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CHINA HUANENG GROUP CO., LTD.*
中國華能集團有限公司

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

 **華能新能源股份有限公司**
Huaneng Renewables Corporation Limited *

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

(Stock Code: 0958)

JOINT ANNOUNCEMENT

**(1) VOLUNTARY CONDITIONAL OFFER BY CLSA LIMITED ON BEHALF
OF CHINA HUANENG TO ACQUIRE ALL OF THE ISSUED H SHARES IN
HUANENG RENEWABLES**

AND

**(2) PROPOSED VOLUNTARY WITHDRAWAL OF LISTING OF THE H
SHARES OF HUANENG RENEWABLES**

H SHARE OFFER BECOMING UNCONDITIONAL AS TO ACCEPTANCES

EXCLUSIVE FINANCIAL ADVISER TO CHINA HUANENG



A CITIC Securities
Company

INTRODUCTION

Reference is made to (i) the composite document dated 21 November 2019 (the “**Composite Document**”) jointly issued by China Huaneng Group Co., Ltd.* (“**China Huaneng**”) and Huaneng Renewables Corporation Limited* (“**Huaneng Renewables**”) in relation to the voluntary conditional offer by CLSA Limited on behalf of China Huaneng to acquire all of the issued H Shares in Huaneng Renewables (the “**H Share Offer**”) and the proposed voluntary withdrawal of listing of the H Shares of Huaneng Renewables (the “**Delisting**”); (ii) the joint clarification announcement issued by China

Huaneng and Huaneng Renewables dated 26 December 2019 (the “**Clarification Announcement**”); and (iii) the announcement jointly issued by China Huaneng and Huaneng Renewables dated 6 January 2020 relating to the poll results of the Extraordinary General Meeting and the H Share Class Meeting in relation to the Delisting. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Composite Document and the Clarification Announcement.

CONDITION AS TO ACCEPTANCES

As at 4:00 p.m. on Monday, 20 January 2020, China Huaneng had received valid acceptances under the H Share Offer in respect of 4,568,562,904 H Shares, representing approximately 90.80% of the total issued H Shares as at the First Closing Date. Among these valid acceptances, acceptances of 4,656,000 H Shares have been received from CEIF, representing approximately 0.09% of the issued H Shares as at the date of this announcement. Excluding such valid acceptances from parties acting in concert or presumed to be acting in concert with China Huaneng has received valid acceptances under the H Share Offer in respect of 4,563,906,904 H Shares held by the Independent H Shareholders, representing approximately 91.42% of the total issued H Shares held by the Independent H Shareholders as at the First Closing Date.

As set out in the Composite Document, the H Share Offer is conditional on, among other things, minimum valid acceptances of the H Share Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on Monday, 20 January 2020 (or such later time or date as China Huaneng may, subject to the Takeovers Code, decide) amounting to at least 90% of the H Shares held by the Independent H Shareholders (the “**Acceptance Condition**”). As China Huaneng has received valid acceptances under the H Share Offer amounting to at least 90% of the H Shares held by the Independent H Shareholders by 4:00 p.m. on Monday, 20 January 2020, the Acceptance Condition has been satisfied and the H Share Offer has become unconditional as to acceptances.

INTERESTS OF CHINA HUANENG AND ITS CONCERT PARTIES IN H SHARES

Immediately prior to the commencement of the Offer Period: (i) China Huaneng held 5,258,545,640 Domestic Shares, representing approximately 49.77% of the issued share capital of Huaneng Renewables and 95% of the total issued Domestic Shares of Huaneng Renewables; (ii) Huaneng Capital directly owns 276,765,560 Domestic Shares, representing approximately 2.62% of the total issued share capital of Huaneng Renewables and 5% of the total issued Domestic Shares of Huaneng Renewables; (iii) Huaneng No. 1 Fund through the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect owns 33,268,000 H Shares, representing approximately 0.31% of the total issued share capital of Huaneng Renewables; (iv) CEIF held 4,656,000 H Shares, representing approximately 0.09% of the total issued H Shares and approximately 0.04% of the total issued share capital of Huaneng Renewables; (v) Members of CLSA Group held a total of 1,114,000 H Shares, representing approximately 0.01% of the total issued share capital of Huaneng Renewables.

Save as disclosed above and certain dealings in the H Shares on behalf of non-discretionary investment clients of members of the CLSA Group, none of China Huaneng and parties acting in concert with them (i) held, controlled or directed any H Shares or rights over the H Shares prior to the commencement of the Offer Period, (ii) had acquired or agreed to acquire any H Shares or rights over the Shares during the Offer Period up to the date of this joint announcement, or (iii) had borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the Offer Period up to the date of this joint announcement.

OTHER CONDITIONS

The Extraordinary General Meeting and H Share Class Meeting of Huaneng Renewables have been held on 6 January 2020 in which the special resolution to approve the Delisting by the Independent H Shareholders was passed by way of poll. Accordingly, Conditions (a), (b), (c), (e) and (f) as set out on pages 13 and 14 of the Composite Document have been satisfied.

Conditions (d) (being the condition on obtaining all necessary authorisations, consents and approvals (including approval in-principle) of any governmental or regulatory body in relation to the H Share Offer (including its implementation) (if applicable)) and (g) (being the condition on the completion of the filing of NDRC and MOFCOM and the registration of SAFE in relation to the H Share Offer) have not been fulfilled as at the date of this announcement. China Huaneng and Huaneng Renewables will issue an announcement when the H Share Offer has become unconditional in all respects or as otherwise required by the Takeovers Code. Pursuant to Rule 15.7 of the Takeovers Code, except with the consent of the Executive, all conditions must be fulfilled or the H Share Offer must lapse within 21 days of the date the offer becomes or is declared unconditional as to acceptance.

THE H SHARE OFFER REMAINS OPEN FOR ACCEPTANCE

The Independent H Shareholders should note that, when the H Share Offer becomes or is declared unconditional in all respects, it will remain open for acceptance for not less than 28 days thereafter in compliance with the note to Rule 2.2 and Rule 15.3 of the Takeovers Code. As the H Share Offer has yet to become or is declared unconditional in all respects, the H Share Offer will remain open for acceptance until further notice.

Save as set out above, all other terms of the H Share Offer as set out in the Composite Document and the Form of Acceptance remain unchanged. Shareholders are advised to refer to the Composite Document and the Form of Acceptance for details of the acceptance procedures if they wish to accept the H Share Offer.

Further announcement on the results of the H Share Offer will be made in accordance with Rule 19.1 of the Takeovers Code.

NO RIGHT OF COMPULSORY ACQUISITION

China Huaneng has no rights under the laws of the PRC and Huaneng Renewables' Articles to compulsorily acquire the H Shares that are not tendered for acceptance pursuant to the H Share Offer. **Accordingly, Independent H Shareholders are reminded that if they do not accept the H Share Offer and the H Share Offer subsequently becomes unconditional in all respects and the H Shares are delisted from the Stock Exchange, this will result in the Independent H Shareholders holding securities that are not listed on the Stock Exchange and the liquidity of the H Shares may be severely reduced. In addition, Huaneng Renewables may or may not continue to be subject to the Takeovers Code after the completion of the H Share Offer depending on whether Huaneng Renewables remains as a public company thereafter.**

DELISTING

Upon the H Share Offer becoming unconditional, Huaneng Renewables will make an application for the Delisting in accordance with Rule 6.12 of the Listing Rules. The H Shareholders will be notified by way of an announcement of the dates of the last day for dealing in the H Shares and on which the Delisting will become effective.

On behalf of the board of
China Huaneng Group Co., Ltd.*
SHU Yinbiao
Chairman

On behalf of the board of
Huaneng Renewables Corporation Limited*
LIN Gang
Chairman

Beijing, the PRC, 20 January 2020

As at the date of this joint announcement, the China Huaneng Board comprises: Mr. SHU Yinbiao, Mr. DENG Jianling, Mr. ZHANG Fusheng, Mr. ZHU Yuanchao, Mr. YANG Qing and Mr. SHEN Diancheng.

The directors of China Huaneng jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to Huaneng Renewables) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than that expressed by the Huaneng Renewables Board) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date hereof, the Huaneng Renewables Board comprises: Mr. LIN Gang, Mr. CAO Shiguang and Mr. WEN Minggang as executive directors, Mr. WANG Kui, Mr. DAI Xinmin and Mr. ZHAI Ji as non-executive directors, and Mr. QI Hesheng, Ms. ZHANG Lizi, Mr. WOO Kar Tung, Raymond and Mr. ZHU Xiao as independent non-executive directors.

The directors of Huaneng Renewables jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to China Huaneng and parties acting in concert with it) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than that expressed by the China Huaneng Board and parties acting in concert with China Huaneng) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

** For identification purpose only*