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SPIC 2018 USD SENIOR PERPETUAL BOND COMPANY LIMITED

(incorporated with limited liability in the British Virgin Islands)

(the "**Issuer**")

U.S.\$500,000,000 Senior Guaranteed Perpetual Capital Securities (the "Securities") (stock code: 5453)

unconditionally and irrevocably guaranteed by



STATE POWER INVESTMENT CORPORATION LIMITED

(incorporated with limited liability in the People's Republic of China)

(the "**Guarantor**")

WITHDRAWAL OF REDEMPTION

Reference is made to the announcement of the Issuer dated 28 April 2022 (the "**Notice**") in relation to the proposed redemption of the Securities pursuant to Condition 6(b) (*Redemption at the option of the Issuer*) of the Conditions.

The Issuer and the Guarantor are of sound financial condition and have prepared sufficient funds to redeem the aggregate amount of the principal and pay Distributions falling due in respect of the Securities on 21 May 2022 (the "**First Call Date**"). However, due to issues caused by the COVID-19 pandemic, the Notice did not technically satisfy all requirements under Condition 6(b) (*Redemption at the option of the Issuer*). Further to the recent feedback from the Trustee, the Issuer was informed that in accordance with the strict requirements of Condition 6(b) (*Redemption at the option of the Issuer*), the Securities cannot be redeemed by the Issuer on the First Call Date. The Issuer therefore regrets to inform the Securityholders that the Notice is withdrawn. The Securities will remain outstanding in accordance with the Conditions, which is also aligned with the commercial arrangement of the Issuer and the Guarantor under the current market conditions.

The Issuer and the Guarantor value the interest of all Securityholders. Considering that some Securityholders may nevertheless wish to have their Securities redeemed by the Issuer on the First Call Date, and from the perspective of protecting the interest of Securityholders, the Issuer and the Guarantor are considering arranging for the repurchase of the Securities for cash (subject to all applicable laws and regulations) (the "**Buy-Back**") on or before 17 May 2022 (with the settlement by no later than 20 May 2022) at the price of 100 per cent. of the principal amount of the Securities. The Issuer intends to cancel the Securities so repurchased. The total consideration for the Securities repurchased in this

manner will include Distributions accrued to the settlement of the Buy-Back. There is no guarantee that the Issuer and the Guarantor will not conduct other liability management activities in respect of the Securities on terms as they may decide.

If any Securityholder wishes for its Securities to be offered for repurchased by the Issuer or the Guarantor (or through their affiliates) at the aforesaid price, please contact the Issuer on or before 13 May 2022 (or such other day the as Issuer may otherwise inform). The contact details of the Issuer are as follows:

<u>Name</u>	<u>Email</u>	<u>Telephone</u>
Li Xinyuan	lixinyuan@spicifc.com.hk	+86 13811630405 / +852 56288627
Heidi Deng	dengchen@spicifc.com.hk	+852 64449299
Liang Xiao	liangxiao@spic.com.cn	+86 18201026939

Capitalised terms used in this announcement that are not otherwise defined have the meaning given to them in the Conditions.

The Trustee was not involved in the preparation or dissemination of this announcement or the notice to Securityholders dated 9 May 2022 relating to the withdrawal of redemption (the "**Withdrawal of Redemption Notice**") and does not make any comment or recommendation to holders of the Securities with respect to this announcement or the Withdrawal of Redemption Notice. This announcement and the Withdrawal of Redemption Notice are without prejudice to the rights of the Trustee and the holders of the Securities under the Conditions, the Securities and the Trust Deed and all such rights are reserved accordingly.

IMPORTANT NOTICE

This announcement does not constitute an offer to buy or the solicitation of an offer to sell Securities. Offer of Securities for purchase will not be accepted from Securityholders, in any circumstances in which such offer or solicitation is unlawful.

None of the Issuer, the Guarantor or their affiliates are under any obligation to accept for repurchase any Securities offered by the Securityholders. The acceptance for repurchase by the Issuer, the Guarantor or their affiliates of Securities offered by the Securityholders is at the discretion of the Issuer, the Guarantor or their affiliates.

If any Securityholder is in any doubt as to the action it can take, it is recommended to seek its own financial advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent financial adviser. None of the Issuer, the Guarantor or any of their respective directors, officers, employees, agents, advisers, affiliates or representatives makes any recommendation whether Securityholder should offer Securities in the Buy-Back.

This announcement does not constitute an invitation to participate in the Buy-Back in or from any jurisdiction in or from which, or to or from any person to or from whom, it is unlawful to make such invitation under applicable securities laws. The distribution of this announcement in certain jurisdictions may be restricted by law. Persons into whose possession this announcement comes are required by each of the Issuer and the Guarantor to inform themselves about and to observe, any such restrictions.

No offer to purchase the Securities has or will be made by the Issuer, the Guarantor, any of their respective affiliates or any person acting on their behalf, directly or indirectly in or into, or by use of the mail of, or by any use, means, instrumentality or facility of interstate or foreign commerce of or of any facilities of a national securities exchange of, the United States (being the United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and The Commonwealth of the Northern Mariana Islands), any state of the United States of America and the District of Columbia). This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone and the internet. No Securities may be tendered or offered to the Issuer, the Guarantor, any of their respective affiliates or any person acting on their behalf by any such use, means, instrumentality or facility from or within the United States or by persons located or resident in the United States or by U.S. persons as defined in Regulation S of the Securities Act.

By offering its Securities to the Issuer, the Guarantor or any of its affiliates for repurchase, each relevant Securityholder any person making the offer on behalf of such Securityholder shall in respect of itself and each such Securityholder, be deemed to agree, and acknowledge, represent, warrant and undertake, to the Issuer and the Guarantor the following at the time of the offer and settlement of the Buy-Back:

- (a) it has undertaken an appropriate analysis of the implications of the Buy-Back without reliance on the Issuer, the Guarantor, the Trustee, the Agent or any of their respective directors, officers, employees, agents, advisers, affiliates or representatives;
- (b) it has observed the laws of all relevant jurisdictions; obtained all requisite governmental, exchange control or other required consents; complied with all requisite formalities; and paid any issue, transfer or other taxes or requisite payments due from it in each respect in connection with any offer or acceptance in any jurisdiction and that it has not taken or omitted to take any action in breach of the terms of the Buy-Back or which will or may result in the Issuer, the Guarantor or any other person acting on their behalf being in breach of the legal or regulatory requirements of any such jurisdiction;
- (c) no information has been provided to it by the Issuer or the Guarantor, or any of their respective directors, officers, employees, agents, advisers, affiliates or representatives, with regard to the tax consequences for Securityholders arising from the purchase of Securities by the Guarantor or any of its affiliate pursuant to the Buy-Back and the receipt by the Securityholder of this announcement, and it acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the Buy-Back and agrees that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Issuer, the Guarantor or any of their respective directors, officers, employees, agents, advisers, affiliates or representatives or any other person in respect of such taxes and payments;
- (d) it has had access to such financial and other information concerning the Securities, and has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers, as it deems necessary or appropriate in order to make an informed decision with respect to its offering of the Securities for purchase; it is not relying on any communication (written or oral) made by any party involved in the Buy-Back or any such party's affiliates as constituting a recommendation to offer the Securities for purchase; and it is able to bear the economic risks of participating in the Buy-Back;
- (e) it is not a Sanctions Restricted Person or otherwise a person to whom it is unlawful to make an invitation pursuant to the Buy-Back under applicable securities laws and it has complied with all laws and regulations applicable to it for the purposes of its participation in the Buy-Back;
- (f) each of it and (if different) the beneficial owner of the relevant Securities: (i) did not receive in the United States a copy of this announcement or any other document or information related to the Buy-Back and did not send any such document or information into the United States; (ii) has not used, directly or indirectly, the mails of, or a means of communication or other use, means, instrumentality or facility of commerce or the facilities of a United States securities exchange in relation to the Buy-Back; (iii) is located and resident outside the United States, is participating in the Buy-Back from outside the United States and is not a U.S. person; and (iv) (if it is not the beneficial owner) is acting on behalf of the beneficial owner on a non-discretionary basis and has been duly authorised to so act;
- (g) it is not located or resident in the United Kingdom or, if it is located or resident in the United Kingdom, it is an existing member or creditor of the Issuer or the Guarantor, a person falling within Article 43 of the Financial Promotion Order, or a person to whom the Buy-Back can otherwise lawfully be made in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 does not apply;
- (h) it is not located or resident in Hong Kong or, if it is located or resident in Hong Kong, it is a "professional investor" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance;
- (i) it is not a member of the public in the British Virgin Islands;
- (j) it has full power and authority to offer the Securities and, if such Securities are accepted for purchase by the Guarantor or any of its affiliates such Securities will be transferred to, or to the order of, the Guarantor with full title free from all liens, charges and encumbrances, not subject to any adverse claim and together with all rights attached to such Securities, and it will waive, to the fullest extent permitted by law, all its rights, title

and interest to and claims in respect of such Securities and, upon request, execute and deliver any additional documents and/or do such other things deemed by the Guarantor to be necessary or desirable to complete the transfer and cancellation of such Securities or to evidence such power and authority; and

- (k) it acknowledges that the Issuer, the Guarantor and any person acting on their behalf will rely upon the truth and accuracy of the foregoing acknowledgements, agreements, representations, warranties and undertakings and it shall indemnify the Issuer, the Guarantor and any person acting on their behalf against any and all losses, costs, claims, liabilities, expenses, charges, actions, and/or demands which any of them may incur or which may be made against any of them as a result of any breach of any of the terms of, or any of the acknowledgements, agreements, representations, warranties and/or undertakings given pursuant to, its offering its Securities to the Guarantor for repurchase.

For the purpose of this announcement:

"Sanctions Restricted Person" means: A person or entity (a **"Person"**):

- 1) that is, or is directly or indirectly owned or controlled by a Person that is, described or designated in: (i) the most current "Specially Designated Nationals and Blocked Persons" list (which as of the date hereof can be found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>), (ii) the Foreign Sanctions Evaders List (which as of the date hereof can be found at: <http://www.treasury.gov/ofac/downloads/fse/fselist.pdf>), or (iii) the most current "Consolidated list of persons, groups and entities subject to EU financial sanctions" (which as of the date hereof can be found at: https://eeas.europa.eu/topics/common-foreign-security-policy-cfsp/8442/consolidated-list-sanctions_en); or
- 2) that is otherwise the subject of any sanctions administered or enforced by any Sanctions Authority, other than:
 - a. solely by virtue of their inclusion in: (i) the most current "Sectoral Sanctions Identifications" list (which as of the date hereof can be found at: http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/ssi_list.aspx) (the **"SSI List"**), (ii) Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014, as amended by Council Regulation No. 960/2014 (the **"EU Annexes"**), or (iii) any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes; or
 - b. solely by virtue of: (i) them being the subject of restrictions imposed by the U.S. Department of Commerce's Bureau of Industry and Security (**"BIS"**) under which BIS has restricted exports, re-exports or transfers of certain controlled goods, technology or software to such individuals or entities; or (ii) them being a "Chinese Military-Industrial Complex Company" as defined by the U.S. Department of the Treasury's Office of Foreign Assets Control which are subject to U.S. Executive Order 13959, as amended by U.S. Executive Order 14032, which restricts U.S. persons from trading the publicly-traded securities and derivatives of such entities.

"Sanctions Authority" means each of:

- 1) the United States government;
- 2) the United Nations;
- 3) the European Union (or any of its member states);
- 4) the United Kingdom;
- 5) any other relevant governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions; or
- 6) the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury, the United States Department of State, the United States Department of Commerce, Her Majesty's Treasury, the Hong Kong Monetary Authority and the Monetary Authority of Singapore.

10 May 2022, Hong Kong

As at the date of this announcement, the director of the Issuer is Mr. TANG Binbin.

As at the date of this announcement, the directors of the Guarantor are Mr. QIAN Zhimin, Mr. JIANG Yi, Mr. LU Chun, Mr. ZHU Hongjie, Mr. LIU Deheng, Mr. YANG Qingting, Mr. NIE Xiaofu and Mr. LI Houxin.