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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
PROGRESS IN RELATION TO THE COMPLETION OF THE
DISPOSAL OF COAL-TO-CHEMICAL
BUSINESS SEGMENT
AND
OVERDUE LOANS UNDER THE GUARANTEE

Reference is made to the major and connected transaction announcement of Datang International Power Generation Co., Ltd. (the “**Company**” or “**Datang Power**”) dated 30 June 2016, the circular of the Company dated 12 August 2016 (the “**Circular**”), and the announcements of the Company dated 28 September 2016, 6 February 2017, 24 December 2018 and 4 January 2019 regarding the progress in relation to the disposal of the coal-to-chemical business segment and the performance of guarantee obligations. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as defined in the Circular.

A. PROGRESS IN RELATION TO THE COMPLETION OF THE DISPOSAL OF COAL-TO-CHEMICAL BUSINESS SEGMENT AND OVERDUE LOANS UNDER THE GUARANTEE

1. Datang Energy and Chemical Company Limited (“**Datang Energy and Chemical**”), a former wholly-owned subsidiary of Datang International Power Generation Co., Ltd. (the “**Company**”), signed two Entrusted Loan Contracts as the borrower in relation to loans amounting to RMB4 billion and RMB2 billion, respectively, for a term of three years in November 2015 and January 2016, respectively. The Company provided joint liability guarantees for the loans under the aforesaid two contracts in November 2015 and January 2016, respectively, for a term expiring on two years after the respective due date for the performance of entrusted loan obligations under the aforesaid two contracts.
2. The entrusted loans under the aforesaid two contracts became due on 23 November 2018 and 29 January 2019, respectively. Upon confirmation by the Company and Datang Energy and Chemical, the loans have not yet been repaid on time by Datang Energy and Chemical as at the date of this announcement.

I. Overview to the Guarantees

Datang Energy and Chemical was a former wholly-owned subsidiary of the Company. The Company signed the “Transfer Agreement in relation to the Coal-to-chemical and Connected Project” (the “**Transfer Agreement**”) with Zhongxin Energy and Chemical Technology Company Limited (“**Zhongxin Energy and Chemical**”, a wholly-owned subsidiary of CDC, the controlling shareholder of the Company, at the time of the transfer) on 30 June 2016, to transfer the 100% equity interest held by the Company in Datang Energy and Chemical to Zhongxin Energy and Chemical (for details, please see the major and connected transaction announcement of the Company dated 30 June 2016), which had been completed on 31 August 2016. The Transfer Agreement provides that “prior to 31 December 2016, Zhongxin Energy and Chemical shall release Datang Power from its guarantee obligations in respect of the loans relating to the coal-to-chemical and connected project, by way of novating Datang Power for the guarantee obligations or any other means. If the above change of guarantee has not yet been fully completed by the time the above-mentioned term has expired, Zhongxin Energy and Chemical shall provide counter-guarantee to the Company (including its controlled related parties) in respect of the parts of the guarantee obligations of the Company that have not been released”.

In December 2016, adjustments were made to the shareholders of Zhongxin Energy and Chemical. As of the date of this announcement, its shareholding structure is as follows: 35% of its equity interest is held by CDC, 35% of its equity interest is held by Guoxin Boyuan Investment (Beijing) Co., Ltd. (國新博遠投資(北京)有限公司) and 30% of its equity interest is held by Beijing Chengtong Capital Operation Co., Ltd. Currently, Zhongxin Energy and Chemical and Datang Energy and Chemical are both connected companies of the Company.

On 30 December 2016, Zhongxin Energy and Chemical issued the letter of undertaking for counter-guarantee to the Company, to provide counter-guarantee to the Company in relation to the entrusted loan obligations under the aforesaid entrusted loan contracts. Pursuant to the undertakings set out in the letter of undertaking for counter guarantee, Zhongxin Energy and Chemical shall voluntarily provide the Company with counter-guarantee for Datang Energy and Chemical, and assume full and joint guarantee responsibility for the loans repayment of the Company.

II. Subsequent Arrangements

1. As the Company’s guarantee obligations in respect of the above loans have not yet been terminated, the Company is seeking to properly resolve the matter relating to the overdue loans under the guarantee as soon as possible through active communication with Datang Energy and Chemical and Zhongxin Energy and Chemical.

2. The Company will closely monitor and highly value such matter, and will promptly perform its obligation of information disclosure on any further progress to earnestly uphold the interests of the Company and its shareholders.

Investors are advised to invest cautiously and pay attention to risks.

By Order of the Board
Ying Xuejun
Company Secretary

Beijing, the PRC, 28 March 2019

As at the date of this announcement, the Directors of the Company are:

Chen Feihu, Wang Sen, 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*