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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)

INSIDE INFORMATION
AND
CHANGE OF INFORMATION OF DIRECTOR

This announcement is made by Datang International Power Generation Co., Ltd. (the “**Company**”) pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”), under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and Rules 13.09(2)(a) and 13.10B of the Hong Kong Listing Rules. It is also made by the Company pursuant to Rules 13.51B(2) and 13.51(2)(1) of the Hong Kong Listing Rules.

On 21 December 2018, Datang International Power Generation Co., Ltd. (the “**Company**”) has considered and approved the “Resolution on the Conduct of Liquidation for Bankruptcy of Datang Baoding Huayuan Thermal Power Co., Ltd.” at the thirty-first meeting of the ninth session of the board of directors (the “**Board**”). As two 125MW power generating units of Datang Baoding Huayuan Thermal Power Co., Ltd. (“**Huayuan Thermal Power**”), a controlled subsidiary of the Company, are included in the excessive thermal power capacity elimination plan, and are required to be closed and dismantled by the end of 2018. In light of this and after considering the position of assets and liabilities of Huayuan Thermal Power, the Board agrees Huayuan Thermal Power to proceed to winding-up and liquidation in accordance with laws. The details are as follow:

I. BASIC INFORMATION OF HUAYUAN THERMAL POWER

Huayuan Thermal Power was established in August 2000 in the People's Republic of China with a registered capital of RMB226.46 million. Its major scope of business includes: the generation of electricity and thermal power; the comprehensive utilization of fly ash; the installation, commissioning and maintenance of power equipment; the processing of mechanical parts; and technology consultation services. Its shareholding structure is set out as follows: Datang Hebei Power Generation Co., Ltd. (a wholly-owned subsidiary of the Company) holds 61% equity interests with a capital contribution of RMB138.14 million; Hebei Construction & Investment Group Co., Ltd. holds 29% equity interests with a capital contribution of RMB65.67

million; Baoding Construction & Investment Company holds 10% equity interests with a capital contribution of RMB22.65 million. Huayuan Thermal Power currently has two 125MW double-extraction thermal power units complemented by two high-temperature and high-pressure circulating fluidized bed boilers with a capacity of 450 tons/hour, which were connected to the grid for power generation and put into production in November 2002 and April 2003, respectively.

As at 31 December 2017, Huayuan Thermal Power has total assets of approximately RMB462 million and total liabilities of approximately RMB708 million, with a gearing ratio of approximately 153.25%, a turnover of approximately RMB504 million and total loss of approximately RMB49 million. (The above data has been audited)

As at 30 November 2018, Huayuan Thermal Power has total assets of approximately RMB367 million and total liabilities of approximately RMB702 million, with a gearing ratio of approximately 191.12%, a turnover of approximately RMB321 million and total loss of approximately RMB88 million. (The above data is unaudited)

II. REASON FOR WINDING-UP AND LIQUIDATION

Pursuant to the “Notice on Assigning the Targets and Tasks of Capacity Reduction in Thermal Power Industry in 2018” (Ji Fa Gai Neng Yuan [2018] No. 555) issued by Hebei Development and Reform Commission, two 125MW power generating units of Huayuan Thermal Power were included in the thermal power capacity reduction plan. According to the working requirements of capacity reduction, Huayuan Thermal Power was closed in September 2018, and demolished the main facilities. As a result, Huayuan Thermal Power has no ability of generating operating income as a going concern, and is currently insolvent.

III. IMPACT OF WINDING-UP AND LIQUIDATION ON THE COMPANY

1. As at the end of November 2018, the amounts due to the Company by Huayuan Thermal Power totaled RMB650 million, including the principal and interest of RMB151 million due to Datang Hebei Power Generation Co., Ltd., the prepayment of fuel of RMB484 million and working capital loan of RMB15 million from Datang Baoding Heat Power Plant (a power plant accounted under Datang Hebei Power Generation Co., Ltd.). As Huayuan Thermal Power intends to conduct winding-up and liquidation, the Company is exposed to the risk pertaining to the recovery of debt from Huayuan Thermal Power, while the specific impact depends on the result of liquidation.
2. The provision for fixed asset impairment in the winding-up and liquidation of Huayuan Thermal Power is expected not to exceed RMB161 million (subject to the results of actual impairment test). The Company will submit it to the Board separately for consideration and approval if applicable. The provision for asset impairment of Huayuan Thermal Power did not affect the book value of the long-term equity investment of the parent company of the Company in Datang Hebei Co., Ltd., and therefore has no impact on the profit of the

parent company of the Company for the year of 2018. After Huayuan Thermal Power has conducted winding-up and liquidation, and assuming that the winding-up and liquidation will be completed in 2019, Huayuan Thermal Power will no longer be included within the scope of consolidated statement after winding-up and liquidation, considering the need to reverse the loss of RMB722 million which was confirmed before 2018, of which the combined effect is expected to result in an increase of RMB84 million in the total profit in the consolidated statement of the Company in 2019, as well as an increase of RMB84 million in the net profit attributable to the parent company (the final amount is subject to the result of winding-up and liquidation).

The Company will closely monitor the progress of winding-up and liquidation of Huayuan Thermal Power and its impact on the Company and fulfill the obligations of information disclosure in a timely manner.

IV. CHANGE OF INFORMATION OF DIRECTOR

Mr. Zhao Xianguo (“**Mr. Zhao**”), a non-executive Director of the Company, is also a director of Huayuan Thermal Power. The above matters constitute an event required to be disclosed by the Company pursuant to Rule 13.51(2)(1) of the Hong Kong Listing Rules. In compliance with the requirements under Rule 13.51B(2) of the Hong Kong Listing Rules, this announcement is also made to report the change of information required to be disclosed by Mr. Zhao pursuant to Rule 13.51(2)(1) of the Hong Kong Listing Rules. Mr. Zhao has confirmed to the Company that, save as disclosed herein, there is no other matter relating to the winding up and liquidation of Huayuan Thermal Power that needs to be brought to the attention of the shareholders of the Company at this stage.

By Order of the Board
Ying Xuejun
Company Secretary

Beijing, the PRC, 21 December 2018

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, Zhang Ping, Jin Shengxiang, Liu Jizhen, Feng Genfu*, Luo Zhongwei*, Liu Huangsong*, Jiang Fuxiu**

** Independent non-executive Directors*