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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
CONTINUING CONNECTED TRANSACTIONS
COAL PURCHASE AND
SALE FRAMEWORK AGREEMENTS**

COAL PURCHASE AND SALE FRAMEWORK AGREEMENTS

On 26 September 2017, Beijing Datang Fuel Company, a controlling subsidiary of the Company, entered into the Coal Purchase and Sale Framework Agreements with each of Huangdao Power Generation Company and Nanjing Power Generation Plant, respectively, for a term commencing from the effective date of the agreements to 31 December 2017. Pursuant to the agreements, Beijing Datang Fuel Company agreed to sell coal to Huangdao Power Generation Company and Nanjing Power Generation Plant during the term of the agreements and it is expected that the annual cap of the transactions for the year ending 31 December 2017 is RMB250 million, respectively, for each of the Coal Purchase and Sale Framework Agreements.

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. Huangdao Power Generation Company and Nanjing Power Generation Plant are subsidiaries or power plants of CDC. Therefore, Such Companies are connected persons of the Company. The transactions under the Coal Purchase and Sale Framework Agreements constitute continuing connected transactions of the Company.

Since one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the aggregated transaction amount under the Coal Purchase and Sale Framework Agreements are higher than 0.1% but lower than 5%, the Coal Purchase and Sale Framework Agreement and the transactions contemplated thereunder are subject to the reporting and announcement requirements, but are exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

COAL PURCHASE AND SALE FRAMEWORK AGREEMENT (BEIJING – HUANGDAO)

Date

26 September 2017

The Parties

Beijing Datang Fuel Company and Huangdao Power Generation Company

Principal Terms

- (1) Subject Matter: Sale of coal by Beijing Datang Fuel Company to Huangdao Power Generation Company during the term of the agreement. The parties may, from time to time during the term of the agreement, enter into specific sale and purchase contracts in respect of the sale and purchase of coal, and such specific contracts shall be subject to the terms of Coal Purchase and Sale Framework Agreement (Beijing – Huangdao).
- (2) Consideration: To be determined in the ordinary course of business on normal commercial terms on the basis of arm's length negotiation according to prevailing market conditions.
- (3) Settlement and payment: Settlement shall be made by the relevant parties in accordance with the confirmed settlement invoice.
- (4) Term: Commencing from the effective date of the agreement to 31 December 2017.
- (5) Coal Purchase and Sale Framework Agreement (Beijing – Huangdao) becomes effective when it is duly signed by the legal representatives or authorized representatives of both parties with their company seals affixed thereto.

Annual Cap

It is expected that the maximum annual transaction amount in respect of Coal Purchase and Sale Framework Agreement (Beijing – Huangdao) for the year ending 31 December 2017 is RMB250 million; such amount is determined with reference to (i) the anticipated quantity of coal to be sold by Beijing Fuel Company to Huangdao Power Generation Company for the year 2017; and (ii) the estimated market price of coal.

Historical Transaction Amounts

From 2014 to the date of this announcement, no business in relation to sale and purchase of coal was carried out between Beijing Datang Fuel Company and Huangdao Power Generation Company.

COAL PURCHASE AND SALE FRAMEWORK AGREEMENT (BEIJING – NANJING)

Date

26 September 2017

The Parties

Beijing Datang Fuel Company and Nanjing Power Generation Plant

Principal Terms

- (1) Subject Matter: Sale of coal by Beijing Datang Fuel Company to Nanjing Power Generation Plant during the term of the agreement. The parties may, from time to time during the term of the agreement, enter into specific sale and purchase contracts in respect of the sale and purchase of coal, and such specific contracts shall be subject to the terms of Coal Purchase and Sale Framework Agreement (Beijing – Nanjing).
- (2) Consideration: To be determined in the ordinary course of business on normal commercial terms on the basis of arm's length negotiation according to prevailing market conditions.
- (3) Settlement and payment: Settlement shall be made by the relevant parties in accordance with the confirmed settlement invoice.
- (4) Term: Commencing from the effective date of the agreement to 31 December 2017.
- (5) Coal Purchase and Sale Framework Agreement (Beijing – Nanjing) becomes effective when it is duly signed by the legal representatives or authorized representatives of both parties with their company seals affixed thereto.

Annual Cap

It is expected that the maximum annual transaction amount in respect of Coal Purchase and Sale Framework Agreement (Beijing – Nanjing) for the year ending 31 December 2017 is RMB250 million; such amount is determined with reference to (i) the anticipated quantity of coal to be sold by Beijing Fuel Company to Nanjing Power Generation Plant for the year 2017; and (ii) the estimated market price of coal.

Historical Transaction Amounts

From 2014 to the date of this announcement, no business in relation to sale and purchase of coal was carried out between Beijing Datang Fuel Company and Nanjing Power Generation Plant.

PROCEDURES FOR DETERMINATION OF COAL TRANSACTION PRICE

The consideration for the sale of coal under the Coal Purchase and Sale Framework Agreements is to be determined with reference to the market price of coal and on normal commercial terms on the basis of arm's length negotiation according to prevailing market conditions. The Company has also taken into account the following factors in determination of the price:

- (1) Purchase costs of coal, including purchase costs of coal, transportation costs, insurance expenses, principal business tax and other expenses.
- (2) Professional departments of Beijing Fuel Company are responsible for researching the coal market and making reference with the market changes and trends of this year, especially for those arising from national policy factors recently, for determination of pricing.
- (3) The pricing basis is determined with reference to the trend of change in price of coal in Bohai Rim.

REASONS FOR AND BENEFITS OF ENTERING INTO THE COAL PURCHASE AND SALE FRAMEWORK AGREEMENTS

The Company is of the view that, the aforesaid coal purchase and sale continuing connected transactions can leverage the professional advantages and advantages of coal resource trading of Beijing Fuel Company, expand its business scope to a certain extent, and increase its sales revenue as well as enhance profitability.

The Directors (including the independent non-executive Directors) are of the view that the entering into of the Coal Purchase and Sale Framework Agreements is on normal commercial terms during the ordinary course of business of the Company, and that the relevant transactions are fair, equitable and reasonable, and have been entered into on normal commercial terms and are in the interests of the Company and the shareholders as a whole.

APPROVAL FROM THE BOARD

The 16th meeting of the ninth session of the Board of the Company considered and approved the "Resolution on the Additional Daily Connected Transaction of Coal in 2017" (for details, please refer to the overseas regulatory announcement of the Company dated 15 August 2017).

None of the Directors of the Company has material interest in the Coal Purchase and Sale Framework Agreements. Connected Directors, namely Chen Jinhang, Liu Chuandong and Liang Yongpan, have abstained from voting for the relevant resolution pursuant to the requirements of listing rules of the Shanghai Stock Exchange.

INFORMATION ON THE PARTIES TO THE AGREEMENTS

1. Beijing Datang Fuel Company, a controlling subsidiary of the Company, is held as to 51% of its equity interest by the Company and is held as to 49% of its equity interest by Datang Electric Power Fuel Company Limited, a wholly-owned subsidiary of CDC. It is principally engaged in sale of coal, investment management and technical services.
2. Huangdao Power Generation Company, with total installed capacity of 1.565 million kW, is an indirect controlling subsidiary of CDC. 80% of its equity interest is held by Datang Shandong Power Generation Co., Ltd., a subsidiary wholly owned by CDC, and 20% of its equity interest is held by Qingdao Conson Industrial Co., Ltd.. Huangdao Power Generation Company is principally engaged in production and sale of electric power.
3. Nanjing Power Generation Plant, with total installed capacity of 1.32 million kW, is a wholly-owned power plant of CDC. Nanjing Power Generation Plant is principally engaged in production and sale of electric power.

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. Huangdao Power Generation Company and Nanjing Power Generation Plant are subsidiaries or power plants of CDC. Therefore, Such Companies are connected persons of the Company. The transactions under the Coal Purchase and Sale Framework Agreements constitute continuing connected transactions of the Company.

Since one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the aggregated transaction amount under the Coal Purchase and Sale Framework Agreements are higher than 0.1% but lower than 5%, the Coal Purchase and Sale Framework Agreement and the transactions contemplated thereunder are subject to the reporting and announcement requirements, but are exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

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

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| “Beijing Datang Fuel Company” | Beijing Datang Fuel Company Limited, a controlling subsidiary of the Company, details of which are set out in the section headed “Information on the Parties to the Agreements” |
| “Board” | the board of Directors |
| “CDC” | China Datang Corporation, a state-owned enterprise established under the laws of the PRC and is the controlling shareholder of the Company which, together with its subsidiaries, owns approximately 34.77% of the issued share capital of the Company as at the date of this announcement |
| “Coal Purchase and Sale Framework Agreements” | Coal Purchase and Sale Framework Agreement (Beijing – Huangdao), Coal Purchase and Sale Framework Agreement (Beijing – Nanjing) |
| “Coal Purchase and Sale Framework Agreement (Beijing – Huangdao)” | the coal purchase and sale framework agreement entered into between Beijing Datang Fuel Company and Huangdao Power Generation Company on 26 September 2017 |
| “Coal Purchase and Sale Framework Agreement (Beijing – Nanjing)” | the coal purchase and sale framework agreement entered into between Beijing Datang Fuel Company and Nanjing Power Generation Plant on 26 September 2017 |
| “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 |

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| “Directors” | the director(s) of the Company |
| “Huangdao Power Generation Company” | Datang Huangdao Power Generation Company Limited, an indirect controlling subsidiary of CDC, details of which are set out in the section headed “Information on the Parties to the Agreements” |
| “Listing Rules” | The Rules Governing the Listing of Securities on The Stock Exchange |
| “Nanjing Power Generation Plant” | Datang Nanjing Power Generation Plant, a wholly-owned power plant of CDC, details of which are set out in the section headed “Information on the Parties to the Agreements” |
| “PRC” | the People’s Republic of China |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Such Companies” | Huangdao Power Generation Company and Nanjing Power Generation Plant |
| “%” | percent |

By Order of the Board
Ying Xuejun
Company Secretary

Beijing, the PRC, 26 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*