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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 28 December 2016, 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 RMB111.6 million to Datang Nuclear Company and CDC agreed to contribute RMB167.4 million to Datang Nuclear Company based on the proportion of their respective shareholding. Upon completion of the capital increase, the accumulated amount of capital contribution of the Company to Datang Nuclear Company would become RMB276.0883 million whereas its proportion of the total shareholding would remain at 40%; the accumulated amount of capital contribution of CDC to Datang Nuclear Company would become RMB414.1324 million whereas its proportion of the 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 hold 34.77% of the issued share capital of the Company. Pursuant to Chapter 14A of the Listing Rules, since CDC is a connected person of the Company, the transaction contemplated under the Capital Increase Agreement constitutes a connected transaction of the Company.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the amount in relation to the transaction under the Capital Increase Agreement is more than 0.1% but less than 5%, the Capital Increase Agreement is only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, and is exempt from the approval by the independent Shareholders of the Company.

## **CAPITAL INCREASE AGREEMENT**

### **Date**

28 December 2016

### **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 RMB411.2207 million to RMB690.2207 million. The amount of increase in registered capital amounts to RMB279 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, by which the Company agreed to contribute RMB111.6 million and CDC agreed to contribute RMB167.4 million to Datang Nuclear Company. The aggregate amount of capital increase to Datang Nuclear Company in cash is RMB279 million.

The shareholding structure of Datang Nuclear Company and the amount of capital contribution as well as proportion of shareholding of each

shareholder of Datang Nuclear Company before and upon completion of the capital increase are set out as below:

Name of Shareholder	Capital injected prior to the completion of capital increase (RMB'000)	Shareholding structure prior to the completion of capital increase	Capital injected of capital increase (RMB'000)	Capital injected after the capital increase (RMB'000)	Shareholding structure after completion of the capital increase
CDC	246,732.4	60%	167,400	414,132.4	60%
The Company	164,488.3	40%	111,600	276,088.3	40%
Total	<u>411,220.7</u>	<u>100%</u>	<u>279,000</u>	<u>690,220.7</u>	<u>100%</u>

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

2. Timing of making the 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 and affixing of company seals by legal representatives or authorised representatives of the parties.

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

The implementation of the Capital Increase Agreement and capital increase from the Company and CDC to Datang Nuclear Company can further increase the capital adequacy ratio of Datang Nuclear Company, hence enhancing the strength of principal business of Datang Nuclear Company, reinforcing its capacity to withstand risk, adequately making use of professional management and technical advantages of the nuclear business of Datang Nuclear Company, effectively advancing the development and establishment of nuclear projects, and so as to contribute to the maximization of shareholders' interests.

The Directors (including independent non-executive Directors) are of the view that the capital contribution is made on normal commercial terms of the Company and the transaction is fair and reasonable, and is in the interest of the Shareholders of the Company as a whole.

## **APPROVAL BY THE BOARD**

None of the Directors of the Company have any material interest in the transaction. Those connected Directors, including Mr. Chen Jinhang, Mr. Liu Chuandong and Mr. Liang Yongpan, have abstained from voting at the Board meeting for approval of the relevant transaction in accordance with the requirements of the listing rules of the Shanghai Stock Exchange.

## **INFORMATION ON THE PARTIES**

### **Information about the Company**

The Company 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, with its main service areas being in the PRC.

### **Information about CDC**

CDC was established on 9 March 2003 with a registered capital of RMB18.009 billion. It is principally engaged in the development, investment, construction, operation and management of power energy; organisation of power (thermal) production and sales; manufacture, repair and commissioning of power equipment; development and consultation of power technology; contracting and consultation of environmental power engineering; development of new energy as well as development and production of power-related coal resources.

### **Information about Datang Nuclear Power**

Datang Nuclear Power was established on 17 October 2013 with a registered capital of RMB200 million. It is principally engaged in the technology development, project investment, technical services and management of nuclear power and relevant sectors. The proportion of shareholding of CDC and the Company is 60% and 40%, respectively.

## **LISTING RULES IMPLICATIONS**

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Since one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the amount in relation to the transaction under the Capital Increase Agreement is more than 0.1% but less than 5%, the Capital Increase Agreement is only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, and exempt from the approval by the independent Shareholders of the Company.

## DEFINITIONS

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

“Board”	the board of directors of the Company
“Capital Increase Agreement”	the “Capital Increase Agreement of Investors of China Datang Corporation Nuclear Power Co., Ltd.” entered into between the Company and CDC on 28 December 2016 in relation to the capital increase to Datang Nuclear Company
“CDC”	China Datang Corporation, a state-owned enterprise established under the laws of the PRC and is the controlling shareholder of the Company under the Listing Rules. As at the date of this announcement, CDC together with its subsidiaries hold approximately 34.77% of the issued share capital of the Company
“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
“connected person”	has the meaning ascribed to it under the Listing Rules
“connected transaction”	has the meaning ascribed to it under the Listing Rules
“Datang Nuclear Company”	China Datang Corporation Nuclear Power Co., Ltd., details of which are set out in the section entitled “Information on the Parties”
“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)”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	percent

By Order of the Board  
**Ying Xuejun**  
*Company Secretary*

Beijing, the PRC, 28 December 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*