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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**

### **CONNECTED TRANSACTION**

#### **Capital Increase Agreement**

On 4 April 2014, the Company entered into the Capital Increase Agreement with CDC Capital Holding Company, Datang Overseas Company and Datang Renewable Power Company, pursuant to which, the parties agreed to make further capital contribution to Datang Finance Leasing Company in proportion to their existing equity holding. Among which, the Company agreed to make further capital contribution of RMB200 million to Datang Finance Leasing Company. Upon completion of the capital increase, the Company will have made capital contribution in the total sum of RMB400 million in Datang Finance Leasing Company and its equity holding in Datang Finance Leasing Company will remain as 20%.

#### **Listing Rules Implications**

As at the date of this announcement, CDC is the controlling Shareholder of the Company, which together with its subsidiaries holds approximately 34.71% of the issued share capital of the Company. CDC Capital Holding Company, Datang Overseas Company and Datang Renewable Power Company are subsidiaries of CDC and are therefore connected persons of the Company pursuant to Chapter 14A of the Listing Rules. The transaction contemplated under the Capital Increase Agreement constitute a connected transaction of the Company.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transaction under the Capital Increase Agreement is more than 0.1% but less than 5%, and all other applicable percentage ratios are less than 0.1%, the Capital Increase Agreement is only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules and does not require the approval by the independent Shareholders of the Company.

# CAPITAL INCREASE AGREEMENT

## Date

4 April 2014

## Parties

CDC Capital Holding Company,  
the Company,  
Datang Overseas Company, and  
Datang Renewable Power Company.

## Major Terms of the Capital Contribution Agreement

1. The Company, CDC Capital Holding Company, Datang Overseas Company and Datang Renewable Power Company agreed to make further capital contribution in cash in the total sum of RMB1 billion to Datang Finance Leasing Company in proportion to their existing equity holding in Datang Finance Leasing Company. Among which, CDC Capital Holding Company agreed to make further capital contribution in the sum of RMB400 million, the Company agreed to make further capital contribution in the sum of RMB200 million, Datang Overseas Company agreed to make further capital contribution in the sum of RMB200 million (to be settled in U.S. dollar), and Datang Renewable Power Company agreed to make further capital contribution in the sum of RMB200 million (to be settled in U.S. dollar).

Upon completion of the capital increase, the equity holding structure and the capital contribution of each shareholders of Datang Finance Leasing Company are set out as below:

Name of Shareholder	Capital Injection prior to the completion of capital increase (RMB million)	Shareholding structure prior to the completion of capital increase	Capital injected for the capital increase (RMB million)	Total Capital injected after the capital increase (RMB million)	Shareholding structure after the capital increase
CDC Capital Holding Company	400	40%	400	800	40%
The Company	200	20%	200	400	20%
Datang Overseas Company	200	20%	200	400	20%
Datang Renewable Power Company	200	20%	200	400	20%
Total	1,000	100%	1,000	2,000	100%

2. Timing for making the capital injection: the initial capital injection to be made by the parties should not be less than 20% of the new registered capital (the initial payment date will be determined by the parties), while the balance of the capital shall be paid in full by the parties within two years from the date of entering into the agreement.

## **Effective Date**

The Capital Increase Agreement will become effective when it is duly signed by the relevant authorized representatives of the parties and affixed with their respective company chops. Application shall be made for the registration of the change to the relevant registration authority.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE CAPITAL INCREASE AGREEMENT**

The operation and development of Datang Finance Leasing Company is currently stable, however the development and the external financing capabilities of Datang Finance Leasing Company will be limited by low capital, which will impact the capital efficiency and the shareholder's return. Thus, the increase in capital of Datang Finance Leasing Company will elevate its asset size and financing ability, enhance its growth potential and competitiveness, and enables the Company to obtain a better return on investment.

The Directors (including independent non-executive Directors) are of the view that the relevant terms of the Capital Increase Agreement are normal commercial terms and the transaction is fair and reasonable, and is in the interest of the Company and its Shareholders as a whole.

## **BOARD'S APPROVAL**

None of the Directors have any material interest in the Capital Increase Agreement. Those connected Directors, including Chen Jinhang, Hu Shengmu and Fang Qinghai, have abstained from voting at the Board meeting for approval of the relevant transaction in accordance with the requirements of the listing rules of the Shanghai Stock Exchange.

## **INFORMATION OF THE RELEVANT PARTIES**

### **DATANG FINANCE LEASING COMPANY**

Datang Finance Leasing Company is a company jointly invested by the members of CDC Group with the registered capital of RMB1 billion. It is principally engaged in finance leasing business, leasing business, purchase of the leased assets domestically and abroad, and the consultation of the lease transactions.

### **THE COMPANY**

The Company 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, with its main service areas being in the PRC.

### **CDC CAPITAL HOLDING COMPANY**

CDC Capital Holding Company is a wholly-owned subsidiary of CDC. The company's capital registered is RMB2 billion, it is principally engaged in investment management, asset management, investment enquiries and etc.

## **DATANG OVERSEAS COMPANY**

Datang Overseas Company is a wholly-owned subsidiary of China Datang Overseas Investment Co., Ltd., a wholly-owned subsidiary of CDC. The company's capital registered is USD137.23 million, its business scope principally covers power and energy project related businesses.

## **DATANG RENEWABLE POWER COMPANY**

Datang Renewable Power Company is a wholly-owned subsidiary of China Datang Corporation Renewable Power Co., Limited, a subsidiary of CDC. The company's registered capital is HK\$100 thousand. Its business scope principally covers power and energy project related businesses.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, CDC is the controlling Shareholder of the Company, which together with its subsidiaries holds approximately 34.71% of the issued share capital of the Company. CDC Capital Holding Company, Datang Overseas Company and Datang Renewable Power Company are subsidiaries of CDC and are therefore connected persons of the Company pursuant to Chapter 14A of the Listing Rules. The transaction contemplated under the Capital Increase Agreement constitute a connected transaction of the Company.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transaction under the Capital Increase Agreement is more than 0.1% but less than 5%, and all other applicable percentage ratios are less than 0.1%, the Capital Increase Agreement is only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules and does not require the approval by the independent Shareholders of the Company.

## DEFINITIONS

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

“Board”	the board of directors
“Capital Increase Agreement”	the “Capital Increase Agreement for Datang Finance Leasing Company” dated 4 April 2014 entered into between the Company, CDC Capital Holding Company, Datang Overseas Company and Datang Renewable Power Company in relation to the capital increase for Datang Finance Leasing Company
“CDC”	China Datang Corporation, a State-owned enterprise established under the laws of the PRC and is the controlling Shareholder of the Company
“CDC Group”	CDC’s subsidiaries
“CDC Capital Holding Company”	China Datang Corporation Capital Holding Co. Limited, details of which please refer to the section headed “Information of the Relevant Parties”
“Company”	Datang International Power Generation Co., Ltd., a sino-foreign joint stock limited company incorporated in the PRC on 13 December 1994, whose H Shares are listed on the Stock Exchange and the London Stock Exchange and whose A Shares are listed on the Shanghai Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“connected transaction”	has the meaning ascribed to it under the Listing Rules
“Datang Finance Leasing Company”	Datang Finance Leasing Co., Limited, details of which please refer to the section headed “Information of the Relevant Parties”
“Datang Overseas Company”	China Datang Overseas (Hong Kong) Co., Limited, details of which please refer to the section headed “Information of the Relevant Parties”
“Datang Renewable Power Company”	Datang Renewable Power (Hong Kong) Co., Limited
“Director(s)”	the director(s) of the Company

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	percentage

By Order of the Board

**Zhou Gang**

*Secretary of the Board*

Beijing, The PRC, 4 April, 2014

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

*Chen Jinhang, Hu Shengmu, Wu Jing, Fang Qinghai, Zhou Gang, Li Gengsheng, Cao Xin, Cai Shuwen, Liu Haixia, Guan Tiangang, Dong Heyi\*, Ye Yansheng\*, Li Hengyuan\*, Zhao Jie\*, Jiang Guohua\**

*\* Independent non-executive Directors*