

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 23 January 2019, 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 2021.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CDC, the controlling shareholder of the Company, and its subsidiaries hold a total of 53.09% of the issued share capital of the Company. CDC is therefore a connected person of the Company. As such, transactions under the Comprehensive Product and Service Framework Agreement constitute continuing connected transactions of the Company.

Among the twelve types of products or services to be provided by CDC Group to the Group under the Comprehensive Product and Service Framework Agreement, given that the highest 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; and (iii) the franchising fee in respect of Flue Gas Environmental Protection Facilities Franchising 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 Independent Shareholders under Chapter 14A of the Listing Rules.

For each of the remaining eight types of products or services to be provided by CDC Group to the Group under the Comprehensive Product and Service Framework Agreement (except Property Rights Brokerage Services), as the highest 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%, 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.

As the highest of the applicable percentage ratios in respect of the amount of transactions under the category of the Property Rights Brokerage Services under the Comprehensive Product and Service Framework Agreement is less than 0.1%, it is fully exempt from the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Among the five types of products or services to be provided by the Group to CDC Group under the Comprehensive Product and Service Framework Agreement, as the highest of the applicable percentage ratios of the amount of transactions 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 Group to CDC Group under the Comprehensive Product and Service Framework Agreement, as the highest 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%, 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 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 despatched to the Shareholders on or before 18 February 2019.

COMPREHENSIVE PRODUCT AND SERVICE FRAMEWORK AGREEMENT

Date

23 January 2019

Parties

The Company and CDC

Principal Terms

(1) *Subject matter:*

CDC Group agreed to provide products and services (including (i) Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services, (ii) Coal Supply, (iii) Technological Transformation, Operations Management and Repair and Maintenance, (iv) Technical Supervision and Technical Services, (v) Infrastructure EPC Contracting, (vi) Sale of Electricity (including sale of water, gas and other resources) and Electricity Entrustment Agency, (vii) Alternative Power Generation, (viii) Flue Gas Environmental Protection Facilities Franchising, (ix) Research and Development in Technological Projects, (x) Information System Development, (xi) Property Rights Brokerage Services and (xii) 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 (i) Coal Supply and Coal Transportation, (ii) Alternative Power Generation, (iii) Sale of Electricity, (iv) Operations management and Repair and Maintenance and (v) the supply of water, electricity and gas in respect of Flue Gas Environmental Protection Facilities Franchising) 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 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 2021.

(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 (i) Technological Transformation, (ii) Operations Management, Repair and Maintenance, (iii) Infrastructure EPC Contracting, (iv) Research and Development in Technological Projects, (v) Information System Development, (vi) Property Rights Brokerage Services and (vii) Property Management and Other Logistical Services, the service provider is to be determined through tender in accordance with relevant PRC laws through competitive negotiations or price quotation as prescribed by the procurement management policies of the Company. The tender would only be awarded to the relevant

connected enterprise if it has been rated as first in the aspects of technical experience, professional qualifications, business reputation, project management techniques, total costs of all bidders and other relevant factors. The transaction price shall be the final tender price.

- (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 Group will charge a certain management service fee in respect of its services which shall not exceed 6% of the purchase amount. The price for the entire package of service and equipment shall be calculated on the basis of the scope of actual services provided and the pricing standard of the entire package of relevant services and materials. Such service fee shall be determined through arm's length negotiations between both parties taking into account the amount of management service fees charged by other independent cooperative service providers when providing similar services. The relevant management service fee to be charged by CDC Group shall not be higher than the fee which have been charged in providing the same type of services to Independent Third Parties or other companies of the CDC Group. The said management service fee of not more than 6% of the purchase amount is arrived at after considering the management service fee charged by Independent Third Parties providing similar services and it is ascertained that the service management fee charged by Independent Third Party is not more than 6% of the purchase amount of the production and infrastructure materials. Upon entering into specific procurement contract, the material management 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) On the prerequisite that the market price of coal has been taken into account, the price of Coal Supply and Coal Transportation is to be determined on the basis of arm's length negotiations and such transactions shall be based on normal commercial terms and prevailing market conditions. Relevant factors such as purchase costs of coal, transportation costs of coal, trend of market change, changes in policies, historical transaction price, potential price fluctuations, etc. shall also be taken into account.

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 power generation enterprises, 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 formed upon determination of the price of electricity purchase and

coal sale in mid-to-long term agreements and coal transportation prices through negotiation with power generation enterprises, coal mining enterprises, shipping companies and fuel companies respectively or through the bidding platform for coal procurement in the market.

- (d) In respect of Technical Supervision and Technical Services, the price is to be determined through negotiation by both parties with reference to the market price having taken into account factors such as variance between service projects of thermal power, hydropower and wind power units, and the installed capacity and regional differences of power generation enterprises, ensuring that the transaction price shall not be higher than the price which would have been charged if similar services were to be provided to Independent Third Parties.
- (e) In respect of Alternative Power Generation, having considered market price of alternative power generation and the fact that margin income shall be generated, its price is to be determined through negotiation by both parties in accordance with principles of fairness, objectiveness and benefit sharing. Such transaction price must also be based on ordinary commercial terms and prevailing market conditions.
- (f) In respect of the Sale of Electricity and the Electricity Entrustment Agency, the price for sale and purchase of electricity (including water, gas and other resources) is to be determined through negotiations conducted with the objectives of achieving “complementary advantages, mutual benefit and win-win collaboration”, and with reference to the market price or service fees to be determined in accordance with the principle of equality, impartiality and fairness.
- (g) The franchising fee in respect of Flue Gas Environmental Protection Facilities Franchising shall be determined on the basis of the price imposed by the government or government-prescribed price; and the water, electricity and gas costs in respect of Flue Gas Environmental Protection Facilities Franchising shall be determined based on the costs of the water, electricity and gas provided by the power generation enterprises through the parties, negotiation in accordance with the principle of fairness, impartiality and fairness.

(4) Principles of transactions:

- (a) Both parties agreed that, in respect of products and services to be provided by the other party, if the conditions for services or products offered by an Independent Third Party is less favourable than or same as the conditions imposed by the other party, preference shall be given to products and services offered by the other party.
- (b) Both parties agreed that, in respect of products and services to be provided by the other party, if the price for same products and services offered by an Independent Third Party is higher than or same as the price offered by the other party, preference shall be given to products and services offered by the other party.

- (c) Both parties agreed that, saved as agreed in paragraphs (4)(a) and (b) above, the entering into of the Comprehensive Product and Service Framework Agreement shall not affect the selection of their respective trading partners or their conduct of transactions with third parties. If a third party can provide products and services at more favourable terms and/or prices, each party is entitled to entrust that third party to provide those products and services.
- (d) Either party is entitled to provide products and services to third parties provided that these would not affect the provision of products and services to the other party.
- (e) If a party is unable to satisfy the other party's requirements on products and services, or if the terms provided by an Independent Third Party are more favourable than those of the other party, then that party shall be entitled to receive products and services from the Independent Third Party.
- (f) Before fulfilling the demands for products and services of the other party, neither party shall provide such products and services to an Independent Third Party unless that Independent Third Party offers more favourable prices and terms than those of the other party. However, if the other party is willing to pay prices not less than and/or provide services on terms not less favourable than those provided by the Independent Third Party, the other party shall prioritise the other party in fulfilling its demands for products and services.
- (g) For each year, each party will provide the other party with an estimate of the demand for products and services required for the following year in advance.
- (h) It is anticipated 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 may be required. The Company reserves the right to make changes to the Comprehensive Product and Service Framework Agreement pursuant to listing rules of 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 2019 and for the years ending 31 December 2020 and 31 December 2021 are set out as follows:

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

No.	Transactions	For the term ending 31 December 2019 (RMB'000)	For the year ending 31 December 2020 (RMB'000)	For the year ending 31 August 2021 (RMB'000)
1.	Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services	3,500,000	3,100,000	2,800,000
2.	Coal Supply	40,000,000	45,000,000	45,000,000
3.	Technological Transformation, Operations Management and Repair and Maintenance	1,200,000	1,400,000	1,500,000
4.	Technical Supervision and Technical Services	350,000	380,000	400,000
5.	Infrastructure EPC Contracting	1,800,000	1,800,000	1,800,000
6.	Sale of Electricity (including sales of water, gas and other resources) and Electricity Entrustment Agency	1,500,000	1,600,000	1,700,000
7.	Alternative Power Generation	100,000	100,000	100,000
8.	Franchising fee in respect of Flue Gas Environmental Protection Facilities Franchising	2,560,000	2,580,000	2,700,000
9.	Research and Development in Technological Projects	80,000	80,000	80,000
10.	Information System Development	100,000	100,000	100,000
11.	Property Rights Brokerage Services	30,000	30,000	30,000
12.	Property Management and Other Logistical Services	45,000	50,000	55,000

2. *Products and services to be provided by the Group to CDC Group*

No.	Transactions	For the term ending 31 December 2019 (RMB'000)	For the year ending 31 December 2020 (RMB'000)	For the year ending 31 December 2021 (RMB'000)
1.	Coal Supply and Coal Transportation	10,000,000	13,000,000	15,000,000
2.	Sale of Electricity	500,000	600,000	700,000
3.	Alternative Power Generation	600,000	800,000	900,000
4.	Operations Management and Repair and Maintenance	160,000	180,000	190,000
5.	Water, electricity and gas costs in respect of Flue Gas Environmental Protection Facilities Franchising	640,000	650,000	680,000

Each of the above-mentioned annual caps and their respective substantial increase have been determined with reference to: (1) the acquisition by the Company of the power generation enterprises in Heilongjiang, Hebei and Anhui provinces from CDC in 2018, which results in an increase of transaction entities and therefore an expected substantial increase of transaction amounts; (2) 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; (3) the expected newly-added procurement of wind power generation main units of the Group; (4) 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 Group; (5) the expected increase in tariffs and the fees of water, high-pressure steam and low-pressure steam of the Group; (6) based on the actual general scope of business and operation arrangement of the Group, more business in relation to the Sale of Electricity is expected to be carried out; (7) 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 (8) the historical transaction amounts in respect of the above-mentioned products and services provided by CDC Group to the Group (and vice versa) for the three years ended 31 December 2018.

Historical Transaction Amounts

The historical transaction amounts from 1 January 2016 to 31 December 2018 are set out as follows:

1. *Products and services provided by CDC Group to the Group*

No.	Transactions	For the year ended 31 December 2016 <i>(RMB'000)</i>	For the year ended 31 December 2017 <i>(RMB'000)</i>	For the year ended 31 December 2018 <i>(Unaudited)</i> <i>(RMB'000)</i>
1.	Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services	1,360,000	986,000	2,158,000
2.	Coal Supply	15,244,000	24,423,000	24,233,000
3.	Technological Transformation, Operations Management and Repair and Maintenance	355,000	481,000	505,000
4.	Technical Supervision and Technical Services	100,000	134,000	28,000
5.	Infrastructure EPC Contracting	0	986,000	1,129,000
6.	Sale of Electricity (including sales of water, gas and other resources) and Electricity Entrustment Agency	0	14,000	883,000
7.	Alternative Power Generation	121,000	4,000	1,000
8.	Franchising fee in respect of Flue Gas Environmental Protection Facilities Franchising	1,498,000	1,491,000	2,167,000
9.	Research and Development in Technological Projects	0	0	47,000
10.	Information System Development	0	0	42,000
11.	Property Rights Brokerage Services	0	0	0
12.	Property Management and Other Logistical Services	8,000	14,000	30,000

2. *Products and services provided by the Group to CDC Group*

No.	Transactions	For the year ended 31 December 2016 <i>(RMB'000)</i>	For the year ended 31 December 2017 <i>(RMB'000)</i>	For the year ended 31 December 2018 <i>(Unaudited)</i> <i>(RMB'000)</i>
1.	Coal Supply and Coal Transportation	346,000	2,957,000	4,514,000
2.	Sale of Electricity	0	0	143,000
3.	Alternative Power Generation	201,000	159,000	29,000
4.	Operations Management and Repair and Maintenance	163,000	20,000	50,000
5.	Water, electricity and gas costs in respect of Flue Gas Environmental Protection Facilities Franchising	275,000	349,000	538,000

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

The Company is of the view that the entering into of the Comprehensive Product and Service Framework Agreement with CDC can ensure that the Company is able to obtain reliable and guaranteed comprehensive products and services, such as coal, materials and services, thereby reducing its operation risks and costs and enhancing work efficiency, these are all beneficial to the normal development of the Company's operations.

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 thirty first meeting of the ninth session of the Board of the Company has considered and approved the “Resolution in relation to the entering into of the Comprehensive Product and Service Framework Agreement from 2019 to 2021 with China Datang Corporation Limited” (Please refer to the overseas regulatory announcement of the Company dated 21 December 2018 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 53.09% of the issued share capital of the Company. CDC is therefore a connected person of the Company. As such, transactions under the Comprehensive Product and Service Framework Agreement constitute continuing connected transactions of the Company.

Among the twelve types of products or services to be provided by CDC Group to the Group under the Comprehensive Product and Service Framework Agreement, given that the highest 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; and (iii) the franchising fee in respect of Flue Gas Environmental Protection Facilities Franchising 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 Independent Shareholders under Chapter 14A of the Listing Rules.

For each of the remaining eight types of products or services to be provided by CDC Group to the Group under the Comprehensive Product and Service Framework Agreement (except Property Rights Brokerage Services), as the highest 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%, 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.

As the highest of the applicable percentage ratios in respect of the amount of transactions under the category of the Property Rights Brokerage Services under the Comprehensive Product and Service Framework Agreement is less than 0.1%, it is fully exempt from the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Among the five types of products or services to be provided by the Group to CDC Group under the Comprehensive Product and Service Framework Agreement, as the highest of the applicable percentage ratios of the amount of transactions 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 Group to CDC Group under the Comprehensive Product and Service Framework Agreement, as the highest 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%, 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 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 despatched to the Shareholders on or before 18 February 2019.

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
“Board”	the board of Directors
“CDC”	China Datang Corporation Limited (formerly known as China Datang Corporation), a wholly state-owned company established under the laws of the PRC and is a controlling shareholder of the Company. CDC and its subsidiaries own approximately 53.09% 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 (excluding the Group, its controlled subsidiaries and/or its subordinate enterprises but 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 23 January 2019 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 under 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”	(a) in respect of the Non-Exempt CCT, 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 (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
“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

“Flue Gas Environmental Protection Facilities Franchising”	collectively, (i) the investment and construction by the CDC Group of the flue gas environmental protection facilities, including desulfurisation, denitrification and dust removal, etc., of the Group, and the franchising provided by the CDC Group to the Group for the flue gas environmental protection facilities, including desulfurisation, denitrification and dust removal, etc., of the Group, as well as (ii) the franchising fee charged by the CDC Group to the Group in view of the electricity price subsidy policy as prescribed by the PRC during the franchising period, and the water, electricity and gas costs incurred for the operation of flue gas environmental protection facilities charged by the Group to the CDC Group
“Group”	collectively, the Company, its controlled subsidiaries and/or 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 owners 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
“Information System Development”	the implementation and construction of information systems, the operation and maintenance of information systems, the information technology consultations and the information technology services, etc.
“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
“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 and (iii) Flue Gas Environmental Protection Facilities Franchising in respect of products and services to be provided by CDC Group to the Group, 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 Group to CDC Group, of which the highest 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, etc.
“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, if any
“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 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 of such facilities
“Property Rights Brokerage Services”	brokerage services provided to enterprises in relation to activities conducted at property rights exchange institutions, such as transfer of equity interest, assets transactions and capital increase, etc.
“Repair and Maintenance”	routine maintenance and repair on equipment

“Research and Development in Technological Projects”	research by power generation enterprises such as theoretical research, key technologies research, experimental research in relation to electricity generation, which result in technological output such as the production of key technologies, scientific results, patents and theses
“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 analysis, 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, 23 January 2019

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*