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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 TRANSACTIONS
EQUITY TRANSFER AGREEMENT AND
CAPITAL CONTRIBUTION AGREEMENT**

EQUITY TRANSFER AGREEMENT AND CAPITAL CONTRIBUTION AGREEMENT

The Board is pleased to announce that, on 16 November 2023, the Company and Datang Hainan entered into the Equity Transfer Agreement, and Dongfang Electric Wind Power, the Company and Datang Hainan entered into the Capital Contribution Agreement, in relation to, among others, (i) Datang Hainan agreed to dispose of, and the Company agreed to acquire 30% equity interest in the Target Company at nil consideration; and (ii) the Company agreed to make a capital contribution of RMB30 million in cash to the Target Company, accounting for 30% of the registered capital of the Target Company.

Immediately after the completion of the Equity Transfer Agreement, the Company will hold 30% equity interest in the Target Company.

Pursuant to the Capital Contribution Agreement, the total investment in the proposed construction project amounts to approximately RMB164.18 million, of which the project capital (i.e. the registered capital of the Target Company) amounts to RMB100 million. Dongfang Electric Wind Power agreed to make a capital contribution of RMB55 million in cash, accounting for 55% of the registered capital of the Target Company; the Company agreed to make a capital contribution of RMB30 million in cash, accounting for 30% of the registered capital of the Target Company; and Datang Hainan agreed to make a capital contribution of RMB15 million in cash, accounting for 15% of the registered capital of the Target Company. The difference between the total investment in the proposed construction project and the project capital shall be settled by the Target Company by way of project financing.

LISTING RULES IMPLICATIONS

As at the date of this announcement, as CDC directly and indirectly holds approximately 65.61% of the issued share capital of the Company, it is the controlling shareholder of the Company as defined under the Listing Rules. As Datang Hainan is a wholly-owned subsidiary of CDC, Datang Hainan is thus a connected person of the Company. Therefore, the Transactions constitute connected transactions 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 conducted within a 12-month period or were otherwise related. The counterparties to the Transactions and the Previous Transactions are all subsidiaries of CDC and such transactions are similar in nature. Accordingly, such transactions shall be aggregated. The highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) upon aggregation with the Previous Transactions exceeds 5%, but as the Company has complied with all the requirements for connected transactions under Chapter 14A of the Listing Rules (including the independent Shareholders' approval requirement) in respect of Category I Transaction, the Transactions are not required to be reclassified by aggregating with Category I Transaction. As the highest applicable percentage ratios in respect of the Transactions on a standalone basis and on an aggregated basis together with Category II Transactions exceed 0.1% but are less than 5%, respectively, the Transactions are subject to the reporting and announcement requirements but exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

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 conducted within a 12-month period or were otherwise related. The counterparties to the Transactions and the Previous Transactions are all subsidiaries of CDC and such transactions are similar in nature. Accordingly, such transactions shall be aggregated. The highest applicable percentage ratio upon aggregation with the Previous Transactions 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 Category I Transaction, the Transactions are not required to be reclassified by aggregating with Category I Transaction. As the highest applicable percentage ratios of the Transactions on a standalone basis and on an aggregated basis together with Category II Transactions are less than 5%, respectively, the Transactions do not constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules, and thus the Transactions are not subject to the announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

EQUITY TRANSFER AGREEMENT AND CAPITAL CONTRIBUTION AGREEMENT

On 16 November 2023, the Company and Datang Hainan entered into the Equity Transfer Agreement, and Dongfang Electric Wind Power, the Company and Datang Hainan entered into the Capital Contribution Agreement, in relation to, among others, (i) Datang Hainan agreed to dispose of, and the Company agreed to acquire 30% equity interest in the Target Company at nil consideration; and (ii) the Company agreed to make a capital contribution of RMB30 million in cash to the Target Company, accounting for 30% of the registered capital of the Target Company. Immediately after the completion of the Equity Transfer Agreement, the Company will hold 30% equity interest in the Target Company.

Principal terms of the Equity Transfer Agreement

Date:	16 November 2023
Parties:	(1) Datang Hainan (as the transferor) (2) the Company (as the transferee)
Subject matter:	Datang Hainan agreed to dispose of, and the Company agreed to acquire 30% equity interest in the Target Company, pursuant to the terms and conditions of the Equity Transfer Agreement.
Consideration and payment:	The consideration for the transfer is nil. Datang Hainan shall issue a receipt for the equity transfer at nil consideration in writing to the Company on the next business day after the Equity Transfer Agreement becomes effective.
Pricing basis:	The consideration was determined after arm's length negotiations in accordance with the appraised value of the assets of the Target Company as of the Valuation Date. According to the Valuation Report, the appraised value of the assets of the Target Company was nil, which was determined by the Independent Valuer using the asset-based approach. As of the date of this announcement, the shareholders of the Target Company have not made actual capital contribution, and the Target Company has no assets and has not yet commenced operation.

- Conditions precedent:
- (1) Conditions precedent to be fulfilled by Datang Hainan:
 - (i) Datang Hainan having agreed to the transaction contemplated under the Equity Transfer Agreement and agreed to cooperate in amending the articles of association of the Target Company to reflect the foregoing transaction;
 - (ii) there being no significant obstacles or material adverse factors affecting the construction and production of the construction project of the Target Company; and
 - (iii) there being no violation of laws and regulations by the Target Company.
 - (2) Conditions precedent to be fulfilled by the Company:
 - (i) the passing of a resolution by the competent decision-making body of the Company approving the matters relating to the transaction contemplated under the Equity Transfer Agreement; and
 - (ii) the corresponding filing by the competent authorities in respect of the valuation of assets involved in the transaction contemplated under the Equity Transfer Agreement.
 - (3) The Equity Transfer Agreement is signed and sealed by the legal representatives or their authorized representatives of the Company and Datang Hainan.

Completion: The next business day after Datang Hainan issues a receipt for the equity transfer at nil consideration in writing to the Company shall be the completion date.

Since the completion date:

- (1) the rights and obligations corresponding to the 30% equity interest in the Target Company transferred by Datang Hainan shall be enjoyed and assumed by the Company. Such rights and obligations include but not limited to the distribution of profits, conversion of share capital and capital increase of the Target Company corresponding to the 30% equity interest in the Target Company, participation in the distribution of residual property, and any other rights provided for and conferred by laws and regulations and the articles of association of the Target Company, as well as all the obligations (such as the fulfillment of the corresponding shareholders' capital contribution obligations, etc.) under the 30% equity interest in the Target Company as stipulated by the laws and regulations and the articles of association of the Target Company.
- (2) the Company and Datang Hainan shall, in connection with the transaction contemplated under the Equity Transfer Agreement, actively assist and cooperate with the Target Company in applying to the state-owned property rights registration authority and the market regulation and administration department for the registration of changes procedures in relation to the transfer of 30% equity interest in the Target Company.

Principal terms of the Capital Contribution Agreement

Date: 16 November 2023

Parties:

- (1) Dongfang Electric Wind Power
- (2) the Company
- (3) Datang Hainan

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, as at the date of this announcement, Dongfang Electric Wind Power and its ultimate beneficial owner, being DEC, are both third parties independent of the Company and its connected persons.

Total investment in the proposed construction project: Approximately RMB164.18 million, of which the project capital (i.e. the registered capital of the Target Company) amounts to RMB100 million. The difference between the total investment in the proposed construction project and the project capital shall be settled by the Target Company by way of project financing.

Amount of capital contribution:

- (1) Dongfang Electric Wind Power shall make a capital contribution of RMB55 million in cash, accounting for 55% of the registered capital of the Target Company;
- (2) The Company shall make a capital contribution of RMB30 million in cash, accounting for 30% of the registered capital of the Target Company; and
- (3) Datang Hainan shall make a capital contribution of RMB15 million in cash, accounting for 15% of the registered capital of the Target Company.

The project capital under the Capital Contribution Agreement has been determined with reference to various factors, including nature of the business, demand for working capital and future development plans of the Target Company.

Way of capital contribution: Contribution in monetary currency by each of all parties.

Time of capital contribution: The initial capital contributions to be made by Dongfang Electric Wind Power, the Company and Datang Hainan shall amount to RMB34.925 million, RMB19.05 million and RMB9.525 million, respectively, which shall be completed within 15 business days after the industrial and commercial registration of changes in relation to the entering into of the Capital Contribution Agreement. The remaining capital contribution by the parties shall be paid in full by 31 December 2025.

Nature of the enterprise: Limited liability company

Scope of business: Licensed items: import and export of goods; import and export agency (For items subject to approval in accordance with the law, the business activities may only be conducted upon approval by the relevant departments).

General items: manufacturing of new energy primary equipment; sales of new energy primary equipment; technical services, technology development, technology consultation, technical exchange, technology transfer and technology promotion; leasing services (excluding licensed leasing services); research and development of emerging energy technology; park area management services (in addition to licensed businesses, projects which are not restricted nor prohibited by laws and regulations can be independently operated in accordance with the laws).

Subject to those contained in the business license for enterprise legal person issued by the market regulation and administration department.

Scale of construction and content: The Target Company proposes to construct an offshore wind power equipment industrial park in Yangpu Economic Development Zone, Danzhou City, Hainan Province, with the first phase of the project covering an area of 220 mu.

Corporate governance: The Target Company proposes to set up a board of directors consisting of five directors, including two directors proposed to be appointed by Dongfang Electric Wind Power, one director proposed to be appointed by the Company and one director proposed to be appointed by Datang Hainan, who shall be subject to election by the shareholders' meeting of the Target Company; and one employee representative director to be elected at the employee representatives meeting or meeting of employees or by other democratic ways of the Target Company. The board of directors is proposed to have one chairman, who shall be recommended by Dongfang Electric Wind Power and elected by the shareholders' meeting of the Target Company.

The Target Company proposes to set up a supervisory committee consisting of five supervisors, including one supervisor proposed to be appointed by Dongfang Electric Wind Power, one supervisor proposed to be appointed by the Company and one supervisor proposed to be appointed by Datang Hainan, who shall be subject to election by the shareholders' meeting of the Target Company; and two employee representative supervisors to be elected at the employee representatives meeting of the Target Company. The supervisory committee is proposed to have one chairman, who shall be elected by more than half of all the supervisors.

REASONS FOR AND BENEFITS OF ENTERING INTO THE EQUITY TRANSFER AGREEMENT AND CAPITAL CONTRIBUTION AGREEMENT

The Target Company proposes to construct the Hainan Yangpu Offshore Wind Power Industrial Park Project, which is located in Yangpu Economic Development Zone, Danzhou City, Hainan Province. Such area is adjacent to Datang Hainan Danzhou 1.2 Million Kilowatts Offshore Wind Power Project, and is one of the important areas for the Company's development of offshore wind power during the "14th Five-Year Plan" period. The entering into of the Equity Transfer Agreement and the Capital Contribution Agreement will be conducive to promoting the development and construction of Datang Hainan Danzhou 1.2 Million Kilowatts Offshore Wind Power Project, promoting the development of the Company's subsequent offshore wind power projects in Hainan Province, if any, which are in line with the Company's development strategy, as well as the national development objective of "carbon emission peak and carbon neutrality", and will facilitate the high-quality development of the Company.

The Directors (excluding the connected Directors, but including the independent non-executive Directors) are of the view that the terms of the Equity Transfer Agreement and the Capital Contribution Agreement are entered into on normal commercial terms, which are fair and reasonable and in the interests of the Company and the Shareholders as a whole, notwithstanding that the Transactions are not conducted in the ordinary and usual course of business of the Company. Mr. Yu Fengwu, Mr. Liu Quancheng, Ms. Zhu Mei, Mr. Wang Shaoping and Mr. Shi Feng, being Directors, have abstained from voting on the resolution in relation to the Equity Transfer Agreement and the Capital Contribution Agreement considered and approved at the Board meeting by virtue of their positions in CDC Group thus being connected Directors. Save as disclosed above, no Director has any material interest in the Equity Transfer Agreement and the Capital Contribution Agreement and shall abstain from voting on the relevant Board resolution.

LISTING RULES IMPLICATIONS

As at the date of this announcement, as CDC directly and indirectly holds approximately 65.61% of the issued share capital of the Company, it is the controlling shareholder of the Company as defined under the Listing Rules. As Datang Hainan is a wholly-owned subsidiary of CDC, Datang Hainan is thus a connected person of the Company. Therefore, the Transactions constitute connected transactions 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 conducted within a 12-month period or were otherwise related. The counterparties to the Transactions and the Previous Transactions are all subsidiaries of CDC and such transactions are similar in nature. Accordingly, such transactions shall be aggregated. The highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) upon aggregation with the Previous Transactions exceeds 5%, but as the Company has complied with all the requirements for connected transactions under Chapter 14A of the Listing Rules (including the independent Shareholders' approval requirement) in respect of Category I Transaction, the Transactions are not required to be reclassified by aggregating with Category I Transaction. As the highest applicable percentage ratios in respect of the Transactions on a standalone basis and on an aggregated basis together with Category II Transactions exceed 0.1% but are less than 5%, respectively, the Transactions are subject to the reporting and announcement requirements but exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

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 conducted within a 12-month period or were otherwise related. The counterparties to the Transactions and the Previous Transactions are all subsidiaries of CDC and such transactions are similar in nature. Accordingly, such transactions shall be aggregated. The highest applicable percentage ratio upon aggregation with the Previous Transactions 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 Category I Transaction, the Transactions are not required to be reclassified by aggregating with Category I Transaction. As the highest applicable percentage ratios of the Transactions on a standalone basis and on an aggregated basis together with Category II Transactions are less than 5%, respectively, the Transactions do not constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules, and thus the Transactions are not subject to the announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

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 Hainan

Datang Hainan is a company incorporated in the PRC with limited liability in November 2017 and a wholly-owned subsidiary of CDC. The business scope of Datang Hainan mainly covers: development, investment, construction, operation and management of power (thermal) energy; organization of power (thermal) production, operation and sales; examination and repair, commissioning, operation and maintenance of electric power equipment; technology development and consulting services of power and other energy; sales of equipment and materials of power and other energy; transportation and sales of coal fuels; leasing of owned assets.

Information on Dongfang Electric Wind Power

Dongfang Electric Wind Power is a company incorporated in the PRC with limited liability in March 2015 and its ultimate beneficial owner is DEC. The business scope of Dongfang Electric Wind Power mainly covers: General items: manufacturing of new energy primary equipment; sales of new energy primary equipment; sales of wind turbine generator system and components; sales of wind farm related equipment; wind power technology services; technical services, technology development, technology consultation, technical exchange, technology transfer and technology promotion; electrical equipment repair; maintenance of electronic and mechanical equipment (excluding special-purpose equipment); software development; sales of software (Except for those items subject to approval in accordance with the law, business activities shall be conducted independently according to the law with the business license). Licensed items: import and export of technology; import and export of goods; various engineering construction activities (For items subject to approval in accordance with the law, the business activities may only be conducted upon approval by the relevant departments, the specific business items shall be subject to the approval documents or permits issued by the relevant departments).

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 Contribution Agreement” the Capital Contribution Agreement in respect of Hainan Yangpu Offshore Wind Power Industry Development Co., Ltd.* (《海南洋浦海上風電產業發展有限公司出資協議》) entered into among Dongfang Electric Wind Power, the Company and Datang Hainan on 16 November 2023 in relation to the joint contribution to the Target Company
- “Category I 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 Datang Hami New Energy Co., Ltd. with joint contribution by the parties thereto. For details, please refer to the announcement of the Company dated 28 December 2022 and the circular of the Company dated 29 December 2022
- “Category II Transactions” (i) the Investment Agreement on Dayao Dapingdi Phase II Photovoltaic Project and Capital Increase Agreement of Datang (Dayao) New Energy Development Co., Ltd.* (大唐(大姚)新能源開發有限公司) entered into between Datang Renewables HK and Datang Yunnan on 13 June 2023, in relation to, among others, the increase in capital contribution made by the parties thereto in the sum of RMB172,561,356 to Datang (Dayao) New Energy Development Co., Ltd. in proportion to their shareholdings therein. For details, please refer to the announcement of the Company dated 13 June 2023; and (ii) the Investment Agreement on Xundian Julongliang Wind Power Project (Phase II) and Capital Contribution Agreement for Datang (Xundian) Clean Energy Co., Ltd.* (大唐(尋甸)清潔能源有限公司) entered into by Datang Renewables HK and Datang Yunnan on 11 August 2023, in relation to, among others, the establishment of Datang (Xundian) Clean Energy Co., Ltd. with joint contribution by the parties thereto. For details, please refer to the announcement of the Company dated 11 August 2023

“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 the controlling shareholder of the Company
“CDC Group”	CDC and its subsidiaries, 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 Main Board of the Stock Exchange (Stock Code: 01798)
“connected Director(s)”	any Director(s) who is/are considered to have a material interest in the Equity Transfer Agreement and the Capital Contribution Agreement under 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 Hainan”	Datang Hainan Energy Development Co., Ltd.* (大唐海南能源開發有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of CDC
“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 CDC

“DEC”	Dongfang Electric Corporation Limited, a joint stock limited company incorporated in the PRC, the H shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1072), and the A shares of which are listed on the Shanghai Stock Exchange (Stock Code: 600875)
“Director(s)”	the director(s) of the Company
“Dongfang Electric Wind Power”	Dongfang Electric Wind Power Co., Ltd., a company incorporated in the PRC with limited liability
“Equity Transfer Agreement”	the Agreement in respect of the Transfer of Equity Interest in Hainan Yangpu Offshore Wind Power Industry Development Co., Ltd.* (《海南洋浦海上風電產業發展有限公司股權轉讓協議》) entered into between the Company and Datang Hainan on 16 November 2023, pursuant to which, Datang Hainan agreed to dispose of, and the Company agreed to acquire 30% equity interest in the Target Company
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Valuer”	Pan-China Assets Appraisal Co., Ltd., an independent valuer
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan Region
“Previous Transactions”	collectively, Category I Transaction and Category II Transactions
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	share(s) in the share capital of the Company, with a nominal value of RMB1.00 each
“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
“Target Company”	Hainan Yangpu Offshore Wind Power Industry Development Co., Ltd.* (海南洋浦海上風電產業發展有限公司), a company incorporated in the PRC with limited liability in April 2022
“Transactions”	the disposal of 30% equity interest in the Target Company by Datang Hainan to the Company and capital contribution made by the Company in respect of 30% equity interest in the Target Company pursuant to the Equity Transfer Agreement and the Capital Contribution Agreement
“Valuation Date”	23 October 2023
“Valuation Report”	the Asset Valuation Report for the Project of the Proposed Transfer of 30% Equity Interest in Hainan Yangpu Offshore Wind Power Industry Development Co., Ltd.* by Datang Hainan Energy Development Co., Ltd.* (Tian Xing Ping Bao Zi (2023) No. 1961) (《大唐海南能源開發有限公司擬轉讓其所持有的海南洋浦海上風電產業發展有限公司30%股權項目資產評估報告》(天興評報字(2023)第1961號)) issued by the Independent Valuer based on the Valuation Date
“%”	per cent

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

Beijing, the PRC, 16 November 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