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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should obtain independent professional advice.

**If you have sold or transferred** all your shares in Huaneng Power International, Inc., you should at once hand this circular and, where applicable, the form of proxy and reply slip to the purchaser or transferee or to the bank, or a licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**華能國際電力股份有限公司**

**HUANENG POWER INTERNATIONAL, INC.**

*(a Sino-foreign joint stock limited company incorporated in the People's Republic of China)*

**(Stock Code: 902)**

**PROPOSAL REGARDING THE ISSUE OF SHORT-TERM DEBENTURES  
BY THE COMPANY;  
PROPOSAL REGARDING THE ISSUE OF  
SUPER SHORT-TERM DEBENTURES BY THE COMPANY;  
PROPOSAL REGARDING THE ISSUE OF DEBT FINANCING INSTRUMENTS  
(BY WAY OF NON-PUBLIC PLACEMENT);  
PROPOSAL REGARDING THE GRANTING OF THE GENERAL MANDATE TO  
ISSUE DOMESTIC AND/OR OVERSEAS DEBT FINANCING INSTRUMENTS;  
PROPOSAL REGARDING THE GRANTING OF GENERAL MANDATE TO THE  
BOARD OF DIRECTORS TO ISSUE DOMESTIC SHARES AND/OR OVERSEAS  
LISTED FOREIGN SHARES;  
PROPOSAL REGARDING THE AMENDMENTS TO THE ARTICLES OF  
ASSOCIATION OF THE COMPANY;  
PROPOSAL REGARDING THE PROVISION OF GUARANTEE BY  
SHANDONG COMPANY TO ITS SUBSIDIARY;  
AND  
NOTICE OF 2018 ANNUAL GENERAL MEETING**

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The Company will convene the AGM at 9:00 a.m. on 12 June 2019 at Conference Room A102, the headquarters of the Company, Huaneng Building, 6 Fuxingmennei Street, Xicheng District, Beijing, the PRC. A notice convening the AGM is set out on pages 17 to 20 of this circular.

A reply slip and a form of proxy for use at the AGM are enclosed. If you intend to attend the AGM, you should complete and return the reply slip in accordance with the instructions printed thereon as soon as possible.

Whether or not you are able to attend the AGM, you should complete and return the form of proxy in accordance with the instructions printed thereon and return it to Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event by not later than 24 hours before the time appointed for holding such meeting or any adjournment thereof.

Completion and return of the form of proxy will not preclude you from attending and voting at the AGM should you so wish.

26 April 2019

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## DEFINITIONS

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

“A Share(s)”, “Domestic Share(s)”	domestic tradable shares in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Shanghai Stock Exchange
“ADSs”	American Depositary Shares, each representing the ownership of 40 H Shares, which are listed on the New York Stock Exchange Inc.
“AGM”, “General Meeting”	the 2018 annual general meeting of the Company to be held at 9:00 a.m. on 12 June 2019 at Conference Room A102, the headquarters of the Company, Huaneng Building, 6 Fuxingmennei Street, Xicheng District, Beijing, the PRC
“Articles of Association”	the articles of association of the Company, as amended, modified or otherwise supplemented from time to time
“Board”	the board of Directors of the Company
“Company”, “Huaneng Power International”	Huaneng Power International, Inc., a sino-foreign joint stock limited company incorporated in the PRC and the H Shares, ADSs and A Shares of which are listed on the Hong Kong Stock Exchange, the New York Stock Exchange Inc. and the Shanghai Stock Exchange, respectively, and its subsidiaries (as the case may be)
“Company Law”	the Company Law of the PRC
“Director(s)”	the director(s) (including independent non-executive directors) of the Company
“Guarantee”	Shandong Company shall provide an irrevocable guarantee for US\$200 million for Pakistan Company
“H Share(s)”	overseas listed foreign shares in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited

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## DEFINITIONS

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“ICBC”	Industrial and Commercial Bank of China Limited
“Latest Practicable Date”	18 April 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Pakistan Company”	Huaneng Shandong Ruyi (Pakistan) Energy (Private) Limited
“PRC” or “China”	The Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shandong Company”	Huaneng Shandong Power Generation Co., Ltd.
“Shandong Ruyi Technology Group”	Shandong Ruyi Technology Group Co., Ltd.
“Shanghai Listing Rules”	The Rules Governing the Listing of Securities on the Shanghai Stock Exchange
“Shareholder(s)”	the shareholder(s) of the Company

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LETTER FROM THE BOARD

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華能國際電力股份有限公司

HUANENG POWER INTERNATIONAL, INC.

(a Sino-foreign joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 902)

*Directors:*

Shu Yinbiao  
Huang Jian  
Wang Yongxiang  
Mi Dabin  
Guo Hongbo  
Cheng Heng  
Lin Chong

*Legal Address:*

Huaneng Building  
6 Fuxingmennei Street  
Xicheng District  
Beijing 100031  
PRC

*Independent Non-executive Directors:*

Yue Heng  
Xu Mengzhou  
Liu Jizhen  
Xu Haifeng  
Zhang Xianzhi

26 April 2019

*To the Shareholders*

Dear Sir or Madam,

**PROPOSAL REGARDING THE ISSUE OF SHORT-TERM DEBENTURES  
BY THE COMPANY;  
PROPOSAL REGARDING THE ISSUE OF  
SUPER SHORT-TERM DEBENTURES BY THE COMPANY;  
PROPOSAL REGARDING THE ISSUE OF DEBT FINANCING INSTRUMENTS  
(BY WAY OF NON-PUBLIC PLACEMENT);  
PROPOSAL REGARDING THE GRANTING OF THE GENERAL MANDATE TO  
ISSUE DOMESTIC AND/OR OVERSEAS DEBT FINANCING INSTRUMENTS;  
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BOARD OF DIRECTORS TO ISSUE DOMESTIC SHARES AND/OR OVERSEAS  
LISTED FOREIGN SHARES;  
PROPOSAL REGARDING THE AMENDMENTS TO THE ARTICLES OF  
ASSOCIATION OF THE COMPANY;  
PROPOSAL REGARDING THE PROVISION OF GUARANTEE BY  
SHANDONG COMPANY TO ITS SUBSIDIARY;  
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NOTICE OF 2018 ANNUAL GENERAL MEETING**

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## LETTER FROM THE BOARD

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### 1. INTRODUCTION

The purpose of this circular is to provide you with relevant information to enable you to make an informed decision on whether to vote for or against the proposals relating to (among others): (1) the proposal regarding the issue of short-term debentures by the Company, (2) the proposal regarding the issue of super short-term debentures by the Company, (3) the proposal regarding the issue of debt financing instruments (by way of non-public placement), (4) the proposal regarding the granting of the general mandate to issue domestic and/or overseas debt financing instruments, (5) the proposal regarding the granting of general mandate to the Board of Directors to issue domestic shares and/or overseas listed foreign shares, (6) the proposal regarding the amendments to the Articles of Association of the Company, and (7) the proposal regarding the provision of guarantee by Shandong Company to its subsidiary, all of which are to be proposed at the AGM.

### 2. PROPOSALS REGARDING THE ISSUE OF SHORT-TERM DEBENTURES, SUPER SHORT TERM DEBENTURES AND DEBT FINANCING INSTRUMENTS (BY WAY OF NON-PUBLIC PLACEMENT) BY THE COMPANY

On 19 March 2019, the Board approved the proposals regarding the the issue of short term debentures, super short term debentures and debt financing instruments (by way of non-public placement). Details of such proposals are set out below.

#### 2.1 Proposal regarding the issue of short-term debentures by the Company

The Board of Directors of the Company proposed that (1) the Company be authorised to issue short term debentures (in either one or multiple tranches) of a principal amount not exceeding RMB10 billion (which means that the outstanding principal balance of the short-term debentures in issue shall not exceed RMB10 billion at any time within the period as prescribed therein) in the PRC from the date on which the approval is obtained at the 2018 annual general meeting to the conclusion of the 2019 annual general meeting; and (2) an approval to be sought at the general meeting for an unconditional general mandate to be given to the Company's Board of Directors or any two or more Directors to determine the terms and conditions and other relevant matters in relation to the respective tranches of the issue of short-term debentures in accordance with the need of the Company and the market conditions, including but not limited to the final principal amount of the short-term debentures to be issued and the terms thereof within the prescribed scope as set out in (1) above, and to execute all necessary legal documents, and to conduct appropriate disclosures of information.

The above proposal shall be submitted to the AGM as a special resolution for consideration and approval by the Shareholders.

#### 2.2 Proposal regarding the issue of super short-term debentures by the Company

The Board of Directors of the Company proposed that (1) the Company be authorised to issue super short-term debentures with a principal amount not exceeding RMB30 billion from the date on which the approval is obtained at the 2018 annual general meeting to the conclusion of the 2019 annual general meeting (either in one tranche or on a rolling basis, where the outstanding principal balance of the super short-term debentures in issue by the Company shall not exceed RMB30 billion

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## LETTER FROM THE BOARD

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at any time within the period as prescribed therein); (2) an approval to be sought at the general meeting for an unconditional general mandate to be given to the Company's Board of Directors or any two or more Directors to determine the specific terms and conditions and other relevant matters in relation to the respective tranches of the issue of the super short-term debentures in accordance with the need of the Company and the market conditions, including but not limited to the final principal amount of the super short-term debentures to be issued and the terms thereof within the prescribed scope as set out in (1) above, and to execute all necessary legal documents, and to conduct appropriate disclosures of information.

The above proposal shall be submitted to the AGM as a special resolution for consideration and approval by the Shareholders.

### **2.3 Proposal regarding the issue of debt financing instruments (by way of non-public placement) by the Company**

The Board of Directors of the Company proposed that (1) the Company be authorised to issue debt financing instruments (either in one or multiple tranches) with a principal amount of not exceeding RMB6 billion by way of non-public placement (which means that the outstanding principal balance of the non-public placement of debt financing instruments in issue shall not exceed RMB6 billion at any time within the period as prescribed therein) from the date on which the approval is obtained at the 2018 annual general meeting to the conclusion of the 2019 annual general meeting; (2) an approval to be sought at the general meeting for an unconditional general mandate to be given to the Company's Board of Directors or any two or more Directors to determine the specific terms and conditions and other relevant matters in relation to the respective tranches of the issue in accordance with the need of the Company and the market conditions, including but not limited to the final principal amount of the financial instruments to be issued and the terms thereof within the prescribed scope as set out in (1) above, and to execute all necessary legal documents, and to conduct appropriate information disclosures.

The above proposal shall be submitted to the AGM as a special resolution for consideration and approval by the Shareholders.

### **3. PROPOSAL REGARDING THE GRANTING OF THE GENERAL MANDATE TO ISSUE DOMESTIC AND/OR OVERSEAS DEBT FINANCING INSTRUMENTS**

The Board of Directors of the Company proposed that:

- i. the Company shall, from the date on which the approval is obtained at the 2018 annual general meeting to the conclusion of the 2019 annual general meeting and upon obtaining approval at relevant regulatory authorities, issue domestic and/or overseas debt financing instruments (in either one or multiple tranches on a rolling basis) with a principal amount of up to RMB50 billion or equivalent in or outside the People's Republic of China, such instruments include but are not limited to corporate bonds and enterprise bonds in the domestic market, medium-term notes in the interbank bond market, offshore RMB-denominated bonds, overseas USD denominated bonds and bonds denominated in other foreign currencies in the overseas market (including domestic and overseas perpetual bonds, which include without limitation perpetual

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mid-term notes, renewable corporate bonds and renewable enterprise bonds in the domestic market, perpetual bonds in the overseas market or other perpetual bonds denominated in RMB or any other foreign currency that are permitted under applicable laws and regulations to be issued in or outside the People's Republic of China without a definite maturity date). (For the avoidance of doubt, reference to "debt financing instruments" in this proposal does not include short-term debentures, super short-term debentures and private placement notes issued in the domestic interbank bond market.)

- ii. approval be obtained at the general meeting for granting an unconditional general mandate to the Board or more than two Directors of the Company to determine, based on the Company's needs and market conditions and in accordance with relevant regulatory requirements, the terms and conditions for the issue of the relevant debt financing instruments and to attend to other relevant matters (which include but are not limited to):
  - (1) determining the details regarding the issue of the relevant debt financing instruments, including but not limited to the type of the bond to be issued, the issuer, whether to issue in tranches, the currency, amount and term of each tranche, the term for and method of repayment of the principal and accrued interest, the method of issue, the method and terms of placement, the interest rate and ways to determine it, and the security arrangements. Issue of corporate bonds in the domestic market must also meet the following requirements: the bonds under such issue shall have a maturity of no more than 20 years (except perpetual bonds) and could be bonds with a single maturity date or a portfolio of bonds with different maturity dates; the proceeds of the issue will be used to meet the Company's production and operation operational needs, adjust its debt structure, replenish its working capital and/or make project investments; subject to the provisions of applicable laws and regulatory requirements, the issue may be a public or non-public issue or a placement to the shareholders of the Company. Methods of issue and placement details (including whether to place or not and the size of placement) shall be determined by the Board or more than two Directors of the Company according to market conditions and details of the issue.
  - (2) representing the Company in engaging in all the negotiations, signing all the agreements and other necessary documents and making proper disclosures of information in connection with the issue of the relevant debt financing instruments;
  - (3) procuring approval of the issue of the relevant debt financing instruments with the relevant regulatory authority and making proper adjustments to the detailed issue plan based on the comments and opinions, if any, of the regulatory authority; and
  - (4) taking all the necessary actions to decide on/attend to other particular matters relating to the issue of the relevant debt financing instruments.
- iii. The resolution adopted at the Company's general meeting in relation to the issue of the relevant debt financing instruments shall be valid for 24 months from the date of adoption of such resolution. If the Board or more than two Directors have determined the issue or partial issue of the relevant debt financing instruments within the validity term of the mandate and the



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## LETTER FROM THE BOARD

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Company has procured the approval, permit, filing or registration, as applicable, for the issue with the relevant regulatory authority, the Company may complete the issue or partial issue of the relevant debt financing instruments within the term of validity of such approval, permit, filing or registration.

The above proposal shall be submitted to the AGM as a special resolution for consideration and approval by the Shareholders.

#### **4. PROPOSAL REGARDING THE GRANTING OF GENERAL MANDATE TO THE BOARD OF DIRECTORS TO ISSUE DOMESTIC SHARES AND/OR OVERSEAS LISTED FOREIGN SHARES**

The Company seeks to obtain approval from its Shareholders to approve the proposal regarding the granting of general mandate to the Board of Directors to issue domestic shares and/or overseas listed foreign shares.

Scope of the authorisation is set out below:

- (1) Subject to paragraphs (3), (4) and (5) below and pursuant to the Company Law of the PRC and the relevant regulations of the places where the shares of Huaneng Power International are listed (as amended from time to time), the Board (or the Directors authorised by the Board) be and is hereby granted an unconditional general mandate to exercise all the powers of Huaneng Power International within the Relevant Period (as defined below) to separately or concurrently allot, issue and deal with domestic shares and/or overseas listed foreign shares (including securities convertible into shares, option to subscribe for any shares or such convertible securities), and to determine the terms and conditions for allotting, issuing and dealing with such new shares including but not limited to the following terms:
  - (a) class and number of new shares to be issued;
  - (b) pricing mechanism and/or issue price of the new shares to be issued (including price range);
  - (c) the starting and closing dates of such issue;
  - (d) the class and number of the new shares to be issued to existing shareholders; and/or
  - (e) the making or granting of proposals, agreements and options for the purpose of exercising the authority mentioned above.
- (2) The approval in paragraph (1) shall authorise the Board (or the Directors authorised by the Board) of Huaneng Power International within the Relevant Period, to make or grant any offers, commitments and options of which might be exercised after the expiry of the Relevant Period.

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## LETTER FROM THE BOARD

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- (3) The number of new domestic shares or new overseas listed foreign shares (other than those issued by conversion of the surplus reserve into share capital in accordance with the Company Law and the articles of Huaneng Power International) conditionally or unconditionally, separately or concurrently allotted, issued and dealt with (whether pursuant to an option or otherwise) by the Board (or the Directors authorised by the Board) of Huaneng Power International within the Relevant Period pursuant to the approval in paragraph (1) shall not exceed 20% of each class of the existing domestic shares and overseas listed foreign shares of Huaneng Power International in issue at the time when this resolution is passed at the Annual General Meeting.
- (4) In exercising the mandate granted in paragraph (1) above, the Board (or the directors authorized by the Board) of Huaneng Power International shall a) comply with the Company Law of the PRC and the relevant regulatory stipulations (as amended from time to time) of the places where the shares of Huaneng Power International are listed; and b) obtain approval from China Securities Regulatory Commission and other relevant PRC government departments.
- (5) the Company shall not issue securities convertible into shares for cash consideration unless the initial conversion price is not lower than the Benchmarked Price (as defined below) of the shares at the time of the relevant placing, and the Company shall not issue warrants, options or similar rights to subscribe for (i) any new shares of the Company; or (ii) any securities convertible into new shares of the Company, for cash consideration under the General Mandate (as defined below);
- (6) For the purpose of this resolution:

“Benchmarked Price” means the higher of:

- (a) the closing price on the date of the relevant placing agreement or other agreement involving the proposed issue of securities under the General Mandate (as defined below); and
- (b) the average closing price in the 5 trading days immediately prior to the earlier of:
- (i) the date of announcement of the placing or the proposed transaction or arrangement involving the proposed issue of securities under the General Mandate (as defined below);
  - (ii) the date of the placing agreement or other agreement involving the proposed issue of securities under the General Mandate (as defined below); and
  - (iii) the date on which the placing or subscription price is fixed;

“General Mandate” means the general mandate to be approved in this resolution;

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## LETTER FROM THE BOARD

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“Relevant Period” means the period from the date of passing this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of Huaneng Power International; and
  - (b) the date on which the general mandate set out in this resolution is revoked or varied by a special resolution of the shareholders of Huaneng Power International at a general meeting.
- (7) Subject to the approval(s) of the relevant authorities of the PRC and in accordance with the relevant laws, administrative regulations, and the regulatory stipulations of the places where the shares of Huaneng Power International are listed and the articles of Huaneng Power International, the Board (or the Directors authorised by the Board) of Huaneng Power International be and is hereby authorised to increase the registered capital of Huaneng Power International in accordance with the exercise of the powers pursuant to paragraph (1) above.
- (8) The Board (or the Directors authorised by the Board) of Huaneng Power International be and is hereby authorized to sign any necessary documents, complete any necessary formalities and procedures and take other necessary steps to complete the allotment, issuance and listing of the new shares upon the exercise of the powers pursuant to paragraph (1) above, provided the same do not violate the relevant laws, administrative regulations, the relevant regulatory stipulations of the places where the shares of Huaneng Power International are listed and the articles of Huaneng Power International.
- (9) Subject to the approval of the relevant PRC authorities, the Board (or the Directors authorised by the Board) of Huaneng Power International be and is hereby authorized to make appropriate and necessary amendments to the articles of Huaneng Power International after completion of the allotment and issue of new shares with reference to the method, type and number of new shares allotted and issued by Huaneng Power International and the shareholding structure of Huaneng Power International at the time of completion of the allotment and issue of new shares in order to reflect the alteration of the share capital structure and registered capital of Huaneng Power International pursuant to the exercise of this General Mandate.

No shareholders' class meetings shall be required to be convened by the Company when the Board of Directors exercises the General Mandate to issue A Shares. If, as required by the relevant domestic law and regulations in the PRC, a general meeting needs to be convened even if the General Mandate to issue Shares is obtained, then it is still subject to the approval by all Shareholders at the general meeting.

As at the Latest Practicable Date, the Company had 15,698,093,359 Shares in issue comprising 10,997,709,919 A Shares and 4,700,383,440 H Shares. Subject to the passing of the proposed resolution for the approval of the General Mandate and in accordance with the terms therein, the Company will be allowed to allot, issue and deal with up to a maximum of 2,199,541,983 A Shares and/or 940,076,688 H Shares on the basis that no further A Shares and/or H Shares will be issued by the Company prior to the General Meeting.

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## LETTER FROM THE BOARD

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The above proposal shall be submitted to the AGM as a special resolution for consideration and approval by the Shareholders.

### **5. PROPOSAL REGARDING THE AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY**

The Company completed the non-public offering of A shares in October 2018. The total number of ordinary shares of the Company increased to 15,698,093,359 shares, and the registered capital was changed to RMB15,698,093,359. As approved at the 18th Meeting of the 9th Session of the Board of Directors of the Company, it is proposed to amend the articles of association accordingly.

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## LETTER FROM THE BOARD

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Details of the amendments are as follows:

No.	Original provision	Provision after the amendments
1.	<p><b>Article 16.</b> With the approval of the department responsible for the examination and approval of companies as authorized by the State Council, the total number of ordinary shares first issued by the Company is 5 billion shares and the Company issued 3.75 billion shares (domestic-invested shares) to promoters at the time of its establishment, representing 75% of the total number of issued ordinary shares of the Company at that time.</p> <p>All of the 1.25 billion ordinary shares issued by the Company at the first offering after its establishment are overseas-listed foreign-invested shares, representing 25% of the total number of issued ordinary shares of the Company at that time.</p> <p>Upon being passed by special resolution in the Company's general meeting of shareholders and with the approval of relevant departments of the Chinese government, the Company completed the issuance and allotment of an additional 250 million overseas-listed foreign-invested shares and 400 million domestic-invested shares on 4 March 1998 and, taking into account the aforesaid placing and allotment of shares, the structure of the Company's share capital is as follows: the total number of ordinary shares is 5.65 billion shares, out of these, 4.15 billion shares representing approximately 73.45% of the total number of issued ordinary shares of the Company are held by holders of domestic-invested shares and 1.5 billion shares representing approximately 26.55% of the total number of issued ordinary shares of the Company are held by holders of overseas-listed foreign-invested shares.</p>	<p><b>Article 16.</b> With the approval of the department responsible for the examination and approval of companies as authorized by the State Council, the total number of ordinary shares first issued by the Company is 5 billion shares and the Company issued 3.75 billion shares (domestic-invested shares) to promoters at the time of its establishment, representing 75% of the total number of issued ordinary shares of the Company at that time.</p> <p>All of the 1.25 billion ordinary shares issued by the Company at the first offering after its establishment are overseas-listed foreign-invested shares, representing 25% of the total number of issued ordinary shares of the Company at that time.</p> <p>Upon being passed by special resolution in the Company's general meeting of shareholders and with the approval of relevant departments of the Chinese government, the Company completed the issuance and allotment of an additional 250 million overseas-listed foreign-invested shares and 400 million domestic-invested shares on 4 March 1998 and, taking into account the aforesaid placing and allotment of shares, the structure of the Company's share capital is as follows: the total number of ordinary shares is 5.65 billion shares, out of these, 4.15 billion shares representing approximately 73.45% of the total number of issued ordinary shares of the Company are held by holders of domestic-invested shares and 1.5 billion shares representing approximately 26.55% of the total number of issued ordinary shares of the Company are held by holders of overseas-listed foreign-invested shares.</p>

## LETTER FROM THE BOARD

No.	Original provision	Provision after the amendments
	<p>Upon being passed by special resolution in the Company's general meeting of shareholders and with the approval of relevant departments of the Chinese government, the Company completed the issuance and allotment of 350 million domestic-invested shares in 2001, among which 250 million shares are domestic-listed domestic-invested shares and 100 million shares are non-listed domestic-invested shares.</p> <p>After the above increase of share capital by the issuance and allotment of shares, the Company's share capital structure was as follows: the total number of ordinary shares was 6 billion shares, out of these, 250 million shares representing approximately 4.17% of the Company's total share capital were held by holders of domestic-listed domestic-invested shares, 4.25 billion shares representing approximately 70.83% of the Company's total share capital were held by holders of domestic-invested shares, and 1.5 billion shares representing 25% of the Company's total share capital are held by holders of overseas-listed foreign-invested shares.</p> <p>Upon the approval by special resolution in the Company's general meeting of shareholders, in 2004, the Company declared the payment of dividends, totaling to 3,013,835,600 shares, to the Company's shareholders with its distributable profits and distributed 3,013,835,600 shares to the Company's shareholders by converting reserves into the registered capital of the Company.</p> <p>Upon being passed by special resolution in the Company's general meeting of shareholders and with the approval of relevant departments of the PRC government, the Company completed the issuance of 500 million overseas-listed foreign-invested shares and 1.5 billion domestic-listed domestic-invested shares in December 2010.</p>	<p>Upon being passed by special resolution in the Company's general meeting of shareholders and with the approval of relevant departments of the Chinese government, the Company completed the issuance and allotment of 350 million domestic-invested shares in 2001, among which 250 million shares are domestic-listed domestic-invested shares and 100 million shares are non-listed domestic-invested shares.</p> <p>After the above increase of share capital by the issuance and allotment of shares, the Company's share capital structure was as follows: the total number of ordinary shares was 6 billion shares, out of these, 250 million shares representing approximately 4.17% of the Company's total share capital were held by holders of domestic-listed domestic-invested shares, 4.25 billion shares representing approximately 70.83% of the Company's total share capital were held by holders of domestic-invested shares, and 1.5 billion shares representing 25% of the Company's total share capital are held by holders of overseas-listed foreign-invested shares.</p> <p>Upon the approval by special resolution in the Company's general meeting of shareholders, in 2004, the Company declared the payment of dividends, totaling to 3,013,835,600 shares, to the Company's shareholders with its distributable profits and distributed 3,013,835,600 shares to the Company's shareholders by converting reserves into the registered capital of the Company.</p> <p>Upon being passed by special resolution in the Company's general meeting of shareholders and with the approval of relevant departments of the PRC government, the Company completed the issuance of 500 million overseas-listed foreign-invested shares and 1.5 billion domestic-listed domestic-invested shares in December 2010.</p>

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## LETTER FROM THE BOARD

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No.	Original provision	Provision after the amendments
	<p>After the above issuance and allotment of shares, the Company's share capital structure was as follows: the total number of ordinary shares was 14,055,383,440 shares, of which 10,500,000 shares representing approximately 74.70% of the Company's total share capital were held by holders of domestic-invested shares, and 3,555,383,440 shares representing 25.30% of the Company's total share capital are held by holders of overseas-listed foreign-invested shares.</p> <p>Upon obtaining a mandate at the Company's general meeting of shareholders and with the approval of relevant departments of the PRC government, the Company completed the issuance of 365 million overseas-listed foreign-invested shares in November 2014.</p> <p>After the above issuance and allotment of shares, the Company's share capital structure was as follows: the number of ordinary shares was 14,420,383,440 shares, out of these, 10,500,000,000 shares representing approximately 72.81% of the Company's total share capital are held by holders of domestic-listed shares, and 3,920,383,440 shares representing approximately 27.19% of the Company's total share capital are held by holders of overseas-listed shares.</p> <p>As per special resolution passed at the Company's general meeting of shareholders and with the approval of relevant departments of the PRC government, the Company completed the issuance of 780 million overseas-listed foreign-invested shares in November 2015.</p>	<p>After the above issuance and allotment of shares, the Company's share capital structure was as follows: the total number of ordinary shares was 14,055,383,440 shares, of which 10,500,000 shares representing approximately 74.70% of the Company's total share capital were held by holders of domestic-invested shares, and 3,555,383,440 shares representing 25.30% of the Company's total share capital are held by holders of overseas-listed foreign-invested shares.</p> <p>Upon obtaining a mandate at the Company's general meeting of shareholders and with the approval of relevant departments of the PRC government, the Company completed the issuance of 365 million overseas-listed foreign-invested shares in November 2014.</p> <p>After the above issuance and allotment of shares, the Company's share capital structure was as follows: the number of ordinary shares was 14,420,383,440 shares, out of these, 10,500,000,000 shares representing approximately 72.81% of the Company's total share capital are held by holders of domestic-listed shares, and 3,920,383,440 shares representing approximately 27.19% of the Company's total share capital are held by holders of overseas-listed shares.</p> <p>As per special resolution passed at the Company's general meeting of shareholders and with the approval of relevant departments of the PRC government, the Company completed the issuance of 780 million overseas-listed foreign-invested shares in November 2015.</p>

## LETTER FROM THE BOARD

No.	Original provision	Provision after the amendments
	<p>The existing structure of the Company's share capital is as follows: the total number of issued ordinary shares of the Company is 15,200,383,440 shares, out of these, 10,500,000,000 shares representing approximately 69.08% of the Company's total share capital are held by holders of domestic-listed shares, and 4,700,383,440 shares representing approximately 30.92% of the Company's total share capital are held by holders of overseas-listed shares.</p>	<p><u><b>After the above issuance of shares, The existing structure of the Company's share capital is as follows: the total number of issued ordinary shares of the Company is 15,200,383,440 shares, out of these, 10,500,000,000 shares representing approximately 69.08% of the Company's total share capital are held by holders of domestic-listed shares, and 4,700,383,440 shares representing approximately 30.92% of the Company's total share capital are held by holders of overseas-listed shares.</b></u></p> <p><u><b>Authorized by the special resolution of the Company's general meeting of shareholders and approved by the relevant government authorities, the Company has completed the issuance of 497,709,919 domestically listed domestic shares in October 2018.</b></u></p> <p><u><b>The Company's current share capital structure is as follows: the total number of issued ordinary shares of the Company is 15,698,093,359 shares, of which 10,997,709,919 shares are held by holders of domestic listed shares, accounting for approximately 70.06% of the Company's total shares in issue, and 4,700,383,440 shares are held by holders of overseas listed shares, accounting for approximately 29.94% of the Company's total shares in issue.</b></u></p>
2.	<p><b>Article 20.</b> The registered capital of the Company is RMB15,200,383,440.</p>	<p><b>Article 20.</b> The registered capital of the Company is RMB15,200,383,440<u>15,698,093,359.</u></p>

The Articles of Association are written in Chinese and the translation into English language is for reference only. In case of any inconsistency between the English and Chinese versions, the Chinese version shall prevail.

According to the Articles of Association and the relevant rules and regulations, the proposed amendments are subject to the approval of the Shareholders of the Company by way of special resolution at the AGM. Further, the proposed amendments will become effective after obtaining the approval from the relevant PRC authorities.



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## LETTER FROM THE BOARD

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The Directors consider that the proposed amendments are in the interest of the Company and its Shareholders as a whole. Advice has been obtained from independent legal advisers that the amended Articles of Association comply with the laws of the PRC and the Hong Kong Listing Rules requirements.

### **6. PROPOSAL REGARDING THE PROVISION OF GUARANTEE BY SHANDONG COMPANY TO ITS SUBSIDIARY**

Shandong Company is a controlled subsidiary of the Company.

Pakistan Company is established jointly by Shandong Company and Shandong Ruyi Technology Group in May 2014. Each of Shandong Company and Shandong Ruyi Technology Group holds a 50% equity interest in Pakistan Company. Pakistani Company has already borrowed US\$200 million as working capital loan from ICBC on 28 September 2018 and the loan will expire on 28 September 2019. In order to meet the repayment obligation of the above-mentioned US\$200 million and to make a further loan for the working capital of Pakistan Company, and to meet the liquidity demand for the normal operation of Pakistan Company, ICBC agreed, upon the due date for repayment of the above-mentioned US\$200 million loan, to provide a loan of US\$400 million to Pakistan Company as working capital loan by way of syndicated loan method with a maturity of 12 months and on condition that each Shandong Company and Shandong Ruyi Technology Group shall according to its shareholding interests in Pakistan Company provide an irrevocable guarantee for US\$200 million.

According to the Hong Kong Listing Rules, this Guarantee does not require approval at the shareholders' meeting. However, according to the Shanghai Listing Rules, considering that the asset-liability ratio of Pakistan Company exceeds 70%, this Guarantee is subject to the approval at the general meeting of the Company. The Company seeks the Shareholders' approval for Shandong Company to provide an irrevocable guarantee for US\$200 million for Pakistan Company.

The above resolution shall be submitted to the AGM as an ordinary resolution for consideration and approval by the Shareholders.

### **7. THE AGM**

A notice convening the AGM to be held at 9:00 a.m. on 12 June 2019 at Conference Room A102, the headquarters of the Company, Huaneng Building, 6 Fuxingmennei Street, Xicheng District, Beijing, the PRC is set out on pages 17 to 20 of the circular. No shareholder is required to abstain from voting in connection with the matters to be resolved at the AGM. Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, voting at the AGM will be conducted by poll. The poll results will be published on the websites of the Company and of the Hong Kong Stock Exchange in accordance with the Hong Kong Listing Rules following the AGM.

Whether or not you intend to attend the meeting in person, you are requested to complete and return the reply slip and the form of proxy in accordance with the instructions printed thereon. The form of proxy should be completed and returned to Hong Kong Registrars Limited (for holders of H Shares of the Company) at 17M, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or to the Company's head office in China (for holders of Domestic Shares of the Company), as soon as possible and in any event

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## LETTER FROM THE BOARD

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not later than 24 hours before the time fixed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting should you so wish.

### 8. RECOMMENDATIONS

The Board believes that the proposed resolutions set out in the notice of the AGM are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends that all Shareholders vote in favor of the resolutions as set out in the notice of the AGM.

### 9. OTHER INFORMATION

Your attention is drawn to the other information set out in the appendices to this circular.

### 10. RESPONSIBILITY STATEMENT

This circular, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong 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.

Yours faithfully

By order of the Board

**Huaneng Power International, Inc.**

**Huang Chaoquan**

*Company Secretary*



華能國際電力股份有限公司

HUANENG POWER INTERNATIONAL, INC.

*(a Sino-foreign joint stock limited company incorporated in the People's Republic of China)*

**(Stock Code: 902)**

## NOTICE OF 2018 ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 2018 annual general meeting (the “**Annual General Meeting**” or “**General Meeting**”) of Huaneng Power International, Inc. (the “**Company**”) will be held at 9:00 a.m. on 12 June 2019 at Conference Room A102, the headquarters the Company, Huaneng Building, 6 Fuxingmennei Street, Xicheng District, Beijing, the People's Republic of China for considering and approving the following resolutions:

### ORDINARY RESOLUTIONS

1. To consider and approve the working report from the Board of Directors of the Company for 2018
2. To consider and approve the working report from the Supervisory Committee of the Company for 2018
3. To consider and approve the audited financial statements of the Company for 2018
4. To consider and approve the profit distribution plan of the Company for 2018 (*Note 1*)

### SPECIAL RESOLUTIONS

5. Proposals regarding the issue of short-term debentures, super short term debentures and debt financing instruments (by way of non-public placement) by the Company
  - 5.1 To consider and approve the proposal regarding the issue of short-term debentures by the Company (*Note 2*)
  - 5.2 To consider and approve the proposal regarding the issue of super short-term debentures by the Company (*Note 2*)
  - 5.3 To consider and approve the proposal regarding the issue of debt financing instruments (by way of non-public placement) (*Note 2*)
6. To consider and approve the proposal regarding the granting of the general mandate of issue domestic and/or overseas debt financing instruments (*Note 2*)
7. To consider and approve the proposal regarding the granting of general mandate to the Board of Directors to issue domestic shares and/or overseas listed foreign shares (*Note 2*)

8. To consider and approve the proposal regarding the amendments to the articles of association of the Company (*Note 2*)

### ORDINARY RESOLUTION

9. To consider and approve the proposal regarding the provision of guarantee by Shandong Company to its subsidiary (*Note 2*)

By Order of the Board  
**Huaneng Power International, Inc.**  
**Huang Chaoquan**  
*Company Secretary*

As at the date of this notice, the directors of the Company are:

Shu Yinbiao (*Executive Director*)  
Huang Jian (*Non-executive Director*)  
Wang Yongxiang (*Non-executive Director*)  
Mi Dabin (*Non-executive Director*)  
Guo Hongbo (*Non-executive Director*)  
Cheng Heng (*Non-executive Director*)  
Lin Chong (*Non-executive Director*)

Yue Heng (*Independent Non-executive Director*)  
Xu Mengzhou (*Independent Non-executive Director*)  
Liu Jizhen (*Independent Non-executive Director*)  
Xu Haifeng (*Independent Non-executive Director*)  
Zhang Xianzhi (*Independent Non-executive Director*)

Beijing, the PRC  
26 April 2019

*Notes:*

#### 1. The profit distribution plan of the Company for 2018

After auditing by KPMG Huazhen (Special General Partnership) and KPMG, for the financial year ended 31 December 2018, according to China's Accounting Standards for Business Enterprises and International Financial Reporting Standards, net profits attributable to the shareholders of the Company were RMB1,438.8814 million and RMB734.435 million respectively. According to the *Company Law of the People's Republic of China* and the Company's articles of association, the Company shall appropriate 10% of the profit after tax calculated according to China's Accounting Standards for Business Enterprises as the statutory surplus reserve. The Company has the option to cease such apportionment when the accumulated statutory surplus reserve is equal to or more than 50% of the registered share capital of the Company. As the balance of the Company's statutory surplus reserve was more than 50% of the registered capital, statutory surplus reserve was not appropriated in year 2018. Discretionary surplus reserve was not appropriated in year 2018.

The proposed profit distribution plan of the Company for year 2018 was as follows: based on the Company's total share capital, a cash dividend of RMB0.1 (inclusive of tax) per ordinary share will be paid to all shareholders of the Company. It is anticipated that RMB1,569.81 million will be paid as cash dividend.

2. Please refer to the circular of the Company dated 26 April 2019 for details.

**3. Proxy**

1. A member eligible to attend and vote at the Annual General Meeting is entitled to appoint, in written form, one or more proxies to attend and vote on his behalf. A proxy needs not be a shareholder.
2. A proxy should be appointed by a written instrument signed by the appointor or its attorney duly authorised in writing. If the form of proxy is signed by the attorney of the appointor, the power of attorney authorising that attorney to sign or other authorisation document(s) shall be notarised.
3. To be valid, the power of attorney or other authorisation document(s) which have been notarised together with the completed form of proxy must be delivered, in the case of holders of Domestic Shares, to the Company and, in the case of holders of H Shares, to Hong Kong Registrars Limited, not less than 24 hours before the time designated for holding of the Annual General Meeting.
4. If more than one proxy is appointed by a shareholders such proxies shall only exercise the right to vote by poll.
5. The resolutions set out in this Notice will be voted by poll.

**4. Registration procedures for attending the Annual General Meeting**

1. A shareholder or his proxy shall produce proof of identity when attending the meeting. If a shareholder is a legal person, its legal representative or other persons authorised by the board of directors or other governing body of such shareholder may attend the Annual General Meeting by producing a copy of the resolution of the board of directors or other governing body of such shareholder appointing such person(s) to attend the meeting.
2. Holders of H Shares intending to attend the Annual General Meeting should return the reply slip for attending the Annual General Meeting to the Company on or before 23 May 2019.
3. Shareholders may send the reply slip to the Company in person, by post or by fax.

**5. Registration Matters for H Shareholders**

1. Closure of Register of Members of H Shares for attending the Annual General Meeting

In order to determine the shareholders of H shares who will be entitled to attend the Annual General Meeting, the Company will suspend registration of transfer of H shares from 23 May 2019 to 12 June 2019 (both days inclusive).

In order to qualify to attend and vote at the Annual General Meeting, non-registered holders of H shares of the Company whose transfer documents have not been registered must deposit the transfer documents accompanied by relevant share certificates to the Company's H Share Registrar, Hong Kong Registrars Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on 22 May 2019. Holders of H shares whose names are recorded in the register of member of the Company on 12 June 2019 are entitled to attend the Annual General Meeting.

2. Closure of Register of Members for Payment of the Final Dividend for 2018

In order to determine the H Shareholders entitled to receive the 2018 Final Dividend, the Company will suspend registration of transfer of H Shares from 21 June 2019 to 27 June 2019 (both days inclusive).

Non-registered holders of H Shares of the Company who have not had their transfer documents registered must deposit the transfer documents accompanied by relevant share certificate(s) to the Company's H Share Registrar, Hong Kong Registrars Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road

East, Wanchai, Hong Kong by no later than 4:30 p.m. on 20 June 2019. The H Shareholders whose names are recorded in the register of members of the Company on 27 June 2019 are entitled to receive the 2018 Final Dividend.

**6. Other Businesses**

1. Shareholders and their proxies who attend shall bear their own accommodation and travelling expenses.
2. The address of the Share Registrar for H Shares of the Company, Hong Kong Registrars Limited, is at:  
  
1712-1716, 17/F, Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong
3. The address for contact:  
  
Capital Market Department of  
Huaneng Power International, Inc.  
Huaneng Building,  
6 Fuxingmennei Street,  
Xicheng District, Beijing 100031,  
The People's Republic of China
4. Contact Persons: Xie Meixin, Liu Tianyu  
Contact Telephone No: (+86)10-6322 6590 (+86)10-6322 6595  
Facsimile No: (+86)10-6322 6888  
Email address: xiemx@hpi.com.cn
5. Time and dates in this notice are Hong Kong time and dates.