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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 2 June 2021, the Company and CDC entered into the Capital Increase Agreement, pursuant to which the Company and CDC agreed to increase the registered capital in Datang Nuclear Company by way of cash. In particular, the Company agreed to contribute RMB86.2400 million to Datang Nuclear Company and CDC agreed to contribute RMB129.3660 million to Datang Nuclear Company based on the proportion of their respective shareholding in Datang Nuclear Company. Upon completion of this capital increase, the accumulated amount of capital contribution by the Company to Datang Nuclear Company would become RMB496.8163 million whereas its proportion of total shareholding would remain at 40%; the accumulated amount of capital contribution by CDC to Datang Nuclear Company would become RMB745.2304 million whereas its proportion of total shareholding would remain at 60%.

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. The transactions contemplated under the Capital Increase Agreement constitute connected transactions of the Company.

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

CAPITAL INCREASE AGREEMENT

Date

2 June 2021

Parties

1. The Company;
2. CDC.

Major Terms of the Capital Increase Agreement

1. The amount of capital increase by the Company and CDC are as follows:

- (a) Increase in registered capital

The registered capital of Datang Nuclear Company shall increase from RMB1,026.4407 million to RMB1,242.0467 million. The amount of increase in registered capital is RMB215.6060 million.

- (b) Means and amount of capital increase

The Company and CDC agreed to settle the capital increase to Datang Nuclear Company by way of cash. Based on the proportion of their respective shareholding, the Company agreed to contribute RMB86.2400 million to Datang Nuclear Company and CDC agreed to contribute RMB129.3660 million to Datang Nuclear Company. The aggregate amount of capital increase to Datang Nuclear Company in cash is RMB215.6060 million.

The shareholding structure of Datang Nuclear Company as well as the amount of capital increase to Datang Nuclear Company by and the proportion of shareholding of each shareholder before and upon completion of this capital increase are set out as below:

Name of shareholder	Capital injected prior to the completion of capital increase (RMB'000)	Shareholding prior to the completion of capital increase	Capital to be injected (RMB'000)	Total capital injected after the completion of capital increase (RMB'000)	Shareholding after the completion of capital increase
CDC	615,864.4	60%	129,366.0	745,230.4	60%
The Company	<u>410,576.3</u>	<u>40%</u>	<u>86,240.0</u>	<u>496,816.3</u>	<u>40%</u>
Total	<u><u>1,026,440.7</u></u>	<u><u>100%</u></u>	<u><u>215,606.0</u></u>	<u><u>1,242,046.7</u></u>	<u><u>100%</u></u>

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

2. Timing of capital contribution: Payment of the capital contribution shall be made by the parties within one month from the date of signing of the Capital Increase Agreement.
3. Effective date: The Capital Increase Agreement shall become effective upon signing by legal representatives or authorised representatives of the parties and affixing of company seals.

REASONS FOR AND BENEFITS OF ENTERING INTO THE CAPITAL INCREASE AGREEMENT

The implementation of the Capital Increase Agreement and capital increase by the Company and CDC to Datang Nuclear Company can further increase the capital adequacy ratio of Datang Nuclear Company, hence satisfying the capital needs for investment projects of Datang Nuclear Company, enhancing the strength of the principal business of Datang Nuclear Company, reinforcing its capacity to withstand risk, effectively advancing relevant construction of nuclear projects and development of preliminary projects, so as to maximize shareholders' interests.

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

APPROVAL BY THE BOARD

The seventeenth meeting of the tenth session of the Board has considered and approved the "Resolution on the Capital Contribution to China Datang Corporation Nuclear Power Company Limited", details of which were set out in the overseas regulatory announcement of the Company dated 26 March 2021.

“Capital Increase Agreement”	the capital increase agreement entered into between the Company and CDC on 2 June 2021 in relation to the capital increase to Datang Nuclear Company
“CDC”	China Datang Corporation Ltd., 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 a controlling shareholder of the Company. Details of which please refer to the section headed “Information on the Parties to the Agreement” of 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. Details of which please refer to the section headed “Information on the Parties to the Agreement” of this announcement
“connected person”	has the meaning ascribed to it under the Listing Rules
“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Datang Nuclear Company”	China Datang Corporation Nuclear Power Company Limited, details of which please refer to the section headed “Information on the Parties to the Agreement”
“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
“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
Jiang Jinming
Company Secretary

Beijing, the PRC, 2 June 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*