

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)

2 March 2020

To the Independent H Shareholder(s)

Dear Sirs,

**(1) VOLUNTARY UNCONDITIONAL OFFER BY CLSA LIMITED ON
BEHALF OF CHINA HUANENG TO ACQUIRE ALL OF THE ISSUED
H SHARES IN HUANENG RENEWABLES
AND
(2) VOLUNTARY WITHDRAWAL OF LISTING OF THE
H SHARES OF HUANENG RENEWABLES**

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; (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; (iv) the announcement jointly issued by China Huaneng and Huaneng Renewables dated 20 January 2020 relating to the H Share Offer becoming unconditional as to acceptance; (v) the announcement jointly issued by China Huaneng and Huaneng Renewables dated 5 February 2020 relating to the H Share Offer becoming unconditional in all respects (“**Unconditional H Share Offer Announcement**”); and (vi) the announcement jointly issued by China Huaneng and Huaneng Renewables dated 2 March 2020 relating to the extension of the final acceptance date of the H Share Offer (the “**Extension Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Composite Document.

H SHARE OFFER HAS BECOME UNCONDITIONAL IN ALL RESPECTS

A published version of the Unconditional H Share Offer Announcement is enclosed for your reference. As stated in the Unconditional H Share Offer Announcement, as all of the Conditions of the H Share Offer have been fulfilled, the H Share Offer has become unconditional in all respects on 5 February 2020.

SUBSEQUENT OFFER PERIOD

As disclosed in the Unconditional H Share Offer Announcement and the Extension Announcement, **H Shareholders (including Independent H Shareholders) should note that the latest time and date for acceptance of the H Share Offer has been extended from 4:00 p.m. on Wednesday 4 March 2020 to 4:00 p.m. on Wednesday, 18 March 2020 with a view to allowing more time for the H Shareholders to consider accepting the H Share Offer. For the avoidance of doubt, the H Share Offer will not be further extended beyond Wednesday, 18 March 2020.**

APPROVAL FOR THE APPLICATION OF WITHDRAWAL OF LISTING AND LAST DAY OF TRADING OF THE H SHARES ON THE HONG KONG STOCK EXCHANGE

The Stock Exchange has approved the application of Huaneng Renewables for the withdrawal of the listing of the H Shares on the Stock Exchange with effect from 4:00 p.m. on Monday, 24 February 2020 and the H Shares have been delisted from the Stock Exchange from 4:00 p.m. on Monday, 24 February 2020.

EXPECTED TIMETABLE

The expected timetable set out below is indicative only and may be subject to changes. Any changes to the timetable will be jointly announced by Huaneng Renewables and China Huaneng by way of announcement(s) as soon as possible. Unless otherwise expressly stated, all references to dates and times contained in the expected timetable above in respect of the H Share Offer refer to Hong Kong dates and times.

Final Closing Date <i>(Note 1)</i>	Wednesday, 18 March 2020
Latest time for the H Share Offer remaining opening for acceptance on the Final Closing Date and closing of the H Share Offer	4:00 p.m. on Wednesday, 18 March 2020
Announcement of the results of the H Share Offer on the Final Closing Date	by 7:00 p.m. on Wednesday, 18 March 2020

Latest date for posting of remittances for the amount due under the H Share Offer in respect of the valid acceptances received at or before the latest time for acceptances of the H Share Offer on the Final Closing Date ^(Note 1)

Friday, 27 March 2020

Note:

1. Pursuant to Rule 20.1 of the Takeovers Code, settlement in cash in respect of acceptances of the H Share Offer will be made within 7 business days (as defined under the Takeovers Code) of the later of the date on which the H Share Offer has become or is declared unconditional and the date on which the H Shares are tendered for acceptance of the H Share Offer. Relevant documents of title must be received by the Registrar to render each acceptance of the H Share Offer complete and valid. Remittances in respect of the H Shares tendered for acceptance and taken up by China Huaneng under the H Share Offer (after, if applicable, deducting the seller's ad valorem stamp duty arising therefrom) will be posted to the H Shareholders by ordinary post at their own risk.

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, they are holding securities that are not listed on the Hong Kong Stock Exchange and Huaneng Renewables is no longer subject to the requirements under the Listing Rules. 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.

IMPORTANT NOTICE TO NOMINEES

If you act as a nominee for other persons who are the beneficial shareholders of the H Shares, please inform the relevant beneficial owners of the contents of the terms of the H Share Offer and the implications of not accepting the H Share Offer as set out above.

If you have already accepted the H Share Offer, please ignore this letter.

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

As at the date of this letter, 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 letter (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 letter (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 letter, the omission of which would make any statement in this letter 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 letter (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 letter (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 letter, the omission of which would make any statement in this letter misleading.

** For identification purpose only*

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint announcement, 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 joint announcement.

This joint announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of Huaneng Renewables nor shall there be any sale, purchase or subscription for securities of Huaneng Renewables in any jurisdiction in which such offer, solicitation or sale would be unlawful absent the filing of a registration statement or the availability of an applicable exemption from registration or other waiver.

This joint announcement is not for release, publication or distribution in or into any jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.

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 UNCONDITIONAL 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**

**THE H SHARE OFFER BEING DECLARED UNCONDITIONAL IN
ALL RESPECTS**

THE H SHARE OFFER REMAINS OPEN FOR ACCEPTANCE

EXCLUSIVE FINANCIAL ADVISER TO CHINA HUANENG

 **CLSA** A CITIC Securities
Company

THE OFFER HAS BECOME UNCONDITIONAL IN ALL RESPECTS

China Huaneng and Huaneng Renewables are pleased to announce that all the Conditions of the H Share Offer have been fulfilled and the H Share Offer has been declared unconditional in all respects.

THE H SHARE OFFER REMAINS OPEN FOR ACCEPTANCE

H Shareholders (including Independent H Shareholders) should note that unless the H Share Offer is extended, the latest time and date for acceptance of the H Share Offer will be 4:00 p.m. on Wednesday, 4 March 2020. If the H Share Offer is extended, further announcement will be made to that effect.

H Shareholders should 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.

APPROVAL FOR THE APPLICATION OF WITHDRAWAL OF LISTING AND LAST DAY OF TRADING

Huaneng Renewables has applied to the Stock Exchange for the withdrawal of the listing of the H Shares on the Stock Exchange with effect from 4:00 p.m. on Monday, 24 February 2020 and the application has been approved by the Stock Exchange on 24 January 2020. The last day of trading in the H Shares on the Stock Exchange will be Monday, 17 February 2020. Trading in the H Shares will be suspended with effect from 9:00 a.m. on Tuesday, 18 February 2020, up to the withdrawal of listing of the H Shares from the Stock Exchange and the H Shares will be delisted from the Stock Exchange from 4:00 p.m. on Monday, 24 February 2020.

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 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.**

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**”); (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; and (iv) the announcement jointly issued by China Huaneng and Huaneng Renewables dated 20 January 2020 relating to the H Share Offer becoming unconditional as to acceptance (“**Acceptance Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Composite Document and the Clarification Announcement.

THE H SHARE OFFER HAS BECOME UNCONDITIONAL IN ALL RESPECTS

Pursuant to the Acceptance Announcement, the H Share Offer has been declared unconditional as to acceptance on 20 January 2020.

Further to the Acceptance Announcement, China Huaneng is pleased to announce that 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) as set out on pages 13 and 14 of the Composite Document have been fulfilled.

Accordingly, China Huaneng and Huaneng Renewables are pleased to announce that all the Conditions of the H Share Offer have been fulfilled and the H Share Offer has been declared unconditional in all respects.

LEVEL OF ACCEPTANCES

As at 4:00 p.m. on Wednesday, 5 February 2020, China Huaneng has received valid acceptances under the H Share Offer in respect of 4,592,065,061 H Shares, representing approximately 91.27% of the total issued H Shares as at the date of this joint announcement. Among these valid acceptances, acceptance of 5,560,000 H Shares have been received from CEIF and members of CLSA Group, representing approximately 0.11% 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, China Huaneng has received valid acceptances under the H Share Offer in

respect of 4,586,505,061 H Shares held by the Independent H Shareholders, representing approximately 91.87% of the total issued H Shares held by the Independent H Shareholders as at the date of this joint announcement.

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.

THE H SHARE OFFER REMAINS OPEN FOR ACCEPTANCE

H Shareholders (including Independent H Shareholders) should note that unless the H Share Offer is extended, the latest time and date for acceptance of the H Share Offer will be 4:00 p.m. on Wednesday, 4 March 2020. If the H Share Offer is extended, further announcement will be made to that effect.

H Shareholders should 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.

SETTLEMENT OF CONSIDERATION

Cheques for settlement of consideration in respect of valid acceptances of the H Share Offer already received as at the date of this announcement (after deducting the seller's ad valorem stamp duty arising therefrom) will be despatched to the H Shareholders who have accepted the H Share Offer (the "**Accepting H Shareholders**") by ordinary post at his/her/its own risk as soon as possible but in any event within 7 Business Days from the date of this announcement.

For H Shareholders who accept the H Share Offer after the date of this announcement and before the H Share Offer is closed, cheques for settlement of consideration in respect of acceptances of the H Share Offer (after deducting the seller's ad valorem stamp duty arising therefrom) will be despatched to the Accepting H Shareholders by ordinary post at his/her/its own risk as soon as possible but in any event within 7 Business Days from the date of receipt of a complete and valid acceptance in respect of the H Share Offer.

REVISED EXPECTED TIMETABLE

The revised expected timetable is set out below which is indicative only and may be subject to changes. Any changes to the timetable will be jointly announced by Huaneng Renewables and China Huaneng by way of announcement(s) as soon as possible. Unless otherwise expressly stated, all references to dates and times contained in the revised expected timetable above in respect of the H Share Offer refer to Hong Kong dates and times.

Date when the H Share Offer became unconditional in all respects (“ Unconditional Offer Date ”)	Wednesday, 5 February 2020
Latest date for posting of remittances for the amounts due under the H Share Offer in respect of valid acceptances received at or before the latest time for acceptances of the H Share Offer on the Unconditional Offer Date ^(Note 1)	Friday, 14 February 2020
Last day of trading in the H Shares on the Stock Exchange	Monday, 17 February 2020
Voluntary withdrawal of the listing of the H Shares from the Stock Exchange ^(Note 2)	4:00 p.m. on Monday, 24 February 2020
Final Closing Date ^(Note 3)	Wednesday, 4 March 2020
Latest time for the H Share Offer remaining opening for acceptance on the Final Closing Date and closing of the H Share Offer ^(Note 3)	4:00 p.m. on Wednesday, 4 March 2020
Announcement of the results of the H Share Offer on the Final Closing Date ^(Note 4)	by 7:00 p.m. on Wednesday, 4 March 2020

Latest date for posting of remittances for the amount due under the H Share Offer in respect of the valid acceptances received at or before the latest time for acceptances of the H Share Offer on the Final Closing Date ^(Note 2) Friday, 13 March 2020

Notes:

1. Pursuant to Rule 20.1 of the Takeovers Code, settlement in cash in respect of acceptances of the H Share Offer will be made within 7 business days (as defined under the Takeovers Code) of the later of the date on which the H Share Offer has become or is declared unconditional and the date on which the H Shares are tendered for acceptance of the H Share Offer. Relevant documents of title must be received by the Registrar to render each acceptance of the H Share Offer complete and valid. Remittances in respect of the H Shares tendered for acceptance and taken up by China Huaneng under the H Share Offer (after, if applicable, deducting the seller's ad valorem stamp duty arising therefrom) will be posted to the H Shareholders by ordinary post at their own risk.
2. It is currently expected that the voluntary withdrawal of listing of the H Shares from the Stock Exchange would happen at 4:00 p.m. on Monday, 24 February 2020, subject to the satisfaction of any conditions for delisting such securities from the Stock Exchange, and receipt of any regulatory approvals required for such delisting.
3. In compliance with the note to Rule 2.2 and Rule 15.3 of the Takeovers Code, where the H Share Offer becomes or is declared unconditional in all respects, it should remain open for acceptance for not less than 28 days thereafter. At least 14 days' notice in writing must be given before the H Share Offer is closed to the H Shareholders who have not accepted the H Share Offer if the announcement to extend the H Share Offer does not state the next closing date.
4. The announcement of the results of the H Share Offer will be jointly issued by China Huaneng and Huaneng Renewables and posted on the Stock Exchange's website by 7:00 p.m. on the Final Closing Date (ie. Wednesday, 4 March 2020). Such announcement will comply with the disclosure requirements under Rule 19.1 of the Takeovers Code and will include, among other things, the results of the H Share Offer.
5. Beneficial owners of the H Shares who hold their H Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures.
6. The latest time and date for acceptance of the H Share Offer, the latest date for posting of remittances for the amounts due under the H Share Offer in respect of valid acceptances, the last day of trading of H Shares and voluntary withdrawal of listing of the H Shares will not take effect if there is a tropical cyclone warning signal number 8 above, or a "black" rainstorm warning, in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the such relevant date. Instead, such relevant date will be rescheduled to the same time on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

APPROVAL FOR THE APPLICATION OF WITHDRAWAL OF LISTING AND LAST DAY OF TRADING

Huaneng Renewables has applied to the Stock Exchange for the withdrawal of the listing of the H Shares on the Stock Exchange with effect from 4:00 p.m. on Monday, 24 February 2020 and the application has been approved by the Stock Exchange on 24 January 2020. The last day of trading in the H Shares on the Stock Exchange will be Monday, 17 February 2020. Trading in the H Shares will be suspended with effect from 9:00 a.m. on Tuesday, 18 February 2020, up to the withdrawal of listing of the H Shares from the Stock Exchange and the H Shares will be delisted from the Stock Exchange from 4:00 p.m. on Monday, 24 February 2020.

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 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.**

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, 5 February 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 Lizhi, 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*