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**China Power Clean Energy Development Company Limited**  
**中國電力清潔能源發展有限公司**

*(incorporated in Hong Kong with limited liability)*

**(Stock Code: 0735)**

**CONTINUING CONNECTED TRANSACTIONS AND  
DISCLOSEABLE TRANSACTION**

**Financial Services Framework Agreement**

**THE FINANCIAL SERVICES FRAMEWORK AGREEMENT**

The Board announces that on 16 October 2017, the Company and SPIC Financial entered into the Financial Services Framework Agreement with a term of three years, pursuant to which SPIC Financial has agreed to provide the Group with deposit services, loan services, settlement services, and other financial services approved by the CBRC on a non-exclusive basis subject to the terms and conditions provided therein.

**IMPLICATIONS UNDER THE LISTING RULES**

SPIC Financial is a wholly-owned subsidiary of SPIC which is a substantial shareholder of the Company holding indirectly approximately 28.07% of the issued share capital of the Company as at the date of this announcement. SPIC Financial is therefore a connected person of the Company for the purpose of the Listing Rules. Accordingly, the transactions contemplated under the Framework Agreement constitute continuing connected transactions of the Company under the Listing Rules.

**Deposit Services**

As one or more of the applicable percentage ratios as defined in Rule 14.07 of the Listing Rules for the provision of the deposit services under the Framework Agreement exceeds 5%, the deposit services to be provided by SPIC Financial to the Group are subject to the reporting, announcement and Independent Shareholders' approval requirements of Chapter 14A of the Listing Rules. The

\* *For identification purposes only*

deposit services transactions contemplated under the Framework Agreement will also constitute a discloseable transaction which is subject to the reporting and announcement requirements of Chapter 14 of the Listing Rules.

### **Loan Services**

The provision of loan services to be provided by SPIC Financial to the Group are on normal or better (similar to or more favourable than those offered by the commercial banks in the PRC for the provision of comparable services) commercial terms and are in the interest of the Group. No security over the assets of the Group is granted to SPIC Financial in respects of such loans. It will therefore be fully exempted from all reporting, announcement and Independent Shareholders' approval requirements pursuant to Rule 14A.90 of the Listing Rules.

### **Settlement Services and Other Financial Services**

SPIC Financial will provide settlement and other financial services approved by the CBRC to the Group. The Company expects that the terms of such services will be on normal commercial terms or better, and each of the applicable percentage ratios as defined in Rule 14.07 of the Listing Rules of the total fees payable by the Group to SPIC Financial in respect of such services will be below the de minimis threshold. Therefore, such services will be exempted from all reporting, announcement and Independent Shareholders' approval requirements pursuant to Rule 14A.76 of the Listing Rules.

### **GENERAL**

An EGM will be convened to seek the Independent Shareholders' approval regarding the deposit services under the Framework Agreement. Being associates of SPIC, China Power International Holding Limited and China Power New Energy Limited will abstain from voting at the EGM.

An Independent Board Committee comprising all the independent non-executive Directors (who have no material interest in the Framework Agreement) has been established to advise and provide recommendation to the Independent Shareholders on the terms of the Framework Agreement in relation to the deposit services transactions contemplated thereunder and the proposed Cap and to advise the Independent Shareholders on how to vote. Challenge Capital has been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, details of the Framework Agreement, a letter from the Independent Board Committee and a letter from the Independent Financial Advisor and the notice of the EGM will be despatched to the shareholders of the Company on or around 15 November 2017, as more time is needed to finalise the content of the circular.

## **THE FINANCIAL SERVICES FRAMEWORK AGREEMENT**

The Board announces that on 16 October 2017, the Company and SPIC Financial entered into the Financial Services Framework Agreement with a term of three years commencing from the effective date, pursuant to which SPIC Financial has agreed to provide the Group with deposit services, loan services, settlement services, and other financial services approved by the CBRC on a non-exclusive basis subject to the terms and conditions provided therein. The principal terms of the Framework Agreement are set out below:

### **Date**

The Framework Agreement was executed on 16 October 2017 and will become effective upon the approval by the Independent Shareholders.

### **Parties**

- (i) The Company; and
- (ii) SPIC Financial.

### **Effective period**

The Framework Agreement will become effective upon: (i) execution by both parties; and (ii) the passing of the ordinary resolution by the Independent Shareholders approving the Framework Agreement (including the Cap) and the provision of deposit services contemplated thereunder at the EGM.

The term of the Framework Agreement is three years from the effective date.

### **Principal terms**

#### **(1) *Services to be provided***

SPIC Financial has agreed to provide the Group with deposit services, settlement services, loan services and other financial services approved by the CBRC on a non-exclusive basis.

#### **(2) *Pricing***

When determining the price for any financial services to be provided pursuant to the Framework Agreement, each of the Group and SPIC Financial will, pursuant to the Framework Agreement, refer to at least two comparable transactions with, or two quotes obtained from, independent third parties during the same period.

In practice, the Group may enquire with some of Bank of Communications Co., Ltd., Industrial and Commercial Bank of China Limited, China Construction Bank Corporation and Bank of China Limited in the PRC to obtain such quotes. On the Company's side, its Finance Department will be in charge of obtaining the quotes. If such quotes are more favourable to the Group than the price proposed to be charged by SPIC Financial, the Finance Department will report such fact to the financial controller of the Company. Such information will be used by the Group for re-negotiating the price with SPIC Financial.

On SPIC Financial's side, the Company understands the General Manager's Office in SPIC Financial will be in charge of its pricing management method on deposit and loan interests, pricing policy on deposit and loan interests and annual pricing policy. The Settlement Management Department of SPIC Financial will be in charge of setting the deposit interests in accordance with its annual pricing policy and in compliance with the specified process and authority, which will be subject to review and approval by the general manager of the Settlement Management Department as well as the Price Management Team and the general manager of the Fund Planning Department. The Credit Department of SPIC Financial will propose the loan interests based on its loan pricing model, while the Price Management Team of the Fund Planning Department will review such proposals which will be submitted to the Credit Review Committee for approval in accordance with its annual pricing policy.

Subject to compliance with relevant laws, regulations and regulatory requirements, SPIC Financial has agreed to adhere to the following principles in providing the above financial services to the Group:

- (a) **Deposit services:** The interest rate applicable to the Group for its deposits with SPIC Financial will not be lower than (i) the benchmark interest rate specified by the PBOC for deposits of a similar type during the same period; (ii) the interest rate for deposits of a similar type offered by other major commercial banks in the PRC to the Group during the same period; and (iii) the interest rate for deposits of a similar type placed by other members of the SPIC Group with SPIC Financial during the same period.

In addition, subject to the above, for the Group's aggregate deposit in current account(s) of SPIC Financial that exceeds RMB100,000, the applicable interest rate to the Group will be 20% higher than the benchmark interest rate for agreement deposits (協定存款基準利率) published by the PBOC from time to time.

- (b) **Loan services:** The interest rate for loans granted to the Group by SPIC Financial will not be higher than: (i) the benchmark interest rate specified by the PBOC for loans of a similar type during the same period; (ii) the interest rate offered by other major commercial banks in the PRC to the Group during the same period; and (iii) the interest rate for loans of a similar type offered by SPIC Financial to other members of the SPIC Group during the same period.

In addition, subject to the above, the interest rate for loans granted to the Group by SPIC Financial will be 10% lower than the benchmark interest rate specified by the PBOC for loans of a similar type during the same period. Subject to the above, the interest rate for specific loan services to be provided by SPIC Financial to the Group will be governed by separate loan agreement(s).

Subject to compliance with relevant laws, regulations and regulatory requirements, SPIC Financial will provide the loan services on normal commercial terms or better and such loans will not be secured by the assets of the Group.

- (c) **Settlement services:** SPIC Financial will provide settlement services to the Group to facilitate clearing among members of the Group. The settlement services provided by SPIC Financial to the Group will be free of charge.
- (d) **Other financial services:** The services fees for other financial services to be provided by SPIC Financial to the Group will be in accordance with the standard of fees for services of a similar type set by the PBOC or the CBRC (if applicable), and will not be higher than: (i) the fees charged by other major commercial banks in the PRC for services of a similar type during the same period; and (ii) the fees charged by SPIC Financial to other members of the SPIC Group for providing services of a similar type during the same period.

In practice, to ensure that the individual transactions are conducted within the framework prescribed in the Framework Agreement, the Company will implement the following internal control measures:

- (i) The Company will assign responsible persons to monitor interest rates for deposits and loans and service fees for other financial services published on the official websites of PBOC and other major commercial banks within the PRC (such as Bank of Communications Co., Ltd., Industrial and Commercial Bank of China Limited, China Construction Bank Corporation and Bank of China Limited in the PRC) from time to time.
- (ii) The Company will liaise with the major commercial banks within the PRC. The customer managers of such banks will provide written quotes for deposits, loans and other financial services regularly to the Finance Department of the Company through email.

If the terms obtained through the two methods above are more favourable to the Group than those provided by SPIC Financial, the Financial Department will report this fact to the financial controller of the Company. Such information will be used by the Group for re-negotiating price with SPIC Financial. The Group also has the right to terminate any services provided by SPIC Financial under the Framework Agreement if the fees charged by any other commercial banks in the PRC for such services are more favourable to the Group.

### **(3) Capital Risk Control Measures**

- (a) SPIC Financial, as a non-bank financial institution approved by the CBRC, has agreed to comply strictly with the regulatory requirements of the CBRC and PBOC to conduct its operation and business, establish effective and complete internal control and risk management systems in order to effectively manage risks and ensure the safety of all capital.
- (b) When providing financial services to the Group on a non-exclusive basis, SPIC Financial will ensure the Group's rights to own, use and benefit from its funds will not be affected. SPIC Financial is obligated to ensure the safety of the Group's funds deposited with it and the Group's independent use of such funds.

In practice, the Company understands that SPIC Financial adopts a fund management system that achieves the safety level standards of, and can safely connect with, commercial banks within the PRC. SPIC Financial will provide banking security devices to the Group. The Group must deploy such security devices to make account enquiries or carry out payment and settlement activities on-line. Moreover, the Group will be able to withdraw all or part of the deposits placed with SPIC Financial at any time subject to clearing in the banking system.

- (c) If any member of the Group cannot recover the deposits placed with SPIC Financial due to misappropriation of funds or defaults of SPIC Financial, the Group has the right to set off the amounts of loan granted to the Group by SPIC Financial against the deposits placed with SPIC Financial that cannot be recovered. SPIC Financial does not have such set-off right.
- (d) SPIC has given an undertaking to the Company that: (i) if SPIC Financial encounters emergency financial difficulties in making payments, SPIC will increase the capital of SPIC Financial accordingly to meet its actual needs to overcome such financial difficulties; and (ii) SPIC will provide financial support to SPIC Financial in accordance with its needs to ensure that the Group will be able to withdraw all the deposits placed with SPIC Financial at anytime.
- (e) A monthly financial statement of SPIC Financial will be provided to the senior management of the Group on the fifth working day following the end of each month to enable the Group to have timely information on the financial conditions of SPIC Financial.
- (f) The Group has the right to choose, based on its own business needs, to acquire no less than 2% of the equity interest in SPIC Financial and hold the relevant voting rights of SPIC Financial. Such right has been granted at no cost. By exercising its supervision right as a shareholder, the Group may follow up the operation conditions of SPIC Financial in real time and supervise and urge it to continuously improve its fund security system. If the

Group chooses to exercise such right, the terms of acquisition (including the size of equity interest to be acquired and the price) will be subject to negotiations with relevant parties on an arm's length basis and the approvals required under relevant laws and regulations (including the Listing Rules).

- (g) The Group has the right to terminate any services provided by SPIC Financial under the Framework Agreement if the fees charged by any other commercial banks in the PRC for such services are more favourable to the Group. The Group is also entitled to choose and appoint other financial institutions to provide the financial services in accordance with its own needs and requirements. The Group will only consider giving priority to use the services of SPIC Financial when SPIC Financial and other financial institutions provide services on equivalent terms.

The Company considers that the above capital risk control measures are adequate to manage any risks involved in depositing funds with SPIC Financial.

#### **(4) *Payment***

The consideration for the transactions contemplated under the Framework Agreement will be paid in accordance with specific separate agreements.

### **REASONS FOR AND BENEFITS OF ENTERING INTO THE FRAMEWORK AGREEMENT**

#### **(1) *Raise the efficiency of fund utilisation***

The settlement services through SPIC Financial will strengthen the Company's centralised fund management of its subsidiaries and reduce the time for capital transmission. The use of SPIC Financial as a clearing platform will facilitate the clearing amongst the members of the Group, reduce the time for transmitting the funds, and thereby expedite turnaround of funds.

#### **(2) *Increase interest income and save finance cost***

The interest rate applicable to the Group for its deposits with SPIC Financial will be no less favourable than the benchmark interest rate specified by the PBOC for deposits of a similar type during the same period, and no less than the interest rate for deposits of a similar type offered by other major commercial banks in the PRC to the Group during the same period, which is beneficial in improving the Group's interest income.

The interest rate of loans set by SPIC Financial for loans granted to the Group will be no less favourable than the interest rate provided by other major commercial banks in the PRC for loans of a similar type during the same period, and no security is to be granted by the Group over its assets in respect of such loans, enabling the lending procedure to be easier and more efficient than that provided by the commercial banks.

The Company may take full advantage of the favourable policy of free settlement services provided by SPIC Financial and reduce the banking commission charges payable by the Group. The fees to be charged by SPIC Financial for other financial services will be equal to or more favourable to the Group than those charged by major commercial banks in the PRC.

**(3) Improve competitiveness**

The arrangement of entrusted loans for the Company's subsidiaries through SPIC Financial will represent a lower-cost alternative to direct loans from the licensed banks or financial institutions; and will lessen the liquidity requirements of individual subsidiaries of the Group. The increase in the Company's entrusted loans will in turn help to improve the Company's bargaining power to commercial banks for getting more favourable financing terms.

**(4) Facilitate fund management and control by the Group**

SPIC Financial has a sophisticated information system through which the Group can access the latest information concerning the collection and payment of funds of the Group as well as the status of fund balance at any time (in particular, to enable the Group to monitor the daily balance of deposits with SPIC Financial such that it does not exceed the Cap), thus reducing and avoiding operational risks.

**(5) Risk assurance**

SPIC, as the controlling shareholder of SPIC Financial, has undertaken to the Company that SPIC will provide financial support to SPIC Financial if SPIC Financial encounters emergency financial difficulties in making payments, such as injecting more capital, to ensure the safety and liquidity of the relevant deposits of the Group with SPIC Financial.

SPIC Financial is regulated by the CBRC and provides its services in accordance with the rules and operational requirements of the CBRC.

**(6) Possibility to participate in SPIC Financial's profits**

Subject to approvals required under relevant laws and regulations applicable to both parties, if the Group exercises the right described above to acquire an equity interest in SPIC Financial, the Group may be able to participate in the profits of SPIC Financial.

The transactions contemplated under the Framework Agreement are expected to bring the above benefits to the Group without compromising its independence from its substantial shareholder.



## **PROPOSED CAP FOR THE DEPOSIT SERVICES AND BASIS OF DETERMINATION**

The Board has considered and proposed a Cap of RMB1 billion (approximately HK\$1.19 billion) in respect of the maximum daily balance of deposits (including accrued interests) placed by the Group with SPIC Financial during the term of the Framework Agreement.

### **Basis of determination of the proposed deposit cap**

The historical maximum daily deposit balance of the Group placed with commercial banks (both within the PRC and offshore) for each of the two years ended 31 December 2015 and 31 December 2016 and the nine months ended 30 September 2017 were approximately RMB2,184 million, RMB2,914 million and RMB1,533 million respectively.

The historical maximum daily deposit balance of the Group placed with commercial banks within the PRC for each of the two years ended 31 December 2015 and 31 December 2016 and the nine months ended 30 September 2017 were approximately RMB1,490 million, RMB1,999 million and RMB1,363 million respectively.

In determining the proposed maximum daily deposit balance (including accrued interests) in the Group's settlement account with SPIC Financial during the term of the Framework Agreement, the Board has considered the following factors: (i) the historical amounts of the funds that were deposited with commercial banks in the PRC for each of the two years ended 31 December 2015 and 31 December 2016 and the nine months ended 30 September 2017; (ii) the increase of the Group's total assets over the past years; and (iii) the operating cash flow and financial needs of the Group in respect of its future business expansion in the coming three years, including the potential cash inflow and outflow of new power plant projects which will be put into operation.

The Directors (excluding independent non-executive Directors whose view will be given after taking into account the advice from the Independent Financial Adviser) consider that the Framework Agreement has been negotiated on arm's length basis and is entered into in the ordinary and usual course of business and on normal commercial terms or better. The terms of the Framework Agreement in relation to the deposit services, the deposit services transactions contemplated thereunder and the proposed Cap are fair and reasonable and are in the interests of the Company and its shareholders as a whole. Mr. Wang Binghua, the chairman and a non-executive Director of the Company, is deemed to have a material interest in the Framework Agreement as he holds the position of the chairman of SPIC. Mr. Wang Fengxue, an executive Director of the Company, is deemed to have a material interest in the Framework Agreement as he holds the position of the Nuclear Power Director of SPIC. Both Mr. Wang Binghua and Mr. Wang Fengxue have abstained from voting on the relevant Board resolutions in respect of the Framework Agreement. Except for Mr. Wang Binghua and Mr. Wang Fengxue for the reasons stated above, none of the Directors has material interest in the transactions contemplated under the Framework Agreement or is required to abstain from voting on the Board resolutions in relation to the Framework Agreement and the transactions contemplated therein.

## **IMPLICATIONS UNDER THE LISTING RULES**

SPIC Financial is a wholly-owned subsidiary of SPIC which is a substantial shareholder of the Company holding indirectly approximately 28.07% of the issued share capital of the Company as at the date of this announcement. SPIC Financial is therefore a connected person of the Company for the purpose of the Listing Rules. Accordingly, the transactions contemplated under the Framework Agreement constitute continuing connected transactions of the Company under the Listing Rules.

### **Deposit Services**

As one or more of the applicable percentage ratios as defined in Rule 14.07 of the Listing Rules for the provision of the deposit services under the Framework Agreement exceeds 5%, the deposit services to be provided by SPIC Financial to the Group are subject to the reporting, announcement and Independent Shareholders' approval requirements of Chapter 14A of the Listing Rules.

The deposit services transactions contemplated under the Framework Agreement will also constitute a discloseable transaction which is subject to the reporting and announcement requirements of Chapter 14 of the Listing Rules.

In accordance with the relevant requirements as set out in Rule 14A.71 of the Listing Rules, the Company will disclose the relevant details of the deposit services under the Framework Agreement in the next published annual report and financial statements of the Company.

### **Loan Services**

The provision of loan services to be provided by SPIC Financial to the Group are on normal commercial terms or better (similar to or more favourable than those offered by the commercial banks in the PRC for the provision of comparable services) and are in the interest of the Group. No security over the assets of the Group is granted to SPIC Financial in respect of the loan services. The loan services will be fully exempted from all reporting, announcement and Independent Shareholders' approval requirements pursuant to Rule 14A.90 of the Listing Rules.

### **Settlement Services and Other Financial Services**

The Company expects that the terms of such services will be on normal commercial terms or better, and each of the applicable percentage ratios as defined in Rule 14.07 of the Listing Rules of the total fees payable by the Group to SPIC Financial in respect of the provision of settlement services (which will be free of charge) and other financial services approved by the CBRC under the Framework Agreement will be below the de minimis threshold. Therefore, such services will be exempted from all reporting, announcement and Independent Shareholders' approval requirements pursuant to Rule 14A.76 of the Listing Rules.

## **GENERAL**

An EGM will be convened to seek the Independent Shareholders' approval on the proposed ordinary resolutions regarding the deposit services under the Framework Agreement and the transactions contemplated therein. Being associates of SPIC, China Power International Holding Limited and China Power New Energy Limited will abstain from voting at the EGM.

In accordance with the Listing Rules, an Independent Board Committee comprising all the independent non-executive Directors (who have no material interest in the Framework Agreement) has been established to advise and provide recommendation to the Independent Shareholders on the terms of the Framework Agreement in relation to the deposit services transactions contemplated thereunder and the proposed Cap and to advise the Independent Shareholders on how to vote.

Challenge Capital has been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing details of the Framework Agreement, a letter from the Independent Board Committee and a letter from the Independent Financial Advisor and the notice of the EGM will be despatched to the shareholders of the Company on or around 15 November 2017, as more time is needed to finalise the content of the circular.

## **INFORMATION ABOUT SPIC FINANCIAL**

SPIC Financial was established in the PRC as a non-banking financial institution on 2 September 1992. It is licensed and regulated by the CBRC and is engaged in the provision of financial services which principally include deposit taking, provision of loans, issue of corporate debentures, inter-bank lending, as well as other financial services such as finance leasing, bills acceptance and discounting, entrusted loans and entrusted investment, arrangement of buyer's credit for member companies' products, underwriting of corporate debentures of member companies, provision of financial advisory, credit certification and other advisory agency services and security to members of the SPIC Group. SPIC Financial provides services to members of the SPIC Group under the Measures on Administration of the Finance Companies of Enterprise Groups promulgated by the CBRC, and does not provide services to entities outside the SPIC Group.

SPIC Financial has a registered capital of RMB6 billion and is owned as to 42.5% by SPIC and as to 57.5% by other wholly-owned and controlled members of the SPIC Group, respectively. SPIC Financial was rated the highest ranking "A" by CNAFC (中國財務公司協會) in each year from 2015 to 2017 since the comprehensive industrial assessment was initiated by CNAFC in 2015, reflecting its strong and leading capabilities in terms of centralised fund management, business operations, risk management and profitability. Established in 1994 upon the approval of the PBOC, CNAFC is a self-disciplinary organisation for finance companies of enterprise groups as well as a national and non-profit social entity. CNAFC is subject to the supervision of the CBRC and registered under the Ministry of Civil Affairs of the PRC.

The table below compares various financial indicators of SPIC Financial as provided by SPIC Financial against average levels in the finance company industry in the PRC and the relevant regulatory requirements (if any).

<b>Financial indicators</b>	<b>SPIC Financial's data for the financial year ended 31 December 2016</b>	<b>Average levels in the finance company industry in the PRC in 2016 (Note)</b>	<b>Regulatory requirements</b>
Non-performing asset ratio	0	0.03%	no requirement
Capital adequacy ratio	32.75%	21.25%	not lower than 10%
Return on net asset ratio	8.75%	9.83%	no requirement

*Note:* Statistics for the year ended 31 December 2016 as provided by CNAFC.

## **PRINCIPAL BUSINESS OF THE GROUP**

The principal activities of the Group at present are the development, construction, owning, operation and management of clean energy power plants in Mainland China, including but not limited to natural gas power generation, waste-to-energy power generation, wind power generation, photovoltaic power generation, hydropower generation, and other clean energy power generation projects. The SPIC Group is the only integrated energy group which simultaneously owns coal-fired power, hydropower, nuclear power and renewable energy resources in the PRC. As at the date of this announcement, SPIC owns approximately 28.07% of the issued share capital of the Company.

## **DEFINITIONS**

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

“associates”	has the meaning given to it by the Listing Rules
“Board”	the board of Directors
“Cap”	the proposed maximum daily balance of deposits including accrued interest placed by the Group with SPIC Financial during the term of the Financial Services Framework Agreement
“CBRC”	China Banking Regulatory Commission* (中國銀行業監督管理委員會)

“Challenge Capital” or “Independent Financial Adviser”	Challenge Capital Management Limited, a corporation licensed to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, being the independent financial advisor to the Independent Board Committee and the Independent Shareholders in respect of the deposit services transactions contemplated under the Framework Agreement
“CNAFC”	China National Association of Finance Companies (中國財務公司協會)
“Company”	China Power Clean Energy Development Company Limited, a company incorporated in Hong Kong whose shares are listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve, among other things, the Framework Agreement and the transactions contemplated therein
“Financial Services Framework Agreement” or “Framework Agreement”	the framework agreement for provision of financial services entered into between the Company and SPIC Financial dated 16 October 2017
“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
“Independent Board Committee”	the committee of independent non-executive Directors, consisting of Mr. Chu Kar Wing, Dr. Li Fang, Mr. Wong Kwok Tai and Ms. Ng Yi Kum, which has been formed to advise the Independent Shareholders in relation to the deposit services transactions contemplated under the Framework Agreement and the proposed Cap
“Independent Shareholders”	the shareholders of the Company other than SPIC and its associates
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“PBOC”	The People’s Bank of China* (中國人民銀行)
“PRC” or “China”	the People’s Republic of China excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan for the purpose of this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SPIC”	State Power Investment Corporation* (國家電力投資集團公司), a substantial shareholder of the Company and the parent company of SPIC Financial
“SPIC Financial”	SPIC Financial Co.,Ltd (國家電投集團財務有限公司), a company incorporate in the PRC with limited liability, which is a wholly-owned subsidiary of SPIC
“SPIC Group”	SPIC and its subsidiaries from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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

This announcement contains translation between Renminbi and Hong Kong dollars at RMB0.84 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 Clean Energy Development Company Limited**  
**Wang Binghua**  
*Chairman*

Hong Kong, 16 October 2017

*As at the date of this announcement, the Board comprises four executive directors, namely Mr. Wang Fengxue, Mr. Zhao Xinyan, Mr. He Hongxin and Mr. Qi Tengyun; three non-executive directors, namely Mr. Wang Binghua, Mr. Bi Yaxiong and Mr. Zhou Jiong; and four independent non-executive directors, namely Mr. Chu Kar Wing, Dr. Li Fang, Mr. Wong Kwok Tai, and Ms. Ng Yi Kum.*