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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)

CONTINUING CONNECTED TRANSACTIONS FOR ENTERING INTO THE FINANCIAL SERVICES COOPERATION AGREEMENT

THE FINANCIAL SERVICES COOPERATION AGREEMENT

The Board is pleased to announce that, on 30 December 2025, the Company and CR Leasing have entered into the Financial Services Cooperation Agreement in relation to the provision of Financial Services to the Company for a term from 1 January 2026 to 31 December 2027.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, CR Leasing is a non-wholly-owned subsidiary of CRC, and CRC is the controlling shareholder of the Company with approximately 61.73% equity interests in the Company. Accordingly, CR Leasing is a connected person of the Company and the transactions contemplated under the Financial Services Cooperation Agreement constitute connected transactions for the Company pursuant to Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the annual caps regarding the transactions contemplated under the Financial Services Cooperation Agreement exceeds 0.1% but is less than 5%, the transactions contemplated under the Financial Services Cooperation Agreement are subject to the reporting, annual review and announcement requirements but are exempt from the circular, independent financial advice and 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 Financial Services Cooperation Agreement and the transactions contemplated thereunder. In order to observe good corporate governance measure, Mr. ZENG Jun has voluntarily abstained from voting on the Board resolutions approving the abovementioned transactions given his overlapping role as a non-executive Director of the Company and the director of China Resources Financial Holdings Limited*, the holding company of CR Leasing. Save as disclosed, none of the Directors had abstained from voting on the relevant Board resolution.

BACKGROUND

The Board is pleased to announce that, on 30 December 2025, the Company and CR Leasing have entered into the Financial Services Cooperation Agreement in relation to the provision of Financial Services to the Company for a term from 1 January 2026 to 31 December 2027.

PRINCIPAL TERMS OF THE FINANCIAL SERVICES COOPERATION AGREEMENT

Principal terms of the Financial Services Cooperation Agreement are summarised as follows:

Date: 30 December 2025

Parties:

- (1) the Company; and
- (2) CR Leasing (as at the date of this announcement, CR Leasing is a non-wholly-owned subsidiary of CRC)

Term: From 1 January 2026 to 31 December 2027

Subject matter: Based on the operational management and financial condition of the Group, CR Leasing Group shall provide the following Financial Services to the Group as permitted by applicable laws and regulations:

(i) Finance Leasing Services (i.e. direct lease)

Under the direct lease arrangement, the Group will select equipment required from the market and CR Leasing Group will pay directly to the vendor(s) and obtain the ownership of such equipment. CR Leasing Group will then lease the equipment to the Group, and the Group will pay rental fees to CR Leasing Group. Upon expiry of the lease period, the Group can purchase the equipment at a nominal price after it has paid all rental fees to CR Leasing Group in accordance with the finance lease agreement.

(ii) Factoring Financing Services

The Group will transfer its accounts receivable to CR Leasing Group and thereby obtain factoring financing from CR Leasing Group. Such accounts receivable as transferred shall (i) be paid by their debtors to CR Leasing Group when becoming due; (ii) be repurchased by the Group from CR Leasing Group when becoming due; or (iii) be paid by their debtors to the Group in advance and transferred from the Group to CR Leasing Group when becoming due.

The Group will pay interests and/or service fees to CR Leasing Group for its provision of the Factoring Financing Services.

Separate underlying agreements will be entered into between the relevant parties which will set out the specific scope of the Financial Services, rental fees/interests/service fees calculation and other details of the service arrangement in the manner provided in the Financial Services Cooperation Agreement.

**Pricing policy
and internal
control:**

For the provision of Financial Services by CR Leasing Group to the Group, the rental fees for the Finance Leasing Services and the interests and/or service fees for the Factoring Financing Services (i) shall comply with the relevant fee standards issued from time to time by the People's Bank of China for similar services; (ii) shall be with reference to the quotations obtained from other independent third party providers for provision of similar services; (iii) shall be determined through fair negotiation between both parties under normal commercial terms; and (iv) shall not exceed the interest rates, fees, and commission rates received by CR Leasing Group from its other independent third party customers.

When determining whether the fees and/or interests payable by the Group to CR Leasing Group for any transaction under the Financial Services Cooperation Agreement are better, fair and reasonable and comparable to those prices and terms offered by independent third party service providers, to the extent reasonably practicable, the business team of the Group would (i) compare the price of similar services supplied by at least two other independent third party service providers with similar capabilities for providing same or similar services in similar regions; (ii) keep regular contact with other established providers with similar capabilities for providing same or similar services to better understand the market price trends (as appropriate); and (iii) obtain market and industry data on such price of similar services from time to time through public available information source. The review and evaluation process will be conducted from commercial perspectives. If there are situations where the Group could not obtain quotation and/or sufficient comparable quotations due to the limitations on, among others, qualification of the providers expected by the Group, the Group will evaluate the price and terms offered by CR Leasing Group by making reference to, if available, the recent fees paid by the Group and/or (in the case of interests) the Loan Prime Rate (LPR) of the People's Bank of China and the market fluctuation of the estimated costs of the Financial Services and discuss with CR Leasing Group to ensure that the Financial Services will be provided on terms no less favourable than terms offered to the Group by independent third party providers of similar capabilities.

In addition to our compliance with the requirements on annual review by external auditors and independent non-executive Directors under the Listing Rules in respect of continuing connected transactions, among others, the business and finance departments of the Group will ensure the actual transaction amounts and terms are properly recorded, and reviewed and compared with the terms and principles in the Financial Services Cooperation Agreement. The Company also arranges compliance training 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.

The Directors are of the view that the aforesaid method and procedures can ensure that the transactions contemplated under the Financial Services Cooperation Agreement will be conducted on normal commercial terms and not prejudicial to the interest of the Shareholders.

Payment terms: Payment arrangements for specific transactions will be negotiated and determined separately in each formal agreement in accordance with the principles laid down in the Financial Services Cooperation Agreement.

HISTORICAL TRANSACTION AMOUNTS

No historical transaction amount is available as the Company and CR Leasing did not previously enter into any transactions relating to the Financial Services.

PROPOSED ANNUAL CAPS AND BASIS OF ANNUAL CAPS

The table below sets out the proposed annual caps for the transactions under the Financial Services Cooperation Agreement for each of the financial years ending 31 December 2026 and 31 December 2027:

	Financial years ending 31 December	
	2026	2027
	<i>(RMB million)</i>	<i>(RMB million)</i>
Annual cap for Finance Leasing Services (inclusive of rental fees)	2,000	2,000
Annual cap for Factoring Financing Services (inclusive of interests and/or service fees)	500	500

The annual caps are determined based on arm's length negotiations between the Group and CR Leasing Group having considered a number of factors including but not limited to (i) expected scale-up of the business of the Group due to future development and favourable policies of the new energy business; (ii) for Finance Leasing Services, growing demand within the Group due to the recovery of financing market in general and the comparative cost advantages of direct leasing over obtaining bank loan; (iii) for Factoring Financing Services, the overall status of the accounts receivable of the Group and the growing need of accounts receivable factoring financing services to replenish the working capital and reduce business risks; and (iv) estimated costs required in obtaining the Financial Services.

Such projection is assumed solely for determining the aforementioned annual caps and shall not be regarded as any direct or indirect indication as to the respective revenue, profitability or trading prospects of the Company or the Group.

If the aggregate transaction amounts of any financial year under the Financial Services Cooperation Agreement are expected to exceed the aforementioned annual caps, 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 FINANCIAL SERVICES COOPERATION AGREEMENT

The Board believes that the Financial Services Cooperation Agreement may enhance the Company's financing flexibility and cost efficiency by leveraging direct lease services and factoring solutions tailored to business needs. Finance Leasing Services offers more efficient credit approval and flexible funding conditions when compared to traditional financing methods, and financing cost of the Finance Leasing Services is expected to be lower than fixed-asset bank loans which improves overall capital efficiency. In addition, Factoring Financing Services to be provided by CR Leasing Group enhance working capital turnover and diversify funding sources.

Having considered the above factors, the Board (including the independent non-executive Directors) considers that the Financial Services Cooperation Agreement and the transactions contemplated thereunder (including the proposed 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.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, CR Leasing is a non-wholly-owned subsidiary of CRC, and CRC is the controlling shareholder of the Company with approximately 61.73% equity interests in the Company. Accordingly, CR Leasing is a connected person of the Company and the transactions contemplated under the Financial Services Cooperation Agreement constitute connected transactions for the Company pursuant to Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the annual caps regarding the transactions contemplated under the Financial Services Cooperation Agreement exceeds 0.1% but is less than 5%, the transactions contemplated under the Financial Services Cooperation Agreement are subject to the reporting, annual review and announcement requirements but are exempt from the circular, independent financial advice and 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 Financial Services Cooperation Agreement and the transactions contemplated thereunder. In order to observe good corporate governance measure, Mr. ZENG Jun has voluntarily abstained from voting on the Board resolutions approving the above mentioned transactions given his overlapping role as a non-executive Director of the Company and the director of China Resources Financial Holdings Limited*, the holding company of CR Leasing. Save as disclosed, none of the Directors had abstained from voting on the relevant Board resolution.

INFORMATION OF 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 the 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 the State-owned Assets Supervision and Administration Commission of the State Council of the PRC.

CR Leasing

CR Leasing was established in 2006 in the PRC with limited liability, and is principally engaged in financial leasing, leasing, factoring and other related consultancy and guarantee services, and is headquartered in Shenzhen, the PRC. CR Leasing is a non-wholly-owned subsidiary of CRC as at the date of this announcement.

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 PRC 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;
“CRC”	China Resources Company Limited* (中國華潤有限公司), a company incorporated in the PRC with limited liability, a state-owned enterprise under the supervision of the State-owned Assets Supervision and Administration Commission of the State Council of the PRC and the controlling shareholder of the Company;

“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;
“CR Leasing”	China Resources Leasing Company Limited* (華潤融資租賃有限公司), a company incorporated in the PRC with limited liability and a non-wholly-owned subsidiary of CRC;
“CR Leasing Group”	CR Leasing and its subsidiaries;
“Directors”	the directors of the Company;
“Financial Services Cooperation Agreement”	the financial services cooperation agreement entered into between the Company and CR Leasing in relation to the provision of Financial Services to the Company for a term from 1 January 2026 to 31 December 2027;
“Factoring Financing Services”	has the meaning ascribed to it under the section headed “PRINCIPAL TERMS OF THE FINANCIAL SERVICES COOPERATION AGREEMENT” in this announcement;
“Finance Leasing Services”	has the meaning ascribed to it under the section headed “PRINCIPAL TERMS OF THE FINANCIAL SERVICES COOPERATION AGREEMENT” in this announcement;
“Financial Services”	the Finance Leasing Services and Factoring Financing Services to be provided by CR Leasing Group to the Group under the Financial Services Cooperation Agreement;
“Group”	the Company and its subsidiaries;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“independent third party(ies)”	third party(ies) who/which is/are not connected person(s) of the Group;
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange;
“normal commercial terms or better”	has the meaning ascribed to it under the Listing Rules;
“Shareholder(s)”	holder(s) of the Shares;

“Stock Exchange”

The Stock Exchange of Hong Kong Limited; and

“%”

per cent.

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

* *for identification purpose only*

Hong Kong, 30 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.