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華潤電力控股有限公司

China Resources Power Holdings Company Limited

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 836)

REVISION OF ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS

Reference is made to the announcement of the Company dated 24 December 2024 in relation to, among other things, the Framework Agreement entered into between CRH and the Company in relation to Gas Products, Labor Outsourcing, IT Services and Integrated Energy Services for a term from 1 January 2025 to 31 December 2027.

To further improve cost and time efficiency of the Group, the Group intends to increase the procurement volume of Gas Products with the CRH Group by consolidating and centralizing our procurement and reducing sourcing from independent third parties starting from 2026. As the increase in demand for the Gas Products to be provided by CRH Group is anticipated to exceed the original projection, the original annual caps for Gas Products for each of the two financial years ending 31 December 2026 and 31 December 2027 are expected to be insufficient. Accordingly, on 31 December 2025, CRH and the Company entered into the Supplemental Framework Agreement to revise the annual caps for the Gas Products for the two financial years ending 31 December 2026 and 31 December 2027, respectively. Save for the revision of the annual caps for Gas Products, all other terms and conditions of the Framework Agreement (including the pricing policy and payment arrangement) remain unchanged.

As at the date of this announcement, CRH, being the controlling shareholder of the Company with approximately 61.73% equity interests of the Company, is a connected person of the Company under the Listing Rules. As such, the transactions contemplated under the Framework Agreement (including the Supplemental Framework Agreement) with CRH constitute continuing connected transactions of the Company. Pursuant to Rule 14A.54 of the Listing Rules, if the Company intends to revise the annual caps for continuing connected transactions, the Company will be required to re-comply with relevant provisions of Chapter 14A of the Listing Rules in respect of the relevant continuing connected transactions under the Supplemental Framework Agreement. As the highest applicable percentage ratio in respect of the revised annual caps for the Gas Products under the Supplemental Framework Agreement exceeds 0.1% but are less than 5%, the revision of annual caps is subject to the reporting and announcement requirements but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

BACKGROUND

Reference is made to the announcement of the Company dated 24 December 2024 in relation to, among other things, the Framework Agreement entered into between CRH and the Company in relation to Gas Products, Labor Outsourcing, IT Services and Integrated Energy Services.

To further improve cost and time efficiency of the Group, the Group intends to increase the procurement volume of Gas Products with the CRH Group by consolidating and centralizing our procurement and reducing sourcing from independent third parties starting from 2026. As the increase in demand for the Gas Products to be provided by CRH Group is anticipated to exceed the original projection, the original annual caps for the Gas Products for each of the two financial years ending 31 December 2026 and 31 December 2027 are expected to be insufficient. Accordingly, on 31 December 2025, CRH and the Company entered into the Supplemental Framework Agreement to revise the annual caps for the Gas Products for the two financial years ending 31 December 2026 and 31 December 2027, respectively.

Save for the revision of the annual caps for the Gas Products, all other terms and conditions of the Framework Agreement remain unchanged.

SUPPLEMENTAL FRAMEWORK AGREEMENT

Date

31 December 2025

Parties

CRH and the Company

Revision of Annual Caps

Pursuant to the Supplemental Framework Agreement, the original annual caps and revised annual caps for the Gas Products for the two financial years ending 31 December 2026 and 31 December 2027 are set out as follows:

For the financial year ending 31 December 2026 (RMB)		For the financial year ending 31 December 2027 (RMB)	
Original annual cap	Revised annual cap	Original annual cap	Revised annual cap
100,000,000	350,000,000	100,000,000	350,000,000

The revised annual caps are determined based on arm's length negotiations between CRH and the Company having considered, among others, the following factors and assumptions:

- (a) the historical transaction amount (including the transaction amount incurred from January to November 2025) in relation to Gas Products under the Framework Agreement. In particular, for the financial year ended 31 December 2024 and the eleven months ended 30 November 2025, the transaction amount was approximately RMB30 million and RMB98 million, respectively;
- (b) the proposed substantial increase in the procurement volume of Gas Products from the CRH Group from 2026, in which the Group expects to strengthen its cooperation with the CRH Group by increasing its procurement of Gas Products from the CRH Group and correspondingly reducing procurement from independent third parties. This consolidation of sourcing is expected to further improve cost and time efficiency of the Group. As a result, the Group expects its procurement volume from the CRH Group to be approximately 3.4 times of the original projection for the two financial years ending 31 December 2026 and 31 December 2027;
- (c) the scale and operations of each of the relevant members of the Group; and
- (d) a buffer of approximately 3% to account for any potential material fluctuations of the demand and/or price of the Gas Products.

The above projection is assumed solely based on the information currently available to the Group for determining the revised annual caps and shall not be regarded as any indication directly or indirectly as to the respective revenue, profitability or trading prospects of the Company or the Group.

Save for the revision of the annual caps for Gas Products, all other terms and conditions of the Framework Agreement (including the pricing policy and payment arrangement) remain unchanged. As stated in the Framework Agreement, the pricing policy of the Framework Agreement would be based on the market prices determined by ascertaining the prevailing prices at which the same or similar types of products or services are provided by or to or between independent third parties under normal commercial terms in the ordinary course of business, in each case taking into account the applicable circumstances, including but not limited to the relevant policies and regulations of the PRC and the quality of services or products of relevant parties. The prices for Gas Products are determined with reference to the regulations pursuant to the documents in effect published by the National Development and Reform Commission (國家發展和改革委員會), the local Development and Reform Commission where the Gas Products are used and upstream gas suppliers from time to time subject to adjustments according to the gas source structure, current market price, transportation costs, production costs, operation costs, and various coefficients related to the generation of Gas Products.

From 1 January 2025 to the date of this announcement, the transaction amount of Gas Products under the Framework Agreement has not exceeded the original annual cap for the financial year ending 31 December 2025. If the total transaction amounts of any financial year under the Framework Agreement (as amended and supplemented by the Supplemental Framework Agreement) are expected to exceed the revised annual cap, the Company will re-comply with the relevant requirements in accordance with the Listing Rules, such as by publishing a further announcement or seeking approval from independent Shareholders, if applicable.

REASONS FOR AND BENEFITS OF THE SUPPLEMENTAL FRAMEWORK AGREEMENT

The transactions contemplated under the Framework Agreement enable the Group to procure the Gas Products, Labor Outsourcing and IT Services provided by CRH Group to support the Group's business, to ensure steady source of services which are of reliable quality, to support the development of the Group on a scale which will not place the Group's resources at risk or affect its relationship with other independent third-party suppliers, to continue developing integrated energy business which is in line with the government's policy of "carbon peak and carbon neutrality" and to enhance the profitability of the Group's integrated energy sector with CRH Group. To further improve cost and time efficiency of the Group, the Group intends to increase the procurement volume of Gas Products with the CRH Group by consolidating and centralizing our procurement and reducing sourcing from independent third parties starting from 2026. As the increase in demand for the Gas Products to be provided by the CRH Group is anticipated to exceed the original projection, in order to capture the business opportunities, the Group believes it is prudent and necessary, to enter into the Supplemental Framework Agreement to increase the original annual caps for each of the two financial years ending 31 December 2026 and 31 December 2027 to ensure compliance with the Listing Rules and actively facilitate the production need of the Group and to support the Group's business and development.

Having considered the above factors, the Board (including the independent non-executive Directors) considers that the Supplemental Framework Agreement and the transactions contemplated thereunder (together with the revised annual caps) are negotiated on an arm's length basis and are on normal commercial terms or better, in the interests of the Company and the Shareholders as a whole, fair and reasonable and in the ordinary and usual course of business of the Group.

INFORMATION OF THE CONTRACT PARTIES

The Company

The Company was incorporated in Hong Kong with limited liability and the shares of the Company have been listed on the Stock Exchange. The Group is principally engaged in investment, development, operation and management of power plants in China. The Company is owned by CRH with approximately 61.73% equity interests as at the date of this announcement. The ultimate beneficial owner of the Company is CRC which is beneficially owned by State-owned Assets Supervision and Administration Commission of the State Council of the PRC.

CRH

CRH was incorporated in Hong Kong with limited liability and is ultimately owned by CRC. It carries out comprehensive business in the Chinese mainland and Hong Kong, including consumer products, integrated energy, urban construction and operation, healthcare, industrial finance, technology and emerging sectors.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CRH, being the controlling shareholder of the Company with approximately 61.73% equity interests of the Company, is a connected person of the Company under the Listing Rules. As such, the transactions contemplated under the Framework Agreement (including the Supplemental Framework Agreement) with CRH constitute continuing connected transactions of the Company. Pursuant to Rule 14A.54 of the Listing Rules, if the Company intends to revise the annual caps for continuing connected transactions, the Company will be required to re-comply with relevant provisions of Chapter 14A of the Listing Rules in respect of the relevant continuing connected transactions under the Supplemental Framework Agreement. As the highest applicable percentage ratio in respect of the revised annual caps for the Gas Products under the Supplemental Framework Agreement exceeds 0.1% but are less than 5%, the revision of annual caps is subject to the reporting and announcement requirements but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as of the date of this announcement, none of the Directors have a material interest in the Framework Agreement (including the Supplemental Framework Agreement) and the transactions contemplated thereunder. Mr. YANG Yuchuan, an independent non-executive Director who is also an independent non-executive director of China Resources Gas Group Limited (which is a non wholly-owned subsidiary of CRH and will supply the Gas Products to the Group pursuant to the Framework Agreement and the Supplemental Framework Agreement), had voluntarily abstained from voting on the relevant Board resolution approving the Supplemental Framework Agreement and the transactions contemplated thereunder to observe good corporate governance measure. Save as disclosed, none of the Directors had abstained from voting on the relevant Board resolution.

INTERNAL CONTROL MEASURES

In order to ensure that the pricing and other contractual terms for the continuing connected transactions are on normal commercial terms, fair and reasonable and to safeguard the interests of the Company and the Shareholders as a whole, the Company has adopted certain measures to monitor the continuing connected transactions of the Company under the Framework Agreement and the Supplemental Framework Agreement, including but not limited to the followings:

- (i) the Group will review each separate agreement to ensure that the terms thereunder are made in accordance with the terms and conditions (including the pricing policies) of the Framework Agreement and the Supplemental Framework Agreement;

- (ii) in particular, as the prices for Gas Products are determined with reference to the regulations pursuant to the documents in effect published by the National Development and Reform Commission (國家發展和改革委員會), the local Development and Reform Commission where the Gas Products are used and upstream gas suppliers from time to time subject to adjustments according to the gas source structure, current market price, transportation costs, production costs, operation costs, and various coefficients related to the generation of Gas Products, the procurement department will review and check against such references before separate agreements are entered into;
- (iii) to ensure the transactions contemplated under the Framework Agreement and the Supplemental Framework Agreement do not exceed the proposed annual caps, the account department of the Group shall monitor the actual transaction amount incurred at least quarterly;
- (iv) the independent non-executive Directors will review annually to ensure that relevant terms and pricing under the separate agreements entered into in accordance with the Framework Agreement and the Supplemental Framework Agreement;
- (v) the external auditors of the Company will conduct an annual review on the pricing basis and the annual caps and report their findings and conclusions to the Board; and
- (vi) the Company also arranges compliance trainings for the Directors, senior management and staff from the relevant departments of the Company and its subsidiaries, primarily focusing on the rules relating to connected transactions under Chapter 14A of the Listing Rules.

With the aforementioned procedures and measures, the Board considers the continuing connected transactions will be conducted according to the pricing policies and contractual terms of the relevant framework agreements and on normal commercial terms or better and not prejudicial to the interests of the Company and the independent Shareholders.

DEFINITIONS

Unless the context otherwise requires, the terms used in this announcement shall have the following meanings:

“Board”	the board of Directors;
“China” or “PRC”	the People’s Republic of China, which for the purposes of this announcement excludes Hong Kong, Macao Special Administrative Region of the People’s Republic of China and Taiwan;
“Company”	China Resources Power Holdings Company Limited (華潤電力控股有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed and traded on the Main Board of the Stock Exchange (stock code: 836);
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules;

“CRH”	China Resources (Holdings) Company Limited (華潤(集團)有限公司), a company incorporated in Hong Kong with limited liability, which is ultimately owned by CRC;
“CRH Group”	CRH and its subsidiaries (excluding the Group for the purpose of this announcement);
“CRC”	China Resources Company Limited (中國華潤有限公司), a company incorporated in the PRC with limited liability and the ultimate holding company of the Company;
“Directors”	the directors of the Company;
“Framework Agreement”	the framework agreement entered into between CRH and the Company dated 24 December 2024 in relation to Gas Products, Labor Outsourcing, IT Services and Integrated Energy Services for a term from 1 January 2025 to 31 December 2027, as amended and supplemented by the Supplemental Framework Agreement;
“Gas Products”	the natural gas purchased/to be purchased by the Group from the CRH Group pursuant to the Framework Agreement and the Supplemental Framework Agreement;
“Group”	the Company and its subsidiaries;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Integrated Energy Services”	has the meaning ascribed to it under the section headed “I. THE FRAMEWORK AGREEMENT” in the announcement of the Company dated 24 December 2024 in relation to the Framework Agreement;
“IT Services”	has the meaning ascribed to it under the section headed “I. THE FRAMEWORK AGREEMENT” in the announcement of the Company dated 24 December 2024 in relation to the Framework Agreement;
“Labor Outsourcing”	has the meaning ascribed to it under the section headed “I. THE FRAMEWORK AGREEMENT” in the announcement of the Company dated 24 December 2024 in relation to the Framework Agreement;
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“normal commercial terms or better”	has the meaning ascribed to it under the Listing Rules;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shares”	ordinary shares of the Company;
“Shareholder(s)”	holder(s) of the Shares;

“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Supplemental Framework Agreement”	the supplemental agreement to the Framework Agreement entered into between CRH and the Company on 31 December 2025 to revise the annual caps of Gas Products for the two financial years ending 31 December 2026 and 31 December 2027 under the Framework Agreement; and
“%”	per cent.

By order of the Board
China Resources Power Holdings Company Limited
SHI Baofeng
Chairman

Hong Kong, 31 December 2025

As at the date of this announcement, the Board of the Company comprises four executive Directors, namely Mr. SHI Baofeng (Chairman), Mr. WANG Bo, Mr. SONG Kui and Mr. HOU Yongjie; three non-executive Directors, namely Mr. ZHOU Bo, Mr. LI Chuanji and Mr. ZENG Jun; and seven independent non-executive Directors, namely Mr. YANG Yuchuan, Ms. LEUNG Oi-sie, Elsie, Dr. CH’IEN Kuo Fung, Raymond, Mr. SO Chak Kwong, Jack, Mr. CHAN Hak Kan, Mr. CHAN Yung and Ms. MAN Wing Yee, Ginny.