

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



華電國際電力股份有限公司

Huadian Power International Corporation Limited*

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

(Stock Code: 1071)

OVERSEAS REGULATORY ANNOUNCEMENT; AND INSIDE INFORMATION ANNOUNCEMENT

This announcement is made pursuant to Rules 13.09(2)(a) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

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

By order of the Board

Huadian Power International Corporation Limited*

Qin Jiehai

Secretary to the Board

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

Dai Jun (Chairman, Executive Director), Zhao Bing (Vice Chairman, Non-executive Director), Chen Bin (Executive Director), Zhao Wei (Non-executive Director), Zeng Qinghua (Non-executive Director), Cao Min (Non-executive Director), Wang Xiaobo (Non-executive Director), Li Guoming (Executive Director), Feng Zhenping (Independent Non-executive Director), Li Xingchun (Independent Non-executive Director), Wang Yuesheng (Independent Non-executive Director) and Shen Ling (Independent Non-executive Director).

Beijing, the PRC

27 March 2024

** For identification purposes*

HUADIAN POWER INTERNATIONAL CORPORATION LIMITED

ANNOUNCEMENT IN RELATION TO PROVISIONS FOR IMPAIRMENT

The Board of Directors and all Directors of Huadian Power International Corporation Limited* warrant that this announcement does not contain any false information, misleading statement or material omission and accept legal responsibility for the truthfulness, accuracy and completeness of the contents herein contained.

Huadian Power International Corporation Limited (the “**Company**”) considered and approved the Resolution on Provisions for Impairment in 2023 at the 7th meeting of the tenth session of the Board of Directors. In accordance with the Accounting Standards for Business Enterprises and relevant financial systems of the Company, the Company has checked its accounts receivable, inventories, fixed assets, goodwill, etc. as of 31 December 2023, performed necessary impairment tests for assets with impairment indicators, and made provisions for impairment of assets with impairment indicators based on the principle of prudence in accounting standards. Details are set out below:

I. Provision for Credit Impairment

Seven entities owned by the Company were unable to recover part of the receivables such as heating charges, project payments and performance bonds. In accordance with the principle of prudence in accounting standards, the Company made a full provision for impairment of the above receivables amounting to RMB9,640.7 thousand. Meanwhile, those entities increased their efforts to clear receivables, recovered some of the receivables in previous years and reversed the credit impairment provision of RMB231,080.3 thousand. The above matters resulted in an increase of RMB221,803.6 thousand in the total profit of the Company.

II. Provision for Diminution in Value of Inventories

Certain raw material and spare parts inventories of six entities owned by the Company could not be used for the repair and maintenance of production equipment due to the outdated technology and aging of materials. In accordance with the principle of prudence in accounting standards, the provision for decline in value of inventories was made based on the difference of RMB14,783.1 thousand between the estimated net realizable value and the book value of inventories. Two entities owned by the Company reversed RMB1,506 thousand of the

provision for decline in value of inventories made in previous years. The above matters resulted in a decrease of RMB13,277.1 thousand in the total profit of the Company.

III. Provision for Impairment of Fixed Assets and Intangible Assets

Seventeen entities owned by the Company underwent technological transformation and equipment upgrading due to reasons such as environmental protection, energy conservation and emission reduction, equipment performance failing to meet production demand and operational indicators failing to meet national requirements, and some of the demolished fixed assets have not been disposed of. Some units of two entities owned by the Company were shut down due to policies, and their profitability declined. After analyzing and evaluating the realizability of relevant assets, the estimated recoverable amount of the assets was lower than their net book value. In accordance with the principle of prudence in accounting standards, the provision for impairment was made based on the difference of RMB498,366.3 thousand (RMB483,667.9 thousand for impairment of fixed assets and RMB14,698.4 thousand for impairment of intangible assets) between the estimated recoverable amount and the net book value, resulting in a decrease of RMB498,366.3 thousand in the total profit of the Company.

IV. Provision for Impairment of Construction in Progress

Certain preliminary projects of the Company were not worthy of further development due to changes in local policies and external boundary conditions. The total costs of the five projects involved were RMB15,036.8 thousand. The Company made a full provision for impairment of RMB15,036.8 thousand in accordance with the prudence principle in accounting standards, resulting in a decrease of RMB15,036.8 thousand in the total profit of the Company.

V. Impact of Provision for Impairment on the Company

In 2023, the Company intended to make an impairment provision of RMB537,827 thousand, including an asset impairment provision of RMB528,186.2 thousand and a credit impairment provision of RMB9,640.7 thousand. Taking into account the reversal of the provision for credit impairment and the provision for decline in value of inventories, the impairment provision reduced the total consolidated profit of the Company by RMB305,240.7 thousand and the net profit attributable to the parent company by RMB133,605.3 thousand in 2023.

VI. Procedures of Consideration of Provisions for Impairment

1. Consideration and Voting of the Board of Directors

The Audit Committee of the Board of the Company considered and approved the Resolution on Provisions for Impairment in 2023 and agreed to submit it to the Board of Directors of the Company for consideration.

Resolution on Provisions for Impairment in 2023 was considered and approved at the 7th meeting of the tenth session of the Board of Directors of the Company on 27 March 2024. There were 12 valid votes, 12 voted in favor of the resolution, 0 voted against and 0 abstained from voting. The Board of Directors of the Company believed that the asset impairment provisions fairly reflected the assets of the Company based on the principle of prudence and sufficient bases, and thus approved the provisions for impairment.

2. Consideration and Voting of the Supervisory Committee

The Supervisory Committee of the Company has convened the 4th meeting of the tenth session of the Supervisory Committee on 27 March 2024, considering and approving the Resolution on Provisions for Impairment in 2023. There were 3 valid votes, 3 voted in favor of the resolution, 0 voted against and 0 abstained from voting. The Supervisory Committee of the Company believed that the asset impairment provisions fairly reflected the assets of the Company based on the principle of prudence and sufficient bases, and thus approved the provisions for impairment.

The announcement is hereby made.

Huadian Power International Corporation Limited

27 March 2024