

Short Name: Zheneng Electric Power Stock Code: 600023

# **Listing Announcement Regarding the Share Swap Merger of Zhejiang Zheneng Electric Power Co., Ltd.**

## **Section I. Important Declaration & Notice**

Zhejiang Zheneng Electric Power Co., Ltd. (hereinafter referred to as “the Company”, “the issuer”, or “Zheneng Electric Power”), and all directors, supervisors, and senior managers of the Company, guarantee the authenticity, accuracy, and completeness of this Listing Announcement, and pledge that the Announcement contains no false records, misleading statements or material omissions, and take several and joint responsibilities for the same.

Any opinion from the Shanghai Stock Exchange (SSE) and other state institutions regarding the Company’s listing and related matters does not constitute any guarantee for the Company.

The Company would like to remind general investors that for details on any related content not mentioned in this Listing Announcement, investors should refer to the relevant announcement document posted on the SSE website (<http://www.sse.com.cn>).

As at the release of this Listing Announcement, with the exception of the Company’s director, Qi Guoshui, who holds 7,354 units of Zheneng Electric Power’s shares, all other existing directors, supervisors, and senior managers are not holding any of the Company’s shares directly or indirectly. The Company’s directors, supervisors, and senior managers pledge to follow strictly the relevant laws and regulations related to the holding and lock-in of

shares by the Company's directors, supervisors, and senior managers, such as the "Company Law of the People's Republic of China", the "Securities Law of the People's Republic of China", and the "Shanghai Stock Exchange Listing Rules".

Based on the "Earnings Forecast Audit Report" issued by Pan-China Certified Public Accountants (special general partnership)(Pan-China audit document no.[2013]174), after the completion of this merger, the pro forma net income attributable to the parent company's shareholders posted by Zheneng Electric Power in 2013 will be RMB 4.46 billion.

Unless otherwise specified, the interpretations of the short names or names in this Listing Announcement will follow those under the "Report on Zhejiang Zheneng Electric Power Co., Ltd.'s Share Swap Merger of Zhejiang Southeast Electric Power Company Limited".

## **Section II. Company Listing – Basic Information**

I. This Listing Announcement has been drawn up in accordance with the provisions in the relevant laws and regulations such as the "Company Law", "Securities Law", and the "Shanghai Stock Exchange Listing Rules", as well as following SSE's "Guidelines Regarding the Content and Format of Share Listing Announcements", with the objective of providing investors with the basic information in relation to the Company's share issuance for the Absorption Merger of Zhejiang Southeast Electric Power Company Limited, as well as the listing of the Company's A-shares.

II. The Company's share issuance has been approved by the China Securities Regulatory Commission (CSRC) under licence document no.[2013]1253. This share issuance will be used entirely for the Absorption Merger of Zhejiang Southeast Electric Power Company Limited.

III. The listing of the Company's A-shares has been approved by the SSE under document no.[2013]109. The short name is "Zheneng Electric Power",

and the stock code is “600023”. Among the shares issued, the trading of 608,177,015 shares will start as at 19 December, 2013.

#### IV. Listing Overview

1. Place: Shanghai Stock Exchange

2. Listing time: 19 December, 2013

3. Short code: Zheneng Electric Power

4. Short code: 600023

5. Total share capital after this issuance: 9,105,432,605 shares

6. Number of A-shares issued: 1,072,092,605 shares

7. Circulation restrictions and deadlines related to the shares held by directors prior to this issue:

(1) Zhejiang Provincial Energy Group pledges that: the shares of Zheneng Electric Power held directly or indirectly prior to this issue will not be transferred or commissioned to another party for management, nor will Zheneng Electric Power be allowed to re-purchase such shares within 36 months after the listing of Zheneng Electric Power’s A-shares.

(2) Xingyuan Investment pledges that: the shares of Zheneng Electric Power held directly or indirectly prior to this issue will not be transferred or commissioned to another party for management, nor will Zheneng Electric Power be allowed to re-purchase such shares within 36 months after the listing of Zheneng Electric Power’s A-shares.

(3) Hebei Port Group Co., Ltd., China Space Foundation, and China Cinda Asset Management Co., Ltd. pledge that: the shares of Zheneng Electric Power held directly or indirectly prior to this issue will not be transferred or commissioned to another party for management, nor will Zheneng Electric Power be allowed to re-purchase such shares within 36 months after the

completion of the industrial and commercial registration regarding changes in the holding of Zheneng Electric Power's shares.

8. Other lock-in arrangements regarding this share listing:

(1) Huaneng Group pledges that: the shares of Zheneng Electric Power obtained through share swapping will not be transferred to another party, nor will Zheneng Electric Power be allowed to re-purchase such shares within 36 months after Zheneng Electric Power's listing on the SSE.

(2) Zhejiang Bada, Zhejiang Electric Power Real Estate, and Zhejiang Electric Power Equipment pledge that: the shares of Zheneng Electric Power held will not be transferred or commissioned to another party for management, nor will Zheneng Electric Power be requested to re-purchase such shares within 36 months after the listing of Zheneng Electric Power's shares on the SSE.

(3) Hong Kong Xingyuan pledges that: the shares of Zheneng Electric Power obtained through share swapping will not be transferred or commissioned to another party for management, nor will Zheneng Electric Power be allowed to re-purchase such shares within 36 months after the listing of Zheneng Electric Power's shares on the SSE.

9. Shares without circulation restrictions or lock-in arrangements under this listing: 608,177,015 shares in this issuance are without any circulation restrictions or lock-in arrangements.

10. Share registration institution: China Securities Depository and Clearing Corporation Limited, Shanghai Branch (CSDCC Shanghai Branch)

11. Listing sponsor: China International Capital Corporation Limited (CICC)

### **Section III. Issuer, Shareholders, and Actual Controlling Party**

#### **I. Basic information of issuer:**

1. Chinese name: 浙江浙能电力股份有限公司

Chinese short name: 浙能电力

English name: Zhejiang Zheneng Electric Power Co., Ltd.

2. Legal Representative: Wu Guochao

3. Date of establishment: 14 March, 1992

4. Registered capital: RMB 8.033billion (prior to this issue)

5. Registered address: 2/f Zheneng Building, 152 Tianmushan Road, Hangzhou, postal code: 310007

6. Business scope: Power development, operations, and management; power and energy saving technology research and development, technical advisory services, sales of energy saving products, power engineering, construction and supervision of electricity environmental engineering, and power equipment maintenance.

7. Industry: Production and supply of electricity, gas, and water

8. Telephone number: 0571-87210223

9. Fax number: 0571-8993 8659

10. Website: <http://www.zzepc.com.cn/>

11. Email: [zzep@zjenergy.com.cn](mailto:zzep@zjenergy.com.cn)

12. Secretary of the Board of Directors: Cao Lu

13. Directors, supervisors, senior managers

(1) Directors

The Company's Board of Directors is made up of 9 directors, details are as follows:

<b>Name</b>	<b>Position</b>
Wu Guochao	Chairman
Mao Jianhong	Director
Chen Yiqin	Director
Huang Weijian	Director
Qi Guoshui	Director
Liu Heying	Independent Director
Yao Xianguo	Independent Director
Wang Xiangyao	Independent Director
Chen Jinmei	Independent Director

## (2) Supervisors

The Company's Supervisory Committee is made up of 3 supervisors, details are as follows:

<b>Name</b>	<b>Position</b>
Wang Lina	Chairman of the Supervisory Committee
Ma Shaojing	Supervisor
Yu Guoping	Employee Supervisor

## (3) Senior Managers

There are 3 senior managers in the Company, details are as follows:

<b>Name</b>	<b>Position</b>
Mao Jianhong	General Manager
Cao Lu	Assistant General Manager, Secretary to the Board of Directors, Chief Financial Officer
Jin Liqin	Assistant General Manager

14. Holding of the Company's shares and bonds by the Company's directors, supervisors, and senior managers

As of the release date of this Listing Announcement, with the exception of our Company's director, Qi Guoshui, who holds 7,354 units of Zheneng Electric Power's shares, all other existing directors, supervisors, and senior managers are not holding any of the Company's shares or bonds directly or indirectly.

## II. Controlling shareholders and actual controlling party

The controlling shareholder of Zheneng Electric Power is Zhejiang Provincial Energy Group.

Zhejiang Provincial Energy Group was established on 21 March, 2001, with the approval of the Zhejiang Provincial Government under the “Notification Regarding the Establishment of Zhejiang Provincial Energy Group Co., Ltd.” (document no.[2001]6) as a power development company, and a state-owned company funded by the audited net assets of Zhejiang Coal Group Company (later restructured as Zhejiang Coal Development Company) as at 31 December, 2000. It is a large-scale state-owned energy enterprise, mainly engaging in businesses such as power construction and production, coal investment and development, coal circulation and operation, natural gas development and usage, as well as energy service industries.

According to Pan-China’s audit, as at 31 December, 2012, the total consolidated assets of Zhejiang Provincial Energy Group were RMB 120.650 billion, the net asset value was RMB 59.798 billion, and the net income attributable to owners of the parent company was RMB 4.204 billion in 2012. As at 30 June, 2013, the unaudited total consolidated assets of Zhejiang Provincial Energy Group were RMB 131.668 billion, the net asset value was RMB 63.795 billion, and the net income attributable to owners of the parent company was RMB 3.266 billion during January-June, 2013.

The controlling shareholder of Zheneng Electric Power is Zhejiang Provincial Energy Group, and Zhejiang Provincial Energy Group is 100% controlled by the SASAC of Zhejiang Province. Hence, the actual controlling party of Zheneng Electric Power is the SASAC of Zhejiang Province.

## III. Shareholders Information

1. The capital structure before and after this A-share issuance is as follows:

Shareholder	Before Issuance		After Issuance	
	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio

Shareholder	Before Issuance		After Issuance	
	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio
Zhejiang Provincial Energy Group	7,315,000,000	91.06	7,315,000,000	80.34
Xingyuan Investment	385,000,000	4.79	385,000,000	4.23
Hebei Port Group	162,930,000	2.03	162,930,000	1.79
China Space Foundation	95,230,000	1.19	95,230,000	1.05
Cinda Asset Management	75,180,000	0.94	75,180,000	0.83
Huaneng	-	-	455,436,605	5.00
Zhejiang Bada	-	-	3,544,000	0.04
Zhejiang Electric Power Equipment	-	-	886,000	0.01
Zhejiang Electric Power Real Estate	-	-	886,000	0.01
Hong Kong Xingyuan	-	-	3,162,985	0.03
Other tradable B-share holders	-	-	608,177,015	6.68
<b>Total</b>	<b>8,033,340,000</b>	<b>100.00</b>	<b>9,105,432,605</b>	<b>100.00</b>

2. Shareholding of Top 10 A-Share Holders After This Issue and Prior to Listing

No.	Shareholder	Number of Shares	Shareholding Ratio
1	Zhejiang Provincial Energy Group	7,315,000,000	80.34%
2	Huaneng	455,436,605	5.00%
3	Xingyuan Investment	385,000,000	4.23%
4	Hebei Port Group	162,930,000	1.79%
5	China Space Foundation	95,230,000	1.05%
6	Cinda Asset Management	75,180,000	0.83%
7	Guotai Junan Securities (Hong Kong) Limited	28,648,666	0.31%
8	China EverbrightSecurities (Hong Kong) Limited	22,485,475	0.25%
9	Yuanhao Greater China Fund	11,340,973	0.12%
10	Haitong International Securities Company Limited -Account Client	8,563,221	0.09%
	<b>Total</b>	<b>8,559,814,940</b>	<b>94.01%</b>



## **Section IV.Share Issuance**

I. Number issued: 1,072,092,605 shares

II. Issue price: RMB5.53/share

III. Issuing mode: Share Swap Merger of Zhejiang Southeast Electric Power Co., Ltd. through A-share issuance

IV. Total amount raised and funding position have been verified by Certified Public Accountants

Shares issued have been used entirely in the Share Swap Merger of Zhejiang Southeast Electric Power Co., Ltd., and no funds have been raised. Based on this Share Swap Merger arrangement, the record date for Zhejiang Southeast Electric Power's share swap option is 7 November, 2013. After market closing on the record date of the share swap option, Zhejiang Southeast Electric Power's shares have been swapped and converted into A-shares issued by Zheneng Electric Power. After the above-mentioned conversion is completed, Pan-China Certified Public Accountants (special general partnership) has verified the funding position of the funds raised through this Share Swap arrangement, and has issued the corresponding verification report (Pan-China verification report no.[2013]325).

In view that the shares issued by Zheneng Electric Power have been used entirely in the Absorption Merger of Zhejiang Southeast Electric Power, and that the issuance has been approved by CSRC under licence document no.[2013]1253, and based on SSE's "Notification Regarding the Listing and Trading of the RMB Common Shares of Zhejiang Zheneng Electric Power Co., Ltd." (no.[2013]109), SSE's consent regarding the listing of the RMB common shares issued by Zheneng Electric Power on the SSE has been obtained, the sponsor is of the opinion that the above-mentioned Share Swap Merger arrangement does not constitute any obstacle to Zheneng Electric Power's listing.

## V. Issuing expenses

1. Issuing expenses amount to RMB 59,000,000, which include:

(1) Sponsorship and financial advisory fees: RMB50,000,000

(2) Audit fees: RMB 4,700,000

(3) Legal fees: RMB 4,300,000

2. Issuing expenses per share: RMB 0.06

(Issuing expenses per share= Total issuing expenses/ number of shares issued)

VI. Net amount of funds raised through this issuance: Nil

VII. Net assets per share after this issuance: RMB 3.32 (calculated based on the audited pro forma equity attributable to the shareholders of Zheneng Electric Power's parent company as at 31 December, 2012, after dividend distribution in 2012, divided by the total share capital after issuance).

VIII. Earnings per share after issuance:

(1) RMB0.49 (calculated based on the audited pro forma net income attributable to the shareholders of Zheneng Electric Power's parent company projected for 2013 in accordance with China's business accounting standards, divided by the total share capital after issuance);

(2) RMB0.44 (calculated based on the audited pro forma net income attributable to the shareholders of Zheneng Electric Power's parent company in 2012 in accordance with China's business accounting standards, divided by the total share capital after issuance);

(3) RMB0.41 (calculated based on the lower of the audited pro forma net income attributable to the shareholders of Zheneng Electric Power's parent company in 2012 before and after deducting non-recurring gains and losses in accordance with China's business accounting standards, divided by the total

share capital after issuance).

### **Section V. Other Important Issues**

As at the release date of the “Report Regarding Zhejiang Zheneng Electric Power Co., Ltd.’s Share Swap Merger of Zhejiang Southeast Electric Power Co., Ltd.” and prior to the release of the Listing Announcement, no important issues have occurred which may have relatively significant impact on the Company, details of which are as follows:

1. Target progress of the Company’s key businesses is normal.
2. There have been no major changes in the industries and markets in which the Company is engaged.
3. There have been no major changes in the Company’s raw material purchasing prices and product prices.
4. There have been no major related transactions between the Company and related parties.
5. The Company has not made any significant investments.
6. The Company has not made any significant acquisition, sale, and replacement of assets (or equity).
7. There have been no changes in the Company’s address.
8. There have been no changes in the Company’s directors, supervisors, senior managers, and core technical personnel.
9. The Company has not been involved in any major litigation or arbitration.
10. Except for normal business operations, the Company has not been involved in any major external guarantee or other related matters.
11. There have been no changes in the Company’s financial conditions

and business results.

12. The Company has not been involved in any important issues for which disclosure is required.

## **Section VI. Listing Sponsor and Its Opinions**

### I. Listing Sponsor – Basic information

#### 1. China International Capital Corporation Limited

Address: 27/f & 28/f, International Trade Building II, 1 Jian Guo Men Wai Avenue, Beijing

Legal Representative: Jin Liqun

Telephone: (010) 6505 1166

Fax: (010) 6505 1156

Sponsor's Representative: Wang Zilong, Cao Yu

### II. Opinions of the listing sponsor

The listing sponsor is of the opinion that the issuer is in compliance with provisions in the relevant state laws and regulations such as the "Company Law", "Securities Law", and the "Shanghai Stock Exchange Listing Rules" in its application for the listing of its A-shares, and that the issuer's A-shares are qualified to be listed on the Shanghai Stock Exchange. China International Capital Corporation Limited recommends that the A-shares of Zhejiang ZhenengElectric Power Co., Ltd. be listed on the Shanghai Stock Exchange.

Zhejiang ZhenengElectric Power Co., Ltd.  
China International Capital Corporation Limited

17 December, 2013