

CPID (02380.HK): Massive Investments in Clean Energy Push Forward Strategic Transition

Recently, China Power International Development Limited (China Power or CPID, stock code: 2380) announced that it intended to acquire the 2,154.8 MW renewable energy assets of China Power New Energy Development Company Limited and China Power International New Energy Holding Limited (CPIRE) under the State Power Investment Corporation Limited (SPIC) by a combination of cash and equity, further expanding the scope of CPID's clean power generation business, helping to steadily increase the share of clean energy and boosting the company's strategic transition targets.

The asset acquisition reflects SPIC's full support and is SPIC's largest capital injection in renewable energy assets since the listing of CPID. Through the securitization of high-quality assets, the equity and management relationships of the assets are rationalized, and CPID's positioning is consolidated as a flagship listed company of SPIC. After the acquisition, CPID will increase its clean energy share by approximately 3.32%, which is conducive to the improvement of asset quality and profitability, and will continue to bring good returns to all shareholders.

It is understood that CPID has clearly defined its strategic transition targets and planned the strategic implementation path in the *New Development Strategy Outline* released in October 2021, and is committed to building a world-class green and low-carbon energy supplier. In terms of industrial structure and revenue composition, CPID's installed clean energy capacity will account for more than 70% and 90%, with a clean energy revenue of more than 50% and 70% by the end of 2023 and 2025, respectively.