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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
COMPREHENSIVE PRODUCT AND
SERVICE FRAMEWORK AGREEMENT**

**COMPREHENSIVE PRODUCT AND SERVICE FRAMEWORK
AGREEMENT**

On 30 January 2018, the Company entered into the Comprehensive Product and Service Framework Agreement with CDC. The term of the agreement shall commence from the Effective Date and shall continue up to and including 31 December 2018. Upon the agreement of both parties, and subject to the compliance of the relevant laws and regulations and the listing rules of the places where Company is listed, the term of the Comprehensive Product and Service Framework Agreement will be automatically extended or renewed for one year.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CDC, the controlling shareholder of the Company, and its subsidiaries hold a total of 34.77% of the issued share capital of the Company. CDC is therefore a connected person of the Company. As such, the transactions under the Comprehensive Product and Service Framework Agreement constitute continuing connected transactions of the Company.

Among the nine types of products or services to be provided by CDC to the Company under the Comprehensive Product and Service Framework Agreement, as one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) of the respective amount of transactions under each of the categories of (i) Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services; (ii) Coal Supply; (iii) Infrastructure EPC Contracting; (iv) Sale of Electricity and Electricity Entrustment Agency and (v) Technological Transformation, Operations Management and Repair and Maintenance under the Comprehensive Product and Service Framework Agreement, when aggregated with their respective Previous Transactions, is more than 5%, such transactions are subject to reporting and announcement requirements and approval of the Independent Shareholders under Chapter 14A of the Listing Rules.

For each of the remaining four types of products or services to be provided by CDC to the Company under the Comprehensive Product and Service Framework Agreement, as one or more of the applicable percentage ratios of the respective amount of the transactions thereunder, when aggregated with their respective Previous Transactions, is more than 0.1% and less than 5% and all of the applicable percentage ratios are less than 5%, such transactions are only subject to reporting and announcement requirements but are exempt from approval of the Independent Shareholders under Chapter 14A of the Listing Rules.

Among the five types of products or services to be provided by the Company to CDC under the Comprehensive Product and Service Framework Agreement, as one or more of the applicable percentage ratios of the amount under the category of Coal Supply and Coal Transportation, when aggregated with the Previous Transactions, is more than 5%, such transactions are subject to reporting and announcement requirements and approval of the Independent Shareholders under Chapter 14A of the Listing Rules.

For each of the remaining four types of products or services to be provided by the Company to CDC under the Comprehensive Product and Service Framework Agreement (save for Property Lease which falls under the de minimis threshold under Chapter 14A of the Listing Rules and are exempt from the reporting, announcement and Independent Shareholders' approval requirements), as one or more of the applicable percentage ratios of the respective amount of the transactions thereunder, when aggregated with their respective Previous Transactions, is more than 0.1% and less than 5% and all of the applicable percentage ratios are less than 5%, such transactions are only subject to reporting and announcement requirements, but are exempt from approval of the Independent Shareholders under Chapter 14A of the Listing Rules.

The Company will disclose the relevant details in the next annual report and accounts of the Company in accordance with the relevant requirements as set out in Chapter 14A of the Listing Rules. A circular containing details of the Comprehensive Product and Service Framework Agreement, a letter from the independent board committee of the Company and a letter from the independent financial advisor, both advising the terms of the Non-Exempt CCT under the Comprehensive Product and Service Framework Agreement, will be dispatched to the Shareholders on or before 22 February 2018.

COMPREHENSIVE PRODUCT AND SERVICE FRAMEWORK AGREEMENT

Date

30 January 2018

Parties

The Company and CDC

Principal Terms

- (1) Subject matter: CDC Group agreed to provide products and services (including Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services, Coal Supply, Infrastructure EPC Contracting, Technological Transformation, Operations Management and Repair and Maintenance, Technical Supervision and Technical Services, Alternative Power Generation, Sale of Electricity (including sale of water, gas and other resources) and Electricity Entrustment Agency, Insurance Underwriting Business, and Property Management and other Logistical Services) to the Group during the term of the Comprehensive Product and Service Framework Agreement.

The Group agreed to provide products and services (including Coal Supply and Transportation, Alternative Power Generation, Sale of Electricity, Operations Management and Repair and Maintenance and Property Lease) to CDC Group during the term of the Comprehensive Product and Service Framework Agreement.

CDC and its controlled subsidiaries and subordinate enterprises may enter into specific contracts in respect of the above matters with the Company and its controlled subsidiaries and subordinate enterprises as required from time to time during the term of the Comprehensive Product and Service Framework Agreement, and such specific contracts shall be subject to the terms of the Comprehensive Product and Service Framework Agreement.

- (2) Term: The Comprehensive Product and Service Framework Agreement shall commence from the Effective Date and shall continue up to and including 31 December 2018. Upon the agreement of both parties, and subject to the compliance of the relevant laws and regulations and the listing rules of the places where the Company is listed, the term of the Comprehensive Product and Service Framework Agreement will be automatically extended or renewed for one year.

(3) Consideration:

The specific pricing principles of various types of transactions under the Comprehensive Product and Service Framework Agreement are set out as follows:

- (a) In respect of the businesses such as Technological Transformation, Operations Management, Repair and Maintenance, Infrastructure EPC Contracting, Insurance Underwriting Business and Property Management and Other Logistical Services, the service provider is to be determined through public tender, upon fulfillment of the relevant assessment procedures and with reference to multiple factors, including the technical experience, professional qualifications, business reputation, project management techniques, total costs of all bidders and other relevant factors; and the consideration of specific transactions is also to be determined according to the results of public tender.
- (b) In respect of the Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services, the Group agreed to entrust CDC Group to carry out centralized purchase of production and infrastructure materials, the prices of which are to be determined through public tender. CDC will charge a certain management service fee in respect of relevant services it undertook in the course of its centralized purchase. The amount of such management service fee shall not exceed 6% of the purchase amount. The price of the whole package of service for equipment is calculated in accordance with the scope of actual services provided and the fee standard of the relevant package of service for materials. Such service fee shall be determined on the basis of arm's length negotiation by both parties with reference to the management service fees charged by other independent cooperative service providers for the provision of similar services. The relevant management service fee to be charged by CDC Group shall not be higher than the fee to be charged for the provision of the same type of services to the Independent Third Party or the other companies of CDC Group. Upon entering into specific procurement contract, the professional department of the Company will approve the management service fee to ensure that the rate of the management service fee is not higher than that stipulated by the Comprehensive Product and Service Framework Agreement.

- (c) In respect of the Coal Supply and the Coal Transportation, the price is to be determined on the basis of arm's length negotiations and on normal commercial terms according to prevailing market conditions provided that the market price of coal has been considered, and taking into account the following relevant factors: purchase costs of coal, transportation costs of coal, trend of market change, changes in policies, historical transaction price, potential price fluctuations, etc. The fuel management department of the Company is responsible for collecting the market prices of coal and coal transportation with reference to the trend of market change in the last three years as the basis of determining the consideration. The sales prices of fuel companies are to be determined according to the purchase costs of fuel companies, the coal consumption demands of subordinate power generation companies and the trend of price change in the Bohai Rim and the trend of international price change, upon negotiation with subordinate power generation companies, taking into account factors such as the transportation costs of coal of shipping companies, the transportation demands of coal of relevant enterprises, historical transaction price and potential price fluctuations. The price of market coal is to be determined upon determination of the price of electricity and coal in mid-to-long term agreements at the meeting of the fuel management group of the Company or through the bidding platform for coal procurement in the market.
- (d) In respect of the Technical Supervision and Technical Services, the price is to be determined upon negotiation by both parties with reference to the market price, taking into account the following relevant factors: differences in the service projects of thermal power, hydropower and wind power units and the differences in the installed capacity of the power generation enterprises and the regions where they are located, etc.; the market price of the Technical Supervision and Technical Services collected by the professional department of the Company ensures that the price is not higher than that charged by the Independent Third Party for the same or similar type of products or services.
- (e) In respect of the Alternative Power Generation, the price is to be determined upon negotiation by both parties based on the principles of fairness and objectiveness and benefit sharing, provided that the market transaction price of alternative electricity and marginal revenue have been taken into account, and on normal commercial terms according to prevailing market conditions.
- (f) In respect of the Sale of Electricity and the Electricity Entrustment Agency, the market transaction price of electricity or agency service fee is to be determined upon negotiation by both parties with reference to the market price based on the principles of equality, impartiality and fairness. The government-prescribed price shall be adopted for the prices of water, gas and other resources.

- (g) In respect of the Property Lease, the price is to be determined on the basis of arm's length negotiations by both parties upon consideration of the actual conditions of the leased property and the market rent of comparable properties in surrounding areas, while the price shall not be lower than that charged for leasing to the Independent Third Party.

(4) Principles of transactions:

- (a) Both parties agreed that, in terms of products and services to be provided by the other party, if the terms of provision of products and services and/or price payable to the Independent Third Party are less favorable than the terms provided by the other party and/or higher than the price payable to the other party, or the same as those of the other party, priority shall be given to purchasing or using products and services provided by the other party.
- (b) Both parties agreed that, saved as agreed in paragraph (4)(a) above, the entering into of the Comprehensive Product and Service Framework Agreement will not affect the selection of their respective trading partners and conduct of transactions with the Independent Third Party. If the Independent Third Party can provide products and services at more favorable terms and/or prices pursuant to the Agreement, each party is entitled to entrust the Independent Third Party to provide the products and services.
- (c) Each party is entitled to provide products and services to the Independent Third Party on the pre-condition that the provision of products and services to the other party will not be affected.
- (d) If a party is unable to satisfy the requirements on products and services of the other party, or if the terms provided by the Independent Third Party are more favorable than those of the other party, the party is entitled to receive products and services from the Independent Third Party.
- (e) Before fulfilling the requirements on products and services of the other party, any party shall not provide such products and services to the Independent Third Party unless the Independent Third Party provide more favorable prices and terms than those of the other party. However, if the other party is willing to pay and provide prices not less than and/or terms more favorable than those provided by the Independent Third Party, the other party shall prioritize to fulfill the requirements on products and services of the other party.
- (f) For each year, each party will provide the other party with an estimate of the demand for products and services required in the following year in advance.
- (g) It is estimated that the Company and its subordinate enterprises will enter into individual supply or service agreements with other subordinate enterprises of CDC from time to time and as required. The Company reserves the right to make changes to the Comprehensive Product and Service Framework Agreement pursuant to the listing rules of the places where the Company is listed.

Annual Caps

The annual caps for the transaction amounts of the Comprehensive Product and Service Framework Agreement for the term ending 31 December 2018 are set out as follows:

1. Products and services to be provided by CDC to the Company

Unit: RMB'000

No.	Transactions	For the term ending 31 December 2018
1	Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services	3,800,000
2	Coal Supply	47,000,000
3	Infrastructure EPC Contracting	1,400,000
4	Sale of Electricity (including sales of water, gas and other resources) and Electricity Entrustment Agency	1,400,000
5	Technological Transformation, Operations Management and Repair and Maintenance	1,000,000
6	Technical Supervision and Technical Services	180,000
7	Alternative Power Generation	50,000
8	Insurance Underwriting Business	40,000
9	Property Management and Other Logistical Services	20,000

2. Products and services to be provided by the Company to CDC

Unit: RMB'000

No.	Transactions	For the term ending 31 December 2018
1	Coal Supply and Coal Transportation	14,500,000
2	Sale of Electricity	500,000
3	Alternative Power Generation	300,000
4	Operations Management and Repair and Maintenance	150,000
5	Property Lease	10,000

Each of the above-mentioned annual caps has been determined by reference to: (1) possible changes in the fuel market, the fuel price remaining at a high level and the increase in the number of trading partners as compared with the previous years; (2) the expected newly-added procurement of wind power generation main units of the Company; (3) based on the actual general scope of business and operation arrangement, the expected expansion of business in relation to the Technological Transformation, Operations Management and Repair and Maintenance of the Company; (4) the expected increase in tariffs and the fees of water, high-pressure steam and low-pressure steam of the Company; (5) based on the actual general scope of business and operation arrangement of the Company, more business in relation to the Sale of Electricity is expected to be carried out; (6) due to the implementation of energy saving and emission reduction policies of the PRC, the number of “replacing small with big” power generation right transactions or cross-provincial and regional Alternative Power Generation transactions increased; and (7) the historical transaction amounts in respect of the above-mentioned products and services provided by CDC to the Company (and vice versa) for the three years ended 31 December 2017.

Historical Transaction Amounts

The historical transaction amounts from 1 January 2015 to 31 December 2017 are set out as follows:

1. Products and services provided by CDC to the Company

Unit: RMB'000

No.	Transactions	For the year ended 31 December 2015	For the year ended 31 December 2016	For the year ended 31 December 2017
1	Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services	1,142,000	1,360,000	986,000
2	Coal Supply	14,567,000	15,244,000	24,423,000
3	Infrastructure EPC Contracting	0	0	1,251,000
4	Sale of Electricity (including sales of water, gas and other resources) and Electricity Entrustment Agency	0	0	14,000
5	Technological Transformation, Operations Management and Repair and Maintenance	1,257,000	355,000	481,000
6	Technical Supervision and Technical Services	73,000	100,000	134,000

No.	Transactions	For the year ended 31 December 2015	For the year ended 31 December 2016	For the year ended 31 December 2017
7	Alternative Power Generation	93,000	121,000	4,000
8	Insurance Underwriting Business	17,000	7,000	39,000
9	Property Management and Other Logistical Services	6,000	8,000	14,000

2. Products and services provided by the Company to CDC

Unit: RMB'000

No.	Transactions	For the year ended 31 December 2015	For the year ended 31 December 2016	For the year ended 31 December 2017
1	Coal Supply and Coal Transportation	785,000	346,000	2,957,000
2	Sale of Electricity	0	0	0
3	Alternative Power Generation	115,000	201,000	159,000
4	Operations Management and Repair and Maintenance	0	163,000	20,000
5	Property Lease	3,790	3,790	5,790

REASONS FOR AND BENEFITS OF ENTERING INTO THE COMPREHENSIVE PRODUCT AND SERVICE FRAMEWORK AGREEMENT

The Company is of the view that entering into the Comprehensive Product and Service Framework Agreement with the CDC can ensure the Company in obtaining reliable and guaranteed comprehensive products and services, such as coal, materials and services, reducing its operating risks and costs as well as improving work efficiency, which is conducive to the normal commencement of the production and operation of the Company.

In respect of Non-Exempt CCT under the Comprehensive Product and Service Framework Agreement only, the Directors (excluding the independent non-executive Directors, whose opinions will be contained in the circular after considering the advice of the independent financial advisor) are of the view that such transactions were entered into on normal commercial terms and in the ordinary course of business of the Company and such transactions are fair, just and reasonable and in the interests of the Company and its Shareholders as a whole.

In respect of the remaining categories of transactions (other than the Non-Exempt CCT) under the Comprehensive Product and Service Framework Agreement only, the Directors (including the independent non-executive Directors) are of the view that such transactions were entered into on normal commercial terms and in ordinary course of business of the Company and such transactions are fair, just and reasonable and in the interests of the Company and its Shareholders as a whole.

APPROVAL OF THE BOARD

The twentieth meeting of the ninth session of the Board of the Company has considered and approved the “Resolution on Execution of Comprehensive Product and Service Framework Agreement for the Year 2018 with China Datang Corporation Limited” (Please refer to the overseas regulatory announcement of the Company dated 21 December 2017 for details).

None of the Directors has any material interest in the Comprehensive Product and Service Framework Agreement. Those connected Directors, including Chen Jinhang, Liu Chuandong and Liang Yongpan, have abstained from voting on the relevant resolution in accordance with the requirements of the listing rules of the Shanghai Stock Exchange.

INFORMATION IN RELATION TO RELEVANT PARTIES TO THE AGREEMENT

1. The Company was established in December 1994 and 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. The Company’s major service area is in the PRC.
2. CDC was established on 9 April 2003 with a registered capital of RMB37.0 billion. It is principally engaged in the development, investment, construction, operation and management of power energy, organisation of power (thermal) production and sales; manufacturing, repair and maintenance of power equipment; power technology development and consultation; power engineering, contracting and consultation of environmental power engineering; development of new energy as well as development and production of power related coal resources.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CDC, the controlling shareholder of the Company, and its subsidiaries hold a total of 34.77% of the issued share capital of the Company. CDC is therefore a connected person of the Company. As such, the transactions under the Comprehensive Product and Service Framework Agreement constitute continuing connected transactions of the Company.

Among the nine types of products or services to be provided by CDC to the Company under the Comprehensive Product and Service Framework Agreement, as one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) of the respective amount of transactions under each of the categories of (i) Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services; (ii) Coal Supply; (iii) Infrastructure EPC Contracting; (iv) Sale of Electricity and Electricity Entrustment Agency; and (v) Technological Transformation, Operations Management and Repair and Maintenance under the Comprehensive Product and Service Framework Agreement, when aggregated with their respective Previous Transactions, is more than 5%, such transactions are subject to reporting and announcement requirements and approval of the Independent Shareholders under Chapter 14A of the Listing Rules.

For each of the remaining four types of products or services to be provided by CDC to the Company under the Comprehensive Product and Service Framework Agreement, as one or more of the applicable percentage ratios of the respective amount of the transactions thereunder, when aggregated with their respective Previous Transactions, is more than 0.1% and less than 5% and all of the applicable percentage ratios are less than 5%, such transactions are only subject to reporting and announcement requirements but are exempt from approval of the Independent Shareholders under Chapter 14A of the Listing Rules.

Among the five types of products or services to be provided by the Company to CDC under the Comprehensive Product and Service Framework Agreement, as one or more of the applicable percentage ratios of the amount under the category of Coal Supply and Coal Transportation, when aggregated with the Previous Transactions, is more than 5%, such transactions are subject to reporting and announcement requirements and approval of the Independent Shareholders under Chapter 14A of the Listing Rules.

For each of the remaining four types of products or services to be provided by the Company to CDC under the Comprehensive Product and Service Framework Agreement (save for Property Lease which falls under the de minimis threshold under Chapter 14A of the Listing Rules and are exempt from the reporting, announcement and Independent Shareholders' approval requirements), as one or more of the applicable percentage ratios of the respective amount of the transactions thereunder, when aggregated with their respective Previous Transactions, is more than 0.1% and less than 5% and all of the applicable percentage ratios are less than 5%, such transactions are only subject to reporting and announcement requirements, but are exempt from approval of the Independent Shareholders under Chapter 14A of the Listing Rules.

The Company will disclose the relevant details in the next annual report and accounts of the Company in accordance with the relevant requirements as set out in Chapter 14A of the Listing Rules. A circular containing details of the Comprehensive Product and Service Framework Agreement, a letter from the independent board committee of the Company and a letter from the independent financial advisor, both advising the terms of the Non-Exempt CCT under the Comprehensive Product and Service Framework Agreement, will be dispatched to the Shareholders on or before 22 February 2018.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISOR

An independent board committee comprising all independent non-executive Directors will be formed to advise the Independent Shareholders on the terms of the Non-Exempt CCT under the Comprehensive Product and Service Framework Agreement.

The Company will appoint an independent financial advisor to advise the independent board committee and the Independent Shareholders on the terms of the Non-Exempt CCT under the Comprehensive Product and Service Framework Agreement.

DEFINITIONS

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

“Alternative Power Generation”	purchase or transfer of planned contracted generation indicator by trading of generation rights between two or more power generation enterprises on the principle of equality and free will and given that such trading will not prejudice the interests of power consumers. Pursuant to the trading, the purchaser (the replacer) completes the power generation indicator plan on behalf of the transferor (the replaced party), and the capacity traded shall be regarded as the alternative capacity. Trading of alternative capacity encourages and facilitates the disposal of all or part of its planned contracted capacity of generating units with high generation costs to those who are able to generate electricity with lower costs, thus optimizing the structure of power source as well as reducing consumption and emission
“associate(s)”	has the meaning ascribed to it under the listing rules of the places where the Company is listed
“Board”	the board of Directors

“CDC”	China Datang Corporation Limited (formerly known as China Datang Corporation), a wholly 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. Please refer to the section headed “Information in relation to Relevant Parties to the Agreement” of this announcement for details
“CDC Group”	CDC, its controlled subsidiaries, subsidiaries and/or their respective associates (but excluding the Group) and including the connected subsidiaries of the Group
“Coal Supply”	operating activities in respect of the supply of coal from one party of the agreement to another party
“Coal Transportation”	transportation of coal to designated locations through single or joint methods such as railway, highway and waterways
“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. Please refer to the section headed “Information in relation to Relevant Parties to the Agreement” of this announcement for details
“Comprehensive Product and Service Framework Agreement”	the agreement entered into between CDC and the Company on 30 January 2018 in relation to the mutual supply of products and services between CDC Group and the Group
“connected person(s)”	has the same meaning ascribed to it in the Listing Rules
“connected subsidiaries”	has the same meaning ascribed to it under the Listing Rules
“connected transaction(s)”	has the same meaning ascribed to it in the Listing Rules

“controlling shareholder”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Effective Date”	<p>(a) in respect of the Non-Exempt CCT only, the date on which the Comprehensive Product and Service Framework Agreement is signed by the respective authorised party of CDC and the Company, their respective company chops are affixed thereto and the Non-Exempt CCT have been approved by the Independent Shareholders; or</p> <p>(b) in respect of the remaining categories of transactions (other than the Non-Exempt CCT) under the Comprehensive Product and Service Framework Agreement only, the date on which the Comprehensive Product and Service Framework Agreement is signed by the respective authorised party of CDC and the Company and their respective company chops be affixed thereto</p>
“EGM”	an extraordinary general meeting of the Company to be held to consider and, if thought fit, approve the Non-Exempt CCT contemplated under the Comprehensive Product and Service Framework Agreement
“Electricity Entrustment Agency”	the participation of electricity sales enterprises in large users and cross-provincial and regional market electricity transactions as agents of power generation enterprises with professional advantages, in which certain commission fees will be charged in accordance with the agreement between both parties
“Group”	collectively, the Company, its controlled subsidiaries and its subsidiaries
“Independent Shareholder(s)”	Shareholder(s) other than CDC and its associates, and who are not involved in or interested in the transactions contemplated under the Comprehensive Product and Service Framework Agreement

“Independent Third Party”	economic entity (i.e. company, enterprise and business unit) or natural person which, together with the ultimate beneficial owner of such economic entity, is independent of and not connected with CDC and its connected persons, as well as the Company and its connected persons
“Infrastructure EPC Contracting”	the general contracting of the entire process or certain phases in the design, procurement, construction and trial operation of construction projects by the general contractor who is appointed by the owner as stipulated in the agreements between the parties
“Insurance Underwriting Business”	property insurance underwriting business of the insurer in relation to certain power generating units owned by the enterprises of the Group
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Non-Exempt CCT”	collectively, the transactions under the categories of (i) Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services, (ii) Coal Supply, (iii) Infrastructure EPC Contracting, (iv) Sale of Electricity and Electricity Entrustment Agency and (v) Technological Transformation, Operations Management and Repair and Maintenance in respect of products and services to be provided by CDC to the Company, as well as the transactions under the category of Coal Supply and Coal Transportation in respect of products and services to be provided by the Company to CDC, of which one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) is more than 5%, and which are subject to reporting, announcement and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules
“Operations Management”	operations on equipment such as monitoring, inspection, starting and stopping, and reconfiguration
“PRC”	the People’s Republic of China
“Previous Transactions”	the previous transactions of a similar nature entered into by the Group and CDC Group in the last 12 months preceding the date of this announcement

“Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services”	the centralized procurement of certain general-purpose equipment and materials for construction, technological transformation projects, repair and maintenance of production, and provision of related centralized procurement services; complete services management including procurement services, contract execution and performance services (equipment supervision and inspection, delivery and shipment) related to major equipment and materials for large infrastructure projects, on-site material management for infrastructure projects
“Property Lease”	lease of related buildings held by the Group to the member companies of CDC Group
“Property Management and Other Logistical Services”	the entrustment of property service enterprises for facilities related to buildings held by the Group to conduct various services such as logistic management on such facilities
“Repair and Maintenance”	routine maintenance and repair on equipment
“RMB”	Renminbi, the lawful currency of the PRC
“Sale of Electricity”	the sale of electricity (including water, gas and other resources) generated (or processed) by power generation enterprises to energy sale enterprises or other users
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Technical Supervision and Technical Services”	the provision of regular technical proposals and guidance on measures upon discovery of issues on the operation and technical management of power generation equipment through supervision and analysis on relevant operation information and performance indicators of such power generation equipment, and the provision of various services for addressing a particular technical issue, such as unconventional calculation, design, surveying, analysis, installation, commissioning, provision of technical information, improvement on technical process, implementation of special experiment and technical diagnosis, etc

“Technological Transformation”

technological transformation projects that transform obsolete technologies into advanced technologies and replace outdated technology and equipment with advanced ones by upholding the principle of technological advancement, thereby achieving the goal to expand production capacities through organic growth, diversify product portfolio and enhance product quality, at the same time saving energy, reducing raw materials consumption, enhancing labour productivity and increasing economic benefits

“%”

per cent

By Order of the Board
Ying Xuejun
Company Secretary

Beijing, the PRC, 30 January 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, Liu Haixia, Guan Tiangang, Liu Jizhen, Feng Genfu*, Luo Zhongwei*, Liu Huangsong*, Jiang Fuxiu**

* *Independent non-executive Directors*