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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 CONTRIBUTION AGREEMENT**

**CAPITAL CONTRIBUTION AGREEMENT**

On 11 September 2017, Yunnan Electric Power Company, a subsidiary of the Company, entered into the Capital Contribution Agreement with Datang Yunnan Power Generation Company, pursuant to which Yunnan Electric Power Company and Datang Yunnan Power Generation Company agreed to make capital contributions in the sum of RMB30 million and RMB170 million, respectively, for the purpose of establishing Datang Yunnan Energy Sales Company. Upon the establishment of Datang Yunnan Energy Sales Company, Yunnan Electric Power Company and Datang Yunnan Power Generation Company will hold 15% and 85% of the equity interest in Datang Yunnan Energy Sales Company, respectively.

**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, Datang Yunnan Power Generation Company is a subsidiary of CDC and hence, a connected person of the Company, and the entering into of the Capital Contribution Agreement and the transaction thereunder constitutes a connected transaction of the Company.

After aggregation with the Previous Transaction, since one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the transaction amount under the Capital Contribution Agreement are above 0.1% but all of them are less than 5%, the Capital Contribution Agreement and the transaction thereunder are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but do not require the approval by the independent shareholders of the Company.

## **INTRODUCTION**

On 11 September 2017, Yunnan Electric Power Company entered into the Capital Contribution Agreement with Datang Yunnan Power Generation Company, pursuant to which Yunnan Electric Power Company and Datang Yunnan Power Generation Company agreed to make capital contributions in the sum of RMB30 million and RMB170 million, respectively, for the purpose of establishing Datang Yunnan Energy Sales Company.

## **CAPITAL CONTRIBUTION AGREEMENT**

### **Date**

11 September 2017

### **Parties**

Yunnan Electric Power Company and Datang Yunnan Power Generation Company

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

- (1) The registered capital of Datang Yunnan Energy Sales Company shall be RMB200 million. The initial capital contribution shall be RMB20 million while the subsequent capital contribution shall be made gradually subject to the need for the development of such company.
- (2) Datang Yunnan Power Generation Company shall make capital contribution of RMB170 million in cash which shall account for 85% of the registered capital of Datang Yunnan Energy Sales Company whereas the actual capital contribution shall be made in tranches based on its needs. The initial capital contribution to be made by Datang Yunnan Power Generation Company shall be RMB17 million and shall be made within three months upon the signing of the agreement.
- (3) Yunnan Electric Power Company shall make capital contribution of RMB30 million in cash which shall account for 15% of the registered capital of Datang Yunnan Energy Sales Company whereas the actual capital contribution shall be made in tranches based on its needs. The initial capital contribution to be made by Yunnan Electric Power Company shall be RMB3 million and shall be made within three months upon the signing of the agreement.
- (4) The scope of business of Datang Yunnan Energy Sales Company mainly includes the purchase and sale of electricity, purchase and sale of thermal power, operation of electricity distribution facilities, integrated energy conservation and consultation on electricity consumption (except for such businesses prohibited by laws and administrative regulations; approval shall be obtained in accordance with the laws and administrative regulations for matters that are subject to approval as stipulated in such laws and regulations, and shall be subject to the business license for enterprise legal person issued by the Administration for Industry and Commerce).

## **Effective Date of the Capital Contribution Agreement**

The Capital Contribution Agreement will become effective upon signing by the legal representatives or authorized representatives of both parties and sealed with their respective company chops.

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

By leveraging the advantage of relevant resources of CDC, the controlling shareholder of the Company, the joint capital contributions of Yunnan Electric Power Company, and Datang Yunnan Power Generation Company to establish Datang Yunnan Energy Sales Company will further increase the profitability of the Company through proactive adaptation to the new trend under reformation of electric power, exploration and promotion of the energy marketing business and proactive expansion of market share in the electric power market.

The Directors (including independent non-executive Directors) are of the view that the relevant terms of the Capital Contribution Agreement are fair and reasonable, have been entered into after arm's length negotiation between all parties thereto and determined on normal commercial terms, and are in the interests of the Company and its shareholders as a whole.

## **INFORMATION ON THE PARTIES TO THE CAPITAL CONTRIBUTION AGREEMENT**

1. The Company was established on 13 December 1994 with a registered capital of RMB13.310 billion. The Company is principally engaged in the construction and operation of power plants, the sale of electricity and thermal power, and the repair and testing of power equipment and power related technical services, with its main service areas in the PRC.
2. CDC was established on 9 March 2003 with a registered capital of RMB18.009 billion. Its main scope of business are the development, investment, construction, operation and management of power energy, organization of power (thermal) production and sales, manufacturing of power equipment, the repair and testing of power equipment, power technology development and consultation, contracting and consultation of power engineering and power environmental protection engineering, development of new energy resources and the development and production of power related coal resources.
3. Datang Yunnan Power Generation Company, a wholly-owned subsidiary of CDC, was established in May 2015 with a registered capital of RMB200 million. Its scope of business mainly includes the development, investment, construction, operation and management of power energy, organization of power (thermal) production, operation and sales, repair and testing of power equipment, power technology development and consultation, and so forth.

4. Yunnan Electric Power Company, a controlled subsidiary of the Company, was established in August 2007 with a registered capital of RMB2,899.888 million. Its scope of business mainly includes the construction of power plants, investment and management of power plants, development and management of power, repair and testing of power equipment, power related technical services, and so forth.

## **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, Datang Yunnan Power Generation Company is a subsidiary of CDC and hence, a connected person of the Company, and the entering into of the Capital Contribution Agreement and the transaction thereunder constitutes a connected transaction of the Company.

After aggregation with the Previous Transaction, since one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the transaction amount under the Capital Contribution Agreement are above 0.1% but all of them are less than 5%, the Capital Contribution Agreement and the transaction thereunder are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but do not require the approval by the independent shareholders of the Company.

None of the Directors of the Company has material interests in the transaction contemplated under the Capital Contribution Agreement. Those connected Directors, including Chen Jinhang, Liu Chuandong and Liang Yongpan, have abstained from voting at the Board meeting for approval of such resolution in accordance with the Listing Rules of the Shanghai Stock Exchange.

## **DEFINITIONS**

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

“Board”	the board of directors
“Capital Contribution Agreement”	the capital contribution agreement entered into between Yunnan Electric Power Company and Datang Yunnan Power Generation Company on 11 September 2017 in relation to the capital contribution for the establishment of Datang Yunnan Energy Sales Company

“CDC”	China Datang Corporation, a State-owned enterprise established under the laws of the PRC and is the controlling shareholder of the Company. As at the date of this announcement, CDC together with its subsidiaries hold approximately 34.77% of the issued share capital of the Company, details of which are set out in the section titled “Information on the Parties to the Capital Contribution Agreement”
“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(s)”	has the meaning ascribed to it under the Listing Rules
“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“Datang Yunnan Energy Sales Company”	Datang Yunnan Energy Sales Co., Ltd. (大唐雲南能源營銷有限公司), a company to be established in the PRC by Yunnan Electric Power Company and Datang Yunnan Power Generation Company in accordance with the Capital Contribution Agreement
“Datang Yunnan Power Generation Company”	Datang Yunnan Power Generation Company Limited (大唐雲南發電有限公司), a subsidiary of CDC, details of which are set out in the section titled “Information on the Parties to the Capital Contribution Agreement”
“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
“Previous Transaction”	the capital contribution agreement entered into between the subsidiaries of the Company and CDC, details of which are set out in the announcement of the Company dated 12 December 2016
“RMB”	Renminbi, the lawful currency of the PRC

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Yunnan Electric Power Company”	Yunnan Datang International Electric Power Company Limited (雲南大唐國際電力有限公司), a controlled subsidiary of the Company, details of which are set out in the section titled “Information on the Parties to the Capital Contribution Agreement”
“%”	percent

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

Beijing, the PRC, 11 September 2017

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, Liu Jizhen\*, Feng Genfu\*, Luo Zhongwei\*, Liu Huangsong\*, Jiang Fuxiu\**

\* *Independent non-executive Directors*