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**中国大唐集团新能源股份有限公司**

China Datang Corporation Renewable Power Co., Limited\*

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 01798)**

**ANNOUNCEMENT  
CONNECTED TRANSACTION  
CAPITAL INCREASE AGREEMENT**

**CAPITAL INCREASE AGREEMENT**

The Board is pleased to announce that, on 13 June 2023, Datang Renewables HK and Datang Yunnan entered into the Capital Increase Agreement in relation to, among other things, the capital contribution by the parties in the sum of RMB172,561,356 to Dayao New Energy in proportion to their respective shareholdings in Dayao New Energy to meet the needs of Dayao New Energy for the development of Dayao Dapingdi Phase II Photovoltaic Project. Upon completion of the Capital Increase, the parties' respective shareholding ratios in Dayao New Energy shall remain unchanged.

Pursuant to the Capital Increase Agreement, Datang Renewables HK, a wholly-owned subsidiary of the Company, proposed to make capital contribution in the sum of RMB34,512,271.2 to Dayao New Energy. Upon completion of the Capital Increase, the shareholding ratio of Datang Renewables HK in Dayao New Energy shall remain unchanged at 20%.

**LISTING RULES IMPLICATIONS**

As at the date of this announcement, Datang Renewables HK is a wholly-owned subsidiary of the Company. Since CDC directly and indirectly holds approximately 65.61% of the issued share capital of the Company, it is a controlling shareholder of the Company as defined under the Listing Rules. Datang Yunnan is a wholly-owned subsidiary of CDC, and thus Datang Yunnan is a connected person of the Company. Therefore, the Capital Increase constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.81 of the Listing Rules, a series of connected transactions will be aggregated and treated as if they were one transaction if they were all entered into within a 12-month period or were otherwise related. The parties to the Capital Increase and the Previous Transaction are all subsidiaries of CDC and such transactions are similar in nature and shall be aggregated. The highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) after being aggregated with the Previous Transaction exceeds 5%, but as the Company has complied with all requirements for connected transactions (including the independent Shareholders' approval requirement) under Chapter 14A of the Listing Rules in respect of the Previous Transaction, the Capital Increase is not required to be reclassified by aggregating with the Previous Transaction. As the highest applicable percentage ratio in respect of the Capital Increase exceeds 0.1% but is less than 5%, the Capital Increase is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but is exempt from the independent Shareholders' approval requirement.

In addition, pursuant to Rule 14.22 of the Listing Rules, a series of transactions will be aggregated and treated as if they were one transaction if they were all entered into within a 12-month period or were otherwise related. The parties to the Capital Increase and the Previous Transaction are all subsidiaries of CDC and such transactions are similar in nature and shall be aggregated. The highest applicable percentage ratio after being aggregated with the Previous Transaction exceeds 5% but is less than 25%, constituting a discloseable transaction of the Company. But as the Company has complied with the requirements for discloseable transactions under Chapter 14 of the Listing Rules in respect of the Previous Transaction, the Capital Increase is not required to be reclassified by aggregating with the Previous Transaction. As the highest applicable percentage ratio in respect of the Capital Increase is less than 5%, it does not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and thus the Capital Increase is exempt from the announcement and the independent Shareholders' approval requirements under Chapter 14 of the Listing Rules.

## **CAPITAL INCREASE AGREEMENT**

On 13 June 2023, Datang Renewables HK and Datang Yunnan entered into the Capital Increase Agreement in relation to, among other things, the capital contribution by the parties in the sum of RMB172,561,356 to Dayao New Energy in proportion to their respective shareholdings in Dayao New Energy to meet the needs of Dayao New Energy for the development of Dayao Dapingdi Phase II Photovoltaic Project. Upon completion of the Capital Increase, the parties' respective shareholding ratios in Dayao New Energy shall remain unchanged.

The major terms of the Capital Increase Agreement are as follows:

**Date**

13 June 2023

**Parties**

- (1) Datang Renewables HK; and
- (2) Datang Yunnan.

**Total Project Investment Amount**

The total investment amount in Dayao Dapingdi Phase II Photovoltaic Project shall be RMB507,533,400 (revising based on the total final account amount), for which the project capital (i.e. the amount of the Capital Increase) accounts 34% (i.e. RMB172,561,356). The difference between the total project investment and the project capital shall be made up for by way of project financing.

**Nature of the Transaction**

- 1. The parties agreed to make capital contribution in cash in the sum of RMB172,561,356 to Dayao New Energy in proportion to their existing shareholdings in Dayao New Energy, respectively. Among which, Datang Renewables HK agreed to make capital contribution in the sum of RMB34,512,271.2, and Datang Yunnan agreed to make capital contribution in the sum of RMB138,049,084.8. The total amount of the Capital Increase was determined by the parties based on the capital needs of Dayao Dapingdi Phase II Photovoltaic Project. Under the Capital Increase, the parties will make capital contribution in the same proportion based on their respective shareholding ratio in Dayao New Energy at a price of RMB1 for subscription of additional registered capital of RMB1.

The amounts of registered capital contributed by, and the shareholding ratios of the parties immediately prior to and after the completion of the Capital Increase are set out as below:

Name of shareholders	Registered capital prior to the completion of the Capital Increase (RMB)	Shareholding ratio prior to the completion of the Capital Increase	Capital to be injected for the Capital Increase (RMB)	Registered capital after the completion of the Capital Increase (RMB)	Shareholding ratio after the completion of the Capital Increase
Datang Renewables HK	36,221,710	20%	34,512,271.2	70,733,981.2	20%
Datang Yunnan	144,886,838	80%	138,049,084.8	282,935,922.8	80%
Total	<u>181,108,548</u>	<u>100%</u>	<u>172,561,356</u>	<u>353,669,904</u>	<u>100%</u>

- Way of capital contribution: contribution with self-owned funds by each party.
- Timing for making the capital contribution: The amount and timing of capital contribution to be in place for the Capital Increase shall be determined according to the progress of the development and construction of the project, but shall not be made later than 30 June 2024.

### **Effective Date of the Capital Increase Agreement**

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

### **INFORMATION ON DAYAO NEW ENERGY**

Dayao New Energy is a company incorporated in the PRC with limited liability on 19 May 2021, and is respectively held as to 20% and 80% by Datang Renewables HK and Datang Yunnan. Dayao New Energy is primarily engaged in the investment and development, construction, operation and production and operation management of energy and power projects; procurement of power materials and equipment; technical consulting services and power sales business; land leasing, etc.

The key financial data of Dayao New Energy for the years ended 31 December 2021 and 2022 prepared in accordance with the China Accounting Standards for Business Enterprises are set out below:

	<b>Year ended 31 December 2021</b> <i>(RMB'0,000)</i> <i>(Audited)</i>	<b>Year ended 31 December 2022</b> <i>(RMB'0,000)</i> <i>(Audited)</i>
Profit before tax	0	431.56
Profit after tax	0	366.82

As at 31 December 2022, the audited total assets and net assets of Dayao New Energy were approximately RMB584.4395 million and RMB122.1796 million, respectively.

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

Dayao Dapingdi Phase II Photovoltaic Project is located in Chuxiong Prefecture, Yunnan Province, an area characterized by abundant solar resources. It is an important region for the Company's development during the 14th Five-Year Plan period and in the long term. The signing of the Capital Increase Agreement is conducive to promoting the development and construction of Dayao Dapingdi Phase II Photovoltaic Project, as well as facilitating the development of other new energy projects in Chuxiong Prefecture, if any, which is in line with the Company's development strategy, as well as national development objectives of achieving peak carbon emissions and carbon neutrality, and will support the high-quality development of the Company.

As far as the Capital Increase is not conducted in the ordinary and usual course of business of the Company, the Directors (excluding connected Directors, but including the independent non-executive Directors) are of the view that the terms of the Capital Increase Agreement are on normal commercial terms and are fair and reasonable and in the interest of the Company and the Shareholders as a whole. As being the connected Directors of CDC Group, Mr. Yu Fengwu, Mr. Liu Quancheng, Ms. Zhu Mei, Mr. Wang Shaoping and Mr. Shi Feng abstained from voting on the relevant resolution in respect of considering and approving the Capital Increase Agreement at the Board meeting. Save as disclosed above, none of the Directors has any material interest in the Capital Increase Agreement and has to abstain from voting on the relevant resolution by the Board.

## **GENERAL INFORMATION**

### **Information on the Company**

The Company is a joint stock limited company incorporated in the PRC in September 2004. The Group is primarily engaged in the development, investment, construction and management of wind power and other renewable energy resources; research and development, application and promotion of low carbon technology; research, sale, testing and maintenance of renewable energy-related equipment; power generation; design, construction and installation, repair and maintenance of domestic and overseas power projects; import and export services of renewable energy equipment and technology; foreign investment; renewable energy-related consulting services.

### **Information on Datang Renewables HK**

Datang Renewables HK is a company with limited liability incorporated in Hong Kong in January 2011 and a wholly-owned subsidiary of the Company. It is principally engaged in power and energy project related businesses.

### **Information on Datang Yunnan**

Datang Yunnan is a company incorporated in the PRC in May 2015 with limited liability and a wholly-owned subsidiary of CDC. The business scope of Datang Yunnan mainly involves: development, investment, construction, operation and management of power energy; organization of power (thermal) production, operation and sales; examination and maintenance and commissioning of electric power equipment; power technology development and consultation; contracting and consulting of electric power engineering; development of new energy; development and sales of power materials and coal; science and technology and environmental protection, logistics, leasing and other related businesses.

## LISTING RULES IMPLICATIONS

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## DEFINITIONS

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

“Board”	the board of directors of the Company
“Capital Increase”	the capital increase to Dayao New Energy by Datang Renewables HK and Datang Yunnan in the sum of RMB172,561,356 in proportion to their respective shareholdings according to the Capital Increase Agreement
“Capital Increase Agreement”	the investment agreement on Dayao Dapingdi Phase II Photovoltaic Project and capital increase agreement of Datang (Dayao) New Energy Development Co., Ltd. entered into by Datang Renewables HK and Datang Yunnan on 13 June 2023 in relation to the capital increase to Dayao New Energy
“CDC”	China Datang Corporation Ltd.* (中國大唐集團有限公司), a state-owned enterprise incorporated in 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
“CDC Group”	CDC and its associates, excluding the Group
“Company”	China Datang Corporation Renewable Power Co., Limited* (中國大唐集團新能源股份有限公司), a joint stock limited company incorporated in the PRC, the H shares of which are listed on the Stock Exchange (stock code: 01798)
“connected Director(s)”	any Director who is considered to have a material interest in the Capital Increase Agreement pursuant to Rules 2.15 and 2.16 of the Listing Rules
“connected person”	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



“Datang Renewables HK”	Datang Renewables (H.K.) Co., Limited (大唐新能源(香港)有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Datang Yunnan”	Datang Yunnan Power Generation Co., Ltd.* (大唐雲南發電有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the CDC
“Dayao Dapingdi Phase II Photovoltaic Project”	Datang Dayao Dapingdi phase II 100,000 kW clean energy project. Dayao Dapingdi phase II photovoltaic project is located in Dayao County, Chuxiong Yi Autonomous Prefecture of Yunnan Province, with a total installed capacity of 100,000 kW, and is planned to be completed and put into operation in July 2023
“Dayao New Energy”	Datang (Dayao) New Energy Development Co., Ltd.* (大唐(大姚)新能源開發有限公司), a company incorporated in the PRC with limited liability and a subsidiary of Datang Yunnan
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“Previous Transaction”	the Capital Contribution Agreement of Datang Hami New Energy Co., Ltd.* (大唐哈密新能源有限公司) entered into between the Company and Datang Xinjiang Power Generation Co., Ltd.* (大唐新疆發電有限公司) on 28 December 2022, in relation to, among others, the establishment of JV Company with joint contribution. For details, please refer to the announcement dated 28 December 2022 and the circular dated 29 December 2022
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the Company’s shares

“Stock Exchange”                      The Stock Exchange of Hong Kong Limited

“subsidiary(ies)”                      has the meaning ascribed to it under the Listing Rules

“%”    percent

By order of the Board  
**China Datang Corporation Renewable Power Co., Limited\***  
**Zou Min**  
*Joint Company Secretary*

Beijing, the PRC, 13 June 2023

*As at the date of this announcement, the executive director of the Company is Mr. Liu Guangming; the non-executive directors are Mr. Yu Fengwu, Mr. Liu Quancheng, Ms. Zhu Mei, Mr. Wang Shaoping and Mr. Shi Feng; and the independent non-executive directors are Mr. Lo Mun Lam, Raymond, Mr. Yu Shunkun and Mr. Qin Haiyan.*

\* *For identification purpose only*