole Underwriter's right of termination of the Underwriting Agreement ceases) and any person dealing in the nil-paid Rights Shares during the period from Tuesday, 28 November 2017 to Tuesday, 5 December 2017 will bear the risk that the Rights Issue may not become unconditional or may not proceed. If in any doubt, Shareholders and potential investors are recommended to consult their professional advisers. Shareholders and potential investors should exercise caution in dealing in the securities of the Company.**

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

"Acceptance Date"	the last business day on which payment for and acceptance of the Rights Shares can be made under the Rights Issue, which shall be Friday, 8 December 2017 (or such later date as may be agreed in writing between the Company and Sole the Underwriter)
"Announcements"	the announcement of the Company dated 9 October 2017 regarding the Acquisitions and the announcement of the Company dated 9 October 2017 regarding the proposed Rights Issue
"Beneficial Owner(s)"	any beneficiary owner(s) of Shares whose Shares are registered in the name of a registered Shareholder
"Board"	the board of Directors
"business day"	a day (other than a Saturday or a Sunday or public holiday) on which banks generally are open for business in Hong Kong

“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“China Clear”	China Securities Depository and Clearing Corporation Limited
“Company”	China Power International Development Limited, a company incorporated in Hong Kong with limited liability whose shares are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“CPDL”	China Power Development Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of CPI Holding
“CPI Holding”	China Power International Holding Limited, a company incorporated in Hong Kong with limited liability, the controlling shareholder of the Company and a wholly-owned subsidiary of SPIC
“Director(s)”	director(s) of the Company
“EAF(s)”	the excess application form(s) for additional Rights Shares proposed to be issued to the Qualifying Shareholders (other than the PRC Southbound Trading Investors)
“Exercisable Options”	the options granted by the Company to subscribe for an aggregate of 11,340,000 Shares pursuant to the Share Option Scheme of the Company, which were outstanding as at the date of this announcement and are capable of being exercised on or before the Record Date
“Existing Shares”	the Shares which are in issue on the Record Date
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Irrevocable Undertaking”	the irrevocable undertaking dated 8 November 2017 given by CPI Holding in favour of the Company and the Sole Underwriter to, among other things, take up 697,879,515 Rights Shares, and procure CPDL to take up 665,500,000 Rights Shares
“Last Closing Price”	the closing price of HK\$2.51 per Share as quoted on the Stock Exchange on the Last Trading Day

“Last Trading Day”	8 November 2017, being the last trading day of the Shares on the Stock Exchange immediately preceding the release of this announcement
“Latest Time for Acceptance”	a time which is currently expected to be 4:00 p.m. on the Acceptance Date, being the latest time for acceptance of, and payment for, the Rights Shares and application and payment for excess Rights Shares
“Latest Time for Termination”	4:00 p.m. on Wednesday, 13 December 2017
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) in respect of whom the Directors, based on enquires made by and legal advices obtained by the Company, and together with any Beneficial Owners, as the case may be, consider it necessary or expedient not to offer Rights Shares on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Outstanding Options”	the options granted by the Company to subscribe for an aggregate of 11,340,000 Shares pursuant to the Share Option Scheme of the Company, which were outstanding as at the date of this announcement
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose registered address(es) as shown on such register is/are outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) representing the Rights Shares proposed to be issued to the Qualifying Shareholders under the Rights Issue
“PRC” or “China”	the People’s Republic of China. Geographical references in this announcement to the PRC or China excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“PRC Southbound Trading Investors”	the PRC investors who hold the shares of Hong Kong listed companies through China Clear as nominee under the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect
“Prospectus”	the prospectus relating to the issue of the Rights Shares to be despatched on the Prospectus Posting Date to the Qualifying Shareholders and, for information only, to the Non-Qualifying Shareholders, under the Rights Issue
“Prospectus Posting Date”	the business day on which the Rights Issue Documents will be despatched to Shareholders, which is now expected to be Friday, 24 November 2017 (or such other date to be agreed in writing between the Company and the Sole Underwriter)
“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholders, whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date

“Record Date”	the record date by reference to which entitlements to the Rights Issue will be determined, which is now expected to be Wednesday, 22 November 2017 (or such other date to be agreed in writing between the Company and the Sole Underwriter)
“Relevant Jurisdictions”	Hong Kong, the PRC, the United States, the United Kingdom, the European Union (taken as whole) and Singapore
“Rights Issue”	the issue by way of rights of one Rights Share for every three Existing Shares at the Subscription Price, subject to the Set-off Arrangement, payable in full on acceptance
“Rights Issue Documents”	the Prospectus, PAL(s) and EAF(s)
“Rights Share(s)”	the new Share(s) to be allotted and issued by way of rights under the Rights Issue
“RMB”	Renminbi, the lawful currency of the PRC
“Set-off Agreement I”	the set-off agreement dated 8 November 2017 entered into between the Company and CPI Holding, pursuant to which the Company and CPI Holding agreed that the amount of the subscription monies in respect of the Rights Shares allotted to and accepted by CPI Holding may be set off against the corresponding portion of the consideration payable by the Company to CPI Holding under Agreement I
“Set-off Agreement II”	the set-off agreement dated 8 November 2017 entered into between the Company and CPDL, pursuant to which the Company and CPDL agreed that the amount of the subscription monies in respect of the Rights Shares allotted to and accepted by CPDL may be set off against the corresponding portion of the consideration payable by the Company to CPI Holding under Agreement I as assigned to CPDL by CPI Holding
“Set-off Arrangement”	the set-off arrangements respectively provided in the Set-off Agreement I, the Set-off Agreement II and the PAL(s) allowing for the amount of the subscription monies in respect of the Rights Shares allotted to and accepted by the Qualifying Shareholders (including CPI Holding and CPDL under the PAL and the EAF (if applicable) to be set off against the corresponding portion of the consideration payable by the Company to CPI Holding under Agreement I (together with the corresponding portion of the consideration payable by the Company to CPI Holding under Agreement I assigned by CPI Holding to CPDL) and any sums due from the Company to such Qualifying Shareholder under any existing legally valid, binding and enforceable agreement between the Company and such Qualifying Shareholder as determined by the Company, or where the context requires, either one of such arrangements.

“Shanghai-Hong Kong Stock Connect” or “Shenzhen-Hong Kong Stock Connect”	a securities trading and clearing platform under which PRC domestic investors may trade in the Hong Kong Stock Exchange via China Clear
“Share(s)”	the ordinary share(s) of the Company
“Shareholder(s)”	person(s) whose name(s) appear on the register of members as registered holder(s) of Share(s)
“Share Option Scheme”	the share option scheme of the Company which was conditionally approved and adopted by a written resolution passed by the Shareholders on 24 August 2004
“Sole Global Coordinator” or “Sole Bookrunner” or “Sole Underwriter”	Merrill Lynch Far East Limited
“SPIC”	State Power Investment Corporation* (國家電力投資集團公司), the ultimate controlling company of the Company, a wholly State-owned enterprise formerly known as China Power Investment Corporation* (中國電力投資集團公司), which was approved by the State Council of the PRC* (中華人民共和國國務院) for the consolidation and reorganization with the State Nuclear Power Technology Corporation* (國家核電技術公司) in 2015
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$1.82 per Rights Share
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Undertaking Rights Shares”	the 697,879,515 Rights Shares which CPI Holding has undertaken to subscribe for and the 665,500,000 Rights Shares which CPI Holding has undertaken to procure CPDL to subscribe for pursuant to the Irrevocable Undertaking
“Underwriting Agreement”	the underwriting agreement dated 8 November 2017 entered into among the Company, CPI Holding and the Sole Underwriter in relation to the underwriting and certain other arrangements in respect of the Rights Issue
“Underwritten Shares”	not less than 1,088,342,065 Rights Shares and not more than 1,092,122,065 Rights Shares, being such number of Rights Shares to be issued pursuant to the Rights Issue less the number of the Undertaking Rights Shares

\* English or Chinese translation, as the case may be, is for identification only

This announcement contains translation between Renminbi and Hong Kong dollars at RMB0.85 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**  
**Yu Bing**  
*Chairman*

Hong Kong, 8 November 2017

*As at the date of this announcement, the directors of the Company are: executive directors Yu Bing and Tian Jun, non-executive directors Guan Qihong and Wang Xianchun, and independent non-executive directors Kwong Che Keung, Gordon, Li Fang and Yau Ka Chi.*