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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
PROVISION FOR ASSET IMPAIRMENT,
RETIREMENT AND WRITE-OFF OF ASSETS OF CERTAIN
AFFILIATED ENTERPRISES**

This announcement is made by Datang International Power Generation Co., Ltd. (the “**Company**”) pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) and Rules 13.09(2)(a) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Company convened the seventeenth meeting of the tenth session of the Board on 26 March 2021, at which the “Resolution on Provision for Asset Impairment, Retirement and Write-off of Assets of Certain Affiliated Enterprises” was considered and approved. To give an objective view of the financial position and operation results of the Company and ensure the truthfulness and reliability of the accounting information, in accordance with the requirements of Accounting Standards for Business Enterprises and relevant financial accounting policies of the Company, after inventorying and sorting the assets of certain affiliated enterprises and taking the necessary impairment testing measures, the provisions have been made for assets impairment, write-off of preliminary project expenses, retirement of fixed assets and inventories supplies and loss of intangible assets of certain affiliated enterprises of the Company. The details are set out as below:

I. ASSET IMPAIRMENT

(I) Credit impairment losses

Part of accounts receivable of the Company’s affiliated enterprises is expected to be less likely to be recovered due to the long aging time and the insolvency of the counterparty. After considering the recovery of the losses recognized in the previous years, credit impairment loss in an aggregate amount of RMB33.0945 million will be recognized in 2020.

(II) Provision for impairment of fixed assets

1. The Unit No. 3 of Douhe Power Plant of the Company was closed. There are indications of impairment of fixed assets, a provision for impairment of fixed assets of RMB159.6117 million was made for 2020 after testing.
2. Datang Anqing Biomass Power Generation Co., Ltd. (“**Anqing Company**”) was out of production. There are indications of impairment of fixed assets, a provision for impairment of fixed assets of RMB79.8246 million was made for 2020 after testing.
3. Tangshan Haigang Datang Tongzhou Construction Materials Company Limited (“**Haigang Construction Materials Company**”) was out of production. There are indications of impairment of part of assets, a provision for impairment of fixed assets of RMB6.3173 million was made for 2020 after testing.
4. There are indications of impairment of fixed assets in the Harbin First Thermal Power Plant of Datang Heilongjiang Power Generation Co., Ltd., a provision for impairment of fixed assets of RMB612,800 was made for 2020 after testing.

The foregoing resulted in a provision for impairment of fixed assets in an aggregate amount of RMB246.3664 million for 2020.

(III) Provision for impairment of construction in progress

The projects of construction in progress include the preliminary project of Hebei Baoding Fuping coal-fired power generation, Baochang low carbon demonstration headquarters base project, Wangtan ultra-super critical coal-fired unit phase II project, Tianjin Nangang gas thermal power, Xiahuayuan biomass thermal electricity, Chongqing Yujiang hydropower project, Chongqing Liangfengya wind power project, Chongqing Shiliping wind power project, Chongqing Tianzicheng wind power project, Chongqing Huixiangping wind power project, Fujian Yongan coal gangue integrated utilization power plant project, Fujian Shaowu Zhangcuo wind power project, Fujian Shunchang Renshou wind power project, certain reconstruction project of Anqing Company and the coal-separating plant of Erdos Ruidefeng Mining Company Limited (“**Ruidefeng Company**”) managed by certain affiliated enterprises of the Company. Affected by the policy adjustment, these projects are hard to progress and there are indications of impairment in these projects. A provision for impairment of construction in progress in an aggregate amount of RMB173.0017 million was made for 2020 after testing.

(IV) Provision for impairment of inventories

1. There are indications of impairment in certain inventories due to the closure of the alumina production system of Inner Mongolia Datang International Hohhot Aluminum and Power Company Limited. A provision for impairment of inventories of RMB26.5521 million was made for 2020 after testing.
2. Haigang Construction Materials Company was out of production. There are indications of impairment in certain inventories. A provision for impairment of inventories of RMB171,600 was made for 2020 after testing.
3. The net realizable value of certain inventories of Heilongjiang Longtang Power Investment Co., Ltd. is lower than its cost. A provision for impairment of inventories of RMB243,800 was made for 2020 after testing. A reversal of the provision for impairment of RMB71,900 was made in 2020 due to the rebound of inventory value.

The provision for impairment of inventories in an aggregate amount of RMB26.9675 million was made for the aforesaid matters for 2020, and a reversal of the provisions for impairment of RMB71,900 was made.

(V) Provision for impairment of goodwill

The goodwill generated when the Company acquired Ruidefeng Company was RMB32.5456 million. It is tested that there are indications of impairment, and a provision for impairment of goodwill of RMB32.5456 million was made.

II. WRITE-OFF OF PRELIMINARY PROJECT EXPENSES

The Company sorted the preliminary project expenses of the projects which were planned to be terminated of its affiliated enterprises. The Company wrote off the preliminary project expenses of RMB33.6040 million (RMB2.5554 million of impairment provision was made). The main reason for writing off the preliminary project expenses was that there will be no preliminary project expense incurring due to the termination of projects for various reasons.

III. RETIREMENT OF FIXED ASSETS

The Company counted and sorted the retirement of fixed assets of its affiliated enterprises. The original value of fixed assets retired was RMB2,821.8700 million in 2020, accumulated depreciation was RMB2,146.5512 million, and the net value was RMB675.3188 million (RMB566.6522 million of impairment provision was made). The fixed assets retired mainly comprise the following: firstly, the machinery and equipment which were dismantled and eliminated for technology enhancement or upgrade, or without value in use and not fully depreciated according to the national environmental requirements; secondly, the machinery and equipment, transportation vehicles and production management tools which could not be

repaired, used and without value in use due to long-term wear and tear but have been fully depreciated; thirdly, machinery and equipment and buildings without value in use and assignment value due to the machinery that were damaged and dismantled.

IV. RETIREMENT OF INVENTORY SUPPLIES

The Company counted and sorted the inventories of its affiliated enterprises, and retired supplies of RMB9.9179 million in 2020. The retired supplies mainly include certain special purpose supplies and parts and components which could not be used due to the closure of machinery, technology upgrade or enhancement.

V. LOSS OF INTANGIBLE ASSETS

The Company wrote off the original value of intangible assets of RMB251,700, (the accumulated amortization was RMB249,500 and the net value was RMB2,200) due to the software and system developed for supporting had no value in use and assignment value because of the closure of machinery.

VI. IMPACT ON PROFITS FOR THE CURRENT PERIOD

Based on the foregoing, the foregoing provisions for asset impairment, retirement and write-off of assets resulted in a decrease in the Company's consolidated total profit for 2020 by approximately RMB661.5391 million and a decrease in net profit attributable to the parent company by approximately RMB611.7484 million.

VII. PROCEDURES FOR CONSIDERATION AND APPROVAL OF PROVISIONS FOR ASSET IMPAIRMENT, RETIREMENT AND WRITE-OFF OF ASSETS

The Company convened the seventeenth meeting of the tenth session of the Board and the twelfth meeting of the tenth session of the supervisory committee on 26 March 2021, at which the "Resolution on Provisions for Asset Impairment, Retirement and Write-off of Assets of Certain Affiliated Enterprises" was considered and approved.

The directors (including independent non-executive directors) are of the view that the provisions for asset impairment, retirement and write-off of assets are in compliance with the provisions of the Accounting Standards for Business Enterprises and the relevant accounting policies of the Company, objectively and fairly reflect the assets of the Company, and ensure the truth and accuracy of the accounting information without prejudicing the legitimate interests of the shareholders of the Company.

The supervisory committee is of the view that the provisions for asset impairment, retirement and write-off of assets made by the Company in accordance with the provisions of the Accounting Standards for Business Enterprises and the relevant financial policies of the Company are in line with the actual conditions of the Company and provide an objective and fair presentation of the assets condition and operating results of the Company as at 31 December 2020.

By order of the Board
Jiang Jinming
Company Secretary

Beijing, the PRC, 26 March 2021

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

Chen Feihu, Qu Bo, Liang Yongpan, Ying Xuejun, Zhu Shaowen, Cao Xin, Zhao Xianguo, Jin Shengxiang, Sun Yongxing, Liu Jizhen, Luo Zhongwei*, Liu Huangsong*, Jiang Fuxiu*, Niu Dongxiao**

* *Independent non-executive directors*