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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 ON PROVISIONS FOR ASSET IMPAIRMENT, RETIREMENT OF ASSETS AND WRITE-OFF OF PRELIMINARY EXPENSES 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 eleventh meeting of the eleventh session of the Board on 28 March 2023, at which the “Resolution on Provisions for Asset Impairment, Retirement of Assets and Write-Off of Preliminary Expenses of Certain Affiliated Enterprises” was considered and approved. In order to objectively reflect the assets condition and operating 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 necessary impairment tests, certain affiliated enterprises of the Company intend to make provisions for assets impairment, retirement of certain fixed assets, inventories supplies and intangible assets, and write-off of preliminary expenses of certain projects. The details are set out as below:

I. ASSETS IMPAIRMENT

(I) Provision for Debt Impairment

Part of the accounts receivable of the Company and its affiliated enterprises, including, Fujian Branch (福建分公司), Datang Heilongjiang Power Generation Co., Ltd. (大唐黑龍江發電有限公司), Datang Anhui Power Generation Co., Ltd. (大唐安徽發電有限公司), Gaolv Coal Resources Development and Utilization Research and Development Center (高鋁煤炭資源開發利用研發中心), Ningxia Datang International Qingtongxia Wind Power Company Limited (寧夏大唐國際青銅峽風電有限責任公司), Ningxia Datang International Hongsibao New Energy Company Limited (寧夏大唐國際紅寺堡新能源有限責任公司), Inner Mongolia Datang International Tuoketuo Power Generation Company Limited (內蒙古大唐國際托克托發電有限責任公司), Inner Mongolia Datang Fuel

Company Limited (內蒙古大唐燃料有限公司), Datang Qingyuan Thermal Power Co., Ltd. (大唐清苑熱電有限公司), Beijing Datang Fuel Company Limited (北京大唐燃料有限公司), Wangkuai Power Generation Branch of Datang Hebei Power Generation Co., Ltd. (大唐河北發電有限公司王快發電分公司), and Chongqing Yadongya Electric (Group) Company Limited. (重慶市亞東亞電氣(集團)有限責任公司), are expected to be less likely to be recovered due to the long ageing time and the insolvency of the counterparties. After taking into account the recovery of losses recognized in previous years, debt impairment loss in an aggregate amount of RMB126,351,400 (including recognized credit impairment) will be recognized in 2022, of which, a credit impairment loss of RMB9,535,900 will be recognized, and taking into account the reversal of impairment losses recognized in previous years of RMB1,993,400 in the current year, a provision in an aggregate amount of RMB124,358,000 will be made for debt impairment (including recognized credit impairment) in 2022.

(II) Provision for Impairment of Construction in Progress

The projects of construction in progress managed by certain affiliated enterprises of the Company, including, the Pingtan Changjiang'ao Offshore Wind Power Project (平潭長江澳海上風電項目), Daocheng County Panghe Township Photovoltaic Power Station Project (稻城縣傍河鄉光伏電站項目), Ganzi County Huogulong Phase II Photovoltaic Project (甘孜縣火古龍二期光伏項目), Ganzi County Xiaxiang Township Photovoltaic Project (甘孜縣下雄鄉光伏項目), Sichuan Wind Power Project (四川風電項目), Huangshan Xinming Wind Power Project (黃山新明風電項目), Tongling Xilian Wind Power Project (銅陵西聯風電項目), Dangtu Biomass Gasification Coupling Power Project (當塗生物質氣化耦合發電項目), Huaibei Hushan Biomass Gasification Coupling Power Project (淮北虎山生物質氣化耦合發電項目), Huoqiu Linshui Fish and Light Complementary Photovoltaic Project (霍邱臨水漁光互補光伏項目), Shijiazhuang Combustion Project (石家莊燃機項目), Zanhuang County Low-speed Wind Power Project (贊皇縣低速風電項目), Baoding Northwest Suburban Thermal Power Project (保定西北郊熱電項目), and Yingxian Santiaoling Wind Power Project (應縣三條嶺風電項目), faced difficulties in progress and showed signs of impairment due to reasons such as the changes in construction conditions, and policy adjustments. A provision for impairment of construction in progress in an aggregate amount of RMB195,407,900 will be made for 2022 after testing.

(III) Provision for Impairment of Fixed Assets

There are indications of impairment in certain assets due to the shutdown of units of Jiangxi Datang International Xinyu Power Generation Company Limited (“**Jiangxi Xinyu Power Generation Company**”). A provision for impairment of fixed assets of RMB192.8753 million will be made for 2022 after testing.

(IV) Provision for Impairment of Inventories

There are indications of impairment in certain inventories due to the shutdown of units of Jiangxi Xinyu Power Generation Company. A provision for impairment of inventories of RMB24.4228 million will be made for 2022 after testing.

(V) Other Impairment Provision

Jiangsu Datang International Lvsigang Power Generation Company Limited made an advance payment for Jintan Construction Engineering, which could not be recovered due to the bankruptcy of the other party. A provision for other impairment of RMB1 million will be made for 2022.

(VI) Provision for Impairment of Long-term Equity Investments

Due to the shutdown of units of Jiangxi Xinyu Power Generation Company, there are indications of impairment in the long-term equity investments by the Company. A provision for impairment of long-term equity investments of RMB475.81 million will be made after testing. The equity impairment does not affect the consolidated statement of profit and loss.

II. 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 RMB290.3320 million in 2022, the accumulated depreciation was RMB245.6361 million, and the net value was RMB44.6959 million (RMB32.0145 million of impairment provision was made). The fixed assets retired are mainly power generation and heating equipment, automation control equipment and instruments, production management tools, manufacturing and maintenance equipment, transportation equipment and buildings, etc. The main reasons for retirement: firstly, part of the machinery and equipment, transportation vehicles and buildings have been fully depreciated and were unable to be repaired due to long-term wear and tear, and without value in use; secondly, part of the machinery and equipment which were not fully depreciated were dismantled according to the national environmental requirements or eliminated for technology enhancement or upgrade, and without value in use.

III. RETIREMENT OF INVENTORY SUPPLIES

The Company counted and sorted the inventories of its affiliated enterprises, and retired supplies of RMB5.9546 million in 2022 (RMB0.50 million of impairment provision was made). The retired supplies mainly include supplies and parts and components which could not be continued to use or without value in use due to the technology enhancement, exceeding the specified storage period or long-term backlog.

IV. LOSS OF INTANGIBLE ASSETS

Datang Anhui Power Generation and Fuel Investment Co., Ltd. proposes to conduct liquidation and deregistration, since part of software and system are developed only for utilization in fuel system. After the deregistration of the company, they will have no value in use or value in transfer. The Company will write off the intangible assets at original amount of RMB459,900, with the accumulated amortization of RMB327,400 and net value of RMB132,500.

V. WRITE-OFF OF PRELIMINARY EXPENSES

The Company sorted the preliminary expenses of the projects which were planned to be terminated of its affiliated enterprises. The Company wrote off the preliminary expenses of RMB1.3638 million (RMB0.5046 million of impairment provision was made) for 2022. The main reason for writing off the preliminary expenses was the termination of projects for various reasons.

VI. IMPACT ON PROFITS FOR THE CURRENT PERIOD

Based on the foregoing, the foregoing provisions (recognized) for asset impairment, retirement of fixed assets and inventories, losses of intangible assets and write-off of preliminary expenses resulted in a decrease in the Company's consolidated total profit for 2022 by approximately RMB557.1917 million and a decrease in net profit attributable to the parent company by approximately RMB457.8999 million.

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

The Company convened the eleventh meeting of the eleventh session of the Board and the fourth meeting of the eleventh session of the supervisory committee on 28 March 2023, at which the "Resolution on Provisions for Asset Impairment, Retirement of Assets and Write-Off of Preliminary Expenses 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 of assets and write-off of preliminary 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 truthfulness 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 write-off of preliminary 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 2022.

By order of the Board
Sun Yanwen
Joint Company Secretary

Beijing, the PRC, 28 March 2023

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

Liang Yongpan, Ying Xuejun, Xiao Zheng, Li Jingfeng, Tian Dan, Zhu Shaowen, Cao Xin, Zhao Xianguo, Jin Shengxiang, Sun Yongxing, Niu Dongxiao, Zong Wenlong*, Si Fengqi*, Zhao Yi*, Zhu Dahong**

* *Independent non-executive Directors*