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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)

CONTINUING CONNECTED TRANSACTIONS

BESS Services Framework Agreement and Battery Cells Procurement Framework Agreement

On 16 October 2026, the Company entered into the BESS Services Framework Agreement with SPIC, pursuant to which the Company agreed to supply fully-integrated battery energy storage systems to the members of SPIC Group.

On the same date, Xinyuan Smart Storage (a subsidiary of the Company) entered into the Battery Cells Procurement Framework Agreement with Guoning Technology (a subsidiary of SPIC), pursuant to which Xinyuan Smart Storage agreed to purchase energy storage battery cells from Guoning Technology for use in the provision of battery energy storage systems services under the BESS Services Framework Agreement.

The term of both Framework Agreements shall commence on 16 October 2026 and remain effective until 31 December 2028. The proposed annual caps under the BESS Services Framework Agreement for the period from 16 October 2026 to 31 December 2026 and each of the two years ending 31 December 2027 and 2028 are RMB708,000,000, RMB1,026,000,000 and RMB1,238,000,000 (equivalent to approximately HK\$823,256,000, HK\$1,193,023,000 and HK\$1,439,535,000), respectively. The proposed annual caps under the Battery Cells Procurement Framework Agreement for the corresponding periods are RMB630,000,000, RMB982,000,000 and RMB1,208,000,000 (equivalent to approximately HK\$732,558,000, HK\$1,141,860,000 and HK\$1,404,651,000), respectively.

As at the date of this announcement, SPIC holds approximately 65.81 % of the issued share capital of the Company. As SPIC is the ultimate controlling shareholder of the Company, SPIC, its subsidiaries and associates are connected persons of the Company within the meaning of the Listing Rules. Accordingly, the transactions contemplated under each of the Framework Agreements constitute continuing connected transactions of the Company.

As certain applicable percentage ratios in relation to the highest annual cap under each of the Framework Agreements exceed 0.1% but are less than 5%, the transactions contemplated under the Framework Agreements are therefore subject to the reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

BACKGROUND

Xinyuan Smart Storage, a subsidiary of the Company engaged in the provision of BESS related products and services in the PRC, from time to time secures service contracts for provision of BESS to the members of SPIC Group through public tenders.

Xinyuan Smart Storage shall procure energy storage battery cells, a core component of BESS, in connection with its provision of BESS. For certain contracts secured through public tenders, Xinyuan Smart Storage is required to source battery cells from Guoning Technology, given Guoning Technology is designated as the nominated supplier under the tender requirements.

To streamline recurring transactions involving provision of BESS related products and services and the procurement of battery cells, (i) the Company has entered into the BESS Services Framework Agreement with SPIC, while (ii) Xinyuan Smart Storage has entered into the Battery Cells Procurement Framework Agreement with Guoning Technology. The Framework Agreements enable the Group to effectively monitor and ensure ongoing compliance of the contemplated transactions with all applicable pricing principles and terms thereof.

BESS SERVICES FRAMEWORK AGREEMENT

Date

16 October 2026

Parties

- (i) The Company (for itself and on behalf of the Group), as seller; and
- (ii) SPIC (for itself and on behalf of its subsidiaries and associates, excluding the Group), as purchaser.

Effective Period

From 16 October 2026 to 31 December 2028, both dates inclusive.

Principal Terms

Under the BESS Services Framework Agreement, the contracting parties may from time to time enter into individual contracts for provision of BESS related products and services. The specific terms of the transactions shall be determined through public tender or arm's length negotiations, as applicable, and in accordance with the pricing principles set out in the BESS Services Framework Agreement. The scope of the services under the BESS Services Framework Agreement shall include all or any of the following:

Scope of Services

- Supply of BESS equipment and related products, including BESS and its ancillary equipment and facilities required for the relevant projects;
- BESS system integration and technical services, including system design, system integration, testing, commissioning, acceptance and related technical support;
- BESS related ancillary services, including installation guidance, trial operation, acceptance support, after-sales and warranty services; and
- other BESS related products and services as may be agreed between the parties from time to time.

Pricing Principles

For transactions conducted through public tender, the product specifications and technical requirements, project scale, implementation time, construction conditions, and the experience and capabilities required of the seller shall serve as the benchmark price for determining the consideration under individual contracts for provision of BESS related products and services. Such consideration shall be based upon the following factors.

For transactions concluded through arm's length negotiations, the relevant pricing shall also be subject to the following same factors:

- the recent publicly available data in relation to the tender prices of the successful bids for contracting similar type of energy storage system projects as published at the websites of China Energy Storage Alliance (中關村儲能產業技術聯盟) (www.cnesa.org) and China Energy Storage Network (儲能中國網) (www.cnnes.cc);
- the consideration for comparable projects that involve the supply of the same type of BESS and its related services by the Group to independent third parties;
- the prevailing cost of procuring key BESS components; and
- in the event that battery cells are to be procured from Guoning Technology, the procurement cost shall follow the pricing principles set out in the Battery Cells Procurement Framework Agreement.

Payment Terms

The payment method, payment schedule and settlement terms for all service fees relating to each transaction contemplated under the framework agreement shall be governed by the relevant tender documents or the specific individual contract.

Historical Amounts

The annual historical amounts (inclusive of taxes) of the past transactions in relation to BESS services between SPIC Group and the Group are set out below:

Historical amount (RMB'000)		
Year ended 31 December		For the eight months ended 31 August 2026
2024	2025	
395,000	89,200	139,611

Proposed Annual Caps

The proposed annual caps (inclusive of taxes) for the transactions contemplated under the BESS Services Framework Agreement for the period commencing 16 October 2026 to ending 31 December 2028 are set out below:

Proposed Annual Cap (RMB'000)		
The period from 16 October to 31 December 2026	Year ended 31 December	
	2027	2028
708,000	1,026,000	1,238,000

In determining the proposed annual caps for transactions contemplated under the BESS Services Framework Agreement for the above period, the Company has considered the following factors:

- the BESS contracts recently awarded to the Group through public tenders for provision of BESS to the members of SPIC Group that are pending for execution;
- the anticipated BESS contracts to be taken by the Group, having regard to the growth prospects of the BESS industry;
- the historical price range for procurement of key BESS components;
- the prevailing tender prices of successful bids for similar energy storage system projects in the market; and
- the historical amounts of past transactions (if applicable).

BATTERY CELLS PROCUREMENT FRAMEWORK AGREEMENT

Date

16 October 2026

Parties

- (i) Xinyuan Smart Storage, as purchaser; and
- (ii) Guoning Technology, as seller.

Effective Period

From 16 October 2026 to 31 December 2028, both dates inclusive.

Principal Terms

Under the Battery Cells Procurement Framework Agreement, the contracting parties may from time to time enter into individual contracts for the procurement of battery cells. The specific terms of the transactions shall be determined through public tender or arm's length negotiations, as applicable, and in accordance with the pricing principles set out in the Battery Cells Procurement Framework Agreement. The scope of the services under the Battery Cells Procurement Framework Agreement shall include all or any of the following:

Scope of Services

- Supply of energy storage battery cells and related products, including but not limited to energy storage battery cells, battery modules, battery clusters, related components, ancillary materials, parts and other related products;
- provision of ancillary services in relation to such battery cells related products, including but not limited to technical support, installation and commissioning, after-sales services and other related services, and
- other battery cells related products and services as may be agreed between the parties from time to time.

Pricing Principles

For transactions conducted through public tender, the product specifications and technical requirements, product quantity, delivery time and location, and other project conditions specified in the public tender documents shall serve as the benchmark price for determining the consideration under individual contracts for provision of battery cells and related services. Such consideration shall be based on the following factors.

For transactions concluded through arm's length negotiations, the relevant pricing shall also be subject to the following same factors:

- the prevailing price of lithium carbonate (99.5% battery grade) published by Shanghai Metals Market (上海有色網) (www.smm.cn);
- public market price data published at the websites of China Energy Storage Alliance (中關村儲能產業技術聯盟) (www.cnesa.org) and TrendForce (集邦諮詢) (www.trendforce.cn); and
- the consideration for comparable transactions of the same type of energy storage battery cells purchased by Xinyuan Smart Storage from independent third parties.

Payment Terms

The payment method, payment schedule and settlement terms for all service fees relating to each transaction contemplated under the framework agreement shall be governed by the relevant tender documents or the specific individual contract.

Historical Amounts

For the eight months ended 31 August 2026, the historical aggregate procurement amount for battery cells and related services between Xinyuan Smart Energy and Guoning Technology amounted to approximately RMB174,627,000 (inclusive of taxes). Save for the aforesaid period, there were no procurement transactions for battery cells and related services between Xinyuan Smart Energy and Guoning Technology.

Proposed Annual Caps

The proposed annual caps (inclusive of taxes) for the transactions contemplated under the Battery Cells Procurement Framework Agreement for the period commencing 16 October 2026 to ending 31 December 2028 are set out below:

Proposed Annual Cap (RMB'000)		
The period from 16 October to 31 December 2026	Year ended 31 December	
	2027	2028
630,000	982,000	1,208,000

In determining the proposed annual caps for transactions contemplated under the Battery Cells Procurement Framework Agreement for the above period, the Company has considered the following factors:

- the BESS related contracts recently awarded to Xinyuan Smart Energy through public tenders for provision of BESS and the corresponding battery cells required to be procured from Guoning Technology pursuant to the tender requirements pending for execution;

- the anticipated BESS contracts to be taken by Xinyuan Smart Energy, having regard to the growth prospects of the BESS industry and the battery cells procurement requirements associated with such anticipated contracts; and
- the prevailing price range of lithium carbonate (99.5% battery grade).

INTERNAL CONTROL MEASURES AND PROCEDURES

As a general principle, the price and terms of the transactions contemplated under the Framework Agreements shall be determined in the ordinary and usual course of business of the Group, on normal commercial terms or better, on arm's length basis, and on terms comparable to those on which the Group transacts business with independent third parties.

The relevant operational departments of the members of the Group involved in the continuing connected transactions shall be responsible for monitoring the implementation of the individual agreements to ensure that such agreements are entered into and performed in accordance with the terms and relevant pricing principles as set out in the applicable Framework Agreements.

With respect to services that are subject to tendering process and quotations, members of the Group shall comply with the mandatory tendering procedures prescribed under the applicable PRC laws and regulations, as well as the internal tendering guidelines of the Group.

The legal and risk management department of the Company will conduct regular compliance reviews to assess whether the prices and terms of the transactions contemplated under the Framework Agreements are fair and reasonable and have been determined in accordance with the applicable pricing principles set out therein. The department will also prepare quarterly review reports on the continuing connected transactions of the Group and submit such reports to the Audit Committee of the Company.

The internal audit department of the Company will provide independent assurance to the Audit Committee and Risk Management Committee of the Company regarding the adequacy and effectiveness of risk management and internal control systems governing the continuing connected transactions of the Group.

The Audit Committee of the Company will review the continuing connected transactions contemplated under the Framework Agreements quarterly, and the auditors of the Company will also conduct an annual review on the pricing terms and the annual caps thereof.

In view of the foregoing, the Directors consider that the internal control mechanism is effective to ensure that the transactions contemplated under the Framework Agreements will be conducted on normal commercial terms and not prejudicial to the interests of the Company and its shareholders as a whole.

REASONS FOR AND BENEFITS OF THE FRAMEWORK AGREEMENTS

Xinyuan Smart Storage, as the Company's principal subsidiary engaged in the BESS industry, has established experience and capabilities in providing BESS related products and services. Through Xinyuan Smart Storage, the Company has from time to time successfully secured BESS contracts through public tenders for provision of BESS to the members of SPIC Group. As battery cells are a core component of BESS equipment, Xinyuan Smart Storage is required to procure battery cells from Guoning Technology to fulfil its certain BESS contracts pursuant to the tender requirements. The Company believes the BESS contracts will consolidate Xinyuan Smart Storage's market share and position in the BESS field.

In view of the recurring nature of the transactions relating to the provision of BESS related products and services and the procurement of battery cells, the Framework Agreements provide a structured basis for the Group to conduct its BESS related sales and battery cells procurement activities, facilitate the timely implementation of the relevant BESS projects, and ensure the consistent application and monitoring of the applicable pricing principles and principal terms.

The Board considered that, the terms of the Framework Agreements and the implementation of the aforementioned internal control measures and procedures can ensure that the transactions contemplated under the Framework Agreements are no less favorable to the Group than those available from independent third parties.

The Directors (including the independent non-executive Directors) are of the view that, as far as the shareholders of the Company are concerned, the Framework Agreements have been entered into in the ordinary and usual course of business of the Group, on normal commercial terms or better, fair and reasonable and in the interests of the Company and its shareholders as a whole.

None of the Directors has material interest in the transactions contemplated under the Framework Agreements or is required to abstain from voting on the related Board resolution.

INFORMATION ON THE COMPANY AND THE GROUP

The Company is the core and flagship listed subsidiary of SPIC. The Group is principally engaged in generation and sales of electricity in Chinese Mainland, including investment, development, operation and management of hydropower, wind power, photovoltaic power and thermal power plants, and provision of energy storage, integrated intelligent energy solution services, environmental protection and pollution control businesses. Its businesses are located in various major power grid regions of China.

INFORMATION ON SPIC

SPIC, the ultimate controlling shareholder of the Company, is an investment holding company principally engaged in businesses that cover various sectors, including power, coal, aluminum, logistics, finance, environmental protection and high-tech industries in the PRC and abroad. SPIC, together with its subsidiaries, is an integrated energy group which simultaneously owns thermal power, hydropower, nuclear power and renewable energy resources in the PRC.

INFORMATION OF XINYUAN SMART STORAGE

Xinyuan Smart Storage is a non wholly-owned subsidiary of the Company established in July 2021 and is owned as to 55.32% by the Company and 44.68% by three independent third parties (which are ultimately owned and controlled by various individuals and private companies independent of the Company and its connected persons). Xinyuan Smart Storage is principally engaged in energy storage system investment, system integration research and development and application.

INFORMATION OF GUONING TECHNOLOGY

Guoning Technology is a limited liability company incorporated in the PRC in April 2024, which is owned as to 60% by SPIC and 40% a third party independent of the Company and its connected persons. It is a non wholly-owned subsidiary of and ultimately controlled by SPIC. Guoning Technology is principally engaged in the provision of energy storage technical services, the research and development of emerging energy technologies, and the manufacture and sale of new energy power equipment and related materials.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, SPIC holds approximately 65.81 % of the issued share capital of the Company. As SPIC is the ultimate controlling shareholder of the Company, SPIC, its subsidiaries and associates are connected persons of the Company within the meaning of the Listing Rules. Accordingly, the transactions contemplated under each of the Framework Agreements constitute continuing connected transactions of the Company.

As certain applicable percentage ratios in relation to the highest annual cap under each of the Framework Agreements exceed 0.1% but are less than 5%, the transactions contemplated under the Framework Agreements are therefore subject to the reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

DEFINITIONS

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

“associate(s)”	has/have the meaning ascribed to it under the Listing Rules
“Battery Cells Procurement Framework Agreement”	the agreement dated 16 October 2026 entered into between the Xinyuan Smart Energy and Guoning Technology, pursuant to which Xinyuan Smart Energy will purchase energy storage battery cells from Guoning Technology for the period from 16 October 2026 to 31 December 2028
“BESS”	battery energy storage systems

“BESS Services Framework Agreement”	the agreement dated 16 October 2026 entered into between the Company (for itself and on behalf of its subsidiaries), and SPIC (for itself and on behalf of its subsidiaries and associates, excluding the Group), pursuant to which the Group will supply BESS related products and services to the members of SPIC Group for the period from 16 October 2026 to 31 December 2028
“Board”	the board of Directors of the Company
“Company”	China Power International Development Limited (中國電力國際發展有限公司), a company incorporated in Hong Kong with limited liability whose shares are listed on the Main Board of the Stock Exchange
“Director(s)”	director(s) of the Company
“Framework Agreements”	collectively, the Battery Cells Procurement Framework Agreement and the BESS Services Framework Agreement
“Group”	the Company and its subsidiaries from time to time
“Guoning Technology”	國寧新儲(福建)科技有限公司 (Guoning New Storage (Fujian) Technology Co., Ltd.*), a non wholly-owned subsidiary of SPIC and the nominated energy storage battery cells supplier for the outstanding BESS contracts
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC” or “China”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“SPIC”	國家電力投資集團有限公司 (State Power Investment Corporation Limited*), the ultimate controlling shareholder of the Company, a wholly State-owned enterprise established by the approval of the State Council
“SPIC Group”	SPIC, its subsidiaries and associates from time to time (excluding the Group)

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Xinyuan Smart Storage”	新源智儲能源發展(北京)有限公司 (Xinyuan Smart Storage Energy Development (Beijing) Co., Ltd.*), a company incorporated in the PRC with limited liability and is owned as to 55.32% by the Company and 44.68% by independent third parties

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

This announcement contains translation between Renminbi and Hong Kong dollars at RMB0.86 to HK\$1.00. The translation shall not be taken as a 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
GUI Xude
Chairman

Hong Kong, 16 October 2026

As at the date of this announcement, the directors of the Company are: executive directors GUI Xude and ZHAO Yonggang, non-executive directors HU Jiandong, ZHOU Jie, HUANG Qinghua and CHEN Pengjun, and independent non-executive directors LI Fang, YAU Ka Chi and HUI Hon Chung, Stanley.