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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 OF ASSETS AND SUPPLIES AND
WRITE-OFF OF PRELIMINARY PROJECT EXPENSES OF CERTAIN
AFFILIATED ENTERPRISES**

This announcement is made by Datang International Power Generation Co., Ltd. (the “**Company**” or “**Datang International**”) 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 following announcement is made by the board of directors (the “**Board**”) of the Company in respect of provisions for asset impairment, retirement of assets and supplies and write-off of preliminary project expenses.

The Company convened the eighth meeting of the tenth session of the Board on 30 March 2020, at which the “Resolution on Provision for Asset Impairment, Retirement of Assets and Supplies and Write-off of Preliminary Project Expenses 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 Datang International, 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, retirement of certain fixed assets and supplies and write-off part of preliminary project expenses of certain affiliated enterprises of the Company. The details in respect of the provision for asset impairment, retirement of assets and supplies and write-off part of preliminary project expenses are set out as below:

I. ASSET IMPAIRMENT

(I) Credit impairment losses

1. Datang Baoding Huayuan Thermal Power Co., Ltd. (“**Baoding Huayuan Company**”) has entered winding-up and liquidation procedures. According to the assessment results of Baoding Huayuan Company, the credit impairment loss of RMB437.4511 million was recognized in 2019.
2. Beijing Datang Fuel Co., Ltd. (“**Beijing Datang Fuel Company**”) recognized credit impairment loss on receivables of RMB19.2277 million.
3. Datang Heilongjiang Power Generation Co., Ltd. recognized credit impairment loss on receivables of RMB9.9169 million.
4. Tangshan Haigang Datang Tongzhou Construction Materials Company Limited (“**Tongzhou Haigang Construction Materials Company**”) recognized credit impairment loss on receivables of RMB1.7125 million.
5. Certain affiliated enterprises recovered a total of RMB86.7405 million of losses recognized in previous years.

The foregoing resulted in a recognition of credit impairment loss in an aggregate amount of RMB381.5677 million for 2019.

(II) Provision for impairment of construction in progress

1. There are indications of impairment in the Tianjin Nangang gas thermal power project of the preparatory office of Tianjin Datang International Nangang Public Engineering Island Development Co., Ltd., and a provision for impairment of construction in progress of RMB120.7851 million was made for 2019 after testing.
2. There are indications of impairment in the Sanmingsha County thermal power project and Yongan coal gangue power generation project of Datang International Fujian Branch, and a provision for impairment of construction in progress of RMB55.1282 million was made for 2019 after testing.
3. There are indications of impairment in the Fujian Changle wind power project, Maluan Bay tidal power station project, Shanghai offshore wind power project, Fujian Langqi wind power project, Fujian Tongan Lianhua wind power project, and Fujian Changle Wushan phase II wind power project of Fujian Datang International Renewable Power Company Limited, and a provision for impairment of construction in progress of RMB19.6862 million was made for 2019 after testing.

4. There are indications of impairment in the Dashiqiao Shuiyuan wind power project and Hulu Island wind power project of Liaoning Datang International Renewable Power Company Limited, and a provision for impairment of construction in progress of RMB1.7969 million was made for 2019 after testing.
5. There are indications of impairment in the Fuxin 2×1000MW ultra-supercritical air-cooled generation project of Datang International Liaoning Branch, and a provision for impairment of construction in progress of RMB0.7585 million was made in for 2019 after testing.

The provisions for impairment of construction in progress for the aforesaid matters of RMB198.1549 million in total was made for 2019.

(III) Provision for impairment of fixed assets

1. The assets dismantled for renovation of coal yard of Zhejiang Datang Wushashan Power Generation Company Limited has no use value and there are indications of impairment. A provision for impairment of fixed assets of RMB20.4722 million was made.
2. Heilongjiang Longtang Pipeline Engineering Co., Ltd. intended to carry out liquidation and cancellation. Based on the evaluation results, a provision for impairment of fixed assets of RMB2.37 million was made.
3. There are indications of impairment in the Fuxin 2×1000MW ultra-supercritical air-cooled generation project managed by Datang International Liaoning Branch, and a provision for impairment of fixed assets of RMB200 was made.

The provisions for impairment of fixed assets of RMB22.8424 million was made for the aforesaid matters for 2019.

(IV) Provision for impairment of long-term equity investment

Due to continued losses and insolvency of Tongzhou Haigang Construction Materials Company invested by Datang Tongzhou Technology Company Limited, a wholly-owned subsidiary of the Company, there are indications of impairment in such investment. A provision for impairment of long-term equity investment of RMB7.8 million was made for 2019.

(V) Provision for impairment of inventories

1. There are indications of impairment in the overstocked raw materials of Inner Mongolia Datang International Renewable Energy Resource Development Company Limited. A provision for impairment of inventories of RMB8.2644 million is intended to be made.
2. The overstocked raw materials of Heilongjiang Longtang Power Investment Co., Ltd. have no use value and there are indications of impairment. A provision for impairment of inventories of RMB1.1644 million was made.
3. A reversal of impairment of inventories of RMB3.9088 million was made in Datang Anhui Power Generation Co., Ltd. due to the rebound of inventory value.

The provisions for impairment of inventories of RMB5.52 million was made for the aforesaid matters for 2019.

(VI) Provision for impairment of goodwill

The goodwill generated when the Company acquired Jiangxi Datang International Xinyu Power Generation Company Limited was RMB104.3609 million. It is tested that there are indications of impairment, and a provision for impairment of goodwill of RMB104.3609 million was made.

II. RETIREMENT OF FIXED ASSETS

Datang International counted and sorted the retirement of fixed assets of its affiliated enterprises. The original value of fixed assets retired was RMB481.305 million in 2019, accumulated depreciation was RMB399.5282 million, and the net value was RMB81.7768 million (RMB19.847 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 office tools which could not be used, repaired and without value in use due to long-term wear and tear but have been fully depreciated; thirdly, the assets that were dismantled due to non-compliance with safety production requirements, could not be used any longer and had no repair value.

III. RETIREMENT OF INVENTORY SUPPLIES

Datang International counted and sorted the inventories of its affiliated enterprises, and retired supplies of RMB2.3768 million (RMB93,400 of impairment provision was made) in 2019. The retired supplies mainly include certain retirement special purpose supplies and parts and components which could not be used due to technology upgrade or enhancement.

IV. WRITE-OFF OF PRELIMINARY PROJECT EXPENSES

Datang International counted and sorted the preliminary project expense of proposed termination projects of its affiliated enterprises, and wrote off preliminary project expense of RMB61.7107 million (RMB7.0597 million of impairment provision was made) in 2019. 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.

V. IMPACT ON PROFITS FOR THE CURRENT PERIOD

Based on the foregoing, the foregoing provisions for asset impairment, retirement of assets and supplies and write-off of preliminary project expenses resulted in a decrease in the Company's consolidated total profit for 2019 by approximately RMB831.2832 million and a decrease in net profit attributable to the parent company by approximately RMB821.0356 million.

VI. PROCEDURES FOR CONSIDERATION AND APPROVAL OF PROVISIONS FOR ASSET IMPAIRMENT, RETIREMENT OF ASSETS AND SUPPLIES AND WRITE-OFF OF PRELIMINARY PROJECT EXPENSES

The Company convened the eighth meeting of the tenth session of the Board and the sixth meeting of the tenth session of the supervisory committee on 30 March 2020, at which the "Resolution on Provisions for Asset Impairment, Retirement of Assets and Supplies and Write-off of Preliminary Project Expenses of Certain Affiliated Enterprises" was considered and approved.

The directors (including independent directors) are of the view that the provisions for asset impairment, retirement of assets and supplies and write-off of preliminary project expenses 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 of assets and supplies and write-off of preliminary project expenses 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 2019.

By order of the Board
Jiang Jinming
Company Secretary

Beijing, the PRC, 30 March 2020

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

Chen Feihu, Wang Sen, Wang Xin, Liang Yongpan, Ying Xuejun, Zhu Shaowen, Cao Xin, Zhao Xianguo, Zhang Ping, Jin Shengxiang, Liu Jizhen, Feng Genfu*, Luo Zhongwei*, Liu Huangsong*, Jiang Fuxiu**

** Independent non-executive directors*