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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
CONTINUING CONNECTED TRANSACTIONS
2021 COMPREHENSIVE PRODUCT AND SERVICE FRAMEWORK
AGREEMENT**

2021 COMPREHENSIVE PRODUCT AND SERVICE FRAMEWORK AGREEMENT

Reference is made to the announcement of the Company dated 23 January 2019 in relation to, among others, the 2019 Comprehensive Product and Service Framework Agreement.

The 2019 Comprehensive Product and Service Framework Agreement will expire on 31 December 2021. In order to obtain reliable and guaranteed comprehensive products and services such as coal, materials and services, reduce operating risks and costs, improve work efficiency, and facilitate the normal development of production and operation, the parties propose to continue to enter into transactions of a similar nature from time to time after 31 December 2021.

The Board hereby announces that, on 15 November 2021, the Company and CDC entered into the 2021 Comprehensive Product and Service Framework Agreement. The term of the agreement shall be three years, commencing from 1 January 2022 and ending on 31 December 2024.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CDC, the controlling shareholder of the Company, and its subsidiaries hold a total of 53.09% of the issued share capital of the Company. CDC is therefore a connected person of the Company. As such, the 2021 Comprehensive Product and Service Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company.

Among the twelve types of products or services to be provided by CDC Group to the Group under the 2021 Comprehensive Product and Service Framework Agreement, as the highest of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) of the respective transactions under each of the categories of (i) Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services; (ii) Coal Supply; and (iii) Flue Gas Environmental

Protection Facilities Franchising under the 2021 Comprehensive Product and Service Framework Agreement is more than 5%, such transactions are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

For each of the remaining nine types of products or services to be provided by CDC Group to the Group under the 2021 Comprehensive Product and Service Framework Agreement, as the highest of the applicable percentage ratios of the respective transactions under each category is more than 0.1% but less than 5%, such transactions are only subject to the reporting and announcement requirements but are exempt from Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Among the five types of products or services to be provided by the Group to CDC Group under the 2021 Comprehensive Product and Service Framework Agreement, as the highest of the applicable percentage ratios of the transactions under the category of Coal Supply and Coal Transportation is more than 5%, such transactions are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

For each of the remaining four types of products or services to be provided by the Group to CDC Group under the 2021 Comprehensive Product and Service Framework Agreement, as the highest of the applicable percentage ratios of the respective transactions under each category is more than 0.1% but less than 5%, such transactions are only subject to the reporting, announcement and annual review requirements but are exempt from Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

According to the Listing Rules, the Independent Board Committee (comprising the independent non-executive Directors) has been formed to advise the Independent Shareholders on the terms of the Non-Exempt CCTs under the 2021 Comprehensive Product and Service Framework Agreement.

The Company has appointed Trinity Corporate Finance Limited as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the terms of the Non-Exempt CCTs under the 2021 Comprehensive Product and Service Framework Agreement.

DESPATCH OF CIRCULAR

A circular containing details of the 2021 Comprehensive Product and Service Framework Agreement, a letter from the Independent Board Committee and a letter from the Independent Financial Adviser, both advising the terms of the Non-Exempt CCTs under the 2021

Comprehensive Product and Service Framework Agreement, will be despatched to the Shareholders pursuant to the Listing Rules. As additional time is required for the Company to prepare the information for inclusion into the circular, the Company expects that the circular will be despatched to the Shareholders on or before 1 December 2021. In the event of expected delay in despatch of the circular, a further announcement will be made by the Company pursuant to the Listing Rules for explaining the reasons for delay and the new expected date of despatch of the circular.

2021 COMPREHENSIVE PRODUCT AND SERVICE FRAMEWORK AGREEMENT

Date

15 November 2021

Parties

1. The Company; and
2. CDC

Principal Terms

(1) Subject matters:

CDC Group agreed to provide products and services (including (i) Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services, (ii) Coal Supply, (iii) Technological Transformation, Operations Management and Repair and Maintenance, (iv) Technical Supervision and Technical Services, (v) Infrastructure EPC Contracting, (vi) Sale of Electricity (including water, gas and other resources) and Services, (vii) Alternative Power Generation, (viii) Flue Gas Environmental Protection Facilities Franchising, (ix) Research and Development in Technological Projects, (x) Information System Development, (xi) Property Rights Brokerage Services and (xii) Property Management and Other Logistical Services) to the Group during the term of the 2021 Comprehensive Product and Service Framework Agreement.

The Group agreed to provide products and services (including (i) Coal Supply and Coal Transportation, (ii) Sale of Electricity (including water, gas and other resources) and Services, (iii) Alternative Power Generation, (iv) Operations Management and Repair and Maintenance and (v) supply of water, electricity and gas for Flue Gas Environmental Protection Facilities Franchising) to CDC Group during the term of the 2021 Comprehensive Product and Service Framework Agreement.

CDC and its controlled subsidiaries and subordinate enterprises may enter into specific contracts in respect of the above matters with the Company and its controlled subsidiaries and subordinate enterprises as required from time to time during the term of the 2021 Comprehensive Product and Service Framework Agreement, and such specific contracts shall be subject to the terms of the 2021 Comprehensive Product and Service Framework Agreement.

(2) Term:

The term of the 2021 Comprehensive Product and Service Framework Agreement shall be three years, commencing from 1 January 2022 and continuing up to and including 31 December 2024.

(3) Pricing policy:

The specific pricing principles of various types of transactions under the 2021 Comprehensive Product and Service Framework Agreement are set out as follows:

- (a) In respect of (i) Technological Transformation, (ii) Operations Management, Repair and Maintenance, (iii) Infrastructure EPC Contracting, (iv) Research and Development in Technological Projects, (v) Information System Development, (vi) Property Rights Brokerage Services and (vii) Property Management and Other Logistical Services, the service provider is to be determined through the bidding procedures stipulated by relevant laws and regulations of China or competitive negotiation, inquiry and other procurement methods stipulated by the Company's procurement management measures, and relevant related enterprise (connected person) can only win the bid if the comprehensive score of technical ability, price and business ranks first. The transaction price shall be the final tender price.
- (b) In respect of the Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services, the Group agreed to entrust CDC Group to carry out centralized purchase of production and infrastructure materials, the prices of which are to be determined through public bidding.

CDC Group will charge a certain management service fee in respect of its relevant services undertaken in centralized procurement which shall not exceed 6% of the purchase amount. The price for the entire package of service of equipment shall be calculated on the basis of the scope of actual services provided and the pricing standard of the entire package of services of relevant materials. Such service fee shall be determined through arm's length negotiations between both parties taking into account the amount of management service fees charged by other independent cooperative service providers when providing similar services. The relevant management service fee to be charged by CDC Group shall not be higher than the fee which has been charged in providing the same type of services to Independent Third Parties or other companies of CDC Group. The said management service fee of not more than 6% of the purchase amount is arrived at after considering the management service fee charged by Independent Third Parties providing

similar services and it is ascertained that the service management fee charged by Independent Third Party is not more than 6% of the purchase amount of the production and infrastructure materials. Upon entering into specific procurement contract, the material management department of the Company will verify the management service fee to ensure that the rate of the management service fee is not higher than that stipulated by the 2021 Comprehensive Product and Service Framework Agreement.

- (c) On the prerequisite that the market price of coal has been taken into account, the price of Coal Supply and Coal Transportation is to be determined on the basis of arm's length negotiations and on normal commercial terms and prevailing market conditions. Relevant factors such as purchase costs of coal, transportation costs of coal, trend of market change, changes in policies, historical transaction price, potential price fluctuations, etc. shall also be taken into account.

The fuel management department of the Company is responsible for collecting the market prices of coal and coal transportation with reference to the trend of market change in the last three years as the basis of determining the consideration. The sale prices of coal are to be determined according to the purchase costs of coal incurred by the subordinate fuel companies of each of the Company and CDC responsible for the procurement of fuel, the demands for coal consumption from the subordinate power generation companies of each of the Company and CDC, the trend of price change in the Bohai Rim and the trend of international price change, upon negotiation with the subordinate power generation enterprises of each of the Company and CDC, taking into account factors such as the transportation costs of coal of the subordinate shipping companies of the Company, the transportation demands of coal of relevant enterprises of the Company, historical transaction price and potential price fluctuations. The price of market coal is to be formed upon determination of the price of electricity purchase and coal sale in mid-to-long term agreements and coal transportation prices through negotiation with the subordinate power generation enterprises, the subordinate coal mining enterprises, the subordinate fuel companies of each of the Company and CDC, as well as the shipping companies of the Company, respectively, or through the bidding platform for coal procurement in the market.

- (d) In respect of Technical Supervision and Technical Services, the price is to be determined through negotiation by both parties with reference to the market price having taken into account factors such as variance between service projects of thermal power, hydropower and wind power units, and the installed capacity and regional differences of power generation enterprises, ensuring that the transaction price shall not be higher than the price which would have been charged if similar services were to be provided to Independent Third Parties.
- (e) In respect of Alternative Power Generation, having considered market price of alternative power generation and the fact that marginal benefit shall be generated, its price is to be determined through negotiations in accordance with the principle of fairness and

impartiality and benefit sharing. Marginal benefit means the additional benefit that arise from a unit increase in receiving or transferring a product. For the transferee, the benefit from the alternative generation of each unit of electricity should be higher than the costs incurred for each unit of change in power generation. Such costs incurred for each unit of change in power generation would at least include fuel expenses, water expenses and fees related to environmental protection, etc., taking into consideration the tax expenses, the compensation for ancillary services relating to power generation and deviation assessment, etc. For the transferor, the total benefits arising from the contract should be higher than the total benefits that may be obtained from generating electricity by the transferor on its own. The price is to be determined through negotiation by both parties on the above basis and in accordance with the principle of maximising benefits for the shareholders. Such transaction price must also be based on normal commercial terms and prevailing market conditions.

- (f) In respect of the Sale of Electricity (including water, gas and other resources) and Services, the price for purchase and sale of electricity (including water, gas and other resources) and services is to be determined through negotiations between both parties with the objectives of achieving “complementary advantages, mutual benefit and win-win collaboration”, and with reference to the market price in accordance with the principle of equality, impartiality and fairness.
- (g) The franchising fee in respect of Flue Gas Environmental Protection Facilities Franchising shall be determined on the basis of the government pricing or government-prescribed price; and the water, electricity and gas costs in respect of Flue Gas Environmental Protection Facilities Franchising shall be determined through negotiations between the parties, based on the costs of the water, electricity and gas provided by the power generation enterprises and in accordance with the principle of fairness, impartiality and fairness.

(4) Principles of transactions:

- (a) Both parties agreed that, for products and services to be provided by the other party, if the conditions for services and products offered by an Independent Third Party is less favourable than or same as the conditions imposed by the other party, and/or the price payable is higher than or same as the price payable to the other party, preference shall be given to products and services offered by the other party.
- (b) Both parties agreed that, saved as agreed in paragraph (4)(a) above, the entering into of the 2021 Comprehensive Product and Service Framework Agreement shall not affect the selection of their respective trading partners or their conduct of transactions with third parties. If a third party can provide products and services at more favourable terms and/or prices, each party is entitled to entrust that third party to provide those products and services.

- (c) If a party is unable to satisfy the other party's requirements on products and services, or if the terms provided by an Independent Third Party are more favourable than those of the other party, then that party shall be entitled to receive products and services from the Independent Third Party.
- (d) Before fulfilling the demands for products and services of the other party, neither party shall provide such products and services to an Independent Third Party unless that Independent Third Party offers more favourable prices and terms than those of the other party. However, if the other party is willing to pay prices not less than and/or provide services on terms not less favourable than those provided by the Independent Third Party, the other party shall prioritise the other party in fulfilling its demands for products and services.
- (e) For each year, each party will provide the other party with an estimate of the demand for products and services required for the following year in advance.
- (f) It is anticipated that the Company and its subordinate enterprises will enter into individual supply or service agreements with other subordinate enterprises of CDC from time to time and as may be required. The Company reserves the right to make changes to the 2021 Comprehensive Product and Service Framework Agreement pursuant to listing rules of places where the Company is listed.

Annual Caps

The annual caps for the transaction amounts of the 2021 Comprehensive Product and Service Framework Agreement for the three years ending 31 December 2022, 31 December 2023 and 31 December 2024 are set out as follows:

1. *Products and services to be provided by CDC Group to the Group*

No.	Transaction	For the year	For the year	For the year
		ending 31 December 2022	ending 31 December 2023	ending 31 December 2024
		(RMB'00 million)	(RMB'00 million)	(RMB'00 million)
1.	Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services	170	285	235
2.	Coal Supply	485	485	485
3.	Technological Transformation, Operations Management and Repair and Maintenance	4	4	4

No.	Transaction	For the year ending 31 December 2022 (RMB'00 million)	For the year ending 31 December 2023 (RMB'00 million)	For the year ending 31 December 2024 (RMB'00 million)
4.	Technical Supervision and Technical Services	5	5	5
5.	Infrastructure EPC Contracting	18	18	18
6.	Sale of Electricity (including water, gas and other resources) and Services	6.5	6.5	6.5
7.	Alternative Power Generation	4	4	4
8.	Franchising fee in respect of Flue Gas Environmental Protection Facilities Franchising	35	35	35
9.	Research and Development in Technological Projects	1	1	1
10.	Information System Development	1	1	1
11.	Property Rights Brokerage Services	1	1	1
12.	Property Management and Other Logistical Services	0.5	0.5	0.5

2. Products and services to be provided by the Group to CDC Group

No.	Transaction	For the year ending 31 December 2022 (RMB'00 million)	For the year ending 31 December 2023 (RMB'00 million)	For the year ending 31 December 2024 (RMB'00 million)
1.	Coal Supply and Coal Transportation	125	125	125
2.	Sale of Electricity (including water, gas and other resources) and Services	12.5	12.5	12.5

No.	Transaction	For the year ending 31 December 2022 <i>(RMB'00 million)</i>	For the year ending 31 December 2023 <i>(RMB'00 million)</i>	For the year ending 31 December 2024 <i>(RMB'00 million)</i>
3.	Alternative Power Generation	4.5	4.5	4.5
4.	Operations Management and Repair and Maintenance	1.5	1.5	1.5
5.	Water, electricity and gas costs in respect of Flue Gas Environmental Protection Facilities Franchising	10	10	10

The above annual caps are determined after considering: (1) the possible changes in the fuel market, and the fact that fuel prices are still operating at a high level and the number of transaction targets increased compared to previous years; (2) the expected increase in procurement of wind power and photovoltaic equipment; (3) more business expected to be carried out in areas of technological transformation, operation management, and repair and maintenance by the Group based on the actual overall business scale and operational arrangements; (4) the expected increase in electricity purchase costs, and in cost of water, high and low pressure steam and others; (5) more electricity sales business expected to be carried out based on the actual overall business scale and operating arrangements of the Group; (6) the expected increase in alternative power generation transactions as a results of the implementation of the national energy conservation and emission reduction policy; and (7) the historical transaction amounts of the above-mentioned products and services mutually provided between CDC Group and the Group in the previous three years.

Historical Transaction Amounts

The historical annual caps for the three years ended 31 December 2019, 31 December 2020 and 31 December 2021, and the actual transaction amounts for the two years ended 31 December 2019 and 31 December 2020 and the six months ended 30 June 2021, are set out as follows:

1. *Products and services provided by CDC Group to the Group*

No.	Transaction	For the year ended 31 December 2019		For the year ended 31 December 2020		For the year ended 31 December 2021	For the six months ended 30 June 2021
		Annual cap (RMB'00 million)	Actual amount (Note)	Annual cap (RMB'00 million)	Actual amount	Annual cap (RMB'00 million)	Actual amount
1.	Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services	35 (Note)	23.02 (Note)	65	46.31	78	4.02
2.	Coal Supply	400 (Note)	75.98 (Note)	450	112.77	450	62.82
3.	Technological Transformation, Operations Management and Repair and Maintenance	12	3.70	14	1.98	15	0.23
4.	Technical Supervision and Technical Services	3.5	2.71	3.8	3.10	4	0.72
5.	Infrastructure EPC Contracting	18	7.39	18	13.15	18	1.33
6.	Sale of Electricity (including sales of water, gas and other resources) and Electricity Entrustment Agency	15	0.11	16	0.53	17	0.16
7.	Alternative Power Generation	1	0.13	1	0.12	1	0
8.	Franchising fee in respect of Flue Gas Environmental Protection Facilities Franchising	25.6	22.46	25.8	22.29	27	10.68
9.	Research and Development in Technological Projects	0.8	0.02	0.8	0.04	0.8	0.08

No.	Transaction	For the year ended 31 December 2019		For the year ended 31 December 2020		For the year	For the six
		Annual cap	Actual amount	Annual cap	Actual amount	ended 31	months ended 30
		(RMB'00 million)		(RMB'00 million)		December 2021	June 2021
						Annual cap	Actual amount
						(RMB'00 million)	
10.	Information System Development	1	0.69	1	0.97	1	0.05
11.	Property Rights Brokerage Services	0.3	0	0.3	0	0.3	0
12.	Property Management and Other Logistical Services	0.45	0.45	0.5	0.35	0.55	0.01

2. *Products and services provided by the Group to CDC Group*

No.	Transaction	For the year ended 31 December 2019		For the year ended 31 December 2020		For the year	For the six
		Annual cap	Actual amount	Annual cap	Actual amount	ended 31	months ended 30
		(RMB'00 million)		(RMB'00 million)		December 2021	June 2021
						Annual cap	Actual amount
						(RMB'00 million)	
1.	Coal Supply and Coal Transportation	100	24.82	130	13.40	150	0.49
		(Note)	(Note)				
2.	Sale of Electricity	5	1.46	6	1.61	7	0.01
3.	Alternative Power Generation	6	0.03	8	0	9	0
4.	Operations Management and Repair and Maintenance	1.6	0.36	1.8	0.74	1.9	0.17
5.	Water, electricity and gas costs in respect of Flue Gas Environmental Protection Facilities Franchising	6.4	5.68	6.5	6.46	6.8	3.15

Note:

For transactions under each of the categories of (i) Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services, (ii) Coal Supply, and (iii) Coal Supply and Coal Transportation, the respective annual cap and actual amount for the year ended 31 December 2019 set out in the above table only cover all types of transactions that conducted from 1 April 2019 to 31 December 2019.

The cap and actual amount of each of the three types of transactions conducted by the Group and CDC Group from 1 January 2019 to 31 March 2019 under the Coal and Materials Purchase and Sale Framework Agreement entered into between CDC and the Company dated 18 January 2019 are set out as follows:

	Cap	Actual amount <i>(RMB'00 million)</i>
<i>Products and services provided by CDC Group to the Group</i>		
Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services	20	0.21
Coal Supply	23	22.53
<i>Products and services provided by the Group to CDC Group</i>		
Coal Supply and Coal Transportation	23	4.94

The Board confirmed that as of the date of this announcement, current annual cap for the year ending 31 December 2021 for products and services provided by CDC Group to the Group as well as products and services provided by the Group to CDC Group under the 2019 Comprehensive Product and Service Framework Agreement has not been exceeded.

REASONS FOR AND BENEFITS OF ENTERING INTO THE 2021 COMPREHENSIVE PRODUCT AND SERVICE FRAMEWORK AGREEMENT

The Company is of the view that the entering into of the 2021 Comprehensive Product and Service Framework Agreement with CDC can ensure that the Company is able to obtain reliable and guaranteed comprehensive products and services, such as coal, materials and services, thereby reducing its operation risks and costs and enhancing work efficiency, which are all beneficial to the normal development of the Company's production and operations.

In respect of the Non-Exempt CCTs contemplated under the 2021 Comprehensive Product and Service Framework Agreement only, the Directors (excluding the independent non-executive Directors whose views will be contained in the circular after considering the advice from the

Independent Financial Adviser) are of the view that such transactions were entered into on normal commercial terms and in the ordinary course of business of the Company and such transactions are fair, just and reasonable and in the interests of the Company and its Shareholders as a whole.

In respect of the other types of transactions (except for Non-Exempt CCTs) contemplated under the 2021 Comprehensive Product and Service Framework Agreement only, the Directors (including the independent non-executive Directors) are of the view that such transactions were entered into on normal commercial terms and in the ordinary course of business of the Company and such transactions are fair, just and reasonable and in the interests of the Company and its Shareholders as a whole.

INTERNAL CONTROLS

Internal Control Policy to Monitor Annual Caps

According to the requirements of management system of the connected transactions of the Company, relevant specialized departments of the Company, such as fuel material department, engineering construction department, marketing department, and production and environmental protection department, are responsible for tracing and monitoring the implementation of connected transactions within the scope of business management, setting up management accounts for connected transactions and designating specialists for management and maintenance, and regularly consolidating the transaction amounts incurred in the connected transactions on a quarterly basis. The Company will re-comply with the necessary approval procedures in respect of continuing connected transactions that are expected to exceed their annual caps.

Re-complying With the Listing Rules in Respect of Revision of Annual Caps

If it is anticipated that any of the annual caps in respect of the 2021 Comprehensive Product and Service Framework Agreement will be exceeded during the term of the 2021 Comprehensive Product and Service Framework Agreement, the Company will re-comply with the applicable compliance obligations under Chapter 14A of the Listing Rules based on each revised annual cap for the respective seventeen categories in respect of provision of products and services under the 2021 Comprehensive Product and Service Framework Agreement.

APPROVAL OF THE BOARD

The twenty-second meeting of the tenth session of the Board of the Company has considered and approved the “Resolution on the Entering Into of the Comprehensive Product and Service Framework Agreement for 2022-2024 with China Datang Corporation Ltd.” (please refer to the overseas regulatory announcement of the Company dated 30 August 2021 for details).

None of the Directors has any material interest in the 2021 Comprehensive Product and Service Framework Agreement. Qu Bo, the connected Director, has abstained from voting on the relevant resolution in accordance with the requirements of the listing rules of the Shanghai Stock Exchange.

INFORMATION IN RELATION TO THE PARTIES TO THE AGREEMENT

1. The Company was established in December 1994 and is principally engaged in the construction and operation of power plants, the sale of electricity and thermal power, the repair and maintenance of power equipment and power related technical services. The Company's major service area is in the PRC.
2. CDC was established on 9 March 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, repair and maintenance of power equipment; power technology development and consultation; power engineering, contracting and consultation of environmental power engineering; development as well as self-operation of new energy and agency for the import and export of various commodities and technologies.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CDC, the controlling shareholder of the Company, and its subsidiaries hold a total of 53.09% of the issued share capital of the Company. CDC is therefore a connected person of the Company. As such, the 2021 Comprehensive Product and Service Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company.

Among the twelve types of products or services to be provided by CDC Group to the Group under the 2021 Comprehensive Product and Service Framework Agreement, as the highest of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) of the respective transactions under each of the categories of (i) Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services; (ii) Coal Supply; and (iii) Flue Gas Environmental Protection Facilities Franchising under the 2021 Comprehensive Product and Service Framework Agreement, is more than 5%, such transactions are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

For each of the remaining nine types of products or services to be provided by CDC Group to the Group under the 2021 Comprehensive Product and Service Framework Agreement, as the highest of the applicable percentage ratios of the respective transactions under each category is more than 0.1% but less than 5%, such transactions are only subject to the reporting and announcement requirements but are exempt from Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

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INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

According to the Listing Rules, the Independent Board Committee (comprising the independent non-executive Directors) has been formed to advise the Independent Shareholders on the terms of the Non-Exempt CCTs under the 2021 Comprehensive Product and Service Framework Agreement.

The Company has appointed Trinity Corporate Finance Limited as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the terms of the Non-Exempt CCTs under the 2021 Comprehensive Product and Service Framework Agreement.

DESPATCH OF CIRCULAR

A circular containing details of the 2021 Comprehensive Product and Service Framework Agreement, a letter from the Independent Board Committee and a letter from the Independent Financial Adviser, both advising the terms of the Non-Exempt CCTs under the 2021 Comprehensive Product and Service Framework Agreement, will be despatched to the Shareholders pursuant to the Listing Rules. As additional time is required for the Company to prepare the information for inclusion into the circular, the Company expects that the circular will be despatched to the Shareholders on or before 1 December 2021. In the event of expected delay in despatch of the circular, a further announcement will be made by the Company pursuant to the Listing Rules for explaining the reasons for delay and the new expected date of despatch of the circular.

DEFINITIONS

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

“2019 Comprehensive Product and Service Framework Agreement”	the agreement entered into between CDC and the Company on 23 January 2019 in relation to the mutual supply of products and services between CDC Group and the Group
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“2021 Comprehensive Product and Service Framework Agreement”	the agreement entered into between CDC and the Company on 15 November 2021 in relation to the mutual supply of products and services between CDC Group and the Group
“Alternative Power Generation”	purchase or transfer of planned contracted generation indicator by trading of generation rights between two or more power generation enterprises on the principle of equality and free will and given that such trading will not prejudice the interests of power consumers. Pursuant to the trading, the purchaser (the replacer) completes the power generation indicator plan on behalf of the transferor (the replaced party), and the capacity traded shall be regarded as the alternative capacity. Trading of alternative capacity encourages and facilitates the disposal of all or part of its planned contracted capacity of generating units with high generation costs to those who are able to generate electricity with lower costs, thus optimizing the structure of power source as well as reducing consumption and emission
“associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“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. Please refer to the section headed “INFORMATION IN RELATION TO THE PARTIES TO THE AGREEMENT” of this announcement for details
“CDC Group”	CDC, its controlled subsidiaries, subsidiaries and/or their respective associates (excluding the Group, its controlled subsidiaries and/or its subordinate enterprises but including the connected subsidiaries of the Group)
“Coal Supply”	operating activities in respect of the supply of coal from one party of the agreement to another party
“Coal Transportation”	transportation of coal to designated locations through single or joint methods such as railway, highway and waterways

“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. Please refer to the section headed “INFORMATION IN RELATION TO THE PARTIES TO THE AGREEMENT” of this announcement for details
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“connected subsidiaries”	has the same meaning ascribed to it under the Listing Rules
“connected transaction(s)”	has the same meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Electricity Entrustment Agency”	the participation of electricity sales enterprises in large users and cross-provincial and regional market electricity transactions as agents of power generation enterprises with professional advantages, in which certain commission fees will be charged in accordance with the agreement between both parties
“Flue Gas Environmental Protection Facilities Franchising”	collectively, (i) the investment and construction by CDC Group of the flue gas environmental protection facilities, including desulfurisation, denitrification and dust removal, etc., of the Group, and the franchising provided by CDC Group to the Group for the flue gas environmental protection facilities, including desulfurisation, denitrification and dust removal, etc., of the Group, as well as (ii) the franchising fee charged by CDC Group to the Group in view of the electricity price subsidy policy as prescribed in the PRC during the franchising period, and the water, electricity and gas costs incurred for the operation of flue gas environmental protection facilities charged by the Group to CDC Group
“Group”	collectively, the Company, its controlled subsidiaries and/or its subsidiaries

“Independent Board Committee”	the independent board committee of the Company, comprising all independent non-executive Directors, which has been formed to advise the Independent Shareholders on the terms of the Non-Exempt CCTs under the 2021 Comprehensive Product and Service Framework Agreement
“Independent Financial Adviser”	Trinity Corporate Finance Limited, a licensed corporation under the SFO permitted to conduct type 6 (advising on corporate finance) regulated activities for the purposes of the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders on the terms of the Non-Exempt CCTs under the 2021 Comprehensive Product and Service Framework Agreement
“Independent Shareholder(s)”	Shareholder(s) other than CDC and its associates, and who are not involved in or interested in the transactions contemplated under the 2021 Comprehensive Product and Service Framework Agreement
“Independent Third Party(ies)”	economic entity (i.e. company, enterprise and business unit) or natural person which, together with the ultimate beneficial owners of such economic entity, is independent of and not connected with CDC and its connected persons, as well as the Company and its connected persons
“Information System Development”	the implementation and construction of information systems, the operation and maintenance of information systems, the information technology consultations and the information technology services, etc.
“Infrastructure EPC Contracting”	the general contracting of the entire process or certain phases in the design, procurement, construction and trial operation of construction projects by the general contractor who is appointed by the owner as stipulated in the agreements between the parties
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Non-Exempt CCTs”	collectively, the transactions under the categories of (i) Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services, (ii) Coal Supply and (iii) Flue Gas Environmental Protection Facilities Franchising in respect of products and services to be provided by CDC Group to the Group, as well as the transactions under the category of Coal Supply and Coal Transportation in respect of products and services to be provided by the Group to CDC Group, of which the highest of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) is more than 5%, and which are subject to the reporting, announcement and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules
“Operations Management”	operations on equipment such as monitoring, inspection, starting and stopping, and reconfiguration
“PRC”	the People’s Republic of China
“Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services”	the centralized procurement of certain general-purpose equipment and materials for construction, technological transformation projects and repair and maintenance of production, and provision of centralized procurement services relating to such as tendering agency, technology and business negotiation, complete sets of goods, supervision and expediting, storage and transportation of goods, arrival inspection, and quality assurance; complete services management including procurement services, contract execution and performance services (equipment supervision and inspection, expediting delivery and shipment) related to major equipment and materials for large infrastructure projects, and on-site material management for infrastructure projects
“Property Management and Other Logistical Services”	the entrustment of property service enterprises for facilities related to buildings held by the Group to conduct various services such as logistic management of such facilities
“Property Rights Brokerage Services”	brokerage services provided to enterprises in relation to activities conducted at property rights exchange institutions, such as transfer of equity interest, assets transactions and capital increase, etc.
“Repair and Maintenance”	routine maintenance and repair on equipment

“Research and Development in Technological Projects”	research by power generation enterprises such as theoretical research, key technologies research, experimental research in relation to electricity generation, which result in technological output such as the production of key technologies, scientific results, patents and theses
“RMB”	Renminbi, the lawful currency of the PRC
“Sale of Electricity (including water, gas and other resources) and Services”	the sale of electricity (including water, gas and other resources) owned by the Group by power generation enterprises and provision of related services
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Technical Supervision and Technical Services”	the provision of regular technical proposals and guidance on measures upon discovery of issues on the operation and technical management of power generation equipment primarily through supervision and analysis on relevant operation information and performance indicators of such power generation equipment, and the provision of various services for addressing a particular technical issue, such as unconventional calculation, design, surveying, analysis, installation, commissioning, provision of technical analysis, improvement on technical process, implementation of special experiment and technical diagnosis, etc.
“Technological Transformation”	technological transformation projects that transform obsolete technologies into advanced technologies and replace outdated technology and equipment with advanced ones by upholding the principle of technological advancement, thereby achieving the goal to expand production capacities through organic growth, diversify product portfolio and enhance product quality, at the same time saving energy, reducing raw materials consumption, enhancing labour productivity and increasing economic benefits

“%”

per cent

By order of the Board

Jiang Jinming

Company Secretary

Beijing, the PRC, 15 November 2021

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

Liang Yongpan, Qu Bo, 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*