THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **DATANG INTERNATIONAL POWER GENERATION CO., LTD.**, you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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)

PROPOSED ISSUANCE OF A SHARES AND CONNECTED TRANSACTION IN RELATION TO THE PROPOSED ISSUANCE OF A SHARES

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders

Gram Capital Limited
嘉林資本有限公司

Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "DEFINITIONS" in this circular. A letter from the Board is set out on pages 4 to 21 of this circular. A letter from the Independent Board Committee is set out on pages 22 to 23 of this circular. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 24 to 39 of this circular.

The Company will hold an extraordinary general meeting ("**EGM**") at 1616 Conference Room, head office of the Company, 9 Guangningbo Street, Xicheng District, Beijing, the PRC at 10:30 a.m. on 6 August 2026 (Thursday). A notice of the EGM and the relevant form of proxy have been published by the Company on the same date as this circular. Whether or not you intend to attend the EGM or any adjournment thereof, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof should you so wish.

21 July 2026

CONTENTS

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

"A Shares"	A shares with par value of RMB1.00 each in the share capital of the Company
"A Share Subscription Agreement"	a subscription agreement dated 9 July 2026 entered into between CDC and the Company, pursuant to which the Company has agreed to allot and issue, and CDC has agreed to subscribe for, new A Shares with an aggregate subscription amount not exceeding RMB1,600 million (including RMB1,600 million) at the A Share Subscription Price
"A Share Subscription Price"	subscription price for new A Shares under the Issuance
"Articles of Association"	the articles of association of the Company, as amended from time to time
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors of the Company
"CDC"	China Datang Corporation Ltd., a wholly state-owned company established under the laws of the PRC, whose ultimate beneficial owner is the State-owned Assets Supervision and Administration Commission of the State Council of the PRC, and is a controlling shareholder of the Company
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"connected transaction(s)"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder"	has the meaning ascribed to it under the Listing Rules
"CSRC"	the China Securities Regulatory Commission
"Director(s)"	the director(s) of the Company
"EGM"	the extraordinary general meeting of the Company to be held to consider and, if thought fit, to approve, among others, the Proposed Issuance of A Shares
"Group"	the Company and its subsidiaries

"H Shares"	H shares with par value of RMB1.00 each in the share capital of the Company
"HKD"	Hong Kong dollar, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	the independent Board committee of the Company, comprising all the independent non-executive Directors, has been established to advise the Independent Shareholders on the A Share Subscription Agreement and the transactions contemplated thereunder
"Independent Financial Adviser" or "Gram Capital"	Gram Capital Limited, a licensed corporation to carry out 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders on the A Share Subscription Agreement and the transactions contemplated thereunder
"Independent Shareholders"	Shareholders other than CDC and its associates, and any other Shareholders who have a material interest in the transactions contemplated under the A Share Subscription Agreement
"Issuance" or "Proposed Issuance of A Shares"	proposed issuance of new A Shares under the Special Mandate to not more than 35 (including 35) specific investors (including CDC)
"Latest Practicable Date"	20 July 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	the People's Republic of China
"Pricing Benchmark Date"	the first day of the Issuance period
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

"Shareholder(s)"	holder(s) of Shares
"Shares"	collective term of A Shares and H Shares
"Special Mandate"	the special mandate granted by Shareholders to the Board in relation to the Proposed Issuance of A Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"the 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
"%"	per cent

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)

Executive Director:
Song Bo *(Chairman)*

Non-executive Directors:
Jiang Jianhua
Pang Xiaojin
Ma Jixian
Zhu Mei
Wang Jianfeng
Zhao Xianguo
Li Zhongmeng
Han Fang
Jin Shengxiang

Independent non-executive Directors:
Zong Wenlong
Zhao Yi
You Yong
Pan Kunhua
Xie Qiuye

Office address:
No. 9 Guangningbo Street
Xicheng District
Beijing, 100033
the PRC

Principal place of business in Hong Kong:
40/F, Dah Sing Financial Centre
248 Queen's Road East
Wanchai
Hong Kong

21 July 2026

To the Shareholders

Dear Sir or Madam,

PROPOSED ISSUANCE OF A SHARES
AND
CONNECTED TRANSACTION IN RELATION TO THE
PROPOSED ISSUANCE OF A SHARES

I. INTRODUCTION

Reference is made to the announcement of the Company dated 9 July 2026 regarding the Proposed Issuance of A Shares and the connected transaction in relation to the Proposed Issuance of A Shares. The purpose of this circular is to, among others, provide you with further information on the above matters to enable you to make an informed decision on whether to vote for or against the resolutions to be proposed at the EGM.

II. THE PROPOSED ISSUANCE OF A SHARES AND THE CONNECTED TRANSACTION IN RELATION TO THE PROPOSED ISSUANCE OF A SHARES

On 9 July 2026, the Board resolved to submit a proposal to the EGM to approve the issuance of no more than 2,666,666,666 new A Shares (inclusive) to not more than 35 (including 35) specific investors (including CDC) at the A Share Subscription Price with the aggregate proceeds not exceeding RMB8,000 million, pursuant to which CDC, the controlling shareholder of the Company, has agreed to subscribe for 20% of the total number of Shares to be issued under the Proposed Issuance of A Shares in cash, with a subscription amount not exceeding RMB1,600 million (inclusive). The remaining Shares will be subscribed by other subscribers in cash.

1. Proposed Issuance of A Shares

The Board proposes to submit to the EGM to approve, among other things, the issue of no more than 2,666,666,666 new A Shares (inclusive) to not more than 35 (including 35) specific investors (including CDC) at the A Share Subscription Price, with an aggregate issue size not exceeding RMB8,000 million (inclusive). The plan for the Proposed Issuance of A Shares is summarized as follows:

Type and Par Value of Shares to be Issued

The Shares to be issued to the specific targets under the Issuance will be domestically listed Renminbi ordinary Shares (A Shares), with a par value of RMB1.00 each.

Manner and Timing of Issuance

The Issuance will be conducted entirely by way of issuance to specific targets. Subject to review and approval by the Shanghai Stock Exchange and grant of registration consent from the CSRC, the Company will conduct the Issuance at an appropriate time within the specified validity period.

Subscribers and Manner of Subscription

The subscribers under the Issuance include not more than 35 (including 35) specific targets (including CDC, the Company’s controlling shareholder) who meet the conditions stipulated by the CSRC.

Subscribers other than CDC include securities investment fund management companies, securities companies, trust companies, financial companies, insurance companies, assets management companies, qualified foreign institutional investors, and other legal persons, natural persons or other qualified investors who meet the provisions stipulated by relevant laws, administrative regulations and the CSRC. Where a securities investment fund management company, a securities company, a wealth management company, an insurance company, a qualified foreign institutional investor, or a Renminbi qualified foreign institutional investor subscribes for Shares through two or more products under its management, each of them will be treated as one subscriber under the Issuance. A trust company acting as a subscriber under the Issuance can only conduct such subscription with its own funds.

The subscribers of the Issuance have not yet been determined other than CDC. The specific subscribers will be determined by the Board and its authorised persons, within the scope of the authorisation granted by the EGM, in consultation with the sponsor (lead underwriter), in accordance with the relevant laws, administrative regulations, departmental rules and normative documents, based on the bids submitted by the subscribers, after the Issuance has been reviewed and approved by the Shanghai Stock Exchange and the CSRC has made a decision to grant registration. All subscribers will subscribe for the Shares under the Issuance in cash at the same price.

It is expected that, other than CDC, all other specific investors and their ultimate beneficial owners will be third parties independent of the Company and its connected persons. Should any such specific investor (other than CDC) be a connected person of the Company, the Company will take all reasonable measures to comply with the relevant provisions of Chapter 14A of the Listing Rules.

Pricing Benchmark Date, Pricing Principles and A Share Subscription Price

The Pricing Benchmark Date for the Issuance is the first day of the issuance period of the new A Shares, and therefore cannot be determined as at the Latest Practicable Date.

The A Share Subscription Price for the Issuance shall not be lower than the higher of 80% of the average trading price of the Company's Shares for the 20 trading days prior to the Pricing Benchmark Date (excluding the Pricing Benchmark Date, the same applies below); and the latest audited net asset value per Share of the Company prior to the Issuance (the "**Issue Floor Price**"). The average trading price of the Company's Shares for the 20 trading days prior to the Pricing Benchmark Date equals the total trading value of the Company's Shares for the 20 trading days prior to the Pricing Benchmark Date divided by the total trading volume of the Company's Shares for the 20 trading days prior to the Pricing Benchmark Date.

If any ex-rights or ex-dividend matters such as distribution of dividends, bonus issues, or increase of share capital by converting the capital reserve fund occur between the balance sheet date of the latest audited financial statement as of the Pricing Benchmark Date and the date of the Issuance, the above net asset value per Share will be adjusted accordingly.

The pricing principles for the Issue Floor Price are primarily based on the provisions of the Administrative Measures for Registration of the Issuance of Securities by Listed Companies promulgated by the CSRC. For illustrative purposes only, (i) assuming that the date of the Board approving the Issuance is the first day of the issuance period, 80% of the average trading price of A Shares on the Shanghai Stock Exchange for the 20 trading days preceding the date of the Board resolution approving the Issuance of A Shares (being 9 July 2026) was RMB6.30; and (ii) the audited net asset value per Share attributable to the Shareholders of the Company as at 31 December 2025 was RMB1.84. Based on the above pricing principles and the information available to the Company, the indicative A Share Subscription Price should not be less than RMB6.30 per Share.

If any ex-right or ex-dividend events such as distribution of dividends, bonus issues or increase of share capital by converting the capital reserve fund occur between the Pricing Benchmark Date and the date of issuing new A Shares, the Issue Floor Price will be adjusted in connection with the ex-right or ex-dividend events. The adjustment methods are set out below:

Distribution of cash dividend: $P_1 = P_0 – D$

Bonus issue or increase of share capital by converting the capital reserve fund: $P_1 = P_0/(1 + N)$

Distribution of cash dividend concurrently with bonus issue or increase of share capital by converting the capital reserve fund: $P_1= (P_0 – D)/(1 + N)$

Where: P_0 is the issue price before adjustment, D is the cash dividend per Share, N is the number of bonus Shares or capitalisation Shares per Share, and P_1 is the issue price after adjustment.

As of the Latest Practicable Date, save for the declared distribution of the final dividend for the year of 2025, the Company has no intention to effect any ex-right or ex-dividend prior to the Issuance.

The final issue price of the Issuance will be determined by the Board and its authorised persons within the scope of the authorisation granted by the EGM, in consultation with the sponsor (lead underwriter) based on the bids submitted by the subscribers under the principle of price priority, after the Company has obtained the approval from the CSRC for registration of the Issuance. The determination of the final A Share Subscription Price is primarily conducted through a market bidding process in accordance with the Implementing Rules for the Issuance and Underwriting of Securities by Listed Companies of the Shanghai Stock Exchange and the Administrative Measures for the Issuance and Underwriting of Securities. During the market bidding process, the principle of price priority (i.e., during the subscription process, subscribers offering higher price will be allocated shares in priority to those offering lower price) will apply. For the above reasons, the Board is of the view that the basis for determining the A Share Subscription Price is fair and reasonable, is on normal commercial terms, and is in the interests of the Company and its Shareholders as a whole.

CDC, the controlling shareholder of the Company and also a connected person of the Company, will not participate in the bidding process for the Issuance, but has undertaken to accept the bidding results of other subscribers and to subscribe at the same price as the other subscribers. In the event that there is no bid or no valid bid in respect of the A Shares under the Issuance, CDC will subscribe for the A Shares under the Issuance at the Issue Floor Price, with a subscription amount not exceeding RMB1,600 million (inclusive).

For illustrative purposes only, as at the date of the Board resolution approving the Issuance (being 9 July 2026), the closing price per A Share as quoted on the Shanghai Stock Exchange was RMB6.57.

Number of Shares to be Issued

The number of Shares to be issued under the Issuance will be determined by dividing the total proceeds by the issue price, provided that if the number of Shares derived is not an integer, the fractional Share will be dealt with on the basis of rounding down to the nearest whole number. The number of Shares to be issued under the Issuance will not exceed 2,666,666,666 Shares (inclusive), representing not more than 30% of the Company's total Share capital prior to the Issuance, and the actual number of Shares to be issued will ultimately be subject to the consent for registration from the CSRC. Subject to the aforementioned range, the final number of Shares to be issued will be determined by the Board and its authorised persons within the scope of the authorisation granted by the EGM, in compliance with the relevant provisions of the CSRC and based on the actual circumstances at the time of issuance, and in consultation with the sponsor (lead underwriter) for the Issuance.

If any ex-right events such as bonus issues or increase of share capital by converting the capital reserve fund occur during the period from the date of the Board resolution approving the Issuance to the date of Issuance, the number of Shares to be issued under the Issuance will be adjusted accordingly based on the Company's total share capital after such ex-right.

With reference to the indicative A Share Subscription Price of not less than RMB6.30 per Share mentioned in the subsection headed "Pricing Benchmark Date, Pricing Principles and A Share Subscription Price" above, the Company may issue 1,269,841,269 new A Shares for illustrative purposes.

Lock-up Period Arrangements

The Shares to be subscribed by CDC under the Issuance shall not be transferable within 18 months from the closing date of the Issuance. The Shares to be subscribed by other subscribers under the Issuance to specific investors shall not be transferable within 6 months from the closing date of the Issuance. If applicable laws, regulations and normative documents contain other provisions on the lock-up period, those provisions shall prevail. The Shares derived from the events such as bonus issue and increase of share capital by converting the capital reserve fund for the Shares received by the subscribers under the Issuance during the period from the completion of the Issuance to the expiry of the lock-up period shall also be subject to the same lock-up arrangements.

Upon the expiry of the lock-up period, the transfer and trading of such Shares will be subject to the laws, regulations and normative documents in effect at the time, as well as the relevant provisions of the CSRC and the Shanghai Stock Exchange.

Amount and Use of Proceeds

The total proceeds from the Issuance will not exceed RMB8,000 million (inclusive). The net proceeds after deducting the relevant issuance expenses are intended to be used for the following projects:

Unit: RMB0,000

No.	Name of project	Total investment	Proceeds intended to apply	Expected timeline for full utilisation
1	2×1,000 MW Expansion Project of Datang Fuzhou Power Plant	818,003	230,000	December 2027
2	2×1,000,000 kW Expansion Project of Datang Lvsigang Company	844,638	150,000	June 2027
3	Datang Chaozhou Power Plant Units 5-6 Project	856,080	100,000	June 2027
4	Taizhou Toumengang Power Plant Project	604,303	100,000	December 2027
5	Replenishment of Working Capital and Repayment of Special Payable from State Appropriated Funds	220,000	220,000	December 2027
Total		**3,343,024**	**800,000**	

Note:

1. The expected timeline for fully utilising the net proceeds is based on the Company's best estimates and may be subject to change under the current and future market conditions.

2. Special Payable from State Appropriated Funds (國撥資金專項應付款) represents the state-owned capital budget funds allocated by the PRC Ministry of Finance to CDC for specific project investments applied for by the Company through CDC (amounting to approximately RMB900,100,000). CDC subsequently channeled the aforementioned funds to the Company's specific projects in the form of special entrusted loans (which is recorded as a special payable of the Company). Pursuant to the relevant regulations, including the Opinions on Financial Treatment of Enterprises' Acquisition of Direct State Investment and Investment Subsidies (Cai Ban Qi [2009] No. 121), such loans are regulatory required to be ultimately converted into equity investment in the Company by CDC as state-owned capital.

If, prior to the availability of the proceeds from the Issuance, the Company wishes to invest in the aforesaid projects based on the actual development of such projects, it may do so out of its own funds, and may subsequently apply the proceeds to replace such expenditure in accordance with the relevant procedures. Upon the availability of the proceeds from the Issuance, if the actual net proceeds after deducting the issuance expenses are less than the total amount of proceeds proposed to be invested, the Company will, within the scope of the investment projects to be funded by the proceeds from the Issuance, adjust and ultimately determine the specific investment projects, priorities and specific investment amounts for each project based on the actual proceeds, taking into account the urgency of the projects, including giving priority to reducing the amount of proceeds allocated for replenishment of working capital to safeguard the funding for other projects. Any shortfall will be funded by the Company from its own resources.

Place of Listing

The A Shares to be issued under the Issuance will be listed and traded on the main board of the Shanghai Stock Exchange.

Arrangement of Accumulated Undistributed Profits

The accumulated undistributed profits of the Company prior to the Issuance will be shared among the new and existing Shareholders of the Company after the completion of the Issuance in proportion to their respective shareholdings after the Issuance.

Validity Period of the Resolution Approving the Issuance

The resolution approving the Issuance will remain valid for a period of 12 months from the date on which it is considered and approved by the EGM of the Company.

2. A Share Subscription Agreement

As part of the Issuance, the Company entered into the Conditional Share Subscription Agreement with CDC on 9 July 2026. The principal terms of the agreement are as follows:

Date

9 July 2026

Parties

(1) The Company, as the Issuer;

(2) CDC, as the Subscriber.

Number of New A Shares to be Issued

CDC intends to subscribe for 20% of the total number of Shares to be issued under the Issuance, with a subscription amount not exceeding RMB1,600 million. The specific number of Shares to be subscribed will be finally determined during the process of issuance based on the relevant agreement on terms regarding the subscription price. If the CSRC or the Shanghai Stock Exchange adjusts the number of Shares under the Issuance, the Company shall have the unilateral right to adjust the number of Shares to be subscribed by CDC, provided that the subscription amount payable by CDC after such adjustment does not exceed RMB1,600 million.

Lock-up Period

The Shares to be subscribed for by CDC under the Issuance may not be transferable within 18 months from the date of completion of the Issuance. If the relevant laws, regulations or regulatory documents of the securities regulatory authorities subsequently change, the lock-up period shall be adjusted accordingly.

Subscription Price

CDC will subscribe for the new A Shares at the A Share Subscription Price described in the paragraph under the sub-section headed "Pricing Benchmark Date, Pricing Principles and A Share Subscription Price" above.

CDC will not participate in the market bidding process for the Issuance of A Shares, but accept the bidding results of other subscribers and subscribe for the shares at the same price as such other subscribers. If, in the Issuance, there is no bid or no valid bid such that no issuance price is generated, CDC will continue to participate in the Issuance of A Shares and subscribe for the Shares at the Issue Floor Price. For each of the foregoing subscription methods, the total subscription amount payable by CDC shall not exceed RMB1,600 million.

Upon satisfaction of all the conditions precedent set out below, CDC shall, within five (5) business days after receiving the Notice of Payment issued by the Company and the lead underwriter of the Issuance, pay the entire subscription price in cash in a single lump sum into the bank account designated by such lead underwriter for the Issuance.

Conditions Precedent

The A Share Subscription Agreement, signed by the legal representatives or authorised representatives of both parties and affixed with their respective company seals, shall become effective upon satisfaction of the following conditions:

(1) the Board has duly passed a resolution approving the Issuance;

(2) the EGM of the Company has duly passed a resolution approving the Issuance;

(3) the internally authorised decision-making body of CDC has duly passed a resolution approving CDC's subscription of the Shares under the Issuance; and

(4) the Issuance has been reviewed and approved by the Shanghai Stock Exchange and registered with the CSRC.

If, prior to the implementation of the Issuance, the applicable laws and regulations have been amended to impose other mandatory approval requirements or exempt certain administrative approval, the adjustment shall be made accordingly based on the then-effective laws and regulations.

As at the Latest Practicable Date, conditions (1) and (3) as set out above have been satisfied, while other conditions have not been satisfied.

Completion

Completion of the Issuance under the A Share Subscription Agreement shall take place when the Shanghai Branch of China Securities Depository and Clearing Corporation Limited confirms that the number of new A Shares corresponding to the subscription amount paid by CDC under the A Share Subscription Agreement has been fully subscribed by CDC and duly registered.

3. Shareholding Structure of the Company

For illustrative purposes only, assuming (i) the aggregate proceeds from the Issuance are RMB8,000 million; (ii) the issue price is RMB6.30 per Share; and (iii) no additional Shares will be issued by the Company during the period from the Latest Practicable Date to the completion of the Issuance, the table below sets out the shareholding structure of the Company as at the Latest Practicable Date and immediately after the completion of the Issuance:

Shareholders	**As at the Latest Practicable Date**		**Immediately after the completion of the Issuance**	
	Number of Shares	*percentage*	*Number of Shares*	*percentage*
CDC and its associates				
– A Shares	6,540,706,520	35.34%	6,794,674,773	34.36%
– H Shares	3,275,623,820	17.70%	3,275,623,820	16.56%
Public Shareholders				
– A Shares	5,855,382,586	31.64%	6,871,255,602	34.74%
– H Shares	2,834,997,578	15.32%	2,834,997,578	14.34%
Total	**18,506,710,504**	**100.00%**	**19,776,551,773**	**100.00%**

Notes:

1. As at the Latest Practicable Date, CDC directly held 6,540,706,520 A Shares and indirectly held 3,275,623,820 H Shares through its wholly owned subsidiary China Datang Overseas (Hong Kong) Co., Limited（中國大唐海外（香港）有限公司）.

2. Assuming CDC subscribes for new A Shares for a maximum amount of RMB1,600 million, and other specific investors subscribe for the remaining new A Shares with an amount of RMB6,400 million, the Company will issue to CDC a maximum of 253,968,253 new A Shares and a maximum of 1,015,873,016 new A Shares to other specific investors.

3. Upon completion of the Issuance, the Company will continue to satisfy the minimum public float requirements and the requirement of an open market under Rules 8.08 and 19A.28B of the Listing Rules.

4. Reasons for and Benefits of the Issuance of A Shares

The Company is committed to fulfilling the "dual carbon" goals, taking green and low-carbon transformation as its development direction, orderly advancing the transformation and upgrade of existing coal-fired power assets and the construction of key coal power supply guarantee projects, and making coordinated efforts to improve the quality and efficiency of coal power operations. The application of the proceeds from the Issuance includes investment in ultra-supercritical thermal power unit projects, which represents a strong measure for the Company to execute its development strategy. The ultra-supercritical thermal power projects adopt high-parameter, high-efficiency and low-emission environmentally friendly power generation technologies, giving full play to the role of thermal power as a fundamental baseload safeguard and a flexible regulating resource. The implementation of the fundraising projects by the proceeds from the Issuance will help the Company seize the strategic opportunities presented by the energy transition and is of great significance in enhancing the Company's core competitiveness and advancing its green transformation.

As at the end of 2023, 2024 and 2025, the Company's debt to asset ratios were 70.90%, 71.02% and 70.15%, respectively. A relatively high debt to asset ratio has, to a certain extent, restricted the Company's continuous financing ability and is detrimental to the Company's sustainable operation and green transformation. By utilising the proceeds from the Issuance, the Company's financial strength will be enhanced, its gearing ratio will be reduced and its capital structure will be further optimised, which will help improve the Company's financial position and strengthen its ability to withstand risks.

As a large listed power generation platform, the Company is at a critical stage where its business development is progressing simultaneously in terms of scale expansion and structural optimisation. In 2025, the Company's net profit attributable to owners of the parent increased by 63.91% year-on-year, and the proportion of installed capacity from clean energy increased to 42.99%. Both operating performance and transformation results are improving in tandem, laying a solid foundation for sustainable development. The Issuance will leverage the capital market platform to further broaden the Company's financing channels and provide long-term capital support for the construction of the Company's key projects. As the fundraising projects are progressively completed and commence operation, the Company's installed capacity of efficient and clean thermal power will increase, its competitiveness in the power market will be further strengthened, and its sustainable profitability will be enhanced, which will help continuously improve the Company's capability of creating value and shareholder returns, thereby achieving win-win development with its investors.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Proposed Issuance of A Shares and the A Share Subscription Agreement were arrived at after arm's length negotiation, and that the terms are fair and reasonable. Although the transactions contemplated thereunder are not entered into in the ordinary and usual course of business of the Group, they were entered into on normal commercial terms or better terms, are beneficial to the operation and long-term development of the Group, and are in the interests of the Company and its Shareholders as a whole.

5. Listing Rules Implications

As CDC is the controlling shareholder of the Company, it is a connected person of the Company under the Listing Rules. Therefore, the subscription of new A Shares by CDC under the A Share Subscription Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules, and is subject to the reporting, announcement and Independent Shareholders' approval requirements under the Listing Rules.

The new A Shares to be issued under the Proposed Issuance of A Shares will be allotted and issued pursuant to a Special Mandate to be sought from the Independent Shareholders by way of a special resolution to be proposed at the EGM.

No Director has any material interest in the A Share Subscription Agreement or the transactions contemplated thereunder. Under the Listing Rules of the Shanghai Stock Exchange, each of Mr. Song Bo, Mr. Pang Xiaojin, Mr. Ma Jixian and Ms. Zhu Mei is a connected Director due to his/her position at CDC, and has abstained from voting on the relevant resolution. The remaining 11 Directors who are entitled to vote have unanimously approved the above resolution. The method and procedure by which the resolution was passed are in compliance with the Company Law of the PRC and the Articles of Association.

The Company has appointed an Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the terms of the A Share Subscription Agreement and the transactions contemplated thereunder. The Company will also establish an Independent Board Committee comprising five independent non-executive Directors to advise the Independent Shareholders in this regard.

In respect of the proposed resolutions to approve the Proposed Issuance of A Shares, the A Share Subscription Agreement and the transactions contemplated thereunder, CDC and its associates (who as at the Latest Practicable Date directly and indirectly hold in aggregate 9,816,330,340 Shares, representing approximately 53.04% of the Company's issued share capital) are required to abstain from voting at the EGM.

6. Information on the Parties

The Company

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 provision of power related technical services. The Company's major service area is in the PRC.

CDC

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 of power equipment and repair and commissioning of equipment; power technology development and consultation; power engineering, contracting and consultation of environmental power engineering; development of new energy; self-operation and agent for the import and export of various commodities and technologies.

7. Resolutions to be Proposed at the EGM

At the EGM, in connection with the Proposed Issuance of A Shares, the Company will submit resolutions for the Shareholders to consider and approve the following resolutions. The following resolutions will be proposed as special resolutions to seek Shareholders' approval.

(1) Resolution on the Issuance of A Shares by the Company to Specific Targets in 2026 (to be considered item by item)

Details of this resolution are set out in the section headed "Letter from the Board" of this circular. In the event of any inconsistency between the English translation and the Chinese version, the Chinese version shall prevail.

(2) Resolution on the Company's Eligibility for the Issuance of A Shares to Specific Targets

Pursuant to the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Measures for Administration of Securities Issuance and Registration of Listed Companies and other relevant provisions, the Board, after conducting a self-review and item-by-item assessment of the Company's actual situation and related matters, is of the opinion that the Company complies with the relevant provisions of current laws, regulations and normative documents concerning the issuance of A Shares to specific targets by a listed company, and possesses the qualifications and conditions for the issuance of A shares to specific targets.

Details regarding the Company's eligibility for the Issuance of A Shares to specific targets are set out in Appendix I to this circular.

(3) Resolution on the Plan for the Issuance of A Shares by the Company to Specific Targets in 2026

Details of this resolution are set out in the section headed "Letter from the Board" of this circular. In the event of any inconsistency between the English translation and the Chinese version, the Chinese version shall prevail.

(4) Resolution on the Justification and Analysis Report on the Issuance of A Shares by the Company to Specific Targets in 2026

Details of this resolution are set out in Appendix I to this circular. In the event of any inconsistency between the English translation and the Chinese version, the Chinese version shall prevail.

(5) Resolution on the Feasibility Study Report on the Use of Proceeds from the Issuance of A Shares by the Company to Specific Targets in 2026

Details of this resolution are set out in Appendix II to this circular. In the event of any inconsistency between the English translation and the Chinese version, the Chinese version shall prevail.

(6) Resolution on the Company Not Being Required to Prepare a Report on the Use of Previous Proceeds

The Company has not raised funds by way of rights issues, placements, issuance of convertible corporate bonds or other means in the last five financial years, and more than five financial years have passed since the proceeds from the Company's previous fund-raising activities were received. Therefore, the Company is not required to prepare a report on the use of previous proceeds in connection with this Issuance of A Shares to specific targets, nor is it required to engage an accounting firm to issue a verification report on the use of previous proceeds.

(7) Resolution on the Dilution of Immediate Returns from the Issuance of Shares to Specific Targets, the Remedial Measures and the Commitments of Relevant Parties

Details of this resolution are set out in Appendix III to this circular. In the event of any inconsistency between the English translation and the Chinese version, the Chinese version shall prevail.

(8) Resolution on Shareholder Return Plan of the Company for the Next Three Years (2026-2028)

Details of this resolution are set out in Appendix IV to this circular. In the event of any inconsistency between the English translation and the Chinese version, the Chinese version shall prevail.

(9) Resolution on Entering into the Conditional Share Subscription Agreement Between the Company and Specific Targets and the Related-party Transaction

Details of this resolution are set out in the section headed "Letter from the Board" of this circular. In the event of any inconsistency between the English translation and the Chinese version, the Chinese version shall prevail.

(10) Resolution on Seeking Approval from the EGM for the Controlling Shareholder to be Exempted from Making an Offer

The acquisition of shares in the Company by CDC pursuant to the Issuance falls under the circumstances eligible for exemption from making an offer under Article 63 of the Measures for the Administration of Takeover of Listed Companies.

(11) Resolution on Seeking Authorisation from the EGM to the Board of Directors and its Authorised Persons to Handle All Matters Relating to the Issuance of A Shares to Specific Targets on an Absolute Discretionary Basis

To facilitate the smooth implementation of the Company's Issuance of A Shares to specific targets, the Board proposes to request the EGM to authorise the Board and its authorised persons to handle all matters relating to the Issuance on an absolute discretionary basis, including but not limited to:

(a) to the extent permitted by laws, regulations, departmental rules, other normative documents and the Articles of Association, and in accordance with the requirements of the competent securities regulatory authorities, to determine and implement the specific terms of the Issuance of A Shares to specific targets through negotiations with the sponsor (lead underwriter) taking into account the Company's actual situation and market conditions, including but not limited to all matters relating to the Issuance of A Shares to specific targets such as the type and par value of the shares, issuance method and timing, subscribers and subscription method, issue price, issue size, lock-up period, amount and use of the proceeds, stock listing venue, and the arrangements for accumulated undistributed earnings prior to the Issuance;

(b) to decide on and engage intermediary institutions such as sponsors, law firms and accounting firms to participate in the Issuance of A Shares to specific targets, and to sign, amend, supplement, execute, terminate or rescind the agreements engaging such intermediaries;

(c) to handle the filing, approval and other work relating to the projects proposed to be invested by the proceeds from the Issuance, to sign material contracts during the implementation of such projects, and to make adjustments to the specific arrangements for the projects within the scope of laws, regulations and resolutions of the EGM based on the requirements of the relevant competent authorities and actual market conditions;

(d) in accordance with the requirements of the securities regulatory authorities, to handle the filings relating to the Issuance of A Shares to specific targets, including but not limited to preparing, approving, signing, amending, supplementing, submitting and executing various documents, agreements, contracts and other filing materials relating to the Issuance of A Shares to specific targets, and to respond to the feedback comments of the securities regulatory authorities and relevant government authorities on an absolute discretionary basis;

(e) depending on the results of the Issuance, to sign, amend, supplement, deliver, submit, execute, terminate or rescind all agreements and documents relating to the Issuance of A Shares to specific targets with the subscribers, including but not limited to the share subscription agreement or other relevant legal documents;

(f) to authorise the Board of the Company and its authorised persons to handle all matters relating to the use of proceeds from the Issuance of A Shares to specific targets, including but not limited to opening a special account for the proceeds, signing agreements relating to the management and use of the proceeds, and making adjustments to the specific arrangements for the use of proceeds within the scope permitted by relevant laws, regulations, other normative documents and the Articles of Association and within the scope of the resolutions of the EGM, based on market and the Company's operating conditions;

(g) upon completion of the Issuance of A Shares to specific targets, to handle the matters relating to registration and lock-up of the Shares with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited and the listing of the shares on the Shanghai Stock Exchange;

(h) in the event of force majeure or changes in market conditions, or where laws, regulations or the securities regulatory authorities impose new policy requirements with respect to Share issuances to specific targets or have other requirements regarding the size of the proceeds of the Issuance, except for matters that must be re-voted by the EGM under relevant laws, regulations and the Articles of Association, to authorise the Board of the Company and its authorised persons to make corresponding adjustments to the specific terms of the Issuance based on the relevant circumstances;

(i) based on the actual results of the Issuance, to handle the change of registered Share capital, amend the corresponding provisions of the Articles of Association, and carry out the registration of changes and relevant filing procedures with the market supervision and administration authority;

(j) in light of changes in laws, regulations and the policies of securities regulatory authorities with respect to Share issuances to specific targets and changes in market conditions, to apply to the Shanghai Stock Exchange for termination of the Issuance and withdrawal of the application materials;

(k) within the scope permitted by laws, regulations and the Articles of Association, to handle other matters relating to the Issuance.

The above authorisation shall be valid for 12 months from the date of consideration and approval by the EGM. If, within such validity period, the registration approval for the Issuance is obtained from the CSRC and the Issuance is completed, then with respect to specific matters such as the registration and lock-up with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited and the listing on the Shanghai Stock Exchange after completion of the Issuance, as well as the business registration change and filing procedures, the validity of the authorisation for such matters shall extend from the date of consideration and approval by the EGM until the completion of such specific matters.

The Board proposes to seek approval from the EGM for the Board to authorise the chairman, general manager, secretary to the Board and chief financial officer of the Company as the authorised persons for the Issuance, to specifically handle matters relating to the Issuance and to execute the relevant legal documents. The above-mentioned authorised persons shall have the authority, within the scope of authorisation determined by the resolutions of the EGM and the authorisation of the Board, to represent the Company in handling the above matters relating to the Issuance during the course of the Issuance.

III. EGM

The Company will hold the EGM at 1616 Conference Room, head office of the Company, 9 Guangningbo Street, Xicheng District, Beijing, the PRC at 10:30 a.m. on 6 August 2026 (Thursday). A notice of the EGM and the relevant form of proxy have been published by the Company on the website of the Stock Exchange (http://www.hkexnews.hk) on the same date as this circular.

Whether or not you intend to attend the EGM or any adjournment thereof, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules and the Articles of Association, voting by Shareholders at the EGM will be taken by way of a poll.

IV. RECOMMENDATION OF THE BOARD

The Directors are of the view that the Proposed Issuance of A Shares is in the interests of the Group and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favor of the resolutions proposed at the EGM in relation to the Proposed Issuance of A Shares.

Having considered the advice of the Independent Financial Adviser, the Independent Board Committee is of the view that (i) the terms of the A Share Subscription Agreement are fair and reasonable; (ii) although the A Share Subscription Agreement and the transactions contemplated thereunder were not entered into in the ordinary and usual course of business of the Group, they were entered into on normal commercial terms or better terms; and (iii) the A Share Subscription Agreement and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favor of the resolutions proposed at the EGM in relation to the A Share Subscription Agreement and the transactions contemplated thereunder.

V. ADDITIONAL INFORMATION

Your attention is drawn to the letter from the Independent Board Committee to the Independent Shareholders, the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, and additional information set out in the appendices to this circular.

By order of the Board
Datang International Power Generation Co., Ltd.
Sun Yanwen
Joint Company Secretary

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)

Office address
No. 9 Guangningbo Street
Xicheng District
Beijing, 100033
The PRC

21 July 2026

To the Independent Shareholders

Dear Sir or Madam,

PROPOSED ISSUANCE OF A SHARES
AND
CONNECTED TRANSACTION IN RELATION TO THE
PROPOSED ISSUANCE OF A SHARES

We refer to the circular issued by the Company to the Shareholders dated 21 July 2026 (the "**Circular**") of which this letter forms part. Terms defined in the Circular shall have the same meanings in this letter unless the context otherwise requires.

Under the Listing Rules, the A Share Subscription Agreement and the transactions contemplated thereunder constitute connected transactions of the Company, which are subject to approval by the Independent Shareholders at the EGM.

We have been appointed as the Independent Board Committee to consider the terms of the transactions under the A Share Subscription Agreement and to advise the Independent Shareholders based on our opinion regarding whether the terms of the A Share Subscription Agreement are fair and reasonable and whether the transactions contemplated under the A Share Subscription Agreement were entered into on normal commercial terms or better terms and whether they are in the interest of the Company and the Shareholders as a whole. Gram Capital has been appointed as the Independent Financial Adviser to advise us in this respect.

We wish to draw your attention to the letter from the Board and the letter from the Independent Financial Adviser as set out in the Circular. Having considered the principal factors and reasons considered by, and the advice of the Independent Financial Adviser as set out in its letter of advice, we consider that the terms of the A Share Subscription Agreement are fair and reasonable. Although the transactions contemplated thereunder were not entered into in the ordinary and usual course of business of the Group, they were entered into on normal commercial terms, and are in the interests of the Company and its Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favor of the resolutions approving the A Share Subscription Agreement and the transactions contemplated thereunder at the EGM.

Yours faithfully,
For and on behalf of the Independent Board Committee
Zong Wenlong, Zhao Yi, You Yong, Pan Kunhua and Xie Qiuye
Independent non-executive Directors
Datang International Power Generation Co., Ltd.

Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Transaction for the purpose of inclusion in this circular.

Gram Capital Limited
嘉林資本有限公司

Room 1209, 12/F.
Nan Fung Tower
88 Connaught Road Central/
173 Des Voeux Road Central
Hong Kong

21 July 2026

To: The independent board committee and the independent shareholders of Datang International Power Generation Co., Ltd.

Dear Sirs,

CONNECTED TRANSACTION
IN RELATION TO THE PROPOSED ISSUANCE OF A SHARES

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the A Share Subscription Agreement and the transactions contemplated thereunder (the "**Transaction**"), details of which are set out in the letter from the Board (the "**Board Letter**") contained in the circular dated 21 July 2026 issued by the Company to the Shareholders (the "**Circular**"), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 9 July 2026, the Board resolved to submit a proposal (the "**Issuance Proposal**") to the EGM to approve the issuance of no more than 2,666,666,666 new A Shares (inclusive) to not more than 35 (including 35) specific investors (including CDC) at the A Share Subscription Price with the aggregate proceeds not exceeding RMB8,000 million. As part of the Issuance, the Company entered into to the A Share Subscription Agreement with CDC on the even date, pursuant to which the Company has agreed to allot and issue, and CDC has agreed to subscribe for, new A Shares with an aggregate subscription amount not exceeding RMB1,600 million (including RMB1,600 million) at the A Share Subscription Price.

With reference to Board Letter, the Transaction constitutes a connected transaction of the Company and is subject to the reporting, announcement and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee comprising Mr. Zong Wenlong, Mr. Zhao Yi, Mr. You Yong, Mr. Pan Kunhua and Mr. Xie Qiuye (all being independent non-executive Directors) has been established to advise the Independent Shareholders on (i) whether the terms of the Transaction are on normal commercial terms and are fair and reasonable; (ii) whether the Transaction is in the interests of the Company and the Shareholders as a whole and is conducted in the ordinary and usual course of business of the Group; and (iii) how the Independent Shareholders should vote in respect of the resolutions to approve the Transaction at the EGM. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

INDEPENDENCE

We were not aware of (i) any relationships or interests between Gram Capital and the Company; or (ii) any services provided by Gram Capital to the Company relating to any transaction of the Company with executed agreement, during the past two years immediately preceding the Latest Practicable Date, or any other parties that could be reasonably regarded as hindrance to Gram Capital's independence to act as the Independent Financial Adviser.

In connection with this engagement as the Independent Financial Adviser, there is no arrangement whereby we shall be entitled to receive any other fees or benefits from the Company, the Directors, chief executive of the Company or substantial Shareholders or any of their respective associates apart from the normal professional fee and expenses payable to us.

Having considered the above and that none of the circumstances as set out under Rule 13.84 of the Listing Rules existed as at the Latest Practicable Date, we are of the view that we are independent to act as the Independent Financial Adviser.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the Directors' representation and confirmation that there are no undisclosed private agreements/arrangements or implied understanding with anyone concerning the Issuance. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that to the best of their knowledge and belief, the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement as contained therein or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, CDC or their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Transaction. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any A Shares or H Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Transaction, we have taken into consideration the following principal factors and reasons:

(1) Background and reasons for the Transaction

Information on the Company

With reference of the Board Letter, 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 provision of power related technical services. The Company's major service area is in the PRC.

Set out below is a summary of the audited consolidated financial information of the Group for the two years ended 31 December 2025, which was prepared in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board, as extracted from the Company's annual report for the year ended 31 December 2025 (the "**2025 Annual Report**"):

	For the year ended 31 December 2025	**For the year ended 31 December 2024**	**Year on year change**
	RMB'000	*RMB'000*	*%*
Operating revenue	121,255,419	123,473,629	*(1.80)*
– Sales of electricity and heat supply	*115,392,071*	*117,512,710*	*(1.80)*
– Others	*5,863,348*	*5,960,919*	*(1.64)*
Operating profit	15,597,768	11,150,991	*39.88*
Profit for the year attributable to owners of the Company	5,991,446	3,045,815	*96.71*

As depicted by the above table, the Group recorded operating revenue of approximately RMB121,255 million for the year ended 31 December 2025 ("**FY2025**"), representing a slight decrease of approximately 1.80% as compared to that for the year ended 31 December 2024 ("**FY2024**"). With reference to the 2025 Annual Report, such decrease was mainly attributable to the 1.80% year-on-year decrease in operating revenue from the power and heat generation segment.

Despite the slight decrease in operating revenue, the operating profit increased from approximately RMB11,151 million for FY2024 to approximately RMB15,598 million for FY2025, representing a substantial year-on-year growth of approximately 39.88%. With reference to the 2025 Annual Report, the aforesaid increase in operating profit was mainly attributable to the decrease in total operating costs of approximately RMB6,665 million for FY2025 as compared to that for FY2024, which was mainly due to the decrease in cost of fuel.

In line with the increase in operating profit, together with the year-on-year decrease of approximately RMB4,427 million in finance costs for FY2025 primarily due to lower interest rates of borrowings, the Group recorded an increase of approximately 96.71% in profit attributable to owners of the Company for FY2025 as compared to that for FY2024.

Information on CDC

With reference to the Board Letter, 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 of power equipment and repair and commissioning of equipment; power technology development and consultation; power engineering, contracting and consultation of environmental power engineering; development of new energy; self-operation and agent for the import and export of various commodities and technologies.

Reasons for and benefits of the Transaction and use of proceeds

According to the Issuance Proposal, the total proceeds from the Issuance will not exceed RMB8,000 million (inclusive). The net proceeds (the “**Net Proceeds**”) after deducting the relevant issuance expenses are intended to be used (A) as to 72.5% for the Group’s power plant projects (the “**Net Proceeds for Projects**”, including (i) 2×1,000MW Expansion Project of Datang Fuzhou Power Plant for RMB2,300 million; (ii) 2×1,000,000 kW Expansion Project of Datang Lvsigang Company for RMB1,500 million; (iii) Datang Chaozhou Power Plant Units 5-6 Project for RMB1,000 million; (iv) Taizhou Toumengang Power Plant Project for RMB1,000 million); and (B) as to 27.5% for the replenishment of working capital and repayment of Special Payable from State Appropriated Funds (the “**Net Proceeds for Working Capital and Repayment**”).

With reference to the 2025 Annual Report, in 2026, the Company will drive further optimization of management systems and enhancement of management standards include, among other things, focusing on advancing green transformation and upgrading. To achieve the aforesaid goals, the Company will improve development mechanisms, deepen the "one strategy for one project (一項目一策略)" approach, prioritize projects based on different resource endowments and developmental stages, and accelerate resource acquisition and conversion. It will implement high-quality "genetic engineering" initiatives, firmly establish cost awareness, and promote the optimization and upgrading of coal power. The Company will deeply advance the development of new patterns, new technologies and new models with green and low-carbon as the foundation, and broaden new pathways for industrial growth. It will strictly enforce construction safety, rigorously manage quality, leverage the advantages of large-scale procurement, actively control and reduce project costs, and fully commit to project construction.

We noted from the 2025 Annual Report that the Company had steadfastly pursued the "dual carbon" goals by continuously advancing low-carbon transformation, and actively promoting the "three-reform linkages" (三改聯動) for coal-fired power generation. Consequently, the Group's energy utilization efficiency was steadily improved with positive results achieved in energy conservation and emission reduction. The proportion of clean energy continued to rise.

With reference to the Board Letter, the Company is committed to fulfilling the "dual carbon" goals, taking green and low-carbon transformation as its development direction, orderly advancing the transformation and upgrade of existing coal fired power assets and the construction of key coal power supply guarantee projects, and making coordinated efforts to improve the quality and efficiency of coal power operations. The application of the proceeds from the Issuance includes investment in ultra supercritical thermal power unit projects, which represents a strong measure for the Company to execute its development strategy. The ultra-supercritical thermal power projects adopt high parameter, high efficiency and low emission environmentally friendly power generation technologies, giving full play to the role of thermal power as a fundamental baseload safeguard and a flexible regulating resource. The implementation of the fundraising projects by the proceeds from the Issuance will help the Company seize the strategic opportunities presented by the energy transition and is of great significance in enhancing the Company's core competitiveness and advancing its green transformation.

Based on the above, we consider that the Net Proceeds for Projects is in line with the Group's development plan.

In respect of the Net Proceeds for Working Capital and Repayment (i.e. 27.5% of the proceeds), according to the Comparable Transactions (as defined under the section headed "Comparable Transactions" below), save for those which (i) did not plan to use any proceeds from the subscription to supplement working capital and/or general purposes; (ii) planned to use all proceeds from the subscription to supplement working capital and/or general purposes; and (iii) did not specify the amount of the proceeds to supplement working capital and/or general purposes, the portions relating to "proceeds to supplement working capital and repay the debt and/or for general purposes" to "net proceeds from the subscription" ranged from 14.2% to 28.6%.

Based on the above, including (i) the Net Proceeds for Projects is in line with the Group's development plan; and (ii) the use of Net Proceeds for Working Capital and Repayment is common and the proportion of which is in line with the recent market practice, we consider the use of Net Proceeds to be reasonable.

Financing alternatives

With reference to the Board Letter, the Company has not conducted any equity fund-raising activities in the past twelve months immediately preceding the Latest Practicable Date.

Upon our enquiry with the Directors, we understood that the Directors had considered both debt financing and equity financing (such as rights issue for both capital market, public issuance and non-public issuance of A Shares for PRC capital market, issuance/placing of H Shares for Hong Kong capital market) as fund-raising methods for the Group from Hong Kong capital market and/or the PRC capital market based on the capital needs for the Group's project development as a whole.

In respect of the debt financing, it will incur additional finance costs and increase debt-to-asset level. With reference to the Board Letter, as at the end of 2023, 2024 and 2025, the Company's debt to asset ratios were 70.90%, 71.02% and 70.15%, respectively. A relatively high debt to asset ratio has, to a certain extent, restricted the Company's continuous financing ability and is detrimental to the Company's sustainable operation and green transformation. By utilising the proceeds from the Issuance, the Company's financial strength will be enhanced, its debt-to-asset ratio will be reduced and its capital structure will be further optimised, which will help improve the Company's financial position and strengthen its ability to withstand risks.

In respect of the equity financing, as opposite to the debt financing, the debt-to-asset ratio will be improved through equity financing. Nevertheless, we further discussed with the Directors and considered characteristics of different equity financing methods as follows:

- rights issue is targeted at the Company's existing Shareholders and shall be implemented to the holders of A Shares and H Shares simultaneously at the same price. We noted that the average closing price of A Shares from 1 July 2025 to the date of A Share Subscription Agreement represented a significant premium (ranging from approximately

60% to 268%) to the closing price of H Shares during the same period. Given the significant premiums of the price of A Shares over the price of H Shares during the aforesaid period and the capital market environment of Hong Kong and the mainland China are different, it is not practical to determine a price suitable for both classes of Shares, and thus the Company did not consider rights issue as an appropriate fund-raising method for the Company.

- public issuance is issuance of shares to unspecific investors. The Directors advised that such method is not a common approach for companies listed on Shanghai Stock Exchange ("**Shanghai Stock Exchange Listed Companies**") for refinancing purpose and is subject to a length of regulatory review and approval procedure.

  Based on our research, we noted that (i) there were three Shanghai Stock Exchange Listed Companies completed equity fund raising by way of public issuance of new shares for re-financing in 2019 and 2020 and none of the Shanghai Stock Exchange Listed Companies completed equity fund raising by way of public issuance of new shares for re-financing for the period from 1 January 2021 to the date of A Share Subscription Agreement; and (ii) there were around seven to nine months between the announcement date of such three re-financing proposals and the announcement date regarding the approval of CSRC.

- as there was a substantial premium of the price of A Shares over the price of H Shares as mentioned above, should the Company conduct a fund raising exercise by issuance of new H Shares with proceeds of RMB8,000 million, assuming similar pricing basis as the Issuance was to be adopted, the number of H Shares to be issued will be substantially more than that required under the Issuance, which will lead to a much greater dilution to the shareholding of the existing shareholders.

Given the above, we are of the view that the Issuance (including the Transaction) is an appropriate fund-raising method currently available to the Company.

Section summary

Having considered (i) reasons for and benefits of the Issuance (including the Transaction) as mentioned above; (ii) that the Issuance (including the Transaction) is an appropriate fund-raising method currently available to the Group; (iii) the use of the Net Proceeds to be reasonable; and (iv) that the subscription of A Shares by CDC (i.e. the Transaction) reflects CDC's confidence in the future development of the Group, we are of the view that although the Transaction is not conducted in the ordinary and usual course of business of the Group, it is in the interests of the Company and the Shareholders as a whole.

(2) Principal terms of the Transaction

Summarised below are the principal terms of the Transaction, details of which are set out under the section headed "2. A Share Subscription Agreement" in the Board Letter:

Date

9 July 2026

Parties

(1) The Company, as the Issuer; and

(2) CDC, as the Subscriber.

Number of New A Shares to be Issued

CDC intends to subscribe for 20% of the total number of Shares to be issued under the Issuance, with a subscription amount not exceeding RMB1,600 million. The specific number of Shares to be subscribed will be finally determined during the process of issuance based on the relevant agreement on terms regarding the subscription price. If the CSRC or the Shanghai Stock Exchange adjusts the number of Shares under the Issuance, the Company shall have the unilateral right to adjust the number of Shares to be subscribed by CDC, provided that the subscription amount payable by CDC after such adjustment does not exceed RMB1,600 million.

Subscription price and pricing principles

CDC will subscribe for the new A Shares at the A Share Subscription Price described in the paragraph under the sub-section headed "Pricing Benchmark Date, Pricing Principles and A Share Subscription Price" of the Board Letter.

According to the Issuance Proposal, the A Share Subscription Price for the Issuance shall not be lower than the higher of (i) 80% of the average trading price of the Company's Shares for the 20 trading days prior to the Pricing Benchmark Date (excluding the Pricing Benchmark Date, the same applies below); and (ii) the latest audited net asset value per Share of the Company prior to the Issuance (i.e. Issue Floor Price). The average trading price of the Company's Shares for the 20 trading days prior to the Pricing Benchmark Date equals the total trading value of the Company's Shares for the 20 trading days prior to the Pricing Benchmark Date divided by the total trading volume of the Company's Shares for the 20 trading days prior to the Pricing Benchmark Date.

The Pricing Benchmark Date for the Issuance is the first day of the issuance period of the new A Shares, and therefore cannot be determined as at the Latest Practicable Date.

If any ex-rights or ex-dividend matters such as distribution of dividends, bonus issues, or increase of share capital by converting the capital reserve fund occur between the balance sheet date of the latest audited financial statement as of the Pricing Benchmark Date and the date of the Issuance, the above net asset value per Share will be adjusted accordingly.

The pricing principles for the Issue Floor Price are primarily based on the provisions of the Administrative Measures for Registration of the Issuance of Securities by Listed Companies promulgated by the CSRC.

The final issue price of the Issuance will be determined by the Board and its authorised persons within the scope of the authorisation granted by the EGM, in consultation with the sponsor (lead underwriter) based on the bids submitted by the subscribers under the principle of price priority, after the Company has obtained the approval from the CSRC for registration of the Issuance. The determination of the final A Share Subscription Price is primarily conducted through a market bidding process in accordance with the Implementing Rules for the Issuance and Underwriting of Securities by Listed Companies of the Shanghai Stock Exchange and the Administrative Measures for the Issuance and Underwriting of Securities. During the market bidding process, the principle of price priority (i.e. during the subscription process, subscribers offering higher price will be allocated shares in priority to those offering lower price) will apply.

CDC, the controlling shareholder of the Company and also a connected person of the Company, will not participate in the bidding process for the Issuance, but has undertaken to accept the bidding results of other subscribers and to subscribe at the same price as the other subscribers. In the event that there is no bid or no valid bid in respect of the A Shares under the Issuance, CDC will subscribe for the A Shares under the Issuance at the Issue Floor Price, with a subscription amount not exceeding RMB1,600 million (inclusive).

Comparable Transactions

To further assess the fairness and reasonableness of the A Share Subscription Price, we attempted to identify transactions regarding (i) issuance of A shares to specific targets by companies listed on the main board of Shanghai Stock Exchange (which are not involving in delisting risk caution or other risks caution raised by Shanghai Stock Exchange) pursuant to 《上市公司證券發行註冊管理辦法》(Measures for Administration and Registration of the Issue of Securities by Listed Companies*, the "**Administrative Measure**") issued by CSRC on 17 February 2023; and (ii) the pricing benchmark date shall be the first day of issuance period (發行期) of the relevant issuance of A shares to specific targets, the proposal of which was first announced by the relevant listed companies since 1 June 2026, being approximately one month immediately before the A Share Subscription Agreement (the "**Review Period**"), for comparison purpose.

We identified 13 transactions (the "**Comparable Transactions**") which met our aforesaid criteria and they are exhaustive. As (i) the Review Period is a recent period, which could illustrate recent market practice of issuance of A shares to specific targets by companies listed on the main board of Shanghai Stock Exchange; and (ii) the number of the Comparable Transactions are sufficient, we are therefore of the view that the Review Period is fair and reasonable for selecting Comparable Transactions. Despite that the businesses, operations and prospects of the Group are not exactly the same as the listed companies involving in the Comparable Transactions, the Comparable Transactions are adequate and appropriate to demonstrate the market practices regarding issuance of A shares to specific targets by companies listed on main board of Shanghai Stock Exchange.

Company name (A-share Stock Code)	Publication date of announcement	Basis for the determination of issue price	Lock-up period
Shanghai Luoman Technologies Inc. (上海羅曼科技股份有限公司) (SH605289)	4 June 2026	Not less than 80% of the 20-day average trading price of the A-shares immediately preceding the price benchmark date (i.e. the first day of the issuance period)	The shares which will be subscribed by investors shall not be transferred for a six-month period.
Shanghai Yongguan Adhesive Products Corp., Ltd (上海永冠眾誠新材料科技(集團)股份有限公司) (SH603681)	4 June 2026	Not less than 80% of the 20-day average trading price of the A-shares immediately preceding the price benchmark date (i.e. the first day of the issuance period)	The shares which will be subscribed by investors shall not be transferred for a six-month period.
Ningbo Menovo Pharmaceutical Co., Ltd. (寧波美諾華藥業股份有限公司) (SH603538)	5 June 2026	Not less than 80% of the 20-day average trading price of the A-shares immediately preceding the price benchmark date (i.e. the first day of the issuance period)	The shares which will be subscribed by investors shall not be transferred for a six-month period.
Zhejiang Shengyang Science and Technology Co., Ltd. (浙江盛洋科技股份有限公司) (SH603703)	6 June 2026	Not less than 80% of the 20-day average trading price of the A-shares immediately preceding the price benchmark date (i.e. the first day of the issuance period)	The shares which will be subscribed by investors shall not be transferred for a six-month period.
Shanghai Xiao Fang Pharmaceutical Co., Ltd. (上海小方製藥股份有限公司) (SH603207)	11 June 2026	Not less than 80% of the 20-day average trading price of the A-shares immediately preceding the price benchmark date (i.e. the first day of the issuance period)	The shares which will be subscribed by investors shall not be transferred for a six-month period.

Company name (A-share Stock Code)	Publication date of announcement	Basis for the determination of issue price	Lock-up period
Danyang SYNGEN Intelligent Technology Co., Ltd. (丹陽順景智能科技股份有限公司) (SH603007)	13 June 2026	Higher of the (i) 80% of the 20-day average trading price of the A-shares immediately preceding the price benchmark date (i.e. the first day of the issuance period); and (ii) the latest audited net asset value attributable to owners of the company per share of the company prior to the issuance.	The shares which will be subscribed by (i) the controlling shareholder of the listed issuer shall not be transferred for an 18-month period; and (ii) other investors shall not be transferred for a six-month period.
Guangxi Energy Co., Ltd. (廣西能源股份有限公司) (SH600310)	13 June 2026	Higher of the (i) 80% of the 20-day average trading price of the A-shares immediately preceding the price benchmark date (i.e. the first day of the issuance period); and (ii) the latest audited net asset value attributable to owners of the company per share of the company prior to the issuance.	The shares which will be subscribed by (i) the controlling shareholder of the listed issuer shall not be transferred for an 18-month period; and (ii) other investors shall not be transferred for a six-month period.
ChengBang Syncore Technology Co., Ltd. (誠邦智芯科技股份有限公司) (SH603316)	18 June 2026	Not less than 80% of the 20-day average trading price of the A-shares immediately preceding the price benchmark date (i.e. the first day of the issuance period)	The shares which will be subscribed by investors shall not be transferred for a six-month period.
Sichuan Expressway Co Ltd (四川成渝高速公路股份有限公司) (107 & SH601107)	19 June 2026	Higher of the (i) 80% of the 20-day average trading price of the A-shares immediately preceding the price benchmark date (i.e. the first day of the issuance period); and (ii) the latest audited net asset value per share of the company prior to the issuance.	The shares which will be subscribed by investors shall not be transferred for a six-month period.
Anyang Iron and Steel Inc. (安陽鋼鐵股份有限公司) (SH600569)	24 June 2026	Not less than 90% of the 20-day average trading price of the A-shares immediately preceding the price benchmark date (i.e. the first day of the issuance period).	The shares which will be subscribed by the controlling shareholder of the listed issuer shall not be transferred for an 18-month period.

Company name (A-share Stock Code)	Publication date of announcement	Basis for the determination of issue price	Lock-up period
Zhuzhou Kibing Group Co., Ltd (株洲旗濱集團股份有限公司) (SH601636)	27 June 2026	Not less than 80% of the 20-day average trading price of the A-shares immediately preceding the price benchmark date (i.e. the first day of the issuance period).	The shares which will be subscribed by investors shall not be transferred for a six-month period.
Wuxi Acryl Technology Co., Ltd (無錫阿科力科技股份有限公司) (SH603722)	4 July 2026	Not less than 80% of the 20-day average trading price of the A-shares immediately preceding the price benchmark date (i.e. the first day of the issuance period)	The shares which will be subscribed by a investor shall not be transferred for a sixty-month period.
BOMIN ELECTRONICS CO., LTD. (博敏電子股份有限公司) (SH603936)	7 July 2026	Not less than 80% of the 20-day average trading price of the A-shares immediately preceding the price benchmark date (i.e. the first day of the issuance period)	The shares which will be subscribed by investors shall not be transferred for a six-month period.

Source: cninfo.com.cn

As depicted by the above table, (i) 9 out of 13 Comparable Transactions adopted the “not less than 80% of the 20-day average trading price of the A-shares immediately preceding the price benchmark date”; and (ii) 3 out of 13 Comparable Transactions further included “the latest audited net asset value (attributable to owners of the company) per share of the company prior to the issuance” in addition to pricing basis as mentioned in (i), as their bases for the determination of issue price. The pricing terms of the proposed Issuance is similar to most of the Comparable Transactions and include additional criteria, and is therefore not abnormal based on market comparison. As such, we are of the opinion that the pricing terms under the proposed Issuance of A Shares to Specific Targets are generally in line with market practice.

As further advised by the Directors, the issue/subscription price and their determination basis were in compliance with Administrative Measure. According to the Administrative Measure:

- the issue price shall not be lower than 80% of the average trading price for the period of last 20 trading days preceding the pricing benchmark date.

- pricing benchmark date is defined as the first day of the issuance period (發行期) of the issuance to specific targets. However, pricing benchmark date could also be (i) the date of announcement of the board resolutions relating to the proposed issuance of A shares to specific targets; or (ii) the date of announcement of the shareholders' resolutions relating to the issuance to specific targets, both (i) and (ii) are subject to the various requirements under the Administrative Measures (including but not limited to all target subscribers being confirmed before the listed company's board resolution in respect of the proposed issuance of A shares to specific targets).

In light of the above factors, in particular (i) the basis of subscription price is in line with market practice; (ii) the pricing terms are in compliance with relevant regulations in the PRC; and (iii) CDC will accept the bidding results of other subscribers and to subscribe at the same price as the other subscribers should any offer being made or the Issue Price can be determined through bidding, we are of the view that the basis of subscription price is fair and reasonable.

Pursuant to the A Share Subscription Agreement, if any ex-right or ex-dividend events such as distribution of dividends, bonus issues or increase of share capital by converting the capital reserve fund occur between the Pricing Benchmark Date and the date of issuing new A Shares, the A Share Subscription Price will be adjusted in connection with the applicable ex-right or ex-dividend events. The formula for the adjustment was set out in the subsection headed "Pricing Benchmark Date, Pricing Principles and A Share Subscription Price" of the Board Letter.

We also noted from the Comparable Transactions that similar arrangements were adopted in issuance proposals of the Comparable Transactions and the formulae for price adjustments (if explicitly disclosed in their respective proposal) are the same. Having also considered that the adjustment mechanism will be applied to all specific investors (including both connected person and independent third parties), we are of the view that the adjustment mechanism is on normal commercial terms.

Lock-up period

The Shares to be subscribed for by CDC under the Issuance may not be transferable within 18 months from the date of completion of the Issuance. If the relevant laws, regulations or regulatory documents of the securities regulatory authorities subsequently change, the lock-up period shall be adjusted accordingly.

According to the Issuance Proposal, the Shares subscribed by other subscribers under the Issuance will be subject to a lock-up period of 6 months from the closing date of the Issuance.

In addition, as mentioned in the Administrative Measure, the shares which will be subscribed by the listed companies' controlling shareholder, beneficial owner, or their controlled persons shall not be transferred for an 18-month period.

Having considered that (i) the lock-up arrangement is required by relevant PRC regulation; and (ii) the lock-up arrangement for the Transaction will be stricter than the lock-up arrangement for independent investors' subscription (i.e. six months), we consider that such arrangement is on normal commercial term and fair and reasonable.

Our conclusion on terms of the Transaction

Having considered the above, in particular, other than the number of A Shares to be subscribed, the key terms of the Transaction will be similar or stricter than those applied to other specific investors, we are of the view that the terms of the Transaction are on normal commercial terms and are fair and reasonable.

(3) Dilution effect on the shareholding interests of the existing public Shareholders

As illustrated by the table under the sub-section headed "3. Shareholding Structure of the Company" of the Board Letter, the shareholding interests of the existing public Shareholders (including all of the public A Shareholders and H Shareholders) in the Company would be diluted by approximately 3.02 percent points immediately after completion of the Issuance (assuming that (i) the aggregate proceeds from the Issuance are RMB8,000 million; (ii) the issue price is RMB6.30 per Share; and (iii) no additional shares will be issued by the Company during the period from the Latest Practicable Date to the completion of the Issuance; and (iv) none of the subscriber is an existing public Shareholder).

Nonetheless, in view of (i) the reasons for and the possible benefits of the Issuance (i.e. (a) the Issuance is an appropriate fund raising method currently available to the Group; (b) the proposed use of proceeds from the Issuance is justifiable; and (c) CDC's, as the controlling Shareholder, participation in the Issuance will demonstrate its confidence in the prospects of the Company); (ii) the terms of the Transaction being fair and reasonable (e.g. (a) our analyses on subscription price, pricing principle and lock-up period; (b) other than number of A Shares to be subscribed, the key terms of the Transaction will be similar or stricter than those applied to other specific investors), we are of the view that the aforementioned level of dilution to the shareholding interests of the existing public Shareholders is acceptable.

RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the Transaction are on normal commercial terms and are fair and reasonable; and (ii) although the Transaction is not conducted in the ordinary and usual course of business of the Group, the Transaction is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolutions to be proposed at the EGM to approve the Transaction and we recommend the Independent Shareholders to vote in favour of the resolutions in this regard.

Yours faithfully,
For and on behalf of
Gram Capital Limited
Graham Lam
Managing Director

Note: Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 30 years of experience in investment banking industry.

* *For identification purposes only*

Datang International Power Generation Co., Ltd. ("**Datang Power**", the "**Company**" or the "**Issuer**"), in order to meet the funding requirements for its operating strategies and business development, further optimise its capital structure, and enhance its sustainable operating capabilities and market competitiveness, has prepared the Analysis Report on the Issuance of A Shares to Specific Targets in 2026 of Datang International Power Generation Co., Ltd. in accordance with the provisions of relevant laws, administrative regulations, departmental rules or normative documents, including the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China and the Administrative Measures for the Registration of Securities Issuance by Listed Companies.

Unless otherwise specified, terms used in this analysis report shall have the same meanings as those defined in the 2026 Plan of Datang International Power Generation Co., Ltd. for the Issuance of A Shares to Specific Targets.

I. BACKGROUND AND PURPOSES OF THE SHARE ISSUANCE TO SPECIFIC TARGETS

(I) Background of the Issuance to Specific Targets

1. Rising end-use electrification drives steady growth of demands in downstream power market

As a clean and efficient secondary energy source, electricity occupies an increasingly core position in energy consumption. Advancing end-use electrification is not only a vital pathway to facilitate the goals of carbon peaking and carbon neutrality, but also a key manifestation of industrial productivity advancement. China's end-use electrification level is the highest among the major economies worldwide and keeps growing steadily. According to the 2025 Annual Report on China's Electrification Development issued by the China Electricity Council (CEC), China's end-use electrification rate hit 28.8% in 2024, up 0.9 percentage points year-on-year, outperforming many major developed economies in Europe and America.

The CEC projects that China's total national electricity consumption will exceed 13 trillion kWh by 2030, with an average annual increment of about 600 billion kWh during the 15th Five-Year Plan period. Meanwhile, the national electrification rate will maintain a steady growth of roughly 1 percentage point per year, reaching around 35% by 2030, which is 8 to 10 percentage points higher than the average level of OECD member states. The continuous increase of electricity's share in end-use energy consumption means the power generation industry will embrace long-term and stable demand growth, opening up broad market space for power generators to develop high-quality power projects.

2. Accelerated development of the new power system reinforces coal-fired power's value in regulation and power supply guarantee

In February 2026, the General Office of the State Council released the Opinions on Improving the National Unified Power Market System (Guo Ban Fa [2026] No. 4) (the "**Opinions**"), marking a new stage for the development of a nationwide unified power market. For the first time, the document proposes a shift from "separate bidding and individual trading" to "unified bidding and joint trading" across all market tiers. It sets the target to basically establish a national unified power market system by 2030, with market-based traded electricity accounting for approximately 70% of the total national electricity consumption, and fully complete the system by 2035 to realize the optimal allocation and efficient utilization of power resources nationwide. Despite the rapid growth of installed wind and solar power capacity in recent years, coal-fired power is still irreplaceable in terms of power generation output, peak power supply during critical periods and flexible regulation for the power system in the short term. It remains the most solid foundation for safeguarding China's power supply security. Serving as the "backbone" and "cornerstone", coal-fired power accounts for less than 40% of the total installed capacity, and contributes around 60% of total power generation, 70% of peak load capacity and nearly 80% of system regulation capacity. China has built the world's largest clean coal-fired power system, which has strongly supported the continuous improvement of atmospheric environment and the delivery of the dual carbon goals. Accordingly, accelerating the construction of coal-fired power units for support and regulation is crucial to improving the new power system and ensuring national energy security.

3. Advancing low-carbon and clean coal-fired power to optimize thermal power structure and reduce emissions

With the in-depth implementation of the strategy of "carbon peaking and carbon neutrality", coal-fired power has seen continuous improvement in clean and efficient utilization, and become an important pillar for building China's new power system. At present, profound changes have taken place in China's power source and power grid structures. Reliable back-up power and highly flexible regulating power are two cornerstones for the steady transformation of the power system. Accelerating the development of low-carbon and clean coal-fired power is a strategic choice to satisfy both requirements. As a representative of advanced coal power technologies, ultra-supercritical units boast prominent advantages in energy conservation and carbon reduction, strong flexible peak regulation capability and high energy efficiency, and play a key role in the three reforms linkages (三改聯動) for coal-fired power. The Implementation Plan for the New-Generation Coal Power Upgrade Initiative (2025-2027) further stipulates that by 2027, China will substantially cut pollutant emissions, optimize the coal power mix and steadily elevate the clean and efficient utilization level of coal-fired power. Therefore, accelerating the construction and upgrading of low-carbon coal-fired units will drive the in-depth green and low-carbon transformation of the Company's thermal power business.

(II) Purposes of the Issuance to Specific Targets

1. Implement corporate development strategy and promote green and low-carbon transition

Complying with the requirements of the goals of "carbon peaking and carbon neutrality", the Company takes green and low-carbon transformation as its development direction. It presses ahead with the upgrading of existing coal-fired power assets and the construction of key power supply projects, and pushes forward the campaign to improve the quality and efficiency of coal-fired power operations. The raised funds will be invested in ultra-supercritical thermal power projects, which is a concrete move to implement the Company's development strategy. Adopting environmentally friendly power generation technologies featuring high parameters, high efficiency and low emissions, these ultra-supercritical thermal power projects will give full play to thermal power's role as a reliable base-load power source and flexible regulator. The implementation of the fundraising projects will help the Company seize opportunities amid the energy transition, enhance core competitiveness and further advance green transformation.

2. Optimize financial structure to improve risk resistance

The Company's asset-liability ratio stood at 70.90%, 71.02% and 70.15% at the end of 2023, 2024 and 2025 respectively. The relatively high asset-liability ratio has constrained the Company's sustainable financing capacity and hindered its ongoing operation and green transition to a certain extent. The proceeds from this issuance will strengthen the Company's financial strength, lower its asset-liability ratio and further optimize the capital structure. This will improve the Company's financial condition and enhance its ability to fend off risks.

3. Leverage the financing function of listed companies and boost sustainable profitability

As a major listed power generation platform, the Company is at a critical stage of expanding business scale and optimizing operational structure. In 2025, its net profit attributable to the parent company increased by 63.91% year-on-year, and the installed capacity of clean energy accounted for 42.99% of the total. The sound operating performance and fruitful transformation results have laid a solid foundation for long-term development. The Issuance will take advantage of the capital market to expand financing channels and provide long-term funds for the construction of key projects. Upon the completion and operation of the fundraising projects, the scale of the Company's high-efficiency clean thermal power capacity will be expanded, its competitiveness in the power market will be enhanced, and sustainable profitability will be lifted. This will continuously improve the Company's value creation capability and shareholder returns, and achieve win-win development with investors.

II. NECESSITY OF THE SECURITIES UNDER THE ISSUANCE AND SELECTION OF THEIR TYPES

(I) Type of the Securities under the Issuance

The securities issued to specific targets are domestic listed RMB ordinary shares (A Shares), with a par value of RMB1.00 per share.

(II) Necessity of Selecting the Type of Securities under the Issuance

1. Actively respond to the strategy of "carbon peaking and carbon neutrality" and advance the green and efficient transformation of energy structure

The Outline of the "15th Five-Year Plan" clearly proposes to accelerate the development of a new energy system and an energy powerhouse, and launch a ten-year initiative to double the non-fossil energy. While expanding installed wind and solar power capacity, China will comprehensively promote the clean and efficient utilization and functional transformation of coal-fired power, and strengthen its role in power supply guarantee and in-depth peak regulation.

The Company fully implements the national strategy of "carbon peaking and carbon neutrality", takes building a clean, low-carbon, safe and efficient asset structure as its core goal, and accelerates the clean upgrading of thermal power units. Investing the raised funds in multiple ultra-supercritical thermal power units is an important measure to achieve peaking of the coal consumption and drive the clean transformation of coal-fired power. After completion, these projects will further raise the proportion of high-efficiency clean coal-fired power units in the Company's portfolio, and provide solid support for the delivery of national dual carbon goals and the development of the new power system.

2. Align with regional energy demand and consolidate and enhance core profitability

As a large comprehensive energy enterprise, the Company has deep roots in major power load centers including the Beijing-Tianjin-Hebei region, the Yangtze River Delta and the Pearl River Delta. Jiangsu, Guangdong, Zhejiang and Jiangxi are regions with dense power load and continuously rigid growth in electricity demand, and there is still room to increase the share of high-efficiency clean power units in current power structures. The ultra-supercritical thermal power units under investment feature low coal consumption for power supply, strong peak regulation capacity and stable operation, which can accurately meet regional peak electricity demand and power grid regulation needs, and ensure reliable power supply. After commissioning, these projects will significantly expand the Company's installed capacity in key regions, optimize the power source mix, strengthen the core competitiveness of its power business, improve overall profitability and anti-cyclical capability, and further consolidate its leading position in China's power market.

3. Optimize capital structure and guarantee project funding and sustainable development capabilities

In recent years, the Company has invested heavily in key projects such as clean coal-fired power units, resulting in substantial capital expenditures. Over-reliance on debt financing will push up the asset-liability ratio, increase financial expenses and restrict project progress and long-term development. The share issuance to specific targets can effectively supplement the Company's equity capital, expand total net assets scale, appropriately reduce the asset-liability ratio and optimize the capital structure, greatly improving the Company's risk resistance and financial soundness. The raised funds will be exclusively used for project construction, providing funding support for the fundraising projects, ensuring the projects are completed and put into operation on schedule, laying a solid foundation for the Company's high-quality and sustainable development.

4. Comply with relevant regulations on the administration of state-owned capital budget funds

Previously, the Company received state-allocated funds of RMB900.10 million from CDC and its affiliates. In accordance with the Opinions on Financial Treatment of State Direct Investment and Investment Subsidies for Enterprises, the Interim Provisions on Strengthening Enterprise Financial Information Management, the Measures for the Supervision and Administration of the Implementation of Central SOE State-owned Capital Budget Expenditures and other relevant rules, the state-allocated funds received by the Company's holding subsidiaries shall be converted into state-owned equity in a timely manner based on actual conditions.

In summary, it is necessary for the Company to issue A Shares to specific targets.

III. APPROPRIATENESS OF THE SCOPE OF SELECTION, NUMBER AND CRITERIA FOR THE SUBSCRIBERS

(I) Appropriateness of the Scope of Selection for the Subscribers

The subscribers are no more than 35 (inclusive) specific targets, including CDC, the controlling shareholder of the Company, who satisfy the conditions prescribed by the CSRC. Among them, CDC, the controlling shareholder of the Company, has agreed to subscribe in cash for the A Shares to be issued to specific targets, with a subscription proportion of 20% of the total number of shares to be issued to specific targets, and the subscription amount shall not exceed RMB1.6 billion (inclusive).

In addition to CDC, the other subscribers include securities investment fund management companies, securities companies, trust companies, finance companies, insurance companies, asset management companies, qualified foreign institutional investors, and other legal persons, natural persons, or other qualified investors that comply with the provisions of laws, administrative regulations and the CSRC. Among these, where a securities investment fund management company, securities company, wealth management company, insurance company, qualified foreign institutional investor or RMB qualified foreign institutional investor subscribes with two or more products under its management, it shall be treated as a single subscriber; and where a trust company acts as a subscriber, it may only subscribe using its own funds.

Save for CDC, the other subscribers for the Issuance have not yet been determined. The specific subscribers will be determined by the board of directors of the Company and its authorised persons within the scope of the authorization of the EGM, in consultation with the sponsor (lead underwriter) in accordance with the provisions of relevant laws, administrative regulations, departmental rules or normative documents, based on the subscription price bids of the subscribers, after the Issuance has been reviewed and approved by the Shanghai Stock Exchange and the CSRC has made a decision to grant registration.

All subscribers shall subscribe for the Shares under the Issuance in cash at the same price. Where regulatory authorities have other provisions regarding the qualification of shareholders of the subscribers and the corresponding review procedures, such provisions shall prevail.

The scope of selection for the subscribers complies with the relevant provisions of laws and regulations such as the Administrative Measures for Registration, and the scope of selection is appropriate.

(II) Appropriateness of the Number of the Subscribers

The subscribers for the Issuance consist of no more than 35 (inclusive) specific targets, including CDC, the controlling shareholder of the Company, who satisfy the requirements stipulated by the CSRC. Other subscribers shall, after the Issuance has been reviewed and approved by the Shanghai Stock Exchange and the CSRC has made a decision to grant registration, be determined by the Board of the Company and its authorised persons within the scope of the authorization of the EGM, in conjunction with the sponsor (lead underwriter) in accordance with the provisions of relevant laws, administrative regulations, departmental rules or normative documents, based on the subscription price offerings of the subscribers.

The number of subscribers complies with the relevant provisions of laws and regulations including the Administrative Measures for Registration, and the number of subscribers is appropriate.

(III) Appropriateness of the Criteria for the Subscribers

The subscribers possess certain risk identification and risk bearing capabilities, and have the corresponding financial strength. The criteria for the subscribers comply with the relevant provisions of laws and regulations such as the Administrative Measures for Registration, and the criteria for the subscribers are appropriate.

In summary, the scope of selection, number, and criteria of the subscribers are in compliance with the relevant provisions of the Administrative Measures for Registration and other laws and regulations, and are compliant and reasonable.

IV. RATIONALITY OF THE PRINCIPLE, BASIS, METHOD AND PROCEDURES FOR PRICING OF THE ISSUANCE

(I) Pricing Principles and Basis of the Issuance

The Pricing Benchmark Date for the Issuance shall be the first day of the issuance period. The issue price of the Issuance shall not be lower than the higher of 80% of the average trading price of the Company's Shares during the 20 trading days prior to the Pricing Benchmark Date (excluding the Pricing Benchmark Date, the same applies hereinafter) and the Company's latest audited net asset value per Share prior to the Issuance (i.e., the "**Issue Floor Price**"). Average trading price of the Company's Shares for the 20 trading days preceding the Pricing Benchmark Date = Total trading amount of the Company's Shares for the 20 trading days preceding the Pricing Benchmark Date/Total trading volume of the Company's shares for the 20 trading days preceding the Pricing Benchmark Date.

In the event that the Company distributes dividends, grants bonus shares, converts capital reserve into share capital or carries out any other ex-right or ex-dividend activities during the period from the balance sheet date of the latest audited financial report as of the Pricing Benchmark Date to the issuance date, adjustments shall be made to the above net asset value per share accordingly.

If there are any ex-right or ex-dividend events such as the distribution of cash dividends, issuance of bonus shares or conversion of capital reserve into share capital during the period from the Pricing Benchmark Date to the issuance date, the Issue Floor Price for the Issuance shall be adjusted accordingly. The adjustment methods are as follows:

Distribution of cash dividends: $P_1=P_0-D$

Bonus issue or capitalisation of capital reserves: $P_1=P_0/(1+N)$

Distribution of cash dividend concurrently with bonus issue or capitalisation of capital reserves: $P_1=(P_0-D)/(1+N)$

Where: P_0 is the issue price before adjustment, D is the cash dividend per Share, N is the number of bonus shares or capitalisation shares per Share, and P_1 is the issue price after adjustment.

The final issue price of the Shares under the Issuance will be determined by the Board and its authorised persons under the authorization of the EGM in consultation with the sponsor (lead underwriter) after the Company has obtained the registration approval from the CSRC for the Issuance, based on the subscription price offerings of the subscribers and in accordance with the principle of price priority.

CDC, the controlling shareholder of the Company, is a related party of the Company and will not participate in the bidding process of the Issuance, but has undertaken to accept the results of the subscription bidding by other subscribers and to subscribe at the same price as other subscribers. In the event that there are no subscription bids or no valid bids for the Issuance of shares, CDC shall subscribe for the shares under the Issuance at the Issue Floor Price of the Issuance.

(II) Methods and Procedures for the Pricing of the Issuance

The methods and procedures for the pricing of the Issuance comply with the relevant regulations on registration management, and have been considered and approved by the board of directors of the Company and approved by CDC, and the relevant documents have been disclosed on the information disclosure website and information disclosure media designated by the CSRC, thereby fulfilling the necessary consideration and information disclosure procedures. The pricing method and procedures for the Issuance comply with the relevant regulations on registration management, and the pricing method and procedures for the Issuance are reasonable.

In summary, the principles, basis, methods, and procedures for the pricing of the Issuance are in compliance with the relevant provisions of the Administrative Measures for Registration and other laws and regulations, and are compliant and reasonable.

V. FEASIBILITY OF THE METHOD OF THE ISSUANCE

(I) Compliance of Method of the Issuance with Laws and Regulations

1. The Issuance complies with the relevant provisions of the Company Law

The shares to be issued by the Issuer under the Issuance are domestic listed RMB ordinary shares with a par value of RMB1 per share. Each share carries equal rights, and the issuance conditions and issuance price per share are identical, which complies with the relevant provisions of Article 143 of the Company Law.

2. The Issuance complies with the issuance conditions prescribed under the Securities Law

(1) the Issuance complies with the relevant provisions of Article 9 of the Securities Law: non-public issuance of securities shall not be conducted through advertisements, public solicitation, or disguised public means;

(2) the Issuance complies with the relevant provisions of Article 12 of the Securities Law: the issuance of new shares by a listed company shall comply with the conditions prescribed by the securities regulatory authority under the State Council as approved by the State Council, and the specific administrative measures shall be prescribed by the securities regulatory authority under the State Council.

3. The Issuance complies with the relevant provisions of the Administrative Measures

(1) The Company does not fall under any of the circumstances under which the issuance of shares to specific targets is prohibited as stipulated in Article 11 of the Administrative Measures:

① unauthorised change in the use of proceeds from the previous fundraising has not been rectified, or has not been ratified by the EGM;

② the preparation and disclosure of the financial statements for the most recent year do not comply with the requirements of the Accounting Standards for Business Enterprises or relevant information disclosure rules in material respects; an audit report with an adverse opinion or a disclaimer of opinion has been issued for the financial and accounting report of the most recent year; or an audit report with a qualified opinion has been issued for the financial and accounting report of the most recent year, and the material adverse impact of the matters involved in the qualified opinion on the listed company has not yet been eliminated. Except where the Issuance involves a major asset restructuring;

③ current directors or senior management have been subject to administrative penalties by the CSRC within the last three years, or have been subject to public censure by a stock exchange within the last year;

④ the listed company or its current directors or senior management are being investigated by judicial authorities for suspected crimes, or are being investigated by the CSRC for suspected violations of laws and regulations;

⑤ the controlling shareholder or actual controller has committed any material illegal act in the last three years that seriously damages the interests of the listed company or the legitimate rights and interests of investors;

⑥ there has been any material illegal act in the last three years that seriously damages the legitimate rights and interests of investors or the public interest.

(2) The Company's use of proceeds from the fundraising complies with the relevant provisions of Article 12 of the Administrative Measures:

① compliance with national industrial policies and the provisions of laws and administrative regulations such as those relating to environmental protection and land management;

② except for financial enterprises, the proceeds from this fundraising shall not be used for holding financial investments, and shall not be used to directly or indirectly invest in companies whose primary business is the trading of marketable securities;

③ upon the implementation of the projects to be funded by the proceeds from the fundraising, there will be no new competition within the same industry that has a material adverse effect on the Company, no related-party transactions that are manifestly unfair, or no serious impact on the independence of the Company's production and operations, arising between the Company and the controlling shareholder, the actual controller, and other enterprises controlled by them.

(3) The subscribers and pricing of the Issuance comply with the provisions of Articles 55, 56, 57, and 58 of the Administrative Measures for the Registration of Securities Issuance by Listed Companies:

For details regarding the specific arrangements for the subscribers and the pricing of the Issuance, as well as detailed explanations on compliance with the aforementioned regulations, please refer to "III. APPROPRIATENESS OF THE SCOPE OF SELECTION, NUMBER AND CRITERIA FOR THE SUBSCRIBERS" and "IV. RATIONALITY OF THE PRINCIPLE, BASIS, METHOD AND PROCEDURES FOR PRICING OF THE ISSUANCE" in this report.

(4) The lock-up period of the Issuance complies with the provisions of Article 59 of the Administrative Measures for the Registration of Securities Issuance by Listed Companies:

From the completion of the Issuance to the expiry of the lock-up period, any additional shares acquired by the subscribers in respect of the shares issued to them under the Issuance to specific targets due to the Company's issuance of bonus shares, conversion of capital reserve into share capital or other similar events shall also be subject to the aforesaid lock-up arrangement. Upon the expiry of the lock-up period, the transfer and trading of such shares shall be carried out in accordance with the laws, regulations and normative documents effective at that time, as well as the relevant requirements of the CSRC and the Shanghai Stock Exchange. The lock-up period for the Issuance complies with the provisions of Article 59 of the Administrative Measures for the Registration of Securities Issuance by Listed Companies.

(5) The Issuance complies with the provisions of Article 66 of the Administrative Measures for the Registration of Securities Issuance by Listed Companies:

The Company and its controlling shareholder and actual controller have not made any commitment to the subscribers to guarantee the preservation of principal or a minimum return, or to guarantee the preservation of principal or a minimum return in a disguised form, nor have they provided financial assistance or other compensation to the subscribers directly or through interested parties. the Issuance complies with the provisions of Article 66 of the Administrative Measures for the Registration of Securities Issuance by Listed Companies.

4. ***Issuing shares to specific targets by the Company complies with the relevant provisions of the Application Opinions on the Relevant Provisions of Articles 9, 10, 11, 13, 40, 57 and 60 of the Administrative Measures — Securities and Futures Law Application Opinion No. 18***

(1) Regarding Article 9 "No financial investments of a significant amount exist as of the end of the most recent period"

As of 31 March 2026, the Company does not have any financial investments of a significant amount (including quasi-financial businesses), which complies with the requirements of the "Securities and Futures Law Application Opinion No. 18" regarding the absence of financial investments of a significant amount as of the end of the most recent period.

(2) Regarding Article 10 "material illegal acts that seriously damage the interests of the listed company, the legitimate rights and interests of investors, or the social public interest", and Article 11 "material illegal acts that seriously damage the interests of the listed company or the legitimate rights and interests of investors" and "material illegal acts that seriously damage the legitimate rights and interests of investors or the social public interest"

The Company and its controlling shareholder and actual controller have not committed any material illegal acts that seriously damage the interests of the listed company, the legitimate rights and interests of investors, or the social public interest; have not committed any material illegal acts that seriously damage the interests of the listed company or the legitimate rights and interests of investors; and have not committed any material illegal acts that seriously damage the legitimate rights and interests of investors or the social public interest, which complies with the requirements of Article 10 and Article 11 of the "Securities and Futures Law Application Opinion No. 18".

(3) Regarding Article 13 "Reasonable Asset-liability Structure and Normal Cash Flows"

The Issuance conducted by the Company is an issuance of shares to specific targets, and the relevant provisions regarding Article 13 "reasonable asset-liability structure and normal cash flows" required under the Securities and Futures Law Application Opinion No. 18 are not applicable.

(4) Understanding and application of Article 40 "Rational financing and reasonable determination of financing scale"

The number of shares to be issued to specific targets shall not exceed 2,666,666,666 shares (inclusive), which does not exceed 30% of the total share capital of the Company prior to the Issuance. The final number of shares to be issued shall be subject to the number of shares for which registration is approved by the China Securities Regulatory Commission. The interval between the date of the Board resolution for the Issuance of the Company and the date when the proceeds from the previous fundraising were received has exceeded 18 months. The Issuance complies with the requirements of the Securities and Futures Law Application Opinion No. 18 regarding rational financing and the reasonable determination of the financing scale.

(5) Relevant provisions of Article 40 "Understanding and application of how the use of proceeds for supplementing working capital and repaying loans applies to Article 40 Mainly Invested in the Principal Business"

The fundraising projects from the issuance of Shares to specific targets are closely centred around the Company's core business. The scale of the proceeds from the fundraising has been determined based on the Company's prudent calculations. The proportion of proceeds used to replenish working capital does not exceed thirty percent of the total proceeds from the fundraising, which complies with the requirements regarding rational financing and reasonable determination of financing scale under the Securities and Futures Law Application Opinion No. 18.

(6) Regarding domestic and foreign "strategic investors" introduced for the issuance of shares to specific targets under Article 57

The Company has not introduced any domestic or foreign strategic investors for the Issuance of Shares to specific targets, and the relevant regulations are not applicable.

5. The Company does not fall within the scope of enterprises subject to punishment as stipulated in the Memorandum of Cooperation on Implementing Joint Punishment against Judgement Debtors and the Memorandum of Cooperation on Implementing Joint Punishment against Enterprises with Customs Dishonesty, and is not an enterprise with general dishonesty or an enterprise with customs dishonesty.

Upon self-inspection by the Company, the Company does not fall within the scope of enterprises subject to punishment as stipulated in the "Memorandum of Cooperation on Implementing Joint Punishment against Judgement Debtors" and the "Memorandum of Cooperation on Implementing Joint Punishment against Enterprises with Customs Dishonesty", and is not classified as a general dishonest enterprise or a customs dishonest enterprise.

(II) The Procedure of the Issuance is Lawful and Compliant

The matters related to the issuance of Shares to specific targets have been considered and approved at the 15th meeting of the twelfth session of the Board of Directors of the Company, and approval from CDC has been obtained. Relevant announcements have been disclosed on the website of the Stock Exchange and the information disclosure media designated by the CSRC, and the necessary consideration and information disclosure procedures have been performed.

The issuance of A Shares to specific targets is subject to consideration and approval by the EGM of the Company, review and approval by the Shanghai Stock Exchange, and obtaining approval from the China Securities Regulatory Commission consenting to registration before it can be implemented.

In summary, the deliberation procedures for the issuance of Shares to specific targets are legal and compliant, and the method of issuance is feasible.

VI. FAIRNESS AND REASONABLENESS OF THE ISSUANCE PLAN

The issuance plan was formulated upon prudent study by the Board and has been approved by a vote of all directors. The implementation of the issuance plan will be conducive to the continuous and stable development of the Company, will help increase the equity of all shareholders, and is in the interests of all shareholders.

The plan and relevant documents for the issuance of Shares to specific targets have been disclosed on the information disclosure website and in the information disclosure media designated by the CSRC, ensuring the right to information of all shareholders.

In summary, the Company's issuance plan has been prudently studied by the Board of Directors, which considers that the issuance plan is in the interests of all shareholders; the issuance plan and relevant documents have undergone the relevant disclosure procedures, protecting the shareholders' right to be informed; at the same time, the issuance plan will be subject to fair voting by the attending shareholders at the EGM, and is fair and reasonable.

VII. IMPACT OF THE ISSUANCE ON THE INTERESTS OF EXISTING SHAREHOLDERS OR DILUTION OF IMMEDIATE RETURNS AND SPECIFIC REMEDIAL MEASURES

In accordance with the relevant provisions of the Opinions of the State Council on Further Promoting the Healthy Development of the Capital Market (Guo Fa [2014] No. 17), the Opinions of the General Office of the State Council on Further Strengthening the Protection of the Legitimate Rights and Interests of Small and Medium Investors in the Capital Market (Guo Ban Fa [2013] No. 110), and the Guiding Opinions on Matters Relating to the Dilution of Immediate Returns by Initial Public Offerings, Refinancing and Major Asset Restructuring (CSRC Announcement [2015] No. 31) and other documents, the Company has conducted a careful analysis of the impact of the Issuance on the dilution of immediate returns and has proposed specific remedial measures, and the relevant parties have provided undertakings to ensure that the Company's remedial measures can be effectively implemented.

For details, please refer to the Announcement of Datang International Power Generation Co., Ltd. on the Dilution of Immediate Returns by the Issuance of A Shares to Specific Targets, the Remedial Measures Adopted by the Company and the Undertakings by Relevant Parties published by the Company on the website of the Shanghai Stock Exchange on the same date.

VIII. CONCLUSION

In summary, the Company's issuance of Shares to specific targets is necessary and feasible; the plan for the Issuance is fair and reasonable and complies with the requirements of relevant laws and regulations. The implementation of the plan for the Issuance will be conducive to further improving the Company's industrial layout, which is in line with the Company's development strategy and in the interests of the Company and shareholders as a whole.

Board of Directors Datang International Power Generation Co., Ltd.

9 July 2026

Datang International Power Generation Co., Ltd. ("Datang Power" or the "Company"), in order to thoroughly implement the Company's development strategy and further enhance the competitiveness of the Company's core businesses, proposes to issue A Shares to specific targets (the "Issuance"). The Company's feasibility analysis on the use of proceeds from the Issuance is as follows:

Unless otherwise specified, terms used in this Feasibility Study Report shall have the same meanings as those defined in the 2026 Plan of Datang International Power Generation Co., Ltd. for the Issuance of A Shares to Specific Targets.

I. PLAN FOR USE OF PROCEEDS

The total proceeds to be raised from the issuance of Shares to specific targets will not exceed RMB8,000.00 million (inclusive). The net proceeds after deducting relevant issuance expenses are intended to be used for the following projects:

Unit: RMB'0,000

No.	Name of project	Total investment	Proceeds intended to apply
1	2×1,000MW Expansion Project of Datang Fuzhou Power Plant	818,003	230,000
2	2×1,000,000 kW Expansion Project of Datang Lvsigang Company	844,638	150,000
3	Datang Chaozhou Power Plant Units 5-6 Project	856,080	100,000
4	Taizhou Toumengang Power Plant Project	604,303	100,000
5	Replenishment of Working Capital and Repayment of Special Payable from State Appropriated Funds	220,000	220,000
Total		**3,343,024**	**800,000**

Before the proceeds from the Issuance are received, the Company will, based on the actual situation of the proceeds-funded projects, make initial investments with self-raised funds, which will be replaced in accordance with the procedures under relevant regulations after the proceeds are received. After the proceeds are received, if the actual net proceeds after deducting issuance expenses are less than the total amount of proceeds intended to be invested, the Company will, within the scope of the proceeds-funded projects of the Issuance, adjust and ultimately determine the specific investment projects, their priority, and the specific investment amount for each project based on the actual amount of proceeds raised and the urgency of the projects. Any shortfall in proceeds will be covered by the Company through self-raised funds.

II. BASIC INFORMATION AND FEASIBILITY ANALYSIS OF PROJECTS FINANCED BY THE PROCEEDS

(I) Basic information of projects financed by the proceeds

1. 2×1,000MW Expansion Project of Datang Fuzhou Power Plant

(1) Project overview

The project involves the expansion of 2×1,000 MW ultra-supercritical double-reheat coal-fired units, with the synchronised construction of flue gas desulfurization and denitrification facilities and the expansion of a dedicated railway line with a total track-laying length of 5.805 kilometres.

The implementing entity of the project is Fuzhou Second Power Generation Company.

(2) Project investment estimate

The total planned investment for the project is RMB8,180.03 million, and it is proposed that RMB2,300.00 million of the proceeds will be used.

(3) Estimated economic benefits of the project

Upon completion of construction and full commencement of operation, the project is expected to yield good economic benefits.

(4) Status of matters involving reporting for approval in respect of the project

As of the date of this report, the project has received the Approval of the Jiangxi Provincial Development and Reform Commission on the Approval of the 2×1,000MW Expansion Project of Datang Fuzhou Power Plant (Gan Fa Gai Neng Yuan [2024] No. 506) issued by the Jiangxi Provincial Development and Reform Commission; the Approval of the Jiangxi Provincial Department of Ecology and Environment on the Environmental Impact Report of the 2×1,000MW Expansion Project of Datang Fuzhou Power Plant (Gan Huan Shen [2025] No. 49) issued by the Jiangxi Provincial Department of Ecology and Environment; the Review Opinions of the Jiangxi Provincial Development and Reform Commission on the Energy Conservation Report of the 2×1,000MW Expansion Project of Datang Fuzhou Power Plant (Gan Fa Gai Neng Shen Zhuan [2025] No. 11) issued by the Jiangxi Provincial Development and Reform Commission; and the Real Property Right Certificates Gan (2025) Linchuan District Real Property Right No. 0011778 and Gan (2025) Linchuan District Real Property Right No. 0011779, for which the right type is state-owned construction land use right and the use is industrial land.

2. 2×1,000,000 kW Expansion Project of Datang Lvsigang Company

(1) Project overview

The project involves the construction of two 1,000 MW ultra-supercritical double-reheat coal-fired power generating units and related auxiliary facilities.

The implementing entity of the project is Lvsigang Power Generation Company.

(2) Project investment estimate

The total planned investment for the project is RMB8,446.38 million, and it is proposed that RMB1,500.00 million of the proceeds will be used.

(3) Estimated economic benefits of the project

Upon completion of construction and full commencement of operation, the project is expected to yield good economic benefits.

(4) Status of matters involving reporting for approval in respect of the project

As of the date of this report, the project has received the Approval of the Provincial Development and Reform Commission on the Approval of the 2×1,000,000 kW Expansion Project of Datang Lvsigang Company (Su Fa Gai Neng Yuan Fa [2023] No. 1308) issued by the Jiangsu Provincial Development and Reform Commission; the Approval of the Provincial Department of Ecology and Environment on the Environmental Impact Report of the 2×1,000,000 kW Expansion Project of Datang Lvsigang Company (Su Huan Shen [2024] No. 58) issued by the Jiangsu Provincial Department of Ecology and Environment; the Review Opinions of the Provincial Development and Reform Commission on the Energy Conservation Report of the 2×1,000,000 kW Expansion Project of Jiangsu Datang Lvsigang Company of Jiangsu Datang International Lvsigang Power Generation Co., Ltd. (Su Fa Gai Neng Shen [2024] No. 48) issued by the Jiangsu Provincial Development and Reform Commission; and the Real Property Right Certificates Su (2024) Qidong City Real Property Right No. 0025339 and Su (2024) Qidong City Real Property Right No. 0025340, for which the right type is state-owned construction land use right and the use is industrial land.

3. Datang Chaozhou Power Plant Units 5-6 Project

(1) Project overview

This Project involves the new construction of 2×1,000 MW domestic ultra-supercritical double-reheat coal-fired power generating units. The boilers will be ultra-supercritical sliding pressure operation once-through boilers with a water-hydrogen-hydrogen cooling method; desulfurization, denitrification, and dust removal facilities will be constructed concurrently; a new 70,000-tonne class coal terminal will be constructed on the extension of the existing coal terminal.

The implementing entity of the project is Chaozhou Power Generation Company.

(2) Project investment estimate

The total planned investment for the project is RMB8,560.80 million, and it is proposed that RMB1,000.00 million of the proceeds will be used.

(3) Estimated economic benefits of the project

Upon completion of construction and full commencement of operation, the project is expected to yield good economic benefits.

(4) Status of matters involving reporting for approval in respect of the project

As of the date of this report, the Project has received the Approval of the Guangdong Provincial Development and Reform Commission on the Approval of the Datang Chaozhou Power Plant Units 5-6 Project (Yue Fa Gai He Zhun [2023] No. 8) issued by the Guangdong Provincial Development and Reform Commission and the Approval of the Chaozhou Municipal Development and Reform Bureau on the Approval of the Datang Chaozhou Power Plant 70,000-tonne Coal Terminal Expansion Project (Chao Fa Gai He Zhun [2023] No. 4) issued by the Chaozhou Municipal Development and Reform Bureau; the Approval of the Department of Ecology and Environment of Guangdong Province on the Environmental Impact Report of the Datang Chaozhou Power Plant Units 5-6 Project (Yue Huan Shen [2023] No. 81) issued by the Department of Ecology and Environment of Guangdong Province and the Approval of the Environmental Impact Report of the Datang Chaozhou Power Plant 70,000-tonne Coal Terminal Expansion Project (Chao Huan Jian [2023] No. 16) issued by the Chaozhou Municipal Ecology and Environment Bureau; received the Examination Opinions of the Guangdong Provincial Energy Bureau on the Energy Conservation Report for the Units 5-6 Project of Datang Chaozhou Power Plant (Yue Neng Xu Ke [2023] No. 71) issued by the Guangdong Provincial Energy Bureau; and the Examination Opinions of the Chaozhou Municipal Development and Reform Bureau on the Energy Conservation Report for the 70,000-tonne Coal Terminal Expansion Project of Datang Chaozhou Power Plant (Chao Fa Gai Jie Neng Han [2023] No. 3) issued by the Chaozhou Municipal Development and Reform Bureau; the

Real Estate Ownership Certificates Yue (2024) Rao Ping Xian Bu Dong Chan Quan No. 0115460 and Yue (2024) Rao Ping Xian Bu Dong Chan Quan No. 0007456, for which the type of right is state-owned construction land and the use is industrial land; and the Real Estate Ownership Certificate Yue (2025) Rao Ping Xian Bu Dong Chan Quan No. 0010501, for which the type of right is sea area use right and the use is permeable structures.

4. Taizhou Toumengang Power Plant Project

(1) Project overview

The project involves the construction of two 660 MW ultra-supercritical single-reheat units, with the simultaneous construction of high-efficiency dust removal, desulfurization, and denitrification facilities.

The implementing entity of the project is Taizhou Power Generation Company.

(2) Project investment estimate

The total planned investment for the project is RMB6,043.03 million, and it is proposed that RMB1,000.00 million of the proceeds will be used.

(3) Estimated economic benefits of the project

Upon completion of construction and full commencement of operation, the project is expected to yield good economic benefits.

(4) Status of matters involving reporting for approval in respect of the project

As of the date of this report, the project has received the Approval of the Provincial Development and Reform Commission on the Approval of the Taizhou Toumengang Power Plant Project (Zhe Fa Gai Xiang Zi [2023] No. 387) and the Approval of the Provincial Development and Reform Commission on Approving the Change of Certain Contents of the Approval for the Taizhou Toumengang Power Plant Project (Zhe Fa Gai Xiang Zi [2025] No. 251) issued by the Zhejiang Provincial Development and Reform Commission; the Review Opinions on the Environmental Impact Report of the Taizhou Toumengang Power Plant Project (Zhe Huan Jian [2025] No. 21) issued by the Department of Ecology and Environment of Zhejiang Province; and the Real Property Right Certificate Zhe (2025) Linhai City Real Property Right No. 0014053, for which the right type is state-owned construction land use right and the use is Category III industrial land.

5. Replenishment of Working Capital and Repayment of Special Payable from State Appropriated Funds

The Company intends to use RMB2,200.00 million of the proceeds from the Issuance to supplement working capital and repay special debts arising from the payment of state-allocated funds. On the one hand, this will better meet the funding requirements for the future business development of the Company, further reduce the gearing ratio, improve the capital structure, and enhance financial robustness; on the other hand, it will satisfy the requirements of relevant regulations on state-allocated funds.

The supplementing of working capital and the repayment of special payables for state-allocated funds do not involve any reporting for approval matters such as project approval, verification or filing, or environmental impact assessment for the proceeds-funded projects, nor do they involve the use of construction land.

(II) Necessity and feasibility of the projects financed by the proceeds from the Issuance

1. Necessity of project implementation

(1) Actively responding to the dual carbon strategy and assisting in the green and efficient transformation of the energy structure

The Outline of the National 15th Five-Year Plan explicitly proposes to accelerate the construction of a new-type energy system and the building of an energy powerhouse, and to implement a ten-year doubling action for non-fossil energy. While adding installed capacity for wind and solar power, it also aims to comprehensively promote the clean and efficient utilisation and functional transformation of coal power, and to strengthen the role of coal power in ensuring basic supply and providing deep peak shaving.

The Company has thoroughly implemented the national dual carbon strategic deployment, with the core objective of building a clean, low-carbon, safe, and efficient asset structure, and has accelerated the promotion of the clean upgrade of thermal power. The investment of the proceeds from the Issuance into multiple ultra-supercritical thermal power units is an important measure to achieve the peaking of coal consumption and promote the clean upgrade of coal-fired power. Upon completion of the project, it will further increase the proportion of the Company's high-efficiency clean coal-fired power installed capacity, providing solid support for the implementation of the national dual carbon goals and the construction of a new power system.

(2) Aligning with regional energy demand to consolidate and enhance the Company's core profitability

As a large-scale integrated energy enterprise, the Company has a deep presence in core load centres such as the Beijing-Tianjin-Hebei region, the Yangtze River Delta, and the Pearl River Delta. Jiangsu, Guangdong, Zhejiang, and Jiangxi are all power load-intensive regions in China, where demand for electricity continues to grow rigidly, and there remains room for improvement in the proportion of high-efficiency clean units within the existing power source structure. The ultra-supercritical thermal power units involved in this investment feature low coal consumption for power supply, strong peak-shaving capability, and stable operation, which can precisely match regional peak electricity demand and power grid peak-shaving requirements, ensuring a reliable supply of electricity. Upon commencement of operation, the project will significantly expand the Company's installed capacity in key regions, optimise its power source structure, enhance the core competitiveness of its power business, and improve its overall profitability and anti-cyclical capability, thereby further consolidating the Company's dominant position in the national power market.

(3) Optimising capital structure to safeguard project construction funds and sustainable development capabilities

In recent years, the Company has actively promoted the construction of key projects such as clean coal-fired power units, resulting in a relatively large scale of capital expenditure. Sole reliance on debt financing would lead to an increase in the Company's gearing ratio and financial expenses, thereby constraining project advancement and long-term development. The issuance of Shares to specific targets can effectively supplement the Company's capital, increase the scale of its net assets, reasonably reduce its gearing ratio, optimise its capital structure, and significantly enhance the Company's risk resistance and financial robustness. The proceeds will be used specifically for project construction to provide funding assurance for the investment projects, ensuring that the projects are put into operation and achieve their desired results as scheduled, thereby laying a solid foundation for the high-quality and sustainable development of the Company.

(4) Satisfying the relevant regulations on the management of state-owned capital operating budget funds

The Company previously received state-allocated funds in the amount of RMB900.10 million disbursed by CDC and its subordinate enterprises. Pursuant to the provisions of relevant documents including the Opinions on Issues Concerning the Financial Treatment of State Direct Investment and Investment Subsidies Obtained by Enterprises, the Interim Provisions on Strengthening the Management of Corporate Financial Information, and the Measures for the Supervision and Administration of the Execution of State-owned Capital Operating Budget Expenditures of Central Enterprises, the above state-allocated funds obtained by the Company's holding subsidiaries shall be implemented as state-owned equity as soon as possible based on the actual circumstances.

2. Feasibility of project implementation

(1) Strong support from national policies, solidifying the foundation for project construction

With the advancement of the dual carbon goals and the construction of a new-type power system, China's power industry is accelerating its quality improvement and upgrading. The Outline of the 15th Five-Year Plan explicitly strengthens the role of coal power in peak shaving and supply guarantee. Policies such as the 14th Five-Year Plan for Scientific and Technological Innovation in the Energy Sector and the Implementation Plan for Special Actions for the Upgrading of New-Generation Coal Power (2025-2027) align with the 15th Five-Year strategy and clarify the direction of development. The clean thermal power to be invested with the proceeds from the Issuance is in line with national and local policy orientations, providing solid policy support for the implementation of the project.

(2) Continuous growth in electricity demand, ensuring power offtake for the projects

The power industry is a fundamental and pillar industry that supports national economic and social development. In recent years, both China's electricity generation and total electricity consumption of the whole society have shown a year-on-year upward trend. According to data from the National Energy Administration, the total electricity consumption of the whole society reached 9.85 trillion kWh in 2024, a year-on-year increase of 6.8%; in 2025, China's total electricity consumption of the whole society exceeded 10 trillion kWh for the first time, reaching 10.37 trillion kWh, a year-on-year increase of 5.0%, hitting a record high. Electricity consumption in the four provinces where the projects are located – Jiangxi, Jiangsu, Guangdong, and Zhejiang – has maintained steady growth, and demand in the power market continues to rise, providing a solid guarantee for the offtake of power generated after the investment projects funded by the Issuance are put into operation.

(3) Mature and comprehensive operational experience, supporting efficient project implementation

As a national power enterprise, the Company possesses significant advantages in terms of installed capacity and industry management experience. Through decades of operation and development, it has accumulated extensive experience in the investment, construction, operation, and management of power generation projects, and possesses sound cost control capabilities and technical reserves to ensure the efficiency and safety of project implementation. At the same time, the Company has a group of experienced, energetic, and outstanding management and technical talents, providing a strong organisational guarantee of human resources for the Company's power operation management and business expansion.

III. IMPACT OF THE ISSUANCE OF A SHARES TO SPECIFIC TARGETS ON THE COMPANY'S OPERATION AND MANAGEMENT AND FINANCIAL POSITION

(I) Impact on the Company's operation and management

The projects financed by the proceeds revolve around the Company's principal business and are in line with national industrial policies and the Company's overall business development strategy. The implementation of these projects will facilitate the further expansion of the Company's business, further consolidate and enhance the Company's competitive advantages in the industry, and is in line with the long-term development needs of the Company and the interests of its shareholders.

(II) Impact on the Company's financial position

Upon completion of the Issuance to specific targets, the Company's capital strength will be further enhanced. The Company's total assets and net assets will both increase, and its cash flow position and financial position will further improve. At the same time, the asset structure of the Company will be optimised, and its financial strength, risk resistance, and subsequent financing capabilities will be enhanced. Taking into account the impact of the project construction cycle, as the Company's net assets will increase following the Issuance, the Company's return on net assets will decrease in the short term before the aforementioned projects are completed and put into operation. With the successive commencement of operation of the projects, the Company's revenue from principal businesses and profit levels will increase accordingly, and the return on net assets will also improve as a result.

IV. CONCLUSION OF FEASIBILITY ANALYSIS

In summary, the construction of the projects financed by the proceeds from the issuance of Shares to specific targets is in line with national industrial development planning policies and is consistent with economic and social development needs as well as the Company's strategic development goals. Through the implementation of the projects financed by the proceeds, it will be conducive to optimising the asset structure and meeting the capital requirements for the development of the Company's business, thereby further expanding the scale of the Company's business and serving the interests of all shareholders. Therefore, the projects financed by the proceeds are necessary and feasible.

Board of Directors Datang International Power Generation Co., Ltd.

9 July 2026

Pursuant to the relevant provisions of the Opinions of the State Council on Further Promoting the Healthy Development of the Capital Market (Guo Fa [2014] No. 17), the Opinions of the General Office of the State Council on Further Strengthening the Protection of the Rights and Interests of Minority Investors in the Capital Market (Guo Ban Fa [2013] No. 110) and the Guiding Opinions on Matters Concerning the Dilution of Immediate Returns in Initial Public Offerings, Refinancings and Major Asset Restructurings (CSRC Announcement [2015] No. 31), Datang International Power Generation Co., Ltd. (the "**Company**") has conducted a thorough analysis of the dilutive effect of the Issuance on immediate returns, and has proposed specific remedial measures to address such dilution. The parties concerned have also made commitments to ensure the due performance of the Company's remedial measures. The details are set out as follows:

I. IMPACT ON THE COMPANY'S KEY FINANCIAL INDICATORS CAUSED BY THE DILUTIVE EFFECT OF THE ISSUANCE OF A SHARES TO SPECIFIC TARGETS ON IMMEDIATE RETURNS

The total proceeds to be raised from the Issuance of A Shares to specific targets are expected to be no more than RMB8,000 million (inclusive of the amount). Upon completion of the Issuance, the Company's share capital and net assets will increase to a certain extent. Since it will take a certain period of time and process for the projects financed by the raised proceeds to generate returns, there is a risk that the Company's earnings per share will be diluted and its return on net assets will decline in the short term. The estimated impact is set out as follows:

(1) Key Assumptions and Preconditions

For the purpose of analysing the impact of the Issuance on the Company's relevant financial indicators, the following assumptions are made based on the Company's actual circumstances:

1. It is assumed that there is no material adverse change in the macroeconomic environment, industrial policies, industry development trends, market conditions and other aspects.

2. It is assumed that the Issuance will be completed by the end of November 2026 (such completion date is used solely for the purpose of calculating the impact suffered by the Company's key financial indicators from the dilutive effect on immediate returns caused by the Issuance and does not constitute a commitment as to the actual completion date; the actual completion date shall be subject to the date on which the Issuance is actually completed after obtaining the approval of the Shanghai Stock Exchange and the registration approval from the CSRC).

3. It is assumed that the number of shares to be issued to specific targets is 2,666,666,666 shares (the final number of shares to be issued shall be subject to the number of shares actually issued after obtaining the approval of the Shanghai Stock Exchange and the registration approval from the CSRC).

4. In forecasting the Company's total share capital, the total share capital of 18,506,710,504 shares prior to the Issuance is used as the basis for calculation, and only the impact of the Issuance is taken into account, without considering the impact of other factors on the Company's total share capital.

5. The net profit attributable to shareholders of the listed company for 2025 is RMB7,386,256,000, and the net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses is RMB7,853,026,000. It is assumed that the Company's operating results for 2026 are set out in the following three scenarios:

   (i) The net profit attributable to shareholders of the listed company (both before and after deducting non-recurring gains and losses) for 2026 decreases by 10% as compared with 2025;

   (ii) The net profit attributable to shareholders of the listed company (both before and after deducting non-recurring gains and losses) for 2026 remains flat as compared with 2025;

   (iii) The net profit attributable to shareholders of the listed company (both before and after deducting non-recurring gains and losses) for 2026 increases by 10% as compared with 2025;

   Such assumptions are used solely for the purpose of calculating the impact of the Issuance on the dilution of immediate returns on key financial indicators, and do not represent the Company's judgment on its future operating conditions and trends, nor do they constitute a profit forecast of the Company.

6. The impact of the proceeds from the Issuance on the Company's production and operations, financial conditions (such as financial expenses and investment income) after the proceeds are received is not taken into account in this calculation, and the impact of the Company's cash dividends is not taken into account in this calculation.

(2) Estimated Impact on the Company's Key Financial Indicators

Based on the above assumptions, the impact of the dilution of immediate returns caused by the issuance of shares to specific targets on the Company's key financial indicators is set out as follows:

Item	As at the end of 2025/2025	As at the end of 2026/2026 Before the Issuance	After the Issuance
Total share capital (10,000 shares)	1,850,671	1,850,671	2,117,338
Weighted average total share capital (10,000 shares)	1,850,671	1,850,671	1,872,893
Scenario 1: Net profit attributable to shareholders of the listed company and net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses for 2026 decrease by 10% as compared with the previous year			
Net profit attributable to shareholders of the listed company (RMB10,000)	738,626	664,763	664,763
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB10,000)	785,303	706,772	706,772
Net profit attributable to ordinary shareholders of the listed company (RMB10,000)	583,849	509,986	509,986
Net profit attributable to ordinary shareholders of the listed company after deducting non-recurring gains and losses (RMB10,000)	630,526	551,995	551,995
Basic earnings per share (RMB/share)	0.32	0.28	0.27
Diluted earnings per share (RMB/share)	0.32	0.28	0.27
Basic earnings per share after deducting non-recurring gains and losses (RMB/share)	0.34	0.30	0.29
Diluted earnings per share after deducting non-recurring gains and losses (RMB/share)	0.34	0.30	0.29

Item	As at the end of 2025/2025	As at the end of 2026/2026 Before the Issuance	After the Issuance
Scenario 2: Net profit attributable to shareholders of the listed company and net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses for 2026 remain flat as compared with the previous year			
Net profit attributable to shareholders of the listed company (RMB10,000)	738,626	738,626	738,626
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB10,000)	785,303	785,303	785,303
Net profit attributable to ordinary shareholders of the listed company (RMB10,000)	583,849	583,849	583,849
Net profit attributable to ordinary shareholders of the listed company after deducting non-recurring gains and losses (RMB10,000)	630,526	630,526	630,526
Basic earnings per share (RMB/share)	0.32	0.32	0.31
Diluted earnings per share (RMB/share)	0.32	0.32	0.31
Basic earnings per share after deducting non-recurring gains and losses (RMB/share)	0.34	0.34	0.34
Diluted earnings per share after deducting non-recurring gains and losses (RMB/share)	0.34	0.34	0.34
Scenario 3: Net profit attributable to shareholders of the listed company and net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses for 2026 increase by 10% as compared with the previous year			
Net profit attributable to shareholders of the listed company (RMB10,000)	738,626	812,488	812,488
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB10,000)	785,303	863,833	863,833
Net profit attributable to ordinary shareholders of the listed company (RMB10,000)	583,849	657,711	657,711
Net profit attributable to ordinary shareholders of the listed company after deducting non-recurring gains and losses (RMB10,000)	630,526	709,056	709,056

Item	As at the end of 2025/2025	As at the end of 2026/2026 Before the Issuance	After the Issuance
Basic earnings per share (RMB/share)	0.32	0.36	0.35
Diluted earnings per share (RMB/share)	0.32	0.36	0.35
Basic earnings per share after deducting non-recurring gains and losses (RMB/share)	0.34	0.38	0.38
Diluted earnings per share after deducting non-recurring gains and losses (RMB/share)	0.34	0.38	0.38

Notes:

1. Net profit attributable to ordinary shareholders of the listed company = net profit attributable to shareholders of the listed company – estimated interest on perpetual bonds; net profit attributable to ordinary shareholders of the listed company after deducting non-recurring gains and losses = net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses – estimated interest on perpetual bonds;

2. The relevant indicators are calculated in accordance with the provisions of the Information Disclosure and Preparation Rules No. 9 for Companies Making Public Offering of Securities – Calculation and Disclosure of Return on Net Assets and Earnings Per Share.

II. SPECIAL RISK WARNING ON THE DILUTION OF IMMEDIATE RETURNS CAUSED BY THE ISSUANCE

Upon completion of the Issuance, the Company's total share capital and net assets will increase as the proceeds raised are received. Since the benefits from the projects financed by the proceeds are expected to materialise mainly in the medium to long term, and it will take a certain period of time for the proceeds to generate returns after they are put into use, there is a risk that the Company's earnings per share, return on net assets and other indicators may be diluted after the completion of the Issuance.

In addition, in estimating the dilutive effect of the Issuance on immediate returns, the Company's assumptions and analysis of the net profit attributable to shareholders of the listed company for 2026 do not constitute a profit forecast of the Company, and the specific remedial measures formulated to address the risk of dilution of immediate returns do not constitute a guarantee of the Company's future profits. Investors should not make investment decisions based on such information, and the Company shall not be liable for any losses incurred by investors as a result of making investment decisions based on such information. Investors are advised to pay attention to the above risks.

III. NECESSITY AND REASONABLENESS OF THE ISSUANCE AS DETERMINED BY THE BOARD

The Issuance is in line with the relevant national industrial policies, the development trends of the industry in which the Company operates and the Company's strategic development direction. For details of the necessity and reasonableness of the Issuance, please refer to the section headed "Section IV – Feasibility Analysis of the Board on the Use of Proceeds Raised from the Issuance" in the Proposal on the Issuance of A Shares to Specific Targets by Datang International Power Generation Co., Ltd. for 2026.

IV. RELATIONSHIP BETWEEN THE PROJECTS FINANCED BY THE PROCEEDS AND THE COMPANY'S EXISTING BUSINESS, AND THE COMPANY'S RESERVES IN TERMS OF PERSONNEL, TECHNOLOGY AND MARKET FOR THE IMPLEMENTATION OF THE PROJECTS FINANCED BY THE PROCEEDS

(1) Relationship between the Projects Financed by the Proceeds and the Company's Existing Business

The Company is one of the major independent power generation companies in China, with its operating subsidiaries and projects under construction located in 20 provinces, municipalities and autonomous regions nationwide, and has now developed into a large-scale comprehensive listed energy company with a low-carbon, green, multi-energy complementary and highly efficient synergistic development model.

As at 31 December 2025, the Company's installed capacity in operation amounted to approximately 86,192.081 MW, of which coal-fired thermal power accounted for 49,134 MW, representing approximately 57.01%, and gas-fired thermal power accounted for 9,479.38 MW, representing approximately 11.00%. After deducting the relevant issuance expenses, the proceeds raised from the Issuance will be used for the 2×1,000 MW Expansion Project of Datang Fuzhou Power Plant, 2×1,000,000 kW Expansion Project of Datang Lvsigang Company, Datang Chaozhou Power Plant Units 5-6 Project, Taizhou Toumengang Power Plant Project, replenishment of working capital and repayment of special payable from state appropriated funds. The projects financed by the proceeds are all closely related to the Company's principal business, in line with the national industrial policies, industry development trends and the Company's overall development strategy, and are conducive to further enhancing the Company's overall strength.

(2) The Company's Reserves in Terms of Personnel, Technology and Market for the Projects Financed by the Proceeds

1. Personnel Reserves

The Company has been deeply engaged in the energy industry for many years, and its management team possesses extensive knowledge of the energy industry and corporate management experience, as well as a profound understanding of the relevant regulatory mechanisms. The management actively plans to expand into new industrial directions, keeps abreast of industry development trends, and is capable of continuously promoting the Company's business expansion and creating value for shareholders. The Company actively implements a strategy of strengthening the Company through talent development, has established effective employee incentive mechanisms and assessment-based recruitment systems, and places great emphasis on talent cultivation and development, thereby building a professional and high-quality talent pool. The Company's well-established personnel structure and sufficient talent reserves will ensure the smooth implementation of the projects financed by the proceeds.

2. Technology Reserves

As one of the major independent power generation companies in China, the Company has been deeply engaged in the core technologies of the energy and power sector, exploring practical technologies with promotional value, effectively facilitating the transformation and application of research results, and has developed a number of influential and forward-looking technological achievements. In addition, the Company has published a number of industry and national standards, promoting the transformation of technological expertise into industry norms, and empowering the high-quality development of strategic emerging industries through full-chain innovation practices. As at 31 December 2025, the Company had accumulated over 4,000 patents and over 600 invention patents. The Company possesses sound technological reserves to ensure the effective implementation of the projects financed by the proceeds.

3. Market Reserves

The power industry is a fundamental and pillar industry that supports the development of the national economy and social development, and is closely related to the development of the national economy, exhibiting a cyclical characteristic that is positively correlated with economic development. According to data published by the China Electricity Council, in 2025, the total electricity consumption in China exceeded 10 trillion kWh for the first time, reaching 10.37 trillion kWh, representing a year-on-year increase of 5.0%, firmly ranking first in the world in terms of electricity consumption. In July, the total electricity consumption in China reached 1.02 trillion kWh, exceeding the 1 trillion kWh mark for the first time globally. The electricity market enjoys strong demand in China, indicating the Company enjoying good market reserves for implementation of the projects financed by the proceeds.

V. MEASURES TO BE ADOPTED BY THE COMPANY TO ADDRESS THE DILUTION OF IMMEDIATE RETURNS CAUSED BY THE ISSUANCE

In order to safeguard the interests of investors, mitigate the risk of potential dilution of immediate returns and enhance the return to shareholders, the Company intends to adopt the following measures to remedy the dilution of immediate returns:

(1) Strengthening the Management of Proceeds Raised to Ensure Their Use in Compliance with Laws and Regulations

In order to regulate the management and use of proceeds raised, the Company has formulated the Proceeds Management System in accordance with the provisions of the Measures for the Administration of Securities Issuance by Listed Companies, the Rules Governing Listing of Securities on the Shanghai Stock Exchange, the Rules on the Supervision of Proceeds Raised by Listed Companies and the Self-Regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1 – Standardised Operation, which set clear stipulation on special deposit, use, change of use, management and supervision of proceeds raised. In order to ensure the standardised and effective use of proceeds raised by the Company, after the proceeds from the Issuance are received, the Board will continue to supervise the Company's deposit of proceeds raised in special accounts, ensure that the proceeds are used for the designated projects, conduct regular internal audits of the proceeds, and cooperate with the supervisory banks and the sponsor on the inspection and supervision of the use of proceeds, so as to ensure that the proceeds are used in compliance with laws and regulations.

(2) Actively Promoting the Construction of Projects Financed by the Proceeds to Realise the Expected Benefits as Early as Possible

The projects financed by the proceeds have undergone rigorous and scientific demonstration and have been approved by the Board, and are in line with the Company's development strategy. The implementation of the projects financed by the proceeds will help the Company to strengthen its principal business and enhance its core competitiveness. After the proceeds from the Issuance are received, the Company will actively promote the implementation of the projects financed by the proceeds and strive to realise the expected returns as early as possible.

(3) Continuously Improving Corporate Governance to Provide Institutional Safeguards for the Company's Development

The Company will strictly comply with the requirements of laws, regulations and normative documents such as the Company Law, the Securities Law and the Code of Corporate Governance for Listed Companies, and will continuously improve its corporate governance structure to ensure that shareholders are able to fully exercise their rights, that the Board is able to exercise its powers in accordance with laws and regulations and the Articles of Association and make scientific, prompt and prudent decisions, and that the independent directors are able to conscientiously perform their duties and safeguard the overall interests of the Company, in particular the legitimate rights and interests of minority shareholders, thereby providing institutional safeguards for the Company's development.

(4) Continuously Improving the Profit Distribution System and Optimising the Mechanism for Returning Value to Investors

The Company will continuously improve its profit distribution system and optimise the mechanism for returning value to investors in accordance with the relevant provisions of the Guidelines for the Supervision of Listed Companies No. 3 – Cash Dividends of Listed Companies issued by the CSRC and the profit distribution policy under the Articles of Association, so as to ensure that the interests of the Company's shareholders, in particular minority shareholders, are protected. The Company attaches great importance to providing reasonable returns to investors and maintains the stability and continuity of its profit distribution policy. The Company will strictly give effect to the relevant systems relating to cash dividends and the shareholder return plan in accordance with the relevant provisions, so as to safeguard the interests of investors.

VI. UNDERTAKINGS TO ENSURE THE DUE PERFORMANCE OF THE REMEDIAL MEASURES FOR THE DILUTION OF IMMEDIATE RETURNS

In order to safeguard the right to information of minority investors and protect the interests of minority investors, the parties concerned have made the following undertakings to ensure the due performance of the remedial measures for the dilution of immediate returns caused by the issuance of shares to specific targets:

(1) Undertakings of the Directors and Senior Management of the Company in Respect of the Company's Remedial Measures

1. Undertake to perform duties faithfully and diligently and to safeguard the legitimate interests of the Company and all shareholders;

2. Undertake not to transfer benefits to other entities or individuals without compensation or on unfair terms, nor to otherwise harm the interests of the Company;

3. Undertake to restrain his/her own spending in relation to his/her position;

4. Undertake not to use the Company's assets for investment or consumption activities unrelated to the performance of his/her duties;

5. Undertake to use the best endeavours, within the scope of his/her duties and authority, to ensure that the remuneration system formulated by the Board or the Remuneration and Appraisal Committee of the Company is linked to the implementation of the Company's remedial measures;

6. If the Company implements an equity incentive plan in the future, to undertake to use the best endeavours, within the scope of his/her duties and authority, to ensure that the exercise conditions of the equity incentive plan to be announced by the Company are linked to the implementation of the Company's remedial measures;

7. If, from the date of this undertaking to the completion of the Issuance, the China Securities Regulatory Commission or the Shanghai Stock Exchange issues other new regulatory provisions relating to remedial measures and undertakings in respect thereof, and this undertaking does not satisfy such provisions, undertake to make supplementary undertakings in accordance with the latest provisions of the China Securities Regulatory Commission and the Shanghai Stock Exchange at that time.

8. Undertake to duly perform the remedial measures formulated by the Company and any undertakings he/she has made in respect of such remedial measures. If he/she breaches such undertakings and causes losses to the Company or investors, he/she is willing to bear legal compensation liability to the Company and investors.

(2) Undertakings of the Controlling Shareholder and the Actual Controller of the Company in Respect of the Company's Remedial Measures

1. Not to improperly intervene in the Company's business and management activities, and not to encroach upon the Company's interests;

2. If, from the date of this undertaking to the completion of the Issuance, the China Securities Regulatory Commission or the Shanghai Stock Exchange issues other new regulatory provisions relating to remedial measures and undertakings in respect thereof, and the relevant contents of this undertaking do not satisfy such provisions, the Company undertakes to make supplementary undertakings in accordance with the latest provisions of the China Securities Regulatory Commission and the Shanghai Stock Exchange at that time;

3. Undertake to duly perform the remedial measures formulated by the Company and any undertakings the Company has made in respect of such remedial measures. If the Company breaches such undertakings and causes losses to the Company or investors, the Company will bear the corresponding legal liability.

Board of Directors Datang International Power Generation Co., Ltd.

9 July 2026

In order to improve and establish a scientific, sustainable and stable shareholders' return mechanism, increase the transparency and operability of the decision-making process regarding profit distribution policies, and effectively protect the legitimate rights and interests of public investors, Datang International Power Generation Co., Ltd. (the "**Company**") has formulated the Shareholder Return Plan for the Next Three Years (2026-2028) (the "**Plan**") in accordance with the Guidelines for the Supervision of Listed Companies No. 3 – Cash Dividends of Listed Companies, the Self-Regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1 – Standardised Operation and other relevant provisions. The details of the Plan are set out as follows:

I. FACTORS CONSIDERED IN FORMULATING THE PLAN

With a view to the long-term and sustainable development of the Company, and after taking into account the Company's actual operating conditions, development objectives, reasonable demands of shareholders, financing costs and environment, and other factors, the Company has established a continuous, stable and scientific return planning and mechanism for investors, on the basis of fully considering and listening to the demands and wishes of shareholders, particularly minority shareholders, so as to make institutional arrangements for dividend distribution and ensure the continuity and stability of the dividend distribution policy.

II. PRINCIPLES FOR FORMULATING THE PLAN

The Plan strictly complies with the provisions of relevant laws, regulations and the Articles of Association relating to profit distribution, implements an active profit distribution policy, fully considers returns to investors, reasonably balances and manages the relationship between the Company's steady development and returns to shareholders, and implements a scientific, sustainable and stable profit distribution policy. In the process of decision-making, deliberation and adjustment of the profit distribution policy, the Board and the EGM of the Company shall give full consideration to the opinions of independent directors and shareholders, particularly minority shareholders.

The Company's profit distribution policy shall maintain continuity and stability; and, on the principle of attaching importance to reasonable returns on investment for shareholders while taking into account the long-term interests of the Company, the overall interests of all shareholders, the reasonable capital requirements of the Company and sustainable development, the Company shall implement an active profit distribution method, giving priority to cash dividends for profit distribution. The Company may distribute dividends in the form of cash, shares, or combination of both.

III. SPECIFIC PLAN FOR DIVIDENDS RETURN FOR THE NEXT THREE YEARS (2026-2028)

(1) Methods of Profit Distribution

The Company's profit distribution policy shall maintain continuity and stability; and, on the principle of attaching importance to reasonable returns on investment for shareholders while taking into account the long-term interests of the Company, the overall interests of all shareholders, the reasonable capital requirements of the Company and sustainable development, the Company shall implement an active profit distribution method, giving priority to cash dividends for profit distribution. The Company may distribute dividends in the form of cash, shares, or combination of both. Unless the EGM resolves otherwise, the EGM authorises the Board to distribute interim dividends or bonuses.

(2) Specific Conditions and Ratio for Cash Dividends

Where the profit for the year of the Company as shown in the financial statements of the parent and consolidated statements, and the undistributed profit in the financial statements of the parent are positive, and the Company's cash flow can satisfy its normal operations and sustainable development, the Company shall distribute profits by way of cash dividends. The amount of profits distributed in cash each year shall, in principle, be not less than 50% of the distributable profits attributable to ordinary shareholders of the Company as recorded in the consolidated statements for the year.

(3) Differentiated Cash Dividend Policy

The Board shall comprehensively consider factors such as the characteristics of the industry in which the Company operates, stage of development, operating model, profitability and whether it has significant capital expenditure arrangements, and propose differentiated cash dividend policies in accordance with the procedures set out in the Articles of Association, distinguishing among the following scenarios:

1. Where the Company is in a mature stage of development and has no significant capital expenditure arrangements, the proportion of cash dividends in the total profit distribution for that distribution shall be not less than 80%;

2. Where the Company is in a mature stage of development and has significant capital expenditure arrangements, the proportion of cash dividends in the total profit distribution for that distribution shall be not less than 40%;

3. Where the Company is in a growth stage and has significant capital expenditure arrangements, the proportion of cash dividends in the total profit distribution for that distribution shall be not less than 20%.

The stage of development in which the Company actually finds itself at the time of distribution shall be determined by the Board according to the specific circumstances. Where the stage of development of the Company is not readily distinguishable but there are significant capital expenditure arrangements, the provisions of the preceding paragraph may apply.

(4) Stock Dividend Policy

Where the Company is in sound operation and the Board is of the view that the Company's share price is not commensurate with its size of share capital and that distribution of stock dividends is in the overall interests of all shareholders of the Company, the Company may, on the condition that the above cash dividend requirements are satisfied, propose a plan for distribution of stock dividends.

(5) Formulation of Profit Distribution Plans and Decision-Making Procedures

The Company's profit distribution plan shall be prepared by the management and submitted to the Audit Committee and the Board for consideration. The Board shall make full discussion on the profit distribution plan and carefully study and demonstrate matters such as the timing, conditions and minimum ratio for cash dividends, as well as the conditions for adjustments and the relevant decision-making procedures. Where an independent director is of the view that a specific cash dividend plan may prejudice the interests of the Company or minority shareholders, the independent director shall have the right to express an independent opinion. Where the Board does not adopt or does not fully adopt the opinion of the independent director, it shall disclose the independent director's opinion and the specific reasons for non-adoption in the announcement in relation to the Board resolution.

Where the Company does not distribute cash dividends due to special circumstances, the Board shall make a special explanation regarding the specific reasons for not distributing cash dividends, the exact use of the Company's retained earnings and the expected returns on investment, which shall be submitted to the EGM for deliberation after the independent directors have expressed their opinions, and shall be disclosed on the media designated by the Company.

Prior to the EGM deliberation of a specific cash dividend plan, the Company shall establish multiple channels of communication with shareholders, particularly minority shareholders, to fully solicit the opinions and demands of minority shareholders and promptly address their concerns.

IV. ADJUSTMENT MECHANISM FOR THE SHAREHOLDER RETURN PLAN

Where the Company adjusts or changes its cash dividend policy and/or profit distribution policy in accordance with changes in the macroeconomic environment, the Company's own production and operating conditions, investment planning and long-term development needs, or the relevant requirements of applicable laws, administrative regulations and the rules governing the listing of securities on the stock exchange where the Company's shares are listed, the Company shall, after detailed deliberation, follow the relevant decision-making procedures and submit the matter to the EGM for approval by way of a special resolution.

V. MISCELLANEOUS

Matters not covered in the Plan shall be handled in accordance with the relevant provisions of applicable national laws, regulations and the Articles of Association and other normative documents. The Plan shall be interpreted by the Board of the Company. The Plan shall take effect on the date of approval by the Company's EGM, and any amendment thereto shall be subject to the same procedure.

Board of Directors Datang International Power Generation Co., Ltd.

9 July 2026

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

Interest of Directors and chief executive of the Company

As at the Latest Practicable Date, to the best knowledge of the Directors and chief executive of the Company, none of the Directors or chief executive of the Company have any interest or short position in the shares, underlying shares and/or debentures (as the case may be) of the Company or any of its associated corporations (within the meaning of the SFO) which was required: (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any such Director or chief executive is taken or deemed to have under such provisions of the SFO); (ii) to be entered into the register required to be kept by the Company under section 352 of the SFO; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules.

Interest of substantial Shareholders of the Company

As at the Latest Practicable Date, to the best knowledge of the Directors and chief executive of the Company, the following persons (other than the Directors and chief executive of the Company) had interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or held an interest of 5% or more of the issued Share capital of the Company which is required to be notified to the Company:

Name of Shareholder	Class of Shares	Capacity/ Nature of Interest	Number of Shares Held	Approximate Percentage to Total Issued Share Capital of the Company *(%)*	Approximate Percentage to Total Issued A Shares of the Company *(%)*	Approximate Percentage to Total Issued H Shares of the Company *(%)*
China Datang Corporation Ltd. *(Note 1)*	A shares	Beneficial owner	6,540,706,520	35.34	52.76	/
	H shares	Interest of controlled corporation	3,275,623,820 (L)	17.70 (L)	/	53.61 (L)
Hebei Construction &Investment Group Co., Ltd. *(Note 2)*	A shares	Beneficial owner	1,281,872,927	6.93	10.34	/
Tianjin Jinneng Investment Co., Ltd. *(Note 3)*	A shares	Beneficial owner	1,214,966,500	6.57	9.80	/

(L) = Long Position

Notes:

(1) Mr. Pang Xiaojin, Mr. Ma Jixian and Ms. Zhu Mei, non-executive Directors, are employees of CDC.

(2) Mr. Wang Jianfeng and Mr. Zhao Xianguo, non-executive Directors, are employees of Hebei Construction & Investment Group Co., Ltd. or its subsidiary HCIG Energy Investment Co., Ltd.

(3) Mr. Li Zhongmeng and Mr. Han Fang, non-executive Directors, are employees of Tianjin Energy Investment Group Limited, the de facto controller of Tianjin Jinneng Investment Co., Ltd.

As at the Latest Practicable Date, save as disclosed above and to the best knowledge of the Directors and chief executive of the Company, (i) no person (other than the Director or the chief executive of the Company) had any interest or short position in the shares or underlying shares of the Company which is required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which is required to be recorded in the register referred to therein under section 336 of the SFO, or which is required to be notified to the Company as an interest or short position of 5% or more of the issued share capital of the Company; and (ii) none of the Directors, proposed Directors or chief executive of the Company was a director or employee of a company which had an interest or short position in the shares or underlying shares of the Company that would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors of the Company had any existing or proposed service contract with any member of the Group (excluding contracts expiring or determinable by the Company within one year without payment of compensation (other than statutory compensation)).

4. INTEREST IN ASSETS OR CONTRACTS

(a) As at the Latest Practicable Date, none of the Directors and proposed Directors of the Company had any direct or indirect interest in any assets which had been, since 31 December 2025 (being the date to which the latest published audited financial statements of the Company were made up), acquired or disposed of by, or leased to, any member of the Group, or were proposed to be acquired or disposed of by, or leased to, any member of the Group.

(b) As at the Latest Practicable Date, none of the Directors of the Company was materially interested in any contracts or arrangements entered into by any member of the Group, which were subsisting as at the Latest Practicable Date and which were significant in relation to the business of the Group.

5. MATERIAL CHANGES

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2025, being the date to which the latest published audited financial statements of the Group were made up, and including the Latest Practicable Date.

6. COMPETING INTEREST

As at the Latest Practicable Date, none of the Directors, proposed Directors or their respective close associates had any interests in a business which competes or was likely to compete, either directly or indirectly, with the businesses of the Group (as would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them was a controlling shareholder).

7. EXPERT AND CONSENT

The following sets out the qualification of the expert which has given its opinion or advice as contained in this circular:

Name	Qualification
Gram Capital Limited	a licensed corporation under the SFO permitted to conduct type 6 (advising on corporate finance) regulated activities for the purposes of the SFO

The letter and recommendation from the above expert are given as of the date of this circular for incorporation herein.

As at the Latest Practicable Date, the above expert:

(a) did not have any shareholding, direct or indirect, in any members of the Group or any rights (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group;

(b) did not have any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2025 (being the date to which the latest published audited financial statements of the Group were made up); and

(c) has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which they are included.

8. LITIGATION

As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, no member of the Group was engaged in any litigation, arbitration or claim of material importance to the Group, and no litigation, arbitration or claim of material importance to the Group was pending or threatened against any member of the Group.

9. MISCELLANEOUS

(a) The registered office of the Company is No. 9 Guangningbo Street, Xicheng District, Beijing, the PRC.

(b) The principal place of business of the Company in Hong Kong is at 40/F, Dah Sing Financial Centre, 248 Queen's Road East, Wanchai, Hong Kong.

(c) The share registrar of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited at 46/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

(d) The company secretary of the Company is Mr. Sun Yanwen.

10. MATERIAL CONTRACTS

During the two years immediately preceding the date of this circular and up to the Latest Practicable Date, the Group has not entered into any contract which is or may be material (other than the contracts entered into in the ordinary course of business).

11. DOCUMENTS ON DISPLAY

Copies of the following documents will be publicated at the website of the Stock Exchange (http://www.hkexnews.hk) and the website of the Company (http://www.dtpower.com) for 14 days from the date of this circular:

(a) The Conditional Share Subscription Agreement.