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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**

#### **ENTRUSTED LOAN AGREEMENT**

On 21 May 2015, the Company and Renewable Resource Company entered into the Entrusted Loan Agreement with ICBC Xuanwu Branch, pursuant to which, the Company shall entrust ICBC Xuanwu Branch to act as the lending agent to provide entrusted loan of an aggregate amount of RMB360 million to Renewable Resource Company during the term of the agreement.

#### **LISTING RULES IMPLICATIONS**

As at the date of this announcement, CDC together with its subsidiaries holds approximately 34.71% of the issued share capital of the Company. Renewable Resource Company is a subsidiary of the Company, and Renewable Resource Company is owned as to 10.65% by Guoneng Zhixin, a subsidiary of CDC. Renewable Resource Company is therefore a connected person of the Company and the transaction under the Entrusted Loan Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As all of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) for the amount of the entrusted loan under the Entrusted Loan Agreement when aggregated with the Previous Transaction is more than 0.1% but less than 5%, the Entrusted Loan Agreement is only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but exempt from the approval by the independent Shareholders of the Company under Chapter 14A of the Listing Rules.

# **ENTRUSTED LOAN AGREEMENT**

## **Date and Subject Matter**

On 21 May 2015, the Company and Renewable Resource Company entered into the Entrusted Loan Agreement with ICBC Xuanwu Branch, pursuant to which, the Company shall entrust ICBC Xuanwu Branch to act as the lending agent to provide entrusted loan of an aggregate amount of RMB360 million to Renewable Resource Company during the term of the agreement.

## **Parties**

1. The Company, as the entrusted lender;
2. ICBC Xuanwu Branch, as the lending agent; and
3. Renewable Resource Company, as the borrower.

To the best of the Company's knowledge, information and belief having made all reasonable enquiries, ICBC Xuanwu Branch and its ultimate beneficial owners (if any) is a third party independent of the Company and its connected persons.

## **Major Terms**

1. Entrusted Loan Arrangement

Pursuant to the Entrusted Loan Agreement, the Company shall entrust ICBC Xuanwu Branch to act as the lending agent to provide entrusted loan to Renewable Resource Company.

2. Amount of the entrusted loan

The loan amount for Renewable Resource Company under the Entrusted Loan Agreement shall be RMB360 million.

3. Term

The term is 36 months commencing from 21 May 2015 to 18 May 2018.

#### 4. Interest rate

The loan interest rate shall be a floating rate, being the benchmark interest rate to be charged for the same level of loans in RMB as announced for implementation by the People's Bank of China on the actual date when the loan is granted. In the event that the People's Bank of China adjusts the benchmark interest rate during the term of the agreement, the interest rate under the agreement shall be adjusted accordingly. Each interest period lasts for 12 months. The borrowing interest rate will be adjusted by periods on a multi-stage basis (the interest rate adjustment date is 31 December of each year).

The RMB benchmark interest rate for 3-year term loans announced by the People's Bank of China as at the date of this announcement is 5.5% per annum.

#### 5. Calculation of interests

Interests under the entrusted loan shall be accrued on a daily basis and shall be settled on a quarterly basis. The settlement date falls on the twentieth (20th) day of the last month of each quarter.

#### 6. Handling fee

The handling fee of the entrusted loan shall be 0.025% of the loan amount under the Entrusted Loan Agreement, which is arrived at with reference to the standard handling fee charged by commercial banks for the provision of same level of entrusted loan, and the handling fee is at certain discount on that basis. The handling fee of the entrusted loan shall be settled by Renewable Resource Company to ICBC Xuanwu Branch by year.

#### 7. Use of proceeds of the entrusted loan

The loan will be utilised for the replacement of due entrusted loan.

#### 8. Repayment schedule of the entrusted loan

Repayment may be made in installments in advance or in one lump sum upon maturity.

#### 9. Effective date

The Entrusted Loan Agreement shall become effective when it is duly signed by the legal representatives or authorised agents of the parties and with their respective seals affixed therein.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE ENTRUSTED LOAN AGREEMENT**

In order to ensure the smooth progress of the production and operation activities of Renewable Resource Company, the Company provides the entrusted loan of not exceeding RMB360 million to Renewable Resource Company in aggregate. The Company is of the view that the provision of entrusted loan to Renewable Resource Company can effectively satisfy the capital needs of Renewable Resource Company; and the terms of the Entrusted Loan Agreement are fair and reasonable, have been entered into after arm's length negotiation among all parties thereto and determined on normal commercial terms, and are in the interests of the Company and its Shareholders as a whole.

Considering the possible higher financial costs for Renewable Resource Company to obtain the same loan from other commercial banks when compared with the financial costs incurred by obtaining the funding of the entrusted loan from the Company, the Group considers that the overall capital costs to the Group will be relatively reduced after the accounts of Renewable Resource Company (being the subsidiary of the Company) are consolidated into the accounts of the Company.

## **INFORMATION RELATING TO THE PARTIES OF THE AGREEMENT**

### **1. The Company**

The Company is principally engaged in the development and operation of power plants, the sale of electricity and thermal power, and the repair, testing and maintenance of power equipment as well as the provision of power-related technical services. The main service areas of the Company are in the PRC.

### **2. Renewable Resource Company**

Renewable Resource Company is a subsidiary of the Company with registered capital of RMB110 million, and is held by the following parties in the following ratio: 40.35% as to the Company; 49% as to Duolun Xinyuan Renewable Resource Company Limited; 10.65% as to Guoneng Zhixin.

### **3. ICBC Xuanwu Branch**

ICBC Xuanwu Branch is a commercial bank established by Industrial and Commercial Bank of China Limited within the PRC. It is principally engaged in the provision of six types of services, namely treasury management, fee collection and payment, marketing services, financial wealth management, agency sales and e-commerce.

#### **4. CDC and Guoneng Zhixin**

CDC was established on 9 March 2003 and has a registered capital of RMB18.009 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.

Commencing from November 2013, Guoneng Zhixin became a wholly-owned subsidiary of CDC. Guoneng Zhixin holds 10.65% equity interest in Renewable Resource Company.

### **LISTING RULES IMPLICATIONS**

As at the date of this announcement, CDC together with its subsidiaries holds approximately 34.71% of the issued share capital of the Company. Renewable Resource Company is a subsidiary of the Company, and Renewable Resource Company is owned as to 10.65% by Guoneng Zhixin, a subsidiary of CDC. Renewable Resource Company is therefore a connected person of the Company and the transaction under the Entrusted Loan Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As all of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) for the amount of the entrusted loan under the Entrusted Loan Agreement when aggregated with the Previous Transaction is more than 0.1% but less than 5%, the Entrusted Loan Agreement is only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but exempt from the approval by the independent Shareholders of the Company under Chapter 14A of the Listing Rules.

### **BOARD'S APPROVAL**

The transaction under the Entrusted Loan Agreement is still subject to the approval by the Board of the Company, and independent Directors would express their opinions in such regard. No Director has any material interests in the Entrusted Loan Agreement. Those connected Directors, namely Chen Jinhang, Hu Shengmu and Liang Yongpan (all of whom are the key management personnel of CDC), will abstain from voting for approval of such resolution in accordance with the listing rules of the Shanghai Stock Exchange. In case the Board rejects the transaction under the Entrusted Loan Agreement, the Company would withdraw the provision of entrusted loan under the agreement in accordance with the relevant procedures.

## DEFINITIONS

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

“A Share(s)”	the domestic ordinary share(s) of the Company with a nominal value of RMB1.00 each and are listed on the Shanghai Stock Exchange
“Board”	the board of Directors of the Company
“CDC”	China Datang Corporation, a State-owned enterprise established under the laws of the PRC and is the controlling Shareholder of the Company which, together with its subsidiaries, owns approximately 34.71% of the issued share capital of the Company as at the date of this announcement
“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 Hong Kong 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
“Directors”	the director(s) of the Company
“Entrusted Loan Agreement”	the entrusted loan agreement entered into on 21 May 2015 between the Company, ICBC Xuanwu Branch and Renewable Resource Company in respect of the Entrusted Loan Arrangement
“Entrusted Loan Arrangement”	the arrangement where ICBC Xuanwu Branch is appointed by the Company to act as the lending agent to grant the entrusted loan to Renewable Resource Company pursuant to the Entrusted Loan Agreement
“Group”	the Company and its subsidiaries

“Guoneng Zhixin”	Beijing Guoneng Zhixin Investment. Co., Ltd., a wholly-owned subsidiary of CDC, details of which are set out in the section entitled “Information Relating to the Parties of the Agreement”
“H Share(s)”	the overseas listed foreign shares of the Company with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and the London Stock Exchange
“ICBC Xuanwu Branch”	Xuanwu Branch of Industrial and Commercial Bank of China Limited, details of which are set out in the section entitled “Information Relating to the Parties of the Agreement”
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Previous Transaction”	the provision of entrusted loan under the entrusted loan agreement dated 18 May 2015, details of which please refer to the announcement of the Company dated 19 May 2015
“Renewable Resource Company”	Inner Mongolia Datang International Renewable Energy Resource Development Company Limited, a subsidiary of the Company, details of which are set out in the section entitled “Information Relating to the Parties of the Agreement”
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the holder(s) of the Share(s) of the Company
“Shares”	the ordinary shares of the Company with a nominal value of RMB1.00 each, comprising domestic Shares and H Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“%”

percent

By Order of the Board  
**Zhou Gang**  
*Secretary to the Board*

Beijing, the PRC, 22 May 2015

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

*Chen Jinhang, Hu Shengmu, Wu Jing, Liang Yongpan, Zhou Gang, Cao Xin, Cai Shuwen, Liu Haixia, Guan Tiangang, Yang Wenchun, Dong Heyi\*, Ye Yansheng\*, Zhao Jie\*, Jiang Guohua\*, Feng Genfu\**

*\* Independent non-executive Directors*