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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 PROGRESS IN RELATION TO THE DISPOSAL OF COAL-TO-CHEMICAL BUSINESS SEGMENT

References are made to the major and connected transaction announcement of the Company dated 30 June 2016, the circular of the Company dated 12 August 2016, the connected transactions announcement of the Company dated 29 August 2016 and the clarification announcement of the Company dated 30 August 2016.

On 30 June 2016, the Company entered into the Transfer Agreement with Zhongxin Energy and Chemical, pursuant to which the Company conditionally agreed to sell and Zhongxin Energy and Chemical conditionally agreed to acquire the Transaction Target at a consideration of RMB1; meanwhile, the Company agreed to waive the Target Companies from repayment of certain entrusted loans provided by the Company, and the maximum principal amount of such exempted entrusted loans shall be RMB10 billion.

On 28 September 2016, the Company, Duolun Coal Chemical Company, Xilinhaote Mining Company entered into a total of six Supplemental Agreements with Datang Finance Company, ICBC Xuanwu Sub-Branch and Construction Bank Railway Sub-branch, with an aggregate waived amount of entrusted loan of RMB9,997,498,876.91.

INTRODUCTION

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SUPPLEMENTAL AGREEMENTS

Date

28 September 2016

Major terms of the Supplemental Agreements

The Company entered into six Supplemental Agreements on 28 September 2016 with similar terms.

Waived entrusted loans

In accordance with the Transfer Agreement, taken into account the loss of the Transaction Target incurred (approximately RMB-1,661,539,176.91) during the Transitional Period as stated in the results of the special audit report issued by Ruihua China CPAs (Special Ordinary) on 21 September 2016, the total amount of the waived entrusted loans amounted to RMB9,997,498,876.91. The entrusted loans of Duolun Coal Chemical Company and Xilinhaote Mining Company waived by the Company are set out as follows:

Currency: RMB Unit: Yuan

No.	Borrower	Lending agent	Entrusted lender	Amount of entrusted loan waived
1	Duolun Coal Chemical Company	Datang Finance Company	The Company	1,500,000,000
2	Duolun Coal Chemical Company	Datang Finance Company	The Company	3,000,000,000
3	Duolun Coal Chemical Company	ICBC Xuanwu Sub-Branch	The Company	1,789,370,000
4	Duolun Coal Chemical Company	Construction Bank Railway Sub-branch	The Company	1,125,980,000
5	Xilinhaote Mining Company	Datang Finance Company	The Company	551,648,876.91
6	Xilinhaote Mining Company	Construction Bank Railway Sub-branch	The Company	2,030,500,000
Total /	/	/	/	<u>9,997,498,876.91</u>

Corresponding interest arrangement

The interests on the principal of the waived entrusted loans incurred from the last settlement date to 30 August 2016 shall be payable by Duolun Coal Chemical Company or Xilinhaote Mining Company on 31 August 2016. If the interests above are paid by Duolun Coal Chemical Company or Xilinhaote Mining Company later than the abovementioned date, the corresponding interests for the period from the interest payment due date (inclusive) to the actual payment date shall be paid; the Company has the right to claim for a default payment for the late repayment which shall be determined with reference to the interest rate standard on expired loans published by the People's Bank of China; if the default payment is insufficient to recover the loss suffered by the Company, Duolun Coal Chemical Company and Xilinhaote Mining Company shall be liable to pay for any compensation.

The corresponding interests for the above-mentioned waived entrusted loans were paid on 31 August 2016 and there was no late payment.

Effective date

The Supplemental Agreements shall become effective when they are duly signed by the legal representatives or authorised representatives of the parties and with their respective seals affixed therein.

OTHER MATTERS CONCERNING THE ENTRUSTED LOANS

As agreed in the Transfer Agreement, other than the waived entrusted loans, the borrowers of remaining entrusted loans shall perform their obligations pursuant to the original entrusted loan agreements; in particular, for the repayments of principals and interests due before 31 December 2016, the repayment obligations shall be performed pursuant to the original entrusted loan agreements; for the agreed repayments due later than 31 December 2016, the repayment date shall be brought forward to 31 December 2016. Details are set out as follows:

Currency: RMB Unit: 0'000

No.	Borrower	Lending agent	Entrusted lender	Interest rate of entrusted loan	Commencing date of entrusted loan	Ending date of entrusted loan	The due date of the entrusted loan upon adjustment pursuant to the Transfer Agreement	Outstanding amount of the entrusted loan
1	Xilinhaote Mining Company	Datang Finance Company	The Company	6.15	2014/5/13	2016/12/10	2016/12/10	50,000.00
2	Xilinhaote Mining Company	Datang Finance Company	The Company	4.75	2013/12/11	2017/5/12	2016/12/31	94,835.11
3	Energy and Chemical Company	Datang Finance Company	The Company	4.35	2016/3/16	2017/3/15	2016/12/31	27,000.00
4	Energy and Chemical Company	Datang Finance Company	The Company	4.35	2016/5/23	2017/5/22	2016/12/31	26,500.00
5	Xilinhaote Power Generation Company	ICBC Xuanwu Sub-Branch	The Company	4.35	2016/6/29	2016/11/28	2016/11/28	31,000.00
6	Xilinhaote Brown Coal Integrated Development Company	Datang Finance Company	Tuoketuo Power Generation Company	4.35	2015/12/14	2016/12/13	2016/12/13	4,500.00
7	Xilinhaote Brown Coal Integrated Development Company	Datang Finance Company	Tuoketuo Power Generation Company	4.35	2016/3/16	2017/3/15	2016/12/31	9,300.00

No.	Borrower	Lending agent	Entrusted lender	Interest rate of entrusted loan	Commencing date of entrusted loan	Ending date of entrusted loan	The due date of the entrusted loan upon adjustment pursuant to the Transfer Agreement	Outstanding amount of the entrusted loan
8	Xilinhaote Brown Coal Integrated Development Company	Datang Finance Company	The Company	4.75	2014/3/17	2017/3/16	2016/12/31	5,500.00
9	Xilinhaote Brown Coal Integrated Development Company	Datang Finance Company	Tuoketuo Power Generation Company	4.35	2016/6/17	2017/6/16	2016/12/31	3,300.00
10	Xilinhaote Brown Coal Integrated Development Company	Datang Finance Company	The Company	4.75	2014/6/20	2017/6/19	2016/12/31	950.00
11	Xilinhaote Brown Coal Integrated Development Company	Datang Finance Company	Tuoketuo Power Generation Company	4.35	2016/7/21	2017/7/20	2016/12/31	800.00
12	Xilinhaote Brown Coal Integrated Development Company	Datang Finance Company	The Company	4.75	2014/9/15	2017/9/14	2016/12/31	5,800.00
Total	/	/	/	/ /	/	/	/	<u>259,485.11</u>

INFORMATION OF RELATED PARTIES

1. The Company

The principal business of the Company includes the construction and operation of power plants, the sale of electricity and thermal power, and the repair, testing and maintenance of power equipment as well as the provision of power-related technical services. The main service areas of the Company are in the PRC.

2. Duolun Coal Chemical Company

The registered capital of Duolun Coal Chemical Company is approximately RMB4.05 billion. Its principal business includes the construction and operation of the coal-based olefin project under Datang Inner Mongolia Duolun Coal Chemical Company Limited with an annual output of 460,000 tonnes.

3. Xilinhaote Mining Company

The registered capital of Xilinhaote Mining Company is approximately RMB1.66605 billion. Its principal business includes the development, construction and operation of Shengli Open-cut Coal Mine East Unit 2 projects.

4. Datang Finance Company

Datang Finance Company is a non-banking financial institution duly incorporated in the PRC on 10 May 2005. Its registered capital is RMB4,869,871,590.23. Its principal business includes the provision of deposit services, loan services, entrusted loan services, entrusted investment services and so on.

5. ICBC Xuanwu Sub-Branch

ICBC Xuanwu Sub-Branch was established on 6 January 1988. Its operation scope covers RMB deposits, loans and settlement business; bill acceptance and discount; agency issuance of financial bonds; agency issuance business, agency payment and sales of government bonds and agency collection and payment and so on.

6. Construction Bank Railway Sub-Branch

Construction Bank Railway Sub-branch is a commercial bank incorporated in Fengtai District, Beijing on 28 March 1997 by China Construction Bank Corporation. It is principally engaged in the provision of RMB deposits, loans and settlement business, bill acceptance and discount, agency issue of financial bonds, agency issue, agency acceptance and subscription for government bonds, trading of government bonds, agency collection and payment, insurance agency and so on.

DEFINITIONS

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

“CDC”

China Datang Corporation, a state-owned enterprise established under the laws of the PRC and is a controlling shareholder of the Company. CDC and its subsidiaries own approximately 34.77% of the issued share capital of the Company in aggregate as at the date 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
“Construction Bank Railway Sub-Branch”	Beijing Railway Sub-branch of China Construction Bank Corporation, details of which are set out in the section headed “Information of Related Parties”
“Datang Finance Company”	Datang Corporation Finance Limited Company, a controlled subsidiary of CDC, details of which are set out in the section headed “Information of Related Parties”
“Duolun Coal Chemical Company”	Datang Inner Mongolia Duolun Coal Chemical Company Limited, details of which are set out in the section headed “Information of Related Parties”
“Energy and Chemical Company”	Datang Energy and Chemical Company Limited (大唐能源化工有限責任公司)
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“ICBC Xuanwu Sub-Branch”	Xuanwu Sub-Branch of Industrial and Commercial Bank of China, details of which are set out in the section headed “Information of Related Parties”
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Power Source Assets”	Inner Mongolia Keshiketeng Power Source Preliminary Project (內蒙古克什克騰電源前期項目)
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the holder(s) of share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Supplemental Agreements”	(i) the supplemental agreement to the RMB entrusted loan agreement (RMB1.5 billion) entered into on 28 September 2016 by the Company, Datang Finance Company and Doulun Coal Chemical Company; (ii) the supplemental agreement to the RMB entrusted loan agreement (RMB3 billion) entered into on 28 September 2016 by the Company, Datang Finance Company and Doulun Coal Chemical Company; (iii) the supplemental agreement to the RMB entrusted loan agreement entered into on 28 September 2016 by the Company, ICBC Xuanwu Sub-Branch and Doulun Coal Chemical Company; (iv) the supplemental agreement to the RMB entrusted loan agreement entered into on 28 September 2016 by the Company, Construction Bank Railway Sub-Branch and Doulun Coal Chemical Company; (v) the supplemental agreement to the RMB entrusted loan agreement entered into on 28 September 2016 by the Company, Datang Finance Company and Xilinhaote Mining Company; (vi) the supplemental agreement to the RMB entrusted loan agreement entered into on 28 September 2016 by the Company, Construction Bank Railway Sub-Branch and Xilinhaote Mining Company
“Target Companies”	Energy and Chemical Company, Xilinhaote Brown Coal Integrated Development Company, Xilinhaote Power Generation Company and Xilinhaote Mining Company
“Transaction Target”	has the same meaning as defined in the announcement in relation to major and connected transaction of the Company dated 30 June 2016
“Transfer Agreement”	the transfer agreement in relation to coal-to-chemical business segment and the related project entered into between the Company and Zhongxin Energy and Chemical on 30 June 2016
“Transitional Period”	has the same meaning as defined in the announcement in relation to major and connected transaction of the Company dated 30 June 2016
“Tuoketuo Power Generation Company”	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)

“Xilinhaote Brown Coal Integrated Development Company”	Inner Mongolia Datang International Xilinhaote Brown Coal Integrated Development Company Limited (內蒙古大唐國際錫林浩特褐煤綜合開發有限責任公司)
“Xilinhaote Mining Company”	Inner Mongolia Datang International Xilinhaote Mining Co., Ltd., details of which are set out in the section headed “Information of Related Parties”
“Xilinhaote Power Generation Company”	Inner Mongolia Datang International Xilinhaote Power Generation Company Limited (內蒙古大唐國際錫林浩特發電有限責任公司)
“Zhongxin Energy and Chemical”	Zhongxin Energy and Chemical Technology Company Limited (中新能化科技有限公司), a wholly-owned subsidiary of CDC
“%”	percent

By Order of the Board
Ying Xuejun
Company Secretary

Beijing, the PRC, 28 September 2016

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

Chen Jinhang, Liu Chuandong, Wang Xin, Liang Yongpan, Ying Xuejun, Zhu Shaowen, Cao Xin, Zhao Xianguo, Liu Haixia, Guan Tiangang, Feng Genfu, Luo Zhongwei*, Liu Huangsong*, Jiang Fuxiu**

* *Independent non-executive Directors*