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中国大唐集团新能源股份有限公司

China Datang Corporation Renewable Power Co., Limited*

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

(Stock Code: 01798)

**ANNOUNCEMENT
DISCLOSEABLE TRANSACTION
ACCEPTANCE OF THE H SHARE OFFER**

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The Board announces that Datang Renewable HK completed and tendered the Form of Acceptance in respect of the H Share Offer on 16 January 2020, pursuant to which, Datang Renewable HK accepted to transfer its 124,000,000 H Shares in Huaneng Renewables to China Huaneng according to the H Share Offer Price. Immediately after completion of the Settlement, Datang Renewable HK will no longer hold any shares in Huaneng Renewables.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the Acceptance of the H Share Offer is more than 5% but less than 25%, the Acceptance of the H Share Offer and the transactions contemplated thereunder constitute discloseable transactions of the Company, and are subject to relevant announcement requirements but exempt from Shareholders' approval requirement under Chapter 14 of the Listing Rules.

References are made to (i) the announcement jointly issued by China Huaneng and Huaneng Renewables on 3 October 2019; and (ii) the Composite Document and the accompanying Form of Acceptance jointly issued by China Huaneng and Huaneng Renewables on 21 November 2019 in relation to the H Share Offer and the Delisting.

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Date of signing and tendering the Form of Acceptance : 16 January 2020

Parties : Transferor: Datang Renewable HK

Transferee: China Huaneng

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, as at the date of this announcement, China Huaneng and its ultimate beneficial owners SASAC are third parties independent of the Company and its connected persons.

Transfer Subject : 124,000,000 H Shares of Huaneng Renewables held by Datang Renewable HK, accounting for approximately 2.46% of the total issued H Shares and approximately 1.17% of the total issued share capital of Huaneng Renewables as at the date of the announcement.

Consideration and basis of determination: : H Share Offer Price of HK\$3.17 per H Share of Huaneng Renewables with total consideration of HK\$393,080,000. The consideration will be paid in cash.

The H Share Offer Price was determined after taking into account the publicly available financial information of Huaneng Renewables, China Huaneng's review of Huaneng Renewables' business, and with reference to other privatisation transactions in Hong Kong in recent years.

- Settlement** : Settlement of consideration in respect of the H Share Offer will be made as soon as possible but in any event within seven Business Days of (i) the unconditional date or (ii) the date of receipt of a complete and valid Form of Acceptance in respect of the H Share Offer by the Registrar, whichever is the later.
- Conditions of the H Share Offer** : The H Share Offer is subject to the fulfilment of the following conditions:
- (a) the passing of a resolution by the Independent H Shareholders approving the Delisting at the H Share Class Meeting to be convened for this purpose, provided that:
 - (i) approval is given by at least 75% of the votes attaching to the H Shares of Huaneng Renewables held by the Independent H Shareholders that are cast either in person or by proxy; and
 - (ii) the number of votes cast (by way of poll) against the resolution is not more than 10% of the votes attaching to all the H Shares of Huaneng Renewables held by the Independent H Shareholders;
 - (b) the passing of a resolution by the Independent H Shareholders approving the Delisting at the Extraordinary General Meeting to be convened for this purpose, provided that:
 - (i) approval is given by at least 75% of the votes attaching to the Shares held by the Independent H Shareholders that are cast either in person or by proxy; and
 - (ii) the number of votes cast (by way of poll) against the resolution is not more than 10% of the votes attaching to all the Shares held by the Independent H Shareholders;

- (c) minimum valid acceptances of the H Share Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date (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 of Huaneng Renewables held by the Independent H Shareholders;
- (d) 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) having been obtained and remaining in full force and effect pursuant to the provision of any laws or regulations in the PRC and other relevant jurisdictions;
- (e) no action, decision, order, proceeding, enquiry or investigation having been taken or made by any relevant government, governmental, quasi-governmental, regulatory body, court or agent that has the effect of making unlawful, void or unenforceable or otherwise prohibiting or restricting the H Share Offer (including its implementation) or imposing any material conditions or obligations with respect to the H Share Offer (including its implementation) (other than such action, decision, order, proceeding, enquiry or investigation as would not have a material adverse effect on the legal ability of China Huaneng to proceed with or consummate the H Share Offer);
- (f) the granting of the waiver by the Executive from the requirements under Rule 2.2(c) of the Takeovers Code; and
- (g) the filing of NDRC and MOFCOM and the registration of SAFE, in relation to the H Share Offer having been completed and remaining in full force and effect pursuant to the provisions of relevant laws and regulations in the PRC.

Completion of the H Share Offer : Except with the consent of the Executive, if any of the above-mentioned Conditions is not satisfied within 21 days of the First Closing Date or the date the H Share Offer becomes or is declared unconditional as to acceptances, whichever is the later, the H Share Offer will lapse.

China Huaneng and Huaneng Renewables will issue an announcement in relation to the extension or lapse of the H Share Offer or the fulfilment of the above-mentioned Conditions in accordance with the Takeovers Code and the Listing Rules. The latest time on which China Huaneng can declare the H Share Offer unconditional as to acceptance is 7:00 p.m. on the 60th day after the posting of the Composite Document (or such later date to which the Executive may consent).

GENERAL INFORMATION OF HUANENG RENEWABLES

Principal Business Information of Huaneng Renewables

Huaneng Renewables is a joint stock limited company incorporated in the PRC with limited liability in 11 November 2002, the H Shares of which have been listed on the Stock Exchange (Stock Code: 0958). Huaneng Renewables is committed to the investment, construction and operation of new energy projects. It focuses on developing and operating wind power while promoting synergistic growth of solar and other renewable energies.

Principal Financial Information of Huaneng Renewables

Set out below is certain audited financial information of Huaneng Renewables prepared in accordance with International Financial Reporting Standards as at 31 December 2017 and 31 December 2018, as extracted from the Huaneng Renewables' annual reports for each of the two years ended 31 December 2017 and 31 December 2018 published on the HKExnew's website of the Stock Exchange:

RMB'000

	As at 31 December	
	2017	2018
Total assets	86,348,569	88,671,475
Net assets	25,441,902	28,213,543

Set out below is certain audited financial information of Huaneng Renewables prepared in accordance with International Financial Reporting Standards for two financial years ended 31 December 2017 and 31 December 2018, as extracted from the Huaneng Renewables' annual reports for each of the two years ended 31 December 2017 and 31 December 2018 published on the HKExnew's website of Stock Exchange:

RMB'000

	For the year ended	
	31 December	
	2017	2018
Revenue	10,554,355	11,650,291
Profit before income tax expense	3,407,665	3,695,184
Profit after income tax expense	3,061,322	3,128,460

FINANCIAL EFFECT OF THE ACCEPTANCE OF THE H SHARE OFFER

Considering that the equity investment in Huaneng Renewables is a equity investment designated by the Group to be measured at fair value and its changes are included in other comprehensive income, it is expected that the accumulated profits included in other comprehensive income as at 31 December 2019 immediately after completion of the settlement will be transferred out of other comprehensive income and included in retained revenue, with the amount of approximately HK\$65,720,000. At the same time, it is expected that the amount of proceeds from the Acceptance of the H Share Offer immediately after completion of the settlement will be approximately HK\$393,080,000, and the difference in fair value between it and the equity investment of the Group in Huaneng Renewables on 31 December 2019 will be included in retained revenue, which is approximately HK\$17,360,000. The actual amount of gain or loss as a result of the Acceptance of the H Share Offer to be recorded by the Company will be subject to the review and final audit by the auditors of the Company.

USE OF PROCEEDS OF THE ACCEPTANCE OF THE H SHARE OFFER

The proceeds of the Acceptance of the H Share Offer are proposed to be used to replenish working capital, repay loans and invest projects by the Group.

REASONS AND BENEFITS OF THE ACCEPTANCE OF THE H SHARE OFFER

The proceeds of the Acceptance of the H Share Offer will generate investment returns for the Group and increase the Group's liquidity.

The Directors are of the view that the terms of H Share Offer are fair and reasonable and in the interest of the Company and its shareholders as a whole.

GENERAL INFORMATION

Information of the Company

The Company is a joint stock limited company incorporated in the PRC in September 2004. The Company is a leading renewable energy generation company in PRC in terms of wind power installed capacity. The Group is primarily engaged in the development, investment, construction and management of wind power and other renewable energy resources; research and development, application and promotion of low carbon technology; research, sale, testing and maintenance of renewable energy-related equipment; power generation; design, construction and installation, repair and maintenance of domestic and overseas power projects; import and export services of renewable energy equipment and technology; foreign investment; renewable energy-related consulting services; as well as leasing of property.

Information of Parties

Information of Datang Renewable HK

Datang Renewable HK is a company with limited liability incorporated in Hong Kong in January 2011 and a wholly-owned subsidiary of the Company. It is principally engaged in power and energy project related businesses.

Information of China Huaneng

China Huaneng is a wholly state-owned enterprise incorporated in the PRC in March 1989. China Huaneng is principally engaged in the development, investment, construction, operation and management of power sources, the production and sale of power (heat), the development, investment, construction, production and sale of businesses and products relating to energy, transportation, renewable energy and environmental protection.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the Acceptance of the H Share Offer is more than 5% but less than 25%, the Acceptance of the H Share Offer and the transactions contemplated thereunder constitute discloseable transactions of the Company, and are subject to relevant announcement requirements but exempt from Shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below, unless the context requires otherwise:

“Acceptance of the H Share Offer”	Pursuant to the Form of Acceptance signed and submitted by Datang Renewable HK, Datang Renewable HK is proposed to accept the H Share Offer and transfer its 124,000,000 H Shares in Huaneng Renewables to China Huaneng according to the H Share Offer Price
“Board”	the board of directors of the Company
“China Huaneng”	China Huaneng Group Co., Ltd.* (中國華能集團有限公司), a limited liability company incorporated in the PRC
“Closing Date”	the date to be stated in the Composite Document as the First Closing Date or any subsequent closing date of the H Share Offer as may be announced by China Huaneng and in compliance with the Takeovers Code
“Company”	China Datang Corporation Renewable Power Co., Limited* (中國大唐集團新能源股份有限公司), a joint stock limited company incorporated in the PRC and its H Shares are listed on the Stock Exchange (stock code: 01798)
“Composite Document”	the composite document dated 21 November 2019 jointly issued by China Huaneng and Huaneng Renewables in connection with, among other things, the detailed terms of the H Share Offer, in accordance with the Takeovers Code and the Listing Rules
“concert parties”	in respect of a person, persons acting in concert with such a person
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Datang Renewable HK”	Datang Renewable Power (Hong Kong) Co., Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company

“Delisting”	the voluntary withdrawal of the listing of the H Shares of Huaneng Renewables on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Extraordinary General Meeting”	the 2020 First Extraordinary General Meeting of the Shareholders to be convened by Huaneng Renewables, and any adjournment thereof, for the purpose of approving the Delisting
“First Closing Date”	20 January 2020, being the first closing date of the H Share Offer assuming the H Share Offer has not become unconditional as to acceptances or in all respects prior to this date
“Form of Acceptance”	the form of acceptance and transfer in respect of the H Share Offer accompanying this Composite Document
“Group”	the Company and its subsidiaries
“Huaneng Renewables”	Huaneng Renewables Corporation Limited* (華能新能源股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 0958)
“HK\$” or “Hong Kong dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“H Share(s) of Huaneng Renewables”	overseas listed foreign share(s) in the ordinary share capital of Huaneng Renewables with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange
“H Share Class Meeting”	the 2020 First Extraordinary General Meeting of the H Shareholders to be convened by Huaneng Renewables, and any adjournment thereof, for the purpose of approving the Delisting

“H Share Offer”	the voluntary conditional offer to be made by CLSA Limited on behalf of China Huaneng to acquire all of the issued H Shares of Huaneng Renewables
“H Share Offer Price”	The cash offer price of the H Share Offer, being HK\$3.17 per H Share of Huaneng Renewables
“H Shareholder(s)”	registered holder(s) of H Shares of Huaneng Renewables
“Independent H Shareholders”	the H Shareholders other than China Huaneng and persons acting in concert with China Huaneng
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“MOFCOM”	Ministry of Commerce of the PRC
“NDRC”	National Development and Reform Commission of the PRC
“PRC”	the People’s Republic of China, excluding Hong Kong, the Macao Special Administrative Region and Taiwan for the purpose of this announcement
“Registrar”	Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, the H Share registrar and transfer office of Huaneng Renewables
“SAFE”	State Administration of Foreign Exchange of the PRC (including its successors and local counterparts)
“SASAC”	State-owned Assets Supervision and Administration Commission of the State Council
“Settlement”	Settlement of consideration in respect of acceptance of the H Share Offer
“SFC”	the Securities and Futures Commission of Hong Kong
“Shareholders”	the holder(s) of shares of the Company

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers published by the SFC
“Unconditional Date”	the date on which the H Share Offer becomes or is declared unconditional in all respects
“%”	percent

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

Beijing, the PRC, 17 January 2020

As at the date of this announcement, the executive directors of the Company are Mr. Liu Guangming and Mr. Meng Lingbin; the non-executive directors are Mr. Chen Feihu, Mr. Hu Shengmu, Mr. Li Yi and Mr. Liu Baojun; and the independent non-executive directors are Mr. Liu Chaoan, Mr. Lo Mun Lam, Raymond and Mr. Yu Shunkun.

* *For identification purpose only*