
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.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



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)

**MAJOR TRANSACTION
AND
CONTINUING CONNECTED TRANSACTION
2025 FINANCIAL SERVICES AGREEMENT**

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

TRINITY

Trinity Corporate Finance Limited

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 14 of this circular. A letter from the Independent Board Committee is set out on pages 15 to 16 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 17 to 30 of this circular.

10 October 2025

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	4
LETTER FROM THE INDEPENDENT BOARD COMMITTEE.	15
LETTER FROM TRINITY CORPORATE FINANCE LIMITED	17
APPENDIX I – FINANCIAL INFORMATION OF THE GROUP.	31
APPENDIX II – GENERAL INFORMATION.	34

DEFINITIONS

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

“2022 Financial Services Agreement”	the Financial Services Agreement entered into between the Company and Datang Finance Company on 30 August 2022. For details, please refer to the circular of the Company dated 28 October 2022
“2025 Financial Services Agreement”	the Financial Services Agreement entered into between the Company and Datang Finance Company on 28 August 2025
“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. Please refer to the section headed “INFORMATION OF THE RELEVANT PARTIES” of this circular for details
“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. Please refer to the section headed “INFORMATION OF THE RELEVANT PARTIES” of this circular for details
“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
“continuing 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

DEFINITIONS

“Datang Finance Company”	China Datang Group Finance Co., Ltd., a company established under the laws of the PRC and a wholly-owned subsidiary of CDC. Please refer to the section headed “INFORMATION OF THE RELEVANT PARTIES” of this circular for details
“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 2025 Financial Services Agreement
“Group”	the Company and its subsidiaries
“Independent Board Committee”	the independent board committee of the Company, comprising all independent non-executive Directors, namely Mr. Zong Wenlong, Mr. Zhao Yi, Mr. You Yong, Mr. Pan Kunhua and Mr. Xie Qiuye, which has been formed to advise the Independent Shareholders on the terms of the provision of deposit services under the 2025 Financial Services Agreement
“Independent Financial Adviser” or “Trinity Corporate Finance Limited”	Trinity Corporate Finance Limited, a licensed corporation under the SFO permitted to conduct type 6 (advising on corporate finance) regulated activities, being the independent financial adviser appointed by the Company to advise the independent board committee and the Independent Shareholders on the terms of the provision of deposit services under the 2025 Financial Services Agreement
“Independent Shareholder(s)”	Shareholder(s) other than CDC and its associates as well as any other Shareholder who has a material interest in the transactions to be contemplated under the 2025 Financial Services Agreement
“Latest Practicable Date”	9 October 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China

DEFINITIONS

“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

LETTER FROM THE BOARD



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:

Mr. Li Kai (*Chairman*)

Non-executive Directors:

Mr. Jiang Jianhua

Mr. Pang Xiaojin

Mr. Ma Jixian

Ms. Zhu Mei

Mr. Wang Jianfeng

Mr. Zhao Xianguo

Mr. Li Zhongmeng

Mr. Han Fang

Mr. Jin Shengxiang

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

Independent non-executive Directors:

Mr. Zong Wenlong

Mr. Zhao Yi

Mr. You Yong

Mr. Pan Kunhua

Mr. Xie Qiuye

10 October 2025

To the Shareholders

Dear Sir or Madam,

**MAJOR TRANSACTION
AND
CONTINUING CONNECTED TRANSACTION
2025 FINANCIAL SERVICES AGREEMENT**

Reference is made to the announcement of the Company dated 28 August 2025 in relation to, among others, the 2025 Financial Services Agreement.

LETTER FROM THE BOARD

The purposes of this circular are to, among others:

- (i) provide you with the details of the 2025 Financial Services Agreement;
- (ii) set out the letter of recommendation from the Independent Board Committee to the Independent Shareholders on the provision of deposit services under the 2025 Financial Services Agreement; and
- (iii) set out the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders on the provision of deposit services under the 2025 Financial Services Agreement.

INTRODUCTION

The 2022 Financial Services Agreement will expire on 31 December 2025. To enhance the efficiency of the scale of capital, reduce the time for capital in transit, accelerate capital turnover, save transaction costs and fees, ensure the security of capital, and further improve the level and efficiency of capital utilisation, the parties intend to continue to enter into transactions of similar nature from time to time after 31 December 2025.

The Board announces that, on 28 August 2025, the Company and Datang Finance Company entered into the 2025 Financial Services Agreement, pursuant to which Datang Finance Company provides the Group with deposit services, comprehensive credit services and other financial services. The term of the agreement shall be three years, commencing from 1 January 2026 and ending on 31 December 2028.

2025 FINANCIAL SERVICES AGREEMENT

Date

28 August 2025

Parties

- 1. The Company; and
- 2. Datang Finance Company

Term of the Agreement

A term of 36 months, from 1 January 2026 to 31 December 2028

LETTER FROM THE BOARD

Major Terms of the Agreement

Datang Finance Company shall, in accordance with the following terms and conditions of the 2025 Financial Services Agreement, mainly provide the Group with deposit services, comprehensive credit services, and other financial services as follows:

- i. as to the deposit business, the deposit interest rate provided by Datang Finance Company to the Group shall be not lower than the interest rate of the same type of deposits placed by the Group with the national commercial banks in the PRC (for example, Bank of China, Agricultural Bank of China, Industrial and Commercial Bank of China as well as China Construction Bank) under the same conditions. The daily maximum balance of deposits placed by the Group with Datang Finance Company shall be not more than RMB20 billion each year;
- ii. the comprehensive credit business, including but not limited to loans, bill acceptance and discounting, guarantee letters and other forms of financing, with a comprehensive credit limit of RMB30 billion. Under the same conditions, the loan interest rate and discount rate shall be not higher than those charged by the abovementioned national commercial banks in the PRC to the Group for same type of services;
- iii. other financial services, which include agency fee, handling fee and other fees received in respect of the provision of payment and settlement services, entrusted loan services, bill acceptance and discounting services, non-financing guarantee letter services and financial consultancy services. Particularly, as to payment and settlement services, the settlement expenses shall be borne by Datang Finance Company; and as to entrusted loan services, the Company and Datang Finance Company have determined that the handling fee rate for entrusted loan services shall not exceed 0.06% of the actual principal amount occurred, for the purpose of increasing the efficiency for use of idle funds and realizing the optimum allocation of resources.

Effective Date of the Agreement

The 2025 Financial Services Agreement shall become effective upon being duly signed by authorised representatives of the parties and affixed with their respective company seals, and considered and approved by the general meeting of the Company. The commencement date for the implementation of the agreement shall be the later of the date of approval by the general meeting of shareholders or 1 January 2026.

Capital Risk Control Measures

1. Datang Finance Company will provide the Company with the reviewed financial report, compliance risk report and statements on the fund security and other matters on a half-yearly basis.

LETTER FROM THE BOARD

2. Datang Finance Company will ensure the safe operation of the fund management information systems. All fund management information systems of Datang Finance Company have passed the security test in respect of the interface of online banking of commercial banks and have reached the security standards for domestic commercial banks. The systems have all adopted the mode awarded with CA safety certificate verification to ensure the security of the funds of the Group.
3. Datang Finance Company will ensure that it is operated in strict compliance with the risk monitoring indicators for financial institutions issued by the National Financial Regulatory Administration and that its major regulatory indicators such as capital adequacy ratio, interbank borrowing ratio and liquidity ratio will also comply with the requirements of the National Financial Regulatory Administration.
4. CDC undertakes to increase relevant capital according to the actual needs to solve payment difficulties in case of any emergency of payment problem exposed by Datang Finance Company.

Pricing Policy and Annual Caps

Deposit Services:

As to the deposit business, the deposit interest rate provided by Datang Finance Company to the Group shall be not lower than the interest rate of the same type of deposits placed by the Group with the national commercial banks in the PRC under the same conditions.

In view of the Group's current business growth and the demand for financial services, the Company intends to set the annual cap for the daily maximum deposit balance placed by the Group with Datang Finance Company at RMB20 billion for each of the three years ending 31 December 2028 after taking into account of the following:

1. Pursuant to the 2022 Financial Services Agreement, the annual cap for the daily maximum deposit balance placed by the Group with Datang Finance Company was RMB18 billion for each of the three years ending 31 December 2025. The historical amount of daily maximum deposit balance placed by the Group with Datang Finance Company amounted to approximately RMB13.431 billion, RMB15.316 billion and RMB13.406 billion for the two years ended 31 December 2024 and for approximately six months ended 30 June 2025 in the current year, respectively. The utilisation rate of the daily maximum deposit balance was relatively high, ranging from approximately 74.48% to 85.09%.
2. Currently, the domestic economy is showing signs of strong recovery, with policies continuing to support growth stabilisation and domestic demand expansion. Although capital markets have experienced short-term volatility due to external factors, liquidity remains reasonably adequate and the medium- to long-term outlook for structural market trends is optimistic. Considering the Group's cash

LETTER FROM THE BOARD

position and short-term and long-term loan levels as at 31 December 2024, the Group's cash and cash equivalents and restricted deposits levels (increasing significantly by approximately RMB2.00 billion from RMB7.734 billion as at 31 December 2024 to RMB9.673 billion as at 30 June 2025) as well as the expected issuance of additional corporate bonds and debt financing instruments of approximately RMB20 billion in each of the three years ending 31 December 2028 by the Company, all of which may further increase the Company's daily maximum deposit balance with Datang Finance Company.

3. In order to strengthen the centralised management of funds and monitor the use of funds, through the “funding pool” platform of Datang Finance Company, the Group will continue to amass the funds of the Group and grant loans within the Group by utilizing the position arising from the difference in the time for receipt and payment of funds of the members of the Group in order to support the development of the Group.
4. Considering the abovementioned current economic trends and capital market conditions, and taking into account that the future business development plans and cash flow position of the Company will lead to an increase in the scale of fund settlements and loans, the Company increases the annual cap for the daily maximum deposit balance based on Datang Finance Company's capability to provide financial services to the Group, the pricing policy and historical transaction amounts. The Board considers that it is fair and reasonable and in the interests of the Company and the Shareholders as a whole for the annual caps to be set at RMB20 billion for the three years ending 31 December 2028, which represents only an approximate 11.11% increase from the annual cap for the year ending 31 December 2025, with no increments in the annual caps for the two years ending 31 December 2028.

The Directors (including the independent non-executive Directors) consider that the deposit services provided under the above 2025 Financial Services Agreement are entered into on normal commercial terms, and the relevant terms and the proposed annual caps in respect of the provision of deposit services are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Comprehensive Credit Services:

Subject to the same conditions, the loan interest rate and discount rate of Datang Finance Company in respect of the provision of the comprehensive credit services are not higher than those applicable to the provision of the same type of services by national commercial banks in the PRC to the Group.

Datang Finance Company shall grant the Group a comprehensive credit limit of RMB30 billion for each of the three years ending 31 December 2028. This credit limit has been determined in accordance with market-oriented principles and primarily based on the Group's development plans and anticipated credit growth over the next three years after referring to the proportion of loans provided by Datang Finance Company to the Group relative to the total loans from financial institutions as of 31 December 2024. The Company has completed the internal approval procedures for the comprehensive credit in strict compliance with the Company Law, the Securities Law and the Articles of Association of the Company. The Directors (including the independent non-executive Directors) consider that the comprehensive credit services and the credit limit to be provided under the 2025 Financial Services Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

Other Financial Services:

Apart from the deposit services and the loan services, the other financial services which may be provided by Datang Finance Company to the Group mainly include agency fee, handling fee and other fees received in respect of the provision of payment and settlement services, entrusted loan services, bill acceptance and discounting services, non-financing guarantee letter services and financial consultancy services, etc.

The other financial services to be provided under the 2025 Financial Services Agreement will be on normal commercial terms and on terms similar to or even more favourable than those offered by other national commercial banks in the PRC (for example, Bank of China, Agricultural Bank of China, Industrial and Commercial Bank of China as well as China Construction Bank) for similar services. Particularly, as to payment and settlement services, the settlement expenses shall be borne by Datang Finance Company and the handling fee rate to be borne by the Company is nil; and as to entrusted loan services, the handling fee rate of entrusted loan services provided by Datang Finance Company to the Group shall not be higher than 0.06% of the actual principal amount occurred, which has been determined by the Company after comparing the relevant rates offered by major commercial banks in the PRC (for example, Bank of China, Agricultural Bank of China, Industrial and Commercial Bank of China as well as China Construction Bank) for entrusted loans and is more favorable than the standard rates for similar services provided by other commercial banks in the PRC. The Directors (including the independent non-executive Directors) consider that the other financial services to be provided under the 2025 Financial Services Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

REASONS FOR AND BENEFITS OF ENTERING INTO THE 2025 FINANCIAL SERVICES AGREEMENT

The Group's financing needs will be effectively supplemented by entering into the 2025 Financial Services Agreement. Through Datang Finance Company, the financing channels of the Group would be further expanded, the sources of funds would be broadened, thereby improving the overall operation level and efficiency of the Group's funds as well as enhancing the bargaining power of the Group's external financing.

Also, by entering into the 2025 Financial Services Agreement, the Company could obtain deposit interest rate no less favorable than market interest rate, and could enjoy the payment and settlement services of nil fee rate, which will be conducive to increase the deposit interest income and save the settlement cost.

Furthermore, by entering into the 2025 Financial Services Agreement, the Group could strengthen the capital control and account management through the capital management platform of Datang Finance Company, which is conducive to further improve the efficiency of capital use and reduce and avoid financial risks.

In view of the reasons above, the Directors (including the independent non-executive Directors) consider that the 2025 Financial Services Agreement and the transactions contemplated thereunder are fair and reasonable, have been entered into on normal commercial terms in the ordinary and usual course of business of the Company, and are in the interests of the Company and the Shareholders as a whole; and the capital risk control measures under the 2025 Financial Services Agreement are adequate to prevent the risks involved in placing the funds of the Group with Datang Finance Company.

INTERNAL CONTROL

Deposit Services

The internal control procedures in respect of the determination of deposit interest rate for the provision of deposit services are as follows:

1. Before entering into any deposit arrangements with Datang Finance Company, the Company will obtain and review quotes (i.e. current deposit interest rate) from at least four other independent financial institutions to ensure that the deposit interest rate of the deposit services under the 2025 Financial Services Agreement will be no less favourable than the interest rate of the same type of deposits placed with the national commercial banks in the PRC.
2. In the event that, upon receiving deposit certificate which shows the actual deposit interest rate offered by Datang Finance Company, the Company notes that the deposit interest rate offered by Datang Finance Company is lower than the interest

LETTER FROM THE BOARD

rate of the same type of deposits placed with the national commercial banks in the PRC during the same period, the Company will require Datang Finance Company to make up for the differences in interest to the Company.

The internal control measures in respect of the monitoring of annual caps for the provision of deposit services are as follows:

1. The finance department of the Company will monitor the provision of deposit services on a daily basis to ensure that the proposed annual caps will not be exceeded.
2. The finance department of the Company will report to the management of the Company giving an update of the deposit arrangements with Datang Finance Company on a monthly basis.
3. The independent non-executive Directors and auditors of the Company will conduct an annual review with respect to the continuing connected transactions conducted by the Group throughout the preceding financial year (including the provision of deposit services by Datang Finance Company to the Group) and will provide annual confirmations as required under the Listing Rules that the continuing connected transactions are entered into in the ordinary and usual course of business of the Company on normal commercial terms, are fair and reasonable and are in the interests of the Company and the Shareholders as a whole, and are implemented in accordance with the terms of the relevant agreements governing such transactions, the pricing policy and the annual caps.

Comprehensive Credit Services

The internal control procedures adopted by the Company in relation to the comprehensive credit services include, among other things, that during a certain period of time before the financing, the Company will take the initiative to locate financing institutions, make enquiries about the financing costs and undergo comprehensive comparison of the preferential conditions, interest rates and financing procedures offered by each financial institution during the negotiation process, to determine the most desirable choice, thereby ensuring that the financing is the most cost-effective option to the Company.

APPROVAL OF THE BOARD

The Resolution on Entering into of Financial Services Agreement with China Datang Group Finance Co., Ltd. has been considered and approved at the third meeting of the twelfth session of the Board. For details, please refer to the overseas regulatory announcement of the Company dated 28 August 2025 in relation to the resolutions of the Board.

LETTER FROM THE BOARD

None of the Directors has any material interest in the 2025 Financial Services Agreement. Mr. Pang Xiaojin, Mr. Ma Jixian and Ms. Zhu Mei, all being connected Directors due to their positions in CDC, have abstained from voting on the relevant resolution in accordance with the requirements of the listing rules of the Shanghai Stock Exchange.

INFORMATION OF THE RELEVANT PARTIES

1. 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; power-related technical services. The Company's main service areas are in the PRC.
2. CDC: was established on 9 March 2003 with registered capital of RMB37 billion. It is principally engaged in the development, investment, construction, operation and management of power energy; organisation of power (thermal) production and sales; manufacturing, repair and maintenance of power equipment; power technology development and consultation; power engineering, contracting and consultation of environmental power engineering; development of new energy as well as the export and import of various commodities and technologies for itself or as an agent.
3. Datang Finance Company: is a non-banking financial institution established on 10 May 2005 in the PRC. The registered capital of Datang Finance Company is RMB6.5 billion. Its principal businesses include the provision of deposit services, loan services, entrusted loan services, entrusted investment services, etc. The ultimate beneficial owner of Datang Finance Company is CDC.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CDC together with its subsidiaries hold a total of approximately 53.04% of the issued share capital of the Company. Since Datang Finance Company is a subsidiary of CDC, Datang Finance Company is a connected person of the Company and the 2025 Financial Services Agreement and the transactions thereunder constitute continuing connected transactions of the Company.

Deposit Services

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the provision of deposit services under the 2025 Financial Services Agreement is more than 5%, the provision of deposit services under the 2025 Financial Services Agreement is subject to the requirements of reporting, announcement, annual review and the Independent Shareholders' approval under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the provision of deposit services under the 2025 Financial Services Agreement is more than 25%, such deposit services constitute major transactions of the Company and are subject to the requirements of reporting, announcement and Shareholders' approval under Chapter 14 of the Listing Rules.

LETTER FROM THE BOARD

Comprehensive Credit Services

The comprehensive credit services to be provided by Datang Finance Company to the Group under the 2025 Financial Services Agreement constitute financial assistance to be provided by a connected person for the benefit of the Group. As such comprehensive credit services are on normal commercial terms which are similar to or even more favourable than those offered by other national commercial banks in the PRC for similar services, and no security over the assets of the Group will be granted in respect of the comprehensive credit services, pursuant to Rule 14A.90 of the Listing Rules, the comprehensive credit services are fully exempt from the requirements of reporting, announcement, annual review and the Independent Shareholders' approval under Chapter 14A of the Listing Rules.

Other Financial Services

The Company expects that the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) of the total fees payable by the Company to Datang Finance Company in respect of the provision of other financial services under the 2025 Financial Services Agreement is below the de minimis threshold as stipulated under Rule 14A.76(1) of the Listing Rules and, therefore, is fully exempt from the requirements of reporting, announcement, annual review and the Independent Shareholders' approval under Chapter 14A of the Listing Rules. The Company will comply with the requirements of reporting, announcement, annual review and the Independent Shareholders' approval under Chapter 14A of the Listing Rules if the transaction amount of other financial services to be provided by Datang Finance Company to the Group under the 2025 Financial Services Agreement exceeds the relevant threshold.

EGM

The Company will convene the EGM to consider and approve, among other things, the 2025 Financial Services Agreement.

Pursuant to Rule 14A.36 of the Listing Rules, any Shareholder with a material interest in the transaction and its associates will abstain from voting at the EGM to be held by the Company to, including but not limited to, consider and approve the 2025 Financial Services Agreement. Therefore, CDC and its associates, which hold 9,816,330,340 shares of the Company in aggregate as at the Latest Practicable Date, representing approximately 53.04% of the issued share capital of the Company, shall abstain from voting at the EGM to consider and approve the 2025 Financial Services Agreement.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, apart from CDC and its associates, no other Shareholders have material interest in the 2025 Financial Services Agreement and shall abstain from voting at the resolution(s) in relation to the approval of the 2025 Financial Services Agreement at the EGM.

LETTER FROM THE BOARD

RECOMMENDATION

Your attention is drawn to the letter of recommendation from the Independent Board Committee as set out on pages 15 to 16 of this circular which contains its recommendation to the Independent Shareholders on the terms of the deposit services under the 2025 Financial Services Agreement. Your attention is also drawn to the letter of advice received from Trinity Corporate Finance Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, as set out on pages 17 to 30 of this circular which contains, among other things, its advice to the Independent Board Committee and the Independent Shareholders in relation to the terms of the deposit services under the 2025 Financial Services Agreement, the casting of votes for or against the resolution(s) approving the 2025 Financial Services Agreement as well as the principal factors and reasons considered by it in concluding its advice.

The Directors (including the independent non-executive Directors) are of the view that the relevant terms of the 2025 Financial Services Agreement are fair and reasonable, have been entered into after arm's length negotiation between all parties thereto and determined on normal commercial terms and in the ordinary and usual course of business of the Company, are in the interests of the Company and its Shareholders as a whole, and they recommend the Shareholders to vote in favour of the resolution(s) at the EGM.

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.

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

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



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

10 October 2025

To the Independent Shareholders

Dear Sir or Madam,

**MAJOR TRANSACTION
AND
CONTINUING CONNECTED TRANSACTION
2025 FINANCIAL SERVICES AGREEMENT**

We refer to the circular issued by the Company to the Shareholders dated 10 October 2025 (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 transactions to be contemplated under the 2025 Financial Services Agreement constitute continuing connected transactions of the Company, and the deposit services under the 2025 Financial Services Agreement are subject to the approval of the Independent Shareholders at the EGM.

We have been appointed as the Independent Board Committee to consider the terms of the deposit services under the 2025 Financial Services Agreement and to advise the Independent Shareholders based on our opinion regarding whether the terms of the deposit services under the 2025 Financial Services Agreement are fair and reasonable and whether the deposit services under the 2025 Financial Services Agreement are in the interests of the Company and the Shareholders as a whole. Trinity Corporate Finance Limited has been appointed as the Independent Financial Adviser to advise us in this respect.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

We wish to draw your attention to the letter from the Board and the letter from Trinity Corporate Finance Limited as set out in this circular. Having considered the principal factors and reasons considered by, and the advice of Trinity Corporate Finance Limited as set out in its letter of advice, we are of the view that the deposit services under the 2025 Financial Services Agreement are entered into on normal commercial terms, and that the deposit services under the 2025 Financial Services Agreement are in the interests of the Company and the Shareholders as a whole.

We also consider that the terms of the deposit services under the 2025 Financial Services Agreement (including the annual caps contemplated thereunder) are entered into in the ordinary and usual course of business of the Company, and are fair and reasonable. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to approve the deposit services under the 2025 Financial Services Agreement (including the annual caps 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.

LETTER FROM TRINITY CORPORATE FINANCE LIMITED

The following is the full text of letter from Trinity Corporate Finance Limited, the Independent Financial Adviser, to the Independent Board Committee and the Independent Shareholders in respect of the deposit services under the 2025 Financial Services Agreement, which has been prepared for the purpose of inclusion in this circular.

TRINITY

Trinity Corporate Finance Limited

Unit 102B, 1st Floor, Building 5W,

Hong Kong Science Park,

New Territories,

Hong Kong.

10 October 2025

To the Independent Board Committee and the Independent Shareholders of Datang International Power Generation Co., Ltd.

Dear Sirs,

**MAJOR TRANSACTION
AND
CONTINUING CONNECTED TRANSACTION
2025 FINANCIAL SERVICES AGREEMENT**

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 terms of the provision of deposit services under the 2025 Financial Services Agreement, details of which are set out in the Letter from the Board (the “**Letter from the Board**”) in the Company’s circular dated 10 October 2025 (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Circular unless the context otherwise requires.

The 2022 Financial Services Agreement will expire on 31 December 2025. To enhance the efficiency of the scale of capital, reduce the time for capital in transit, accelerate capital turnover, save transaction costs and fees, ensure the security of capital, and further improve the level and efficiency of capital utilisation, the parties intended to continue to enter into transactions of similar nature from time to time after 31 December 2025.

On 28 August 2025, the Company entered into the 2025 Financial Services Agreement with Datang Finance Company, pursuant to which Datang Finance Company provides the Group with deposit services, comprehensive credit services and other financial services. The term of the agreement shall be three years, commencing from 1 January 2026 to 31 December 2028.

LETTER FROM TRINITY CORPORATE FINANCE LIMITED

As at the Latest Practicable Date, CDC together with its subsidiaries hold a total of approximately 53.04% of the issued share capital of the Company. Since Datang Finance Company is a subsidiary of CDC, Datang Finance Company is a connected person of the Company and the 2025 Financial Services Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company.

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the provision of deposit services under the 2025 Financial Services Agreement is more than 5%, the provision of deposit services under the 2025 Financial Services Agreement is subject to the reporting, announcement, annual review and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the provision of deposit services under the 2025 Financial Services Agreement is more than 25%, such deposit services constitute major transactions of the Company, and are subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

The comprehensive credit services to be provided by Datang Finance Company to the Group under the 2025 Financial Services Agreement constitute financial assistance to be provided by a connected person for the benefit of the Group. As such comprehensive credit services are on normal commercial terms which are similar to or even more favourable than those offered by other national commercial banks in the PRC for similar services, and no security over the assets of the Group will be granted in respect of the comprehensive credit services, pursuant to Rule 14A.90 of the Listing Rules, the comprehensive credit services are fully exempt from the requirements of reporting, announcement, annual review and the Independent Shareholders' approval under Chapter 14A of the Listing Rules.

The Company expects that the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) of the total fees payable by the Company to Datang Finance Company in respect of the provision of other financial services under the 2025 Financial Services Agreement is below the de minimis threshold as stipulated under Rule 14A.76(1) of the Listing Rules and, therefore, is fully exempt from the requirements of reporting, announcement, annual review and the Independent Shareholders' approval under Chapter 14A of the Listing Rules. The Company will comply with the requirements of reporting, announcement, annual review and the Independent Shareholders' approval under Chapter 14A of the Listing Rules if the transaction amount of other financial services to be provided by Datang Finance Company to the Group under the 2025 Financial Services Agreement exceeds the relevant threshold.

An Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders on the terms of the provision of deposit services under the 2025 Financial Services Agreement and the transactions contemplated thereunder. We have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

LETTER FROM TRINITY CORPORATE FINANCE LIMITED

The Company will convene the EGM to consider and approve, among other things, the 2025 Financial Services Agreement.

Pursuant to Rule 14A.36 of the Listing Rules, any Shareholder with a material interest in the transaction and its associates will abstain from voting at the EGM to be held by the Company to, including but not limited to, consider and approve the 2025 Financial Services Agreement. Therefore, CDC and its associates, which hold 9,816,330,340 shares of the Company in aggregate as at the Latest Practicable Date, representing approximately 53.04% of the issued share capital of the Company, shall abstain from voting at the EGM to consider and approve the 2025 Financial Services Agreement.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, apart from CDC and its associates, no other Shareholders have material interest in the 2025 Financial Services Agreement and shall abstain from voting at the resolution(s) in relation to the approval of the 2025 Financial Services Agreement at the EGM.

As at the Latest Practicable Date, Trinity Corporate Finance Limited did not have any relationships or interests with the Company or any other parties that could reasonably be regarded as relevant to the independence of Trinity Corporate Finance Limited. In the last two years, Trinity Corporate Finance Limited has acted as an independent financial adviser to the then independent board committee and independent shareholders of the Company in connection with the major transactions, discloseable transactions and continuing connected transactions in relation to the 2024 comprehensive financial services cooperation agreement (details of which were set out in the circular of the Company dated 29 May 2024) and the continuing connected transactions in relation to the 2024 comprehensive product and service framework agreement (details of which were set out in the circular of the Company dated 9 December 2024). Apart from normal professional fees paid or payable to us in connection with such appointments, no arrangements exist whereby we had received or will receive any fees or benefits from the Company or any other party to the transactions, therefore we consider such relationship would not affect our independence.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the accuracy of the statements, information, opinions and representations contained or referred to in the Circular and the information and representations provided to us by the Company, the Directors and the management of the Company. We have no reason to believe that any information and representations relied on by us in forming our opinion is untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the information provided and the representations made to us untrue, inaccurate or misleading. We have assumed that all information, representations and opinions contained or referred to in the Circular, which have been provided by the Company, the Directors and the management of the Company and for which they are solely and wholly

LETTER FROM TRINITY CORPORATE FINANCE LIMITED

responsible, were true and accurate at the time when they were made and continue to be true as at the Latest Practicable Date and should there be any material changes to our opinion after the despatch of the Circular and up to the date of the EGM, Shareholders would be notified as soon as practicable.

All Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no other facts not contained in the Circular, the omission of which would make any statement in the Circular misleading.

We have not conducted any independent in-depth investigation into the business and affairs of the Group or any parties involved in the transactions contemplated under the 2025 Financial Services Agreement. In forming our opinion, we consider that we have independently reviewed sufficient information, inter alia, the announcement of 2025 interim results of the Company, the 2024 annual report of the Company, the historical transaction amounts, the Letter from the Board and samples as disclosed in this letter, to provide a reasonable basis for our opinion.

This letter is issued to the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the terms of the provision of deposit services under the 2025 Financial Services Agreement and, except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes other than our role as the Independent Financial Adviser, without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion regarding the 2025 Financial Services Agreement, we have taken into account the following principal factors and reasons:

A. Background of the Company and Relevant Parties

The Company was established in December 1994 and is primarily engaged in the construction and operation of power plants, the sale of electricity and thermal power, the repair and maintenance of power equipment and power-related technical services, with its main service areas located in the PRC.

CDC was established on 9 March 2003 with registered capital of RMB37 billion. It is principally engaged in the development, investment, construction, operation and management of power energy; organisation of power (thermal) production and sales; manufacturing, repair and maintenance of power equipment; power technology development and consultation; power engineering, contracting and consultation of environmental power engineering; development of new energy as well as the export and import of various commodities and technologies for itself or as an agent.

LETTER FROM TRINITY CORPORATE FINANCE LIMITED

Datang Finance Company is a non-banking financial institution established on 10 May 2005 in the PRC with registered capital of RMB6.5 billion. Its principal businesses include the provision of deposit services, loan services, entrusted loan services, entrusted investment services, etc. The ultimate beneficial owner of Datang Finance Company is CDC.

B. Financial Performance of the Company

The following table is a summary of the consolidated statement of profit or loss of the Group for the three years ended 31 December 2022, 2023 (restated) and 2024 respectively, as extracted from the respective annual reports of the Company.

	For the year ended 31 December 2022 (audited)	For the year ended 31 December 2023 (audited and restated)	For the year ended 31 December 2024 (audited)
<i>(In millions of RMB)</i>			
Operating Revenue	116,828	122,427	123,474
Profit before tax	77	5,706	8,666
Profit/(loss) for the year			
attributable to ordinary shares	(1,705)	(210)	3,046

During the year ended 31 December 2024, the Group realized operating revenue of approximately RMB123,474 million, representing an increase of approximately 0.86% compared with the previous year, which was mainly attributable to the year-on-year increase of 0.81% in operating revenue from power and heat generation segment. Total operating costs of the Group amounted to approximately RMB112,323 million, representing a decrease of approximately RMB2,075 million or approximately 1.81% compared with the previous year, which was mainly attributable to the decrease in cost of fuel. The Group reported a total profit before tax from continuing operations amounting to approximately RMB8,666 million, representing a year-on-year increase of approximately 51.88% compared with the previous year. Net profit attributable to equity holders of the Company amounted to approximately RMB4,538 million, while net profit attributable to equity holders of the Company for the year of 2023 amounted to approximately RMB1,440 million. Power generation segment of the Group realized a total profit before tax from continuing operations of approximately RMB7,312 million, representing a year-on-year increase of approximately RMB1,699 million.

As of 31 December 2024, total assets of the Group amounted to approximately RMB322,624 million, representing an increase of approximately RMB18,345 million over the end of the previous year. The increase in total assets was mainly due to the addition of property, plant and equipment of new power projects. Total liabilities of the Group amounted to approximately RMB229,190 million, representing an increase of approximately RMB13,448 million compared with the end of the previous year. The increase in total liabilities was mainly due to the increase in demand of debt financing for new projects.

LETTER FROM TRINITY CORPORATE FINANCE LIMITED

As at 31 December 2024, the debt ratio of the Group was approximately 71.04%. The net debt-to-equity ratio (i.e. (loans + short-term bonds + long-term bonds – cash and cash equivalents)/owner's equity) was approximately 190.07%. As at 31 December 2024, cash and cash equivalents of the Group amounted to approximately RMB7,734 million, among which deposits that were equivalent to approximately RMB137 million were foreign currency deposits. The Group had no entrusted deposits and overdue fixed deposits during the year. As at 31 December 2024, short-term loans of the Group amounted to approximately RMB36,833 million, bearing annual interest rates ranging from 0.58% to 3.70%. Long-term loans (excluding those repayable within one year) amounted to approximately RMB117,093 million and long-term loans repayable within one year amounted to approximately RMB22,039 million. Long-term loans (including those repayable within one year) were at annual interest rates ranging from 1.20% to 4.54%.

According to the announcement of 2025 interim results of the Company, the operating revenue of the Group for the period was approximately RMB57,193 million, representing a decrease of approximately 1.93% as compared to that of the corresponding period in 2024. Total profit before tax for the period amounted to approximately RMB7,671 million, representing an increase of approximately 37.92% as compared to that of the corresponding period of 2024. Net profit attributable to equity holders of the Company for the period was approximately RMB4,874 million, representing an increase of approximately 50.30% as compared to that of the corresponding period of 2024.

As at 30 June 2025, cash and cash equivalents and restricted deposits of the Group amounted to approximately RMB9,673 million, among which approximately RMB136 million were foreign currency deposits. The Group had no entrusted deposits and overdue fixed deposits during the period. As at 30 June 2025, short-term loans of the Group amounted to approximately RMB35,336 million, bearing annual interest rates ranging from 1.00% to 3.99%. Long-term loans (excluding those repayable within one year) amounted to approximately RMB114,036 million and long-term loans repayable within one year amounted to approximately RMB23,208 million. Long-term loans (including those repayable within one year) were at annual interest rates ranging from 1.20% to 4.54%.

C. Principal Terms of the deposit services under the 2025 Financial Services Agreement

As mentioned in the Letter from the Board, on 28 August 2025, the Company entered into the 2025 Financial Services Agreement with Datang Finance Company.

(1) Subject matter and pricing policy:

Pursuant to the 2025 Financial Services Agreement, Datang Finance Company shall provide the Group with, among other things, deposit services with the terms and conditions that the deposit interest rate provided by Datang Finance Company to the Group shall be not lower than the interest rate of the same type of deposits placed by the Group with the national commercial banks in the PRC under the same conditions.

LETTER FROM TRINITY CORPORATE FINANCE LIMITED

The daily maximum balance of deposits placed by the Group with Datang Finance Company shall be not more than RMB20 billion each year.

(2) *Term and effective date of the agreement:*

The 2025 Financial Services Agreement has a term of 36 months, commencing from 1 January 2026 to 31 December 2028. The agreement shall become effective upon being duly signed by authorised representatives of the parties and affixed with their respective company seals, and after obtaining the approval by the Independent Shareholders at the general meeting of the Company. The commencement date for the implementation of the agreement shall be the later of the date of approval by the general meeting of shareholders or 1 January 2026.

(3) *Pricing policy and annual caps:*

As to the deposit business, the deposit interest rate provided by Datang Finance Company to the Group shall be not lower than the interest rate of the same type of deposits placed by the Group with the national commercial banks in the PRC (for example, Bank of China, Agricultural Bank of China, Industrial and Commercial Bank of China as well as China Construction Bank) under the same conditions. In view of the Group's current business growth and the demand for financial services, the Company intends to set the annual cap for the daily maximum deposit balance placed by the Group with Datang Finance Company at RMB20 billion for each of the three years ending 31 December 2028 after taking into account of the following:

1. Pursuant to the 2022 Financial Services Agreement, the annual cap for the daily maximum deposit balance placed by the Group with Datang Finance Company was RMB18 billion for each of the three years ended/ending 31 December 2025. The historical amount of daily maximum deposit balance placed by the Group with Datang Finance Company amounted to approximately RMB13.431 billion, RMB15.316 billion and RMB13.406 billion for the two years ended 31 December 2024 and for approximately six months ended 30 June 2025 in the current year, respectively. The utilisation rate of the daily maximum deposit balance was relatively high, ranging from approximately 74.48% to 85.09%.
2. Currently, the domestic economy is showing signs of strong recovery, with policies continuing to support growth stabilisation and domestic demand expansion. Although capital markets have experienced short-term volatility due to external factors, liquidity remains reasonably adequate and the medium- to long-term outlook for structural market trends is optimistic. Considering the Group's cash position and short-term and long-term loan levels as at 31 December 2024, the Group's cash and cash equivalents and restricted deposits levels (increasing significantly by approximately RMB2.00 billion from RMB7.734 billion as at 31 December 2024 to RMB9.673 billion as at 30 June 2025) as well as the expected issuance of additional corporate bonds and debt financing instruments of

LETTER FROM TRINITY CORPORATE FINANCE LIMITED

approximately RMB20 billion in each of the three years ending 31 December 2028 by the Company, all of which may further increase the Company's daily maximum deposit balance with Datang Finance Company.

3. In order to strengthen the centralised management of funds and monitor the use of funds, through the "funding pool" platform of Datang Finance Company, the Group will continue to amass the funds of the Group and grant loans within the Group by utilizing the position arising from the difference in the time for receipt and payment of funds of the members of the Group in order to support the development of the Group.
4. Considering the abovementioned current economic trends and capital market conditions, and taking into account that the future business development plans and cash flow position of the Company will lead to an increase in the scale of fund settlements and loans, the Company increases the annual cap for the daily maximum deposit balance based on Datang Finance Company's capability to provide financial services to the Group, the pricing policy and historical transaction amounts. The Board considers that it is fair and reasonable and in the interests of the Company and the Shareholders as a whole for the annual caps to be set at RMB20 billion for the three years ending 31 December 2028, which represents only an approximate 11.11% increase from the annual cap for the year ending 31 December 2025, with no increments in the annual caps for the two years ending 31 December 2028.

We have discussed with the Company on the above bases of determining the annual cap for the daily maximum deposit balance at RMB20 billion for each of the three years ending 31 December 2028. Based on our review of the Company's list of future projects with details of location and capacity which have been approved in the first half of 2025, we agree with the Company's view on the anticipated business growth and the increasing demand for financial services in the coming three years of 2026-2028. Accordingly, we are of view that the above pricing policy of the Company for deposit business and the annual caps set for the three years ending 31 December 2028 are fair and reasonable.

(4) Internal control measures:

The internal control procedures in respect of the determination of deposit interest rate for the provision of deposit services are as follows:

1. Before entering into any deposit arrangements with Datang Finance Company, the Company will obtain and review quotes (i.e. current deposit interest rate) from at least four other independent financial institutions to ensure that the deposit interest rate of the deposit services under the 2025 Financial Services Agreement will be no less favourable than the interest rate of the same type of deposits placed with the national commercial banks in the PRC.

LETTER FROM TRINITY CORPORATE FINANCE LIMITED

2. In the event that, upon receiving deposit certificate which shows the actual deposit interest rate offered by Datang Finance Company, the Company notes that the deposit interest rate offered by Datang Finance Company is lower than the interest rate of the same type of deposits placed with the national commercial banks in the PRC during the same period, the Company will require Datang Finance Company to make up for the differences in interest to the Company.

We have reviewed the Company's internal notes and notices in relation to the comparisons of interest rates and quotes from 4-6 independent national commercial banks in the PRC and agree that the above internal control procedures can ensure that the interest rates for deposits placed by the Group with Datang Finance Company will be on normal commercial terms or better and will improve the financial position of the Group, and hence are in the interests of the Independent Shareholders.

The internal control measures in respect of the monitoring of annual caps for the provision of deposit services are as follows:

1. The finance department of the Company will monitor the provision of deposit services on a daily basis to ensure that the proposed annual caps will not be exceeded.
2. The finance department of the Company will report to the management of the Company giving an update of the deposit arrangements with Datang Finance Company on a monthly basis.
3. The independent non-executive Directors and auditors of the Company will conduct an annual review with respect to the continuing connected transactions conducted by the Group throughout the preceding financial year (including the provision of deposit services by Datang Finance Company to the Group) and will provide annual confirmations as required under the Listing Rules that the continuing connected transactions are entered into in the ordinary and usual course of business of the Company on normal commercial terms, are fair and reasonable and are in the interests of the Company and the Shareholders as a whole, and are implemented in accordance with the terms of the relevant agreements governing such transactions, the pricing policy and the annual caps.

We have reviewed the internal monitoring reports of the daily deposit balance of the Company in three different months and are of the view that the above internal control procedures have been performed on a regular basis and the daily monitoring of the provision of deposit services will ensure that the annual caps are not exceeded and also ensure that the continuing connected transactions and the terms of the underlying transactions are on normal commercial terms and in accordance with the pricing policies and annual caps, and are therefore in the interests of the Independent Shareholders.

LETTER FROM TRINITY CORPORATE FINANCE LIMITED

(5) *Capital risk control measures:*

1. Datang Finance Company will provide the Company with the reviewed financial report, compliance risk report and statements on the fund security and other matters on a half-yearly basis.

We have been provided with two samples of the reports provided by Datang Finance Company and confirmed with the Company that the reports have been provided by Datang Finance Company on a regular basis.

2. Datang Finance Company will ensure the safe operation of the fund management information systems. All fund management information systems of Datang Finance Company have passed the security test in respect of the interface of online banking of commercial banks and have reached the security standards for domestic commercial banks. The systems have all adopted the mode awarded with CA safety certificate verification to ensure the security of the funds of the Group.
3. Datang Finance Company will ensure that it is operated in strict compliance with the risk monitoring indicators for financial institutions issued by the National Financial Regulatory Administration and that its major regulatory indicators such as capital adequacy ratio, interbank borrowing ratio and liquidity ratio will also comply with the requirements of the National Financial Regulatory Administration.
4. CDC undertakes to increase relevant capital according to the actual needs to solve payment difficulties in case of any emergency of payment problem exposed by Datang Finance Company.

We consider that the Group's deposits will not be put under unnecessary risk as Datang Finance Company will ensure that it is operated in strict compliance with the risk monitoring indicators for financial institutions issued by the National Financial Regulatory Administration and that its major regulatory indicators such as capital adequacy ratio, interbank borrowing ratio and liquidity ratio will also comply with the requirements of the National Financial Regulatory Administration and also, CDC will ensure Datang Finance Company is solvent in case of any emergency payment problems.

We have reviewed the internal risk management compliance report approved by the Board and consider that the capital risk control measures under the 2025 Financial Services Agreement are adequate to prevent the risks involved in placing the funds of the Group with Datang Finance Company.

LETTER FROM TRINITY CORPORATE FINANCE LIMITED

Based on the above reviews performed by us, we are of the view that the pricing policy and internal control measures as well as the capital risk control measures set out above are effective in ensuring that the terms and conditions for deposit services under the 2025 Financial Services Agreement will be on normal commercial terms or better and hence will be in the interests of the Company and its Shareholders, including the Independent Shareholders, as a whole.

D. Historical Transaction Amounts and New Annual Caps

The historical amount of daily maximum deposit balance placed by the Group with Datang Finance Company under the 2022 Financial Services Agreement for the two years ended 31 December 2024 and the six months ended 30 June 2025 are set out as follows:

	From 1 January 2023 to 31 December 2023	From 1 January 2024 to 31 December 2024	From 1 January 2025 to 30 June 2025
<i>(In RMB billion)</i>			
Historical amount of daily maximum deposit balance	13.431	15.316	13.406
Annual caps	18	18	18
Utilisation rate	Approximately 74.62%	Approximately 85.09%	Approximately 74.48%

The proposed annual caps for the daily maximum deposit balance placed by the Group with Datang Finance Company under the 2025 Financial Services Agreement for each of the three years ending 31 December 2028 are set out as follows:

	From 1 January 2026 to 31 December 2026	From 1 January 2027 to 31 December 2027	From 1 January 2028 to 31 December 2028
<i>(In RMB billion)</i>			
Daily maximum deposit balance	20	20	20
Percentage increase from annual cap for the preceding year	11.11%	Nil	Nil

As shown in the table above, the historical utilisation rate of the daily maximum deposit balance placed by the Group with Datang Finance Company under the 2022 Financial Services Agreement for the two years ended 31 December 2024 and the six months ended 30 June 2025 ranged from approximately 74.48% to 85.09%. In terms of the proposed increase in annual caps under the 2025 Financial Services Agreement, the proposed annual cap for the year ending 31 December 2026 represents a slight increase of approximately 11.11% from the previous year, and there is no intended incremental increase for the two years ending 31 December 2028.

LETTER FROM TRINITY CORPORATE FINANCE LIMITED

As mentioned in the paragraph headed “(3) Pricing policy and annual caps” under the section headed “C. Principal Terms of the deposit services under the 2025 Financial Services Agreement” above, we understand that the proposed annual caps are determined with reference to the Group’s current business growth and the demand for financial services after taking into account of various factors, including the relatively high historical utilisation rates of the daily maximum deposit balance, the Group’s cash positions and loan levels, as well as the future financing needs of the Group, which are analysed as follows.

Based on our review of the Company’s 2024 annual report, which is set out in the section headed “B. Financial Performance of the Company” above, we note that as at 31 December 2024, cash and cash equivalents of the Group amounted to approximately RMB7,734 million and short-term loans of the Group amounted to approximately RMB36,833 million. Long-term loans (excluding those repayable within one year) amounted to approximately RMB117,093 million and long-term loans repayable within one year amounted to approximately RMB22,039 million.

Also, based on our review of the 2025 interim results announcement of the Company, we note that as at 30 June 2025, cash and cash equivalents and restricted deposits of the Group amounted to approximately RMB9,673 million and short-term loans of the Group amounted to approximately RMB35,336 million. Long-term loans (excluding those repayable within one year) amounted to approximately RMB114,036 million and long-term loans repayable within one year amounted to approximately RMB23,208 million.

After our consideration of the above cash position and level of short-term and long-term loans of the Group as at 31 December 2024, and the level of cash and cash equivalents and restricted deposits of the Group which significantly increased by approximately RMB2,000 million from RMB7,734 million as at 31 December 2024 to RMB9,673 million as at 30 June 2025, and given that the historical utilisation rates in respect of the historical amount of daily maximum deposit balance placed by the Group with Datang Finance Company under the 2022 Financial Services Agreement for the two years ended 31 December 2024 and the six months ended 30 June 2025 were relatively high, ranging from approximately 74.48% to 85.09%, we consider that such financial performance of the Group aligns with the expected trend of business growth of the Company and the increasing trend of demand for financial services.

In addition, we have discussed with the Company and understand that it expects to issue up to approximately RMB20 billion corporate bonds and debt financing instruments in each of the three years ending 31 December 2028. Based on our review of the Company’s minutes for the 2025 first extraordinary general meeting held on 25 March 2025, we note that the expected size of issuance of corporate bonds and debt financing instruments of the Group will be no less than RMB20 billion in each of the future three years and therefore we consider that it is fair and reasonable in respect of the proposed annual caps to be set as the Company’s daily maximum deposit balance with Datang Finance Company will increase accordingly.

LETTER FROM TRINITY CORPORATE FINANCE LIMITED

Based on the above considerations and analyses, we consider that it is fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole for the annual caps to be set at RMB20 billion for the three years ending 31 December 2028, which represents only an approximate 11.11% increase from the annual cap for the year ending 31 December 2025, with no increments in the annual caps for the two years ending 31 December 2028.

E. Reasons for and benefits of entering into the 2025 Financial Services Agreement

According to the Letter from the Board, the Group's financing needs will be effectively supplemented by entering into the 2025 Financial Services Agreement. Through Datang Finance Company, the financing channels of the Group would be further expanded, the sources of funds would be broadened, thereby improving the overall operation level and efficiency of the Group's funds as well as enhancing the bargaining power of the Group's external financing.

Also, by entering into the 2025 Financial Services Agreement, the Company could obtain deposit interest rate no less favourable than market interest rate, and could enjoy the payment and settlement services of nil fee rate, which will be conducive to increase the deposit interest income and save the settlement cost.

Furthermore, by entering into the 2025 Financial Services Agreement, the Group could strengthen the capital control and account management through the capital management platform of Datang Finance Company, which is conducive to further improve the efficiency of capital use and reduce and avoid financial risks.

After considering the above factors, we are of the opinion that the 2025 Financial Services Agreement and the transactions contemplated thereunder are fair and reasonable, have been entered into on normal commercial terms and in the ordinary and usual course of business of the Company, and are not prejudicial to the interests of the Company and the Independent Shareholders.

RECOMMENDATION

Having considered the principal factors and reasons referred to above, in particular:

- (1) the principal businesses of the Company and Datang Finance Company;
- (2) the pricing policy and internal control measures as well as the principles of transactions, which ensure that the deposit interest rate provided by Datang Finance Company to the Group shall be not lower than the interest rate of the same type of deposits placed by the Group with the national commercial banks in the PRC under the same conditions;
- (3) the historical transaction amounts and underlying reasons for setting the annual caps of the 2025 Financial Services Agreement; and

LETTER FROM TRINITY CORPORATE FINANCE LIMITED

- (4) the reasons for and benefits to the Company by entering into the 2025 Financial Services Agreement;

we are of the opinion that the terms and the proposed annual caps of the deposit services under the 2025 Financial Services Agreement and the transactions contemplated thereunder are on normal commercial terms or better and are fair and reasonable so far as the Independent Shareholders are concerned, and the deposit services under the 2025 Financial Services Agreement and the transactions contemplated thereunder are in the ordinary and usual course of business of the Group, and the entering into of the 2025 Financial Services Agreement in respect of the deposit services and the transactions contemplated thereunder is in the interests of the Company and the Independent Shareholders as a whole. Accordingly, we would advise the Independent Shareholders and the Independent Board Committee to recommend the Independent Shareholders to vote in favour of the resolution to approve the deposit services under the 2025 Financial Services Agreement and the transactions contemplated thereunder at the EGM.

Yours faithfully,
For and on behalf of
Trinity Corporate Finance Limited
Joanne Pong
Responsible Officer

(1) FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group (i) for the year ended 31 December 2022 has been disclosed on pages 97 to 256 of the annual report of the Company for the year ended 31 December 2022 published on 26 April 2023 (<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0426/2023042600705.pdf>); (ii) for the year ended 31 December 2023 has been disclosed on pages 101 to 244 of the annual report of the Company for the year ended 31 December 2023 published on 26 April 2024 (<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0426/2024042603947.pdf>); and (iii) for the year ended 31 December 2024 has been disclosed on pages 99 to 264 of the annual report of the Company for the year ended 31 December 2024 published on 28 April 2025 (<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0428/2025042803399.pdf>).

All the above annual reports of the Company have been published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.dtpower.com).

(2) FINANCIAL AND TRADING PROSPECTS OF THE GROUP

In the second half of 2025, the Company will focus on achieving a high-quality conclusion to the “14th Five-Year Plan” and commencing the “15th Five-Year Plan” with elevated standards. The Company will take further deepening of reform in an all-round way to promote high-quality development as the theme, and concurrently promote the improvement of stock efficiency, cost-leadership, the optimization of increments and the upgrading of positions, dedicating to improving the quality of the listed company.

Comprehensively enhancing safety and supply-guaranteeing ability. By shouldering its primary responsibility of production safety and adhering to the bottom-line thinking and extreme-value thinking, the Company will comprehensively implement a “dual assessment” mechanism encompassing all elements. The Company will treat “science and technology for safety (科技興安)” as an important mean to deepen and enhance the extent of essential safety. In order to ensure reliable electricity and thermal power supply, we will intensify energy supply security for key areas during important periods by establishing sustainable mechanisms with enforced accountability, thus resolutely shouldering our responsibility to ensure energy supply security.

Making every effort to deliver historically best performance. Through precise analysis of market situation, the Company will optimize the mechanism of the “two frontiers” of generating profitable electricity, aiming to increase comprehensive income from power generation. With efficiency orientation highlighted and response speed improved, the Company will explore to establish a collaborative operation system with marketing as the leading force, so as to actively adapt to reform in the electricity market. In addition, the Company will not only coordinate the whole-process analysis of coal price, but also continuously optimize fuel procurement structure to make every effort to reduce fuel cost. Besides, the Company will steadfastly implement the “1+9” cost leadership solution to achieve cost reduction and expense saving through all-out efforts, thus enhancing our profit-making ability.

Sparing no effort to advance high-quality development. The Company will meticulously formulate the “15th Five-Year” development planning with development scale, development pace and development structure achieve balance. In particular, the Company will intensify the implementation of the “four batches (四個一批)” (i.e. one batch for resources acquisition, one batch for approval and registration, one batch for construction and one batch for operation) system, to accelerate resource conversion and create a cascading development pattern that optimizes the Company’s energy structure, with a focus on constructing projects that achieve four excellences (四優). Concurrently, the Company will accelerate the clean and efficient use of coal and electricity, promote the transition and upgrading of coal machines, and continue to improve its low-carbon transformation and development capacities, thereby realizing green and high-quality development of the Company.

Comprehensively enhancing corporate governance standards. The Company will strengthen governance and boost quality to constantly advance the implementation of the modern enterprise system with Chinese characteristics, with a view to accelerate the development of a scientific, rational and efficient Board and then make greater breakthrough in board development. The Company will perfect investor communication channels to proactively deliver corporate value, while elevating shareholder returns through increased interim dividends, enhancing recognition from the capital market and improving the quality of information disclosure. Through all these efforts, the Company will focus on developing a first-class listed company with strong innovation capability, strong competitive edge, strong growth potential and strong risk resistance.

(3) INDEBTEDNESS

As at the close of business on 31 August 2025, being the latest practicable date for the purpose of this statement of indebtedness and contingent liabilities prior to the printing of this circular, the Group had unaudited outstanding interest-bearing debts of approximately RMB188.974 billion (excluding perpetual bonds included in equity), comprising borrowings from financial institutions of approximately RMB166.943 billion with the interest rate ranging from 1.00% to 4.3%, outstanding bonds of approximately RMB8.5 billion with the interest rate ranging from 1.66% to 2.32%, outstanding financial lease repayable of approximately RMB9.450 billion with the interest rate ranging from 2.56% to 3.85%, outstanding operating lease repayable of approximately RMB1.198 billion and entrusted loans of approximately RMB2.884 billion, among which:

- (i) for borrowings from financial institutions, the guaranteed borrowings mainly involving the guarantees provided by the Company to its subsidiaries or the guarantees among subsidiaries amounted to approximately RMB912 million, the secured and pledged borrowings mainly involving the pledge for charging right of power and heat fee of the subsidiaries of the Company amounted to approximately RMB26.143 billion, and the unsecured, unpledged and unguaranteed borrowings amounted to approximately RMB139.887 billion;

- (ii) for outstanding bonds, there were no guaranteed bonds, and secured and pledged bonds, and the unsecured, unpledged and unguaranteed bonds amounted to approximately RMB8.5 billion;
- (iii) for outstanding financial lease repayable, there were no guaranteed financial lease repayable, the secured and pledged financial lease repayable mainly involving the pledge for charging right of power and heat fee of the subsidiaries of the Company amounted to approximately RMB7.929 million, and the unsecured, unpledged and unguaranteed financial lease repayable amounted to approximately RMB1.520 billion;
- (iv) for outstanding operating lease repayable, there were no guaranteed operating lease repayable, and secured and pledged operating lease repayable, and the unsecured, unpledged and unguaranteed operating lease repayable amounted to approximately RMB1.198 billion; and
- (v) for entrusted loans, there were no guaranteed entrusted loans repayable, and secured and pledged entrusted loans, and the unsecured, unpledged and unguaranteed entrusted loans repayable amounted to approximately RMB2.884 billion.

Save as disclosed above and apart from intra-group liabilities, the Group did not have any mortgages, charges, debentures, loan capital, bank loans and overdrafts, debt securities or other similar indebtedness, finance leases or hire purchase commitments, liabilities under acceptances or acceptances credits, guarantees or contingent liabilities outstanding at the close of business on 31 August 2025.

As at the Latest Practicable Date, the Directors are not aware of any material adverse changes in the Group's indebtedness position and contingent liabilities since the close of business on 31 August 2025.

(4) WORKING CAPITAL

The Directors are of the opinion that, after taking into account the present available banking facilities and internal resources of the Group, the Group has sufficient working capital for its requirements at least within the next 12 months from the date of this circular. The Company has obtained the relevant confirmation as required under Rule 14.66(12) of the Listing Rules.

(5) FINANCIAL EFFECT ON THE COMPANY

The Directors expect that the deposit services under the 2025 Financial Services Agreement will not have any immediate material financial impact on the earnings, assets or liabilities of the Company.

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 or chief executive of the Company) had the interest or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or had 5% or above interests in the issued share capital of the Company which will be 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 (Note 1) Ltd.	A shares H shares	Beneficial owner Interest of controlled corporation	6,540,706,520 3,275,623,820 (L)	35.34 17.70 (L)	52.76 /	/ 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, Jointo Energy Investment Co., Ltd. Hebei.
- (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 Directors or chief executive of the Company) had any interests or short positions in the shares or underlying shares of the Company which would fall 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 were required, pursuant to Section 336 of the SFO, to be entered into the register referred to therein, or held 5% or above in the issued share capital of the Company which were required to be notified to the Company; and (ii) none of the Directors, proposed Directors or chief executive of the Company, are directors or employees of a company which had an interest or short position in the shares or underlying shares of the Company which would fall 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 2024 (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 2024, 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
Trinity Corporate Finance 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 2024 (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 Hong Kong share registrar and transfer office of the Company 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

Within the two years immediately preceding the date of this circular and up to the Latest Practicable Date, no contracts that are or may be material (not being contracts entered into in the ordinary course of business) were entered into by the Group.

11. DOCUMENTS ON DISPLAY

Copies of the following documents will be published 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 2025 Financial Services Agreement.