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大唐国际发电股份有限公司

DATANG INTERNATIONAL POWER GENERATION CO., LTD.

(a sino-foreign joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 00991)

ANNOUNCEMENT CONNECTED TRANSACTION CAPITAL INCREASE AGREEMENT

CAPITAL INCREASE AGREEMENT

On 27 December 2023, the Company entered into the Capital Increase Agreement with CDC, Chaozhou Xinghua and Datang Chaozhou Company, pursuant to which the Company, CDC and Chaozhou Xinghua agreed to increase the registered capital in Datang Chaozhou Company by way of cash. In particular, the Company agreed to make further capital contribution of RMB890.07765 million to Datang Chaozhou Company, CDC agreed to make further capital contribution of RMB720.53905 million to Datang Chaozhou Company and Chaozhou Xinghua agreed to make further capital contribution of RMB84.76930 million to Datang Chaozhou Company based on their respective shareholding ratio in Datang Chaozhou Company. Upon completion of the Capital Increase, the accumulated amount of capital contribution by the Company to Datang Chaozhou Company would become RMB1,707.84960773 million whereas its total shareholding ratio would remain at 52.5%; the accumulated amount of capital contribution by CDC to Datang Chaozhou Company would become RMB1,382.54491579 million whereas its total shareholding ratio would remain at 42.5%; and the accumulated amount of capital contribution by Chaozhou Xinghua to Datang Chaozhou Company would become RMB162.65239597 million whereas its total shareholding ratio would remain at 5%.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CDC is the controlling shareholder of the Company, which together with its subsidiaries holds approximately 53.09% of the issued share capital of the Company. Therefore, CDC is a connected person of the Company. Meanwhile, since CDC holds 42.5% equity interests in Datang Chaozhou Company, Datang Chaozhou Company is an associate of CDC, and thus Datang Chaozhou Company is also a connected person of the Company. The transaction contemplated under the Capital Increase Agreement constitutes a connected transaction of the Company.

Pursuant to Rules 14.22 and 14A.81 of the Listing Rules, the transaction contemplated under the Capital Increase Agreement should be aggregated with the Previous Transactions and treated as if they were one transaction.

Since the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the transaction contemplated under the Capital Increase Agreement, when aggregated with the Previous Transactions, is more than 0.1% but less than 5%, the transaction contemplated under the Capital Increase Agreement is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but is exempt from the independent Shareholders' approval requirement.

Since the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the transaction contemplated under the Capital Increase Agreement, when aggregated with the Previous Transactions, is less than 5%, the transaction contemplated under the Capital Increase Agreement does not constitute a discloseable transaction under Chapter 14 of the Listing Rules.

CAPITAL INCREASE AGREEMENT

Date

27 December 2023

Parties

1. The Company;
2. CDC;
3. Chaozhou Xinghua;
4. Datang Chaozhou Company.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Chaozhou Xinghua and its ultimate beneficial owners (please refer to the section headed "Information on the Relevant Parties" in this announcement for details) are all third parties independent of the Company and its connected persons.

Major Terms of the Capital Increase Agreement

1. Details of the Capital Increase by the Company, CDC and Chaozhou Xinghua are as follows:

(a) Increase in registered capital

The registered capital of Datang Chaozhou Company shall increase from RMB1,557.66091949 million to RMB3,253.04691949 million. The amount of increase in registered capital is RMB1,695.38600 million.

(b) Means and amounts of the Capital Increase

The Company, CDC and Chaozhou Xinghua agreed to settle the amount of the Capital Increase to Datang Chaozhou Company by way of cash. Based on their respective shareholding ratio, the Company agreed to make further capital contribution of RMB890.07765 million to Datang Chaozhou Company, CDC agreed to make further capital contribution of RMB720.53905 million to Datang Chaozhou Company and Chaozhou Xinghua agreed to make further capital contribution of RMB84.76930 million to Datang Chaozhou Company. The aggregate amount of the Capital Increase to Datang Chaozhou Company in cash is RMB1,695.38600 million. The aggregate amount of the Capital Increase is determined by the parties to the agreement according to the capital needs of Datang Chaozhou Power Plant Units 5-6 Project to be constructed by Datang Chaozhou Company. Under the Capital Increase, the Company, CDC and Chaozhou Xinghua will make further capital contribution to Datang Chaozhou Company in proportion to their respective shareholding ratio in Datang Chaozhou Company at the price of RMB1/registered capital of RMB1.

The shareholding structure of Datang Chaozhou Company as well as the amount of the Capital Increase to Datang Chaozhou Company by and the shareholding ratio of each shareholder before and upon completion of the Capital Increase are set out as below:

Name of shareholder	Capital contribution prior to the completion of the Capital Increase	Shareholding ratio prior to the completion of the Capital Increase	Capital contribution to be made	Total capital contribution after the completion of the Capital Increase	Shareholding ratio after the completion of the Capital Increase
	(RMB'0,000)		(RMB'0,000)	(RMB'0,000)	
The Company	81,777.195773	52.5%	89,007.765	170,784.960773	52.5%
CDC	66,200.586579	42.5%	72,053.905	138,254.491579	42.5%
Chaozhou Xinghua	7,788.309597	5%	8,476.930	16,265.239597	5%
Total	155,766.091949	100%	169,538.600	325,304.691949	100%

The Company's contribution to the registered capital of Datang Chaozhou Company will be financed by internal funds.

2. Timing of capital contribution: the specific progress of the Capital Increase will be made in batches and in the same proportion in accordance with the construction progress of Datang Chaozhou Power Plant Units 5-6 Project. The parties to the agreement will determine the time of the payment of the amount of the Capital Increase by each shareholder of Datang Chaozhou Company in accordance with the capital needs of the construction of the Project. The entire amount of the Capital Increase shall be paid in full before the Project put into operation at the latest.
3. Effective date: the Capital Increase Agreement shall become effective on the first business day upon all of the following conditions precedent have been satisfied:
 - (i) The relevant resolution in relation to the Capital Increase has been considered and approved at the shareholders' meeting of Datang Chaozhou Company;
 - (ii) The Capital Increase Agreement has been signed by legal representatives or authorized representatives of the parties to the agreement and affixed with company seals.

INFORMATION ON DATANG CHAOZHOU COMPANY

Datang Chaozhou Company was established on 15 November 2003. It is principally engaged in the business of production and sale of electric power. As at the date of this announcement, Datang Chaozhou Company is owned as to 52.5% by the Company, 42.5% by CDC and 5% by Chaozhou Xinghua.

The key financial data of Datang Chaozhou Company for the years ended 31 December 2021 and 2022 prepared in accordance with the PRC Accounting Standards for Business Enterprises is set out below:

	Year ended 31 December 2021 (RMB'0,000) (Audited)	Year ended 31 December 2022 (RMB'0,000) (Audited)
Loss before tax	(36,953.62)	(20,855.53)
Loss after tax	(27,828.00)	(15,727.02)

As at 30 June 2023, the unaudited total assets and net assets of Datang Chaozhou Company were approximately RMB6,314.3506 million and RMB1,903.4292 million, respectively.

REASONS FOR AND BENEFITS OF ENTERING INTO THE CAPITAL INCREASE AGREEMENT

The implementation of the Capital Increase Agreement, and the Capital Increase made by the Company, CDC and Chaozhou Xinghua to Datang Chaozhou Company could further improve the capital adequacy ratio of Datang Chaozhou Company, thereby satisfying the capital needs of Datang Chaozhou Company for the construction of Units 5-6 Project. The Project is in line with the national energy industry policy and meets the requirements of the Company's development strategy and high quality development, which is in the interests of the Company and the Shareholders as a whole.

The Directors (including independent non-executive Directors) are of the view that the Capital Increase Agreement is entered into on normal commercial terms and in the ordinary and usual course of business of the Company, and the terms thereof are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

APPROVAL BY THE BOARD

The "Resolution on Investment in Construction of Datang Chaozhou Power Plant Units 5-6 Project" has been considered and approved at the twenty-second meeting of the eleventh session of the Board, details of which were set out in the overseas regulatory announcement of the Company dated 21 December 2023.

None of the Directors has any material interest in the Capital Increase Agreement. Mr. Ying Xuejun, Mr. Ma Jixian and Mr. Tian Dan, all being connected Directors, have abstained from voting on the relevant resolution in accordance with the requirements of the listing rules of the Shanghai Stock Exchange.

INFORMATION ON THE RELEVANT PARTIES

1. The Company was established in December 1994 and is principally engaged in the construction and operation of power plants, the sales of electricity and thermal power; the repair and maintenance of power equipment; power related technical services. The main service areas of the Company are in the PRC.
2. CDC was established on 9 April 2003 with a registered capital of RMB37.0 billion. It is principally engaged in the development, investment, construction, operation and management of power energy; organisation of power (thermal) production and sales; manufacturing of power equipment, repair and commissioning of equipment; power technology development and consultation; power engineering, contracting and consultation of environmental power engineering; development of new energy; self-operation and agent for the import and export of various commodities and technologies.

3. Chaozhou Xinghua was established on 22 November 2002 with a registered capital of RMB80.00 million. Chaozhou Xinghua is an enterprise mainly engaged in commercial services, and it is also engaged in investment activities with its own funds. As at the date of this announcement, Chaozhou Xinghua is owned as to 70% by Mr. Lu Yuxiang, 20% by Mr. Lu Jianfeng and 10% by Ms. Yang Qiaohong. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, Mr. Lu Yuxiang, Mr. Lu Jianfeng and Ms. Yang Qiaohong are third parties independent of the Company and its connected persons.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CDC is the controlling shareholder of the Company, which together with its subsidiaries holds approximately 53.09% of the issued share capital of the Company. Therefore, CDC is a connected person of the Company. Meanwhile, since CDC holds 42.5% equity interests in Datang Chaozhou Company, Datang Chaozhou Company is an associate of CDC, and thus Datang Chaozhou Company is also a connected person of the Company. The transaction contemplated under the Capital Increase Agreement constitutes a connected transaction of the Company.

Pursuant to Rules 14.22 and 14A.81 of the Listing Rules, the transaction contemplated under the Capital Increase Agreement should be aggregated with the Previous Transactions and treated as if they were one transaction.

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Since the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the transaction contemplated under the Capital Increase Agreement, when aggregated with the Previous Transactions, is less than 5%, the transaction contemplated under the Capital Increase Agreement does not constitute a discloseable transaction under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors of the Company

“Capital Increase”	the Company, CDC and Chaozhou Xinghua agreed to make further capital contribution of RMB890.07765 million, RMB720.53905 million and RMB84.76930 million, respectively, to Datang Chaozhou Company based on their respective shareholding ratio in Datang Chaozhou Company in accordance with the Capital Increase Agreement
“Capital Increase Agreement”	the capital increase agreement entered into between the Company, CDC, Chaozhou Xinghua and Datang Chaozhou Company on 27 December 2023 in relation to the Capital Increase to Datang Chaozhou Company
“CDC”	China Datang Corporation Ltd. (中國大唐集團有限公司), a wholly state-owned company established under the laws of the PRC, whose ultimate beneficial owner is the State-owned Assets Supervision and Administration Commission of the State Council of the PRC, and is the controlling shareholder of the Company. For details, please refer to the section headed “Information on the Relevant Parties” in this announcement
“Chaozhou Xinghua”	Chaozhou Xinghua Energy Investment Company Limited (潮州市興華能源投資有限公司). For details, please refer to the section headed “Information on the Relevant Parties” in this announcement
“Company”	Datang International Power Generation Co., Ltd., a sino-foreign joint stock limited company incorporated in the PRC on 13 December 1994, whose H shares are listed on the Stock Exchange and the London Stock Exchange and whose A shares are listed on the Shanghai Stock Exchange. For details, please refer to the section headed “Information on the Relevant Parties” in this announcement
“connected person”	has the meaning ascribed to it under the Listing Rules
“connected transaction”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Datang Chaozhou Company”	Guangdong Datang International Chaozhou Power Generation Company Limited (廣東大唐國際潮州發電有限責任公司). For details, please refer to the section headed “Information on Datang Chaozhou Company” in this announcement

“Datang Chaozhou Power Plant Units 5-6 Project” or “Project”	Datang Chaozhou Power Plant Units 5-6 Project (大唐潮州電廠5-6號機組項目). Such Project is located at the expansion end of unit 4 of Datang Chaozhou Company in Raoping County, Chaozhou City, Guangdong Province, and occupies a land area of approximately 354.5 mu. The Project is planned to construct 2×1,000MW domestic ultra-supercritical secondary reheat coal-fired generation units
“Director(s)”	the director(s) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Previous Transactions”	(i) the transaction under the capital increase agreement entered into between the Company, Datang Jiangsu Power Generation Co., Ltd., Nantong State-owned Assets Investment Holdings Co., Ltd. and Jiangsu Datang International Lvsigang Power Generation Co., Ltd. on 25 November 2022, details of which were disclosed in the announcement of the Company dated 25 November 2022; (ii) the transaction under the capital increase agreement entered into between the Company and CDC on 29 May 2023, details of which were disclosed in the announcement of the Company dated 29 May 2023; and (iii) the transaction under the capital increase agreement entered into between the Company, CDC and China Datang Corporation Nuclear Power Company Limited on 26 October 2023, details of which were disclosed in the announcement of the Company dated 26 October 2023
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	percent

By order of the Board
Sun Yanwen
Joint Company Secretary

Beijing, the PRC, 27 December 2023

As at the date of this announcement, the Directors of the Company are:

Wang Shunqi, Ying Xuejun, Xu Guang, Ma Jixian, Tian Dan, Zhu Shaowen, Cao Xin, Zhao Xianguo, Jin Shengxiang, Sun Yongxing, Niu Dongxiao, Zong Wenlong*, Zhao Yi*, Zhu Dahong*, You Yong**

** Independent non-executive Directors*