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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 COMPLETION OF THE A-SHARE ISSUANCE

COMPLETION OF THE A-SHARE ISSUANCE

The Board is pleased to announce that all the conditions to the A-Share Issuance have been satisfied and completion of the A-Share Issuance took place on 23 March 2018.

Reference is made to, among other things, (i) the whitewash circular dated 9 February 2017 (the “**Whitewash Circular**”) in respect of, among other things, the A-Share Issuance, the H-Share Issuance and the Whitewash Waiver published by Datang International Power Generation Co., Ltd. (the “**Company**”); (ii) the whitewash supplemental circular dated 13 March 2017 (the “**Whitewash Supplemental Circular**”) in respect of the Whitewash Circular published by the Company; (iii) the poll results announcement of the Company dated 31 March 2017 in respect of the poll results of the EGM and the Class Meetings to approve the Whitewash Transactions; (iv) the announcement of the Company dated 31 March 2017 in respect of the adjustment to the H-Share Issue Price; (v) the announcement of the Company dated 17 April 2017 in respect of the acceptance by CSRC of the application for the H-Share Issuance by the Company; (vi) the announcement of the Company dated 20 April 2017 in respect of the acceptance by CSRC of the application for the A-Share Issuance by the Company; (vii) the announcement of the Company dated 24 May 2017 in respect of the receipt of feedback on the A-Share Issuance issued by the CSRC; (viii) the announcement of the Company dated 15 June 2017 in relation to the reply made in respect of CSRC’s feedback on the A-Share Issuance; (ix) the announcement of the Company dated 20 September 2017 in respect of the adjustments to the A-Share Issuance; (x) the announcement of the Company dated 20 September 2017 in relation to the reply

made in respect of CSRC's feedback on A-Share Issuance; (xi) the announcement of the Company dated 21 September 2017 in respect of the receipt of CSRC Approval for the H-Share Issuance; (xii) the announcement of the Company dated 30 October 2017 in relation to the reply made in respect of the questions in the notification letter on the A-Share Issuance; (xiii) the announcement of the Company dated 31 October 2017 in relation to the approval by the issuance committee of CSRC in respect of the application for the A-Share Issuance; (xiv) the overseas regulatory announcement of the Company dated 6 December 2017 in respect of the change of name of the controlling shareholder of the Company from China Datang Corporation (中國大唐集團公司) to China Datang Corporation Ltd. (中國大唐集團有限公司)("CDC"); (xv) the announcement of the Company dated 12 February 2018 in relation to the update in respect of the H-Share Issuance; (xvi) the announcement of the Company dated 12 March 2018 in respect of the receipt of CSRC Approval for the A-Share Issuance and the receipt of listing approval for the H-Share Subscription Shares; (xvii) the announcement of the Company dated 13 March 2018 in relation to the update in respect of the A-Share Issuance; and (xviii) the announcement of the Company dated 19 March 2018 in relation to the completion of the H-Share Issuance.

Unless otherwise defined, terms undefined herein shall have the meanings ascribed to them in the Whitewash Circular and/or Whitewash Supplemental Circular.

COMPLETION OF THE A-SHARE ISSUANCE

The Board is pleased to announce that all the conditions to the A-Share Issuance have been satisfied and completion of the A-Share Issuance took place on 23 March 2018. Pursuant to the A-Share Subscription Agreement, 2,401,729,106 A-Share Subscription Shares have been allotted and issued to CDC at the A-Share Issue Price of RMB3.47 per A-Share Subscription Share.

The gross proceeds raised from the A-Share Issuance amounted to approximately RMB8,334 million. The net proceeds raised from the A-Share Issuance, after deducting the related expenses, amounted to approximately RMB8,319 million. The net A-Share Issue Price is approximately RMB3.46 per A-Share Subscription Share.

Immediately after the completion of the A-Share Issuance, the total issued Shares of the Company are 18,506,710,504, divided into 12,396,089,106 A-Shares and 6,110,621,398 H-Shares.

INTERESTS OF THE CDC GROUP IN THE COMPANY UPON COMPLETION OF THE A-SHARE ISSUANCE

Upon completion of the A-Share Issuance, the number of Shares held by the CDC Group (including CDC, CDFC and CDOHKC) increased from 7,423,339,834 (representing approximately 46.09% of the issued share capital of the Company immediately before completion of the A-Share Issuance) to 9,825,068,940 (representing approximately 53.09% of the enlarged issued share capital of the Company immediately after completion of the A-Share Issuance).

CDC was the controlling shareholder of the Company immediately before completion of the A-Share Issuance and remains as the controlling shareholder of the Company upon completion of the A-Share Issuance.

The A-Share Subscription Shares subscribed by CDC under the A-Share Issuance are subject to a lock-up period of 36 months from the completion date of the A-Share Issuance.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company (i) immediately before completion of the A-Share Issuance on 23 March 2018; and (ii) immediately after completion of the A-Share Issuance on 23 March 2018 and as at the date of this announcement:

Name of Shareholder	Notes	Class of Shares	Immediately before completion of the A-Share Issuance			Immediately after completion of the A-Share Issuance and as at the date of this announcement		
			Number of Shares	Approximate % of the total Issued Shares	Approximate % of the relevant class of Shares	Number of Shares	Approximate % of the total issued Shares	Approximate % of the relevant class of Shares
CDC	1, 7	A	4,138,977,414	25.70%	41.41%	6,540,706,520	35.34%	52.76%
CDFC	2, 7	A	8,738,600	0.05%	0.09%	8,738,600	0.05%	0.07%
Tianjin Jinneng Investment Company	3	A	1,296,012,600	8.05%	12.97%	1,296,012,600	7.00%	10.46%
Hebei Construction & Investment Group Co., Ltd.	4	A	1,281,872,927	7.96%	12.83%	1,281,872,927	6.93%	10.34%
Beijing Energy Investment Holding Co., Ltd.	5	A	1,260,988,672	7.83%	12.62%	1,260,988,672	6.81%	10.17%
Public holders of A-Shares		A	2,007,769,787	12.47%	20.09%	2,007,769,787	10.85%	16.20%
Total A-Shares			<u>9,994,360,000</u>	<u>62.06%</u>	<u>100%</u>	<u>12,396,089,106</u>	<u>66.98%</u>	<u>100%</u>
CDOHKC	6, 7, 8	H	3,275,623,820	20.34%	53.61%	3,275,623,820	17.70%	53.61%
Public holders of H-Shares		H	2,834,997,578	17.60%	46.39%	2,834,997,578	15.32%	46.39%
Total H-Shares			<u>6,110,621,398</u>	<u>37.93%</u>	<u>100%</u>	<u>6,110,621,398</u>	<u>33.02%</u>	<u>100%</u>
Total (A-Shares and H-Shares)			<u>16,104,981,398</u>	<u>100%</u>		<u>18,506,710,504</u>	<u>100%</u>	

- (1) Mr. Chen Jinhang, Mr. Liu Chuandong and Mr. Liang Yongpan, all non-executive Directors, are employees of CDC.
- (2) CDFC is a subsidiary of CDC. CDFC is held as to approximately 71.7898% by CDC directly, approximately 15.8931% by the Company directly, approximately 6.7544% by five other non-wholly owned subsidiaries of CDC and approximately 5.5624% by six other wholly owned subsidiaries of CDC.
- (3) Mr. Zhu Shaowen, a non-executive Director, is currently an employee of Tianjin Energy Investment Group Limited, the de facto controller of Tianjin Jinneng Investment Company. Tianjin Jinneng Investment Company is independent of CDC.
- (4) Mr. Cao Xin and Mr. Zhao Xiangguo, both non-executive Directors, are employees of Hebei Construction & Investment Group Co., Ltd.. Hebei Construction & Investment Group Co., Ltd. is independent of CDC.
- (5) Mr. Zhang Ping and Mr. Jin Shengxiang, both non-executive Directors, are employees of Beijing Energy Investment Holding Co., Ltd.. Beijing Energy Investment Holding Co., Ltd. is independent of CDC.
- (6) CDOHKC is an indirect wholly owned subsidiary of CDC.
- (7) CDFC and CDOHKC are subsidiaries of CDC and parties acting in concert with CDC.
- (8) CDOHKC is the H-Share Subscription Shares Subscriber.
- (9) The upward adjustment of up to 5% to the H-Share Issue Price in accordance with the terms of the H-Share Subscription Agreement did not affect the number of H-Share Subscription Shares issued.
- (10) The shareholding structure table above set out Shareholders which hold 5% or more interest in each class of Shares.
- (11) Figures shown above are calculated assuming that there are no adjustment events and no other Shares will be issued or transferred save for the allotment and issue of the A-Share Subscription Shares.
- (12) The numbers in the above table have been subject to rounding adjustments. Any discrepancies in the numbers are due to roundings.

BASIC INFORMATION OF THE A-SHARE ISSUANCE

1. Class of shares: RMB ordinary shares (A-Shares)
2. Size of issuance: 2,401,729,106 A-Shares
3. Issue price: RMB3.47 per A-Share
4. Gross proceeds raised: approximately RMB8,334,000,000
5. Relevant issue expenses: approximately RMB15,000,000
6. Net proceeds raised: approximately RMB8,319,000,000
7. Sponsor (Lead underwriter): CSC Financial Co., Ltd.
8. Joint lead underwriter: China Merchants Securities Co., Ltd.

TRANSFER OF ASSETS

All the A-Share Subscription Shares were subscribed by CDC in cash and did not involve any transfer of assets.

Changes in the share capital structure of the Company before and after the A-Share Issuance and the H-Share Issuance are as follows:

Items	Before the A-Share Issuance and H-Share Issuance	Number of new Shares	After the A-Share Issuance and H-Share Issuance
Shares subject to trading moratorium	0	5,196,672,926	5,196,672,926
Shares not subject to trading moratorium	<u>13,310,037,578</u>	<u>—</u>	<u>13,310,037,578</u>
Total	<u><u>13,310,037,578</u></u>	<u><u>5,196,672,926</u></u>	<u><u>18,506,710,504</u></u>

MANAGEMENT DISCUSSION AND ANALYSIS

(I) Impact on the Business and Income Structure of the Company

The Company primarily engages in power generation businesses, mainly in coal-fired power generation, as well as hydropower, wind power and other power generation businesses. Proceeds from the A-Share Issuance will be used for the construction of power plants and the repayment of borrowings for project infrastructure. This helps to strengthen the Company's core business, improve its balance sheet, and enhance its core competitiveness. Upon the completion of the A-Share Issuance, there will be no significant changes in the business and income structure of the Company. The Board is of the opinion that, on the basis of the existing business and income structure of the Company, the A-Share Issuance will facilitate the long-term development of the Company.

(II) Impact on the Articles of Association, Shareholding Structure and Senior Management Structure

1. Impact on the Articles of Association

Upon the completion of the A-Share Issuance, the share capital of the Company will be enlarged by a corresponding amount. Accordingly, the Company will make corresponding amendments to the articles relating to share capital Articles of Association as considered and approved by the Board and approved at the General Meeting. The Company will process industrial and commercial registration for such changes.

2. Impact on Shareholding Structure

Upon the completion of the A-Share Issuance, CDC remains as the controlling shareholder of the Company, and the status of CDC and the SASAC, as the controlling shareholder and the de facto controller of the Company, respectively, has not been charged.

3. Impact on Senior Management Structure

As at the date of this announcement, the Company does not have any plan to adjust its senior management structure. The A-Share Issuance, therefore, will not pose any significant impact on the Company's senior management structure. If the Company intends to adjust its senior management structure, it will perform the necessary legal procedures and information disclosure obligations in accordance with the relevant provisions.

(III) Changes in the Financial Position, Profitability And Cash Flows of the Company upon Completion of the A-Share Issuance

1. Effect on the profitability of the Company

Upon the completion of the A-Share Issuance, the Company can enhance its capital strength, control its financial cost and improve its subsequent financing capacity. Proceeds from the A-Share Issuance are intended to be used for the construction of power plants and the repayment of borrowings for project infrastructure. The operation efficiency of projects to be funded by the subscription proceeds can only be fully achieved within a certain period of time after the completion of such projects. The completion of the projects and the attainment of their designed capacity will enable the Company to enhance its future competitiveness in the industry.

2. Impact on the financial position of the Company

The A-Share Issuance will bring positive impacts on financial position of the Company. If funds can be fully raised as planned, total assets and net assets of the Company shall increase upon the completion of the A-Share Issuance. Hence, the capital strength of the Company will be strengthened, which will provide a secure funding for subsequent development of the Company. Meanwhile, some of the proceeds from the A-Share Issuance will be used for repayment of borrowings for project infrastructures, which is beneficial to lowering financial costs and gearing ratio of the Company.

3. Impact on the cash flows of the Company

Upon the completion of the A-Share Issuance, the cash inflow of the Company will increase significantly. In the short term, the cash inflow generated from fund raising activities will increase significantly. Certain proceeds will be used for the construction of power plants. Hence, cash outflow used in investing activities will increase during the construction period. Cash inflow generated from operating activities will gradually increase after the projects funded by the proceeds have been put into operation.

(IV) Changes in the Business Relationship, Administrative Relationship, Related Party Transaction and Competing Business between the Company and its Controlling Shareholder and its Related Parties

Upon the completion of the A-Share Issuance, there will be no changes in the business relationship and administrative relationship between the Company and its controlling shareholder, de facto controller and their related parties. The Company's business operations and its management will remain independent of each other and they will independently undertake respective operational obligations and risks. There will be no competing business or other new related party transactions between the Company and its controlling shareholder, de facto controller and their related parties as a result of the A-Share Issuance.

(V) Misappropriation of Funds and Assets of the Company by and the Guarantee provided by The Company to the Controlling Shareholder and its Related Parties

Upon the completion of the A-Share Issuance, the Company's capital and assets will not be misappropriated by its controlling shareholder and related parties as a result of the A-Share Issuance.

Upon the completion of the A-Share Issuance, there is no provision of any guarantee by the Company to its controlling shareholder and related parties which are in breach of regulations.

(VI) Impact of the Issuance on Liability Structure of the Company

Under the A-Share Issuance, the subscription of A-Shares by CDC shall be paid in cash. Upon the completion of the A-Share Issuance, the total assets and net assets of the Company will increase and the gearing ratio of the Company will decrease to a reasonable extent, while its ability to repay debt will be enhanced and its risk-tolerance ability will be further strengthened, which will foster a more stable and robust capital structure. The Company will not incur any significant increase of debts or have an excessive low gearing ratio arising from the A-share Issuance, nor will the Company incur any unreasonable financial costs.

By Order of the Board
Ying Xuejun
Company Secretary

Beijing, the PRC, 26 March 2018

As at the date of the announcement, the Board comprises (a) two executive Directors, namely Wang Xin and Ying Xuejun; (b) eight non-executive Directors, namely Chen Jinhang, Liu Chuandong, Liang Yongpan, Zhu Shaowen, Cao Xin, Zhao Xianguo, Zhang Ping and Jin Shengxiang; and (c) five independent non-executive Directors, namely Liu Jizhen, Feng Genfu, Luo Zhongwei, Liu Huangsong and Jiang Fuxiu.

The Directors jointly and severally accept full responsibility for the accuracy of the information (other than those relating to CDC and parties acting in concert with it) contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.

As at the date of this announcement, the directors of CDC comprises Chen Jinhang, Chen Feihu, Sun Hanhong, Sun Xinguo, Chen Qiliang, Xia Donglin and Wang Wanchun.

The directors of CDC jointly and severally accept full responsibility for the accuracy of the information contained in this announcement relating to CDC and parties acting in concert with it, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.