

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



# 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 25 November 2022, the Company entered into the Capital Increase Agreement with Datang Jiangsu Company, Nantong State-owned Assets Investment and Datang Lvsigang Company, pursuant to which, the Company, Datang Jiangsu Company and Nantong State-owned Assets Investment agreed to increase the registered capital of Datang Lvsigang Company by way of cash. In particular, the Company agreed to contribute RMB104,476,790 to Datang Lvsigang Company, Datang Jiangsu Company agreed to contribute RMB66,485,230 to Datang Lvsigang Company and Nantong State-owned Assets Investment agreed to contribute RMB18,995,780 to Datang Lvsigang Company based on the proportion of their respective shareholding in Datang Lvsigang Company. Upon completion of the Capital Increase, the accumulated amount of capital contribution by the Company to Datang Lvsigang Company would become RMB682,077,000 whereas its proportion of total shareholding would remain 55%; the accumulated amount of capital contribution by Datang Jiangsu Company to Datang Lvsigang Company would become RMB434,049,000 whereas its proportion of total shareholding would remain 35%; and the accumulated amount of capital contribution by Nantong State-owned Assets Investment to Datang Lvsigang Company would become RMB124,014,000 whereas its proportion of total shareholding would remain 10%.

### **LISTING RULES IMPLICATIONS**

As at the date of this announcement, CDC together with its subsidiaries hold approximately 53.09% of the issued share capital of the Company. Datang Jiangsu Company is a subsidiary of CDC, and therefore is a connected person of the Company. Meanwhile, as Datang Lvsigang Company is a subsidiary of the Company and Datang Jiangsu Company holds 35% of the equity interests in Datang Lvsigang Company, Datang Lvsigang Company is a connected subsidiary of the Company which in turn Datang Lvsigang Company is also a connected person of the Company. The transaction contemplated under the Capital Increase Agreement constitute a connected transaction of the Company.

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 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.

## **CAPITAL INCREASE AGREEMENT**

### **Date**

25 November 2022

### **Parties**

1. The Company;
2. Datang Jiangsu Company;
3. Nantong State-owned Assets Investment;
4. Datang Lvsigang Company.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, Nantong State-owned Assets Investment and its ultimate beneficial owner, the State-owned Assets Supervision and Administration Commission of Nantong Municipal People's Government, are third parties independent of the Company and its connected persons.

### **Major Terms of the Capital Increase Agreement**

1. The amounts of the Capital Increase by the Company, Datang Jiangsu Company and Nantong State-owned Assets Investment are as follows:
  - (a) Increase in registered capital

The registered capital of Datang Lvsigang Company shall increase from RMB1,050,182,200 to RMB1,240,140,000. The amount of increase in registered capital is RMB189,957,800.

(b) Means and amounts of the Capital Increase

The Company, Datang Jiangsu Company and Nantong State-owned Assets Investment agreed to settle the Capital Increase to Datang Lvsigang Company by way of cash. Based on the proportion of their respective shareholding, the Company agreed to contribute RMB104,476,790 to Datang Lvsigang Company, Datang Jiangsu Company agreed to contribute RMB66,485,230 to Datang Lvsigang Company and Nantong State-owned Assets Investment agreed to contribute RMB18,995,780 to Datang Lvsigang Company. The aggregate amount of the Capital Increase in Datang Lvsigang Company by cash under the Capital Increase is RMB189,957,800. The aggregate amount of the Capital Increase is determined by the parties to the agreement according to the project capital demand of Datang Lvsigang Company. Under the Capital Increase, the Company, Datang Jiangsu Company and Nantong State-owned Assets Investment will increase the capital of Datang Lvsigang Company in the same proportion based on the proportion of their respective shareholding in Datang Lvsigang Company at the price of RMB1/registered capital of RMB1.

The shareholding structure of Datang Lvsigang Company as well as the amounts of the Capital Increase in Datang Lvsigang Company by and the proportion of shareholding of each shareholder before and upon completion of the Capital Increase are set out as below:

Name of shareholder	Capital injected prior to the completion of the Capital Increase (RMB'0,000)	Shareholding prior to the completion of the Capital Increase	Amount of the Capital Increase (RMB'0,000)	Total capital injected after the completion of the Capital Increase (RMB'0,000)	Shareholding after the completion of the Capital Increase
The Company	57,760.021	55%	10,447.679	68,207.700	55%
Datang Jiangsu Company	36,756.377	35%	6,648.523	43,404.900	35%
Nantong State-owned Assets Investment	10,501.822	10%	1,899.578	12,401.400	10%
Total	<u>105,018.220</u>	<u>100%</u>	<u>18,995.780</u>	<u>124,014.000</u>	<u>100%</u>

2. Timing of capital contribution: In respect of the Capital Increase, the parties to the agreement shall pay the first installment of the capital contributions in full in one lump sum within 10 business days upon all the conditions precedent under the Capital Increase Agreement have been satisfied, of which: RMB13,200,000 shall be paid by the Company, RMB8,400,000 shall be paid by Datang Jiangsu Company and RMB2,400,000 shall be paid by Nantong State-owned Assets Investment. As agreed by the parties to the agreement, the payment of the subsequent capital contributions by the parties to the agreement shall be determined by the board of

directors of Datang Lvsigang Company at its discretion in accordance with its operational needs. The parties to the agreement shall pay the entire amount of the capital contributions no later than 31 December 2022.

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:
- (a) The relevant resolution in relation to the Capital Increase has been considered and approved at the shareholders' general meeting of Datang Lvsigang Company;
  - (b) The Capital Increase Agreement has been signed by legal representatives or authorised representatives of the parties to the agreement and affixed with company seals.

### **INFORMATION ON DATANG LVSIGANG COMPANY**

Datang Lvsigang Company was established on 18 September 2003 with a registered capital of RMB1,050,182,200. It is principally engaged in the business of electricity production and sales. It is mainly responsible for the management and operation of four 660,000 kW coal-fired units and 105,000 kW photovoltaic power stations with a total installed capacity of 2,745,000 kW. As at the date of this announcement, Datang Lvsigang Company is held as to 55% by the Company, 35% by Datang Jiangsu Company and 10% by Nantong State-owned Assets Investment.

The key financial data of Datang Lvsigang Company for the years ended 31 December 2020 and 2021 prepared in accordance with the PRC Accounting Standards for Business Enterprises are set out below:

	<b>Year ended 31 December 2020</b>	<b>Year ended 31 December 2021</b>
	<i>RMB'0,000</i>	<i>RMB'0,000</i>
	(Audited)	(Audited)
Profit/(loss) before tax	12,012.883	(67,735.254)
Profit/(loss) after tax	9,247.835	(50,186.120)

As at 31 December 2021, the audited total assets and net assets of Datang Lvsigang Company were approximately RMB6,286,146,700 and RMB1,056,818,420, respectively.

## **REASONS FOR AND BENEFITS OF ENTERING INTO OF THE CAPITAL INCREASE AGREEMENT**

The Capital Increase will bring new capital contributions to Datang Lvsigang Company, enhance its capital strength and financing capability, and promote the construction of its photovoltaic project. It is conducive to increasing the proportion of clean energy of the Company and accelerating the adjustment of the Company's power structure, which is in line with the development direction of the Company's energy transformation.

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 first meeting of the eleventh session of the Board has considered and approved the "Resolution on the Investment in the Construction of Seven Clean Energy Projects Including Heilongjiang Bin County Phase II 150MW Wind Farm" (including the investment in the construction of Jiangsu Lvsigang Photovoltaic Phase III Project), details of which were set out in the overseas regulatory announcement of the Company dated 29 June 2022.

None of the Directors has any material interest in the Capital Increase Agreement. Mr. Ying Xuejun, Mr. Su Min and Mr. Liu Jianlong, the 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 RELATED PARTIES**

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 main service areas of the Company are 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 of new energy as well as self-operation and agent for the import and export of various commodities and technologies.

3. Datang Jiangsu Company was established on 13 March 2015 with a registered capital of RMB100 million. It is principally engaged in the development, investment, construction, operation and management of power energy and heat networks; organisation of the production, operation and sale of power and heat. As at the date of this announcement, Datang Jiangsu Company is a wholly-owned subsidiary of CDC.
4. Nantong State-owned Assets Investment was established on 30 March 2003 with a registered capital of RMB2,700 million. It is principally engaged in the investment, capital operation and property rights management; land development; real estate development; water conservancy project management; infrastructure construction management and other businesses.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, CDC together with its subsidiaries hold approximately 53.09% of the issued share capital of the Company. Datang Jiangsu Company is a subsidiary of CDC, and therefore is a connected person of the Company. Meanwhile, as Datang Lvsigang Company is a subsidiary of the Company and Datang Jiangsu Company holds 35% of the equity interests in Datang Lvsigang Company, Datang Lvsigang Company is a connected subsidiary of the Company which in turn Datang Lvsigang Company is also a connected person of the Company. The transaction contemplated under the Capital Increase Agreement constitute a connected transaction of the Company.

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 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.

## **DEFINITIONS**

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

“Board”	the board of Directors of the Company
“Capital Increase”	the Company, Datang Jiangsu Company and Nantong State-owned Assets Investment agreed to contribute RMB104,476,790, RMB66,485,230 and RMB18,995,780, respectively, to Datang Lvsigang Company based on the proportion of their respective shareholding in Datang Lvsigang Company in accordance with the Capital Increase Agreement

“Capital Increase Agreement”	the capital increase agreement entered into by the Company with Datang Jiangsu Company, Nantong State-owned Assets Investment and Datang Lvsigang Company on 25 November 2022 in relation to the Capital Increase to Datang Lvsigang 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. For details, please refer to the section headed “Information on the Related 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 Related Parties” in 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 Jiangsu Company”	Datang Jiangsu Power Generation Co., Ltd. (大唐江蘇發電有限公司). For details, please refer to the section headed “Information on the Related Parties” in this announcement
“Datang Lvsigang Company”	Jiangsu Datang International Lvsigang Power Generation Co., Ltd. (江蘇大唐國際呂四港發電有限責任公司). For details, please refer to the section headed “Information on Datang Lvsigang Company” in this announcement
“Director(s)”	the director(s) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nantong State-owned Assets Investment”	Nantong State-owned Assets Investment Holdings Co., Ltd. (南通國有資產投資控股有限公司). For details, please refer to the section headed “Information on the Related Parties” in this announcement

“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
“%”	per cent.

By order of the Board  
**Sun Yanwen**  
*Joint Company Secretary*

Beijing, the PRC, 25 November 2022

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

*Liang Yongpan, Ying Xuejun, Xiao Zheng, Su Min, Liu Jianlong, Zhu Shaowen, Cao Xin, Zhao Xianguo, Jin Shengxiang, Sun Yongxing, Liu Jizhen\*, Niu Dongxiao\*, Zong Wenlong\*, Si Fengqi\*, Zhao Yi\**

\* *Independent non-executive Directors*