

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



Concord New Energy Group Limited

(incorporated in Bermuda with limited liability)

(Stock Code: 182)

DISCLOSEABLE TRANSACTION NEW CONTRACTS REGARDING PURCHASE OF WIND POWER ELECTRICITY GENERATION EQUIPMENT AND TERMINATION OF PURCHASE CONTRACTS

THE NEW PURCHASE CONTRACTS

Reference is made to the announcements of the Company dated 23 July 2015, 26 January 2016, 6 April 2016, 2 August 2016, 22 September 2016 and 13 January 2017 and the circulars of the Company dated 14 October 2016 and 10 February 2017, in relation to the purchase of wind power electricity generation equipment from the Supplier for the Group's wind farm projects in Hunan Province (湖南省), Anhui Province (安徽省), Henan Province (河南省) and Hubei Province (湖北省), the PRC pursuant to the Previous Purchase Contracts.

On 7 July 2017, TCCH and the Supplier, an Independent Third Party, entered into the New Purchase Contract 1, pursuant to which TCCH and the Supplier have agreed to vary certain terms of the Purchase Contract 1 dated 23 July 2015 regarding the Group's wind farm project in Hunan Province, the PRC including (i) to reduce the consideration payable for the Purchase Contract 1 from RMB213,600,000 (equivalent to approximately HK\$267,000,000) to RMB129,748,000 (equivalent to approximately HK\$148,984,000), and (ii) to amend the machinery and equipment purchased from the Supplier from 24 sets of wind power generation facilities of 2,000KW each to 13 sets of wind power generation facilities of 2,000KW each and 3 sets of wind power generation facilities of 2,200KW each. Save for the aforementioned, other material terms and conditions of the New Purchase Contract 1 are the same as the Purchase Contract 1.

On 7 July 2017, TCCH and the Supplier, an Independent Third Party, entered into the New Purchase Contract 2, pursuant to which TCCH and the Supplier have agreed to vary certain terms of the Purchase Contract 2 dated 26 January 2016 regarding the Group's wind farm project in Hunan Province, the PRC including (i) to reduce the consideration payable for the Purchase Contract 2 from RMB213,600,000 (equivalent to approximately HK\$254,180,000) to RMB194,224,000 (equivalent to approximately HK\$223,019,000), and (ii) to amend the machinery and equipment purchased from the Supplier from 24 sets of wind power generation facilities of 2,000KW each to 9 sets of wind power generation facilities of 2,000KW each and 14 sets of wind power generation facilities of 2,200KW each. Save for the aforementioned, other material terms and conditions of the New Purchase Contract 2 are the same as the Purchase Contract 2.

TERMINATION OF THE PURCHASE CONTRACT 1 AND THE PURCHASE CONTRACT 2

In view of the entering into of the New Purchase Contract 1 and the New Purchase Contract 2 on 7 July 2017, TCCH and the Supplier entered into the Termination Agreement 1 and the Termination Agreement 2 to terminate the Purchase Contract 1 and the Purchase Contract 2 respectively, which shall be of no further force and effect upon signing of the Termination Agreement 1 and the Termination Agreement 2 and none of the parties thereto shall have any claim against the others arising from the termination.

IMPLICATIONS OF THE LISTING RULES

The applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the New Purchase Contracts exceed 5% but less than 25% respectively and collectively. Accordingly, the transactions contemplated under the New Purchase Contracts respectively and collectively constitute(s) a discloseable transaction under Chapter 14 of the Listing Rules and is subject to notification and announcement requirements but exempted from shareholders' approval requirements under Chapter 14 of the Listing Rules.

Pursuant to Rule 14.22 of the Listing Rules, the transactions contemplated under the New Purchase Contracts should be aggregated with the Transactions and be treated as if they were one transaction for the purpose of Chapter 14 of the Listing Rules. Nonetheless, the transactions contemplated under the New Purchase Contracts even if aggregated with the Transactions, will still be classified as a major transaction of the Company under Chapter 14 of the Listing Rules of which relevant disclosure requirements have already been complied with by the Company. Accordingly, pursuant to the Stock Exchange's Series 7 Frequently Asked Question 14, the Company would not be required to re-classify the transactions contemplated under the New Purchase Contracts by aggregating them with the Transactions.

BACKGROUND

Reference is made to the announcements of the Company dated 23 July 2015, 26 January 2016, 6 April 2016, 2 August 2016, 22 September 2016 and 13 January 2017 and the circulars of the Company dated 14 October 2016 and 10 February 2017, in relation to the purchase of wind power electricity generation equipment from the Supplier for the Group's wind farm projects in Hunan Province (湖南省), Anhui Province (安徽省), Henan Province (河南省) and Hubei Province (湖北省), the PRC pursuant to the Previous Purchase Contracts.

On 7 July 2017, TCCH and the Supplier entered into the New Purchase Contracts regarding the purchase of wind power electricity generation equipment from the Supplier for the Group's wind farm project in Hunan province (湖南省), the PRC. The Supplier is an Independent Third Party.

THE NEW PURCHASE CONTRACT 1

The principal terms of the New Purchase Contract 1 are summarised as follows:

Date:	7 July 2017 (after trading hours)
Parties:	Tianjin Century Concord Huaxing Wind Power Equipment Co., Ltd.* (天津協合華興風電裝備有限公司), a wholly owned subsidiary of the Company, the purchaser; and Xinjiang Goldwind Science & Technology Co., Ltd. * (新疆金風科技股份有限公司), an Independent Third Party, the Supplier
Consideration:	RMB129,748,000 (equivalent to approximately HK\$148,984,000)

Under the New Purchase Contract 1, the Group has agreed to purchase from the Supplier (i) 13 sets of wind power generation facilities of 2,000KW each and 3 sets of wind power generation facilities of 2,200KW each and (ii) ancillary equipment for the Group's development of the wind farm project in Hunan Province (湖南省), the PRC.

The amount of consideration includes fees in relation to, inter alia, the purchase of machinery and equipment, technical support services to be provided by the Supplier, tax payment and delivery and insurance costs. The Supplier will provide a warranty period of 5 years in respect of the machinery and equipment supplied.

The above consideration payable by the Group is on normal commercial terms and is agreed after arm's length negotiation principally with reference to the market unit price and quantity of each machinery, equipment or forming part of the wind power electricity generation equipment to be supplied as set out in the New Purchase Contract 1.

According to the New Purchase Contract 1, the Supplier shall pay 10% of the above consideration within 15 days from the effective date of the New Purchase Contract 1 as performance bond for any breach of its obligations under the New Purchase Contract 1, which shall be refunded to the Supplier within 30 days after completion of the pre-examination of the relevant machinery and equipment. 10% of the above consideration shall be payable within 35 days after receipt of the performance bond deposit and evidence of such payment.

The Supplier shall deliver and install machinery and equipment, and the payment of consideration to be made by the Group by instalment will be based on the stages of completion, including the time of delivery and examination of equipment on the terms of New Purchase Contract 1. The consideration will be payable in telegraphic transfer or by way of acceptance bill of exchange. The purchase will be financed by internal resources of the Group or borrowings.

THE NEW PURCHASE CONTRACT 2

The principal terms of the New Purchase Contract 2 are summarised as follows:

Date:	7 July 2017 (after trading hours)
Parties:	Tianjin Century Concord Huaxing Wind Power Equipment Co., Ltd.* (天津協合華興風電裝備有限公司), a wholly owned subsidiary of the Company, the purchaser; and Xinjiang Goldwind Science & Technology Co., Ltd. * (新疆金風科技股份有限公司), an Independent Third Party, the Supplier
Consideration:	RMB194,224,000 (equivalent to approximately HK\$223,019,000)

Under the New Purchase Contract 2, the Group has agreed to purchase from the Supplier (i) 9 sets of wind power generation facilities of 2,000KW each and 14 sets of wind power generation facilities of 2,200KW each and (ii) ancillary equipment for the Group's development of the wind farm project in Hunan Province (湖南省), the PRC.

The amount of consideration includes fees in relation to, inter alia, the purchase of machinery and equipment, technical support services to be provided by the Supplier, tax payment and delivery and insurance costs. The Supplier will provide a warranty period of 5 years in respect of the machinery and equipment supplied.

The above consideration payable by the Group is on normal commercial terms and is agreed after arm's length negotiation principally with reference to the market unit price and quantity of each machinery, equipment or forming part of the wind power electricity generation equipment to be supplied as set out in the New Purchase Contract 2.

According to the New Purchase Contract 2, the Supplier shall pay 10% of the above consideration within 15 days from the effective date of the New Purchase Contract 2 as performance bond for any breach of its obligations under the New Purchase Contract 2, which shall be refunded to the Supplier within 30 days after completion of the pre-examination of the relevant machinery and equipment. 10% of the above consideration shall be payable within 35 days after receipt of the performance bond deposit and evidence of such payment.

The Supplier shall deliver and install machinery and equipment, and the payment of consideration to be made by the Group by instalment will be based on the stages of completion, including the time of delivery and examination of equipment on the terms of New Purchase Contract 2. The consideration will be payable in telegraphic transfer or by way of acceptance bill of exchange. The purchase will be financed by internal resources of the Group or borrowings.

THE SUPPLIER

The Supplier is a supplier of wind power machinery and equipment in the PRC. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Supplier and its ultimate beneficial owner(s) are the Independent Third Parties.

REASONS FOR ENTERING INTO OF THE NEW PURCHASE CONTRACTS AND TERMINATION OF THE PURCHASE CONTRACT 1 AND THE PURCHASE CONTRACT 2

The Group is principally engaged in (i) investing in wind and solar power projects and (ii) offering professional technical services and integrated solution to the wind and solar power generation projects.

The reason for terminating the Purchase Contract 1 and the Purchase Contract 2 and entering into the New Purchase Contracts as replacements was mainly due to the technological improvement and the decline in price of the wind power generation facilities. New wind power generation facilities with advanced technological specifications are required for the Group's wind farm projects in Hunan Province, the PRC. The aforementioned changes have been reflected in the New Purchase Contracts.

The Directors (including the independent non-executive Directors) consider that the Termination Agreement 1, the Termination Agreement 2 and the New Purchase Contracts have been entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms (on arm's length basis); (iii) that the terms of the New Purchase Contracts are fair and reasonable; and (iv) in the interests of the Company and its shareholders as a whole.

IMPLICATIONS OF THE LISTING RULES

The applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the New Purchase Contracts exceed 5% but less than 25% respectively and collectively. Accordingly, the transactions contemplated under the New Purchase Contracts respectively and collectively constitute(s) a discloseable transaction under Chapter 14 of the Listing Rules and is subject to notification and announcement requirements but exempted from shareholders' approval requirements under Chapter 14 of the Listing Rules.

Pursuant to Rule 14.22 of the Listing Rules, the transactions contemplated under the New Purchase Contracts should be aggregated with the transactions contemplated under the Previous Purchase Contracts and be treated as if they were one transaction for the purpose of Chapter 14 of the Listing Rules. Nonetheless, the transactions contemplated under the New Purchase Contracts even if aggregated with the transactions contemplated under the Previous Purchase Contracts, will still be classified as a major transaction of the Company under Chapter 14 of the Listing Rules of which relevant disclosure requirements have already been complied with by the Company. Accordingly, pursuant to the Stock Exchange's Series 7 Frequently Asked Question 14, the Company would not be required to re-classify the transactions contemplated under the New Purchase Contracts by aggregating them with the transactions contemplated under the Previous Purchase Contracts.

DEFINITIONS

“Company”	Concord New Energy Group Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HNEE”	Haotai New Energy Equipment Ltd.* (浩泰新能源裝備有限公司), a limited liability company incorporated in the PRC and a wholly owned subsidiary of the Company
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons (as defined under the Listing Rules)
“KW”	Kilowatts (1,000 watts), the commonly used unit of power in quantifying the electricity generation
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“percentage ratio(s)”	the percentage ratio(s) as defined in Chapter 14 of the Listing Rules
“PRC”	The People’s Republic of China
“Previous Purchase Contract(s)”	collectively the Purchase Contract 1, the Purchase Contract 2, the Purchase Contract 3, the Purchase Contract 4, the Purchase Contract 5, the Purchase Contract 6 and the Purchase Contract 7
“Purchase Contract 1”	the wind power electricity generation equipment purchase contract entered between TCCH and the Supplier dated 23 July 2015, which is terminated by the Termination Agreement 1 on 7 July 2017
“Purchase Contract 2”	the wind power electricity generation equipment purchase contract entered between TCCH and the Supplier dated 26 January 2016, which is terminated by the Termination Agreement 2 on 7 July 2017

“Purchase Contract 3”	the wind power electricity generation equipment purchase contract entered between TCCH and the Supplier dated 6 April 2016
“Purchase Contract 4”	the wind power electricity generation equipment purchase contract entered between HNEE and the Supplier dated 2 August 2016
“Purchase Contract 5”	the wind power electricity generation equipment purchase contract entered between HNEE and the Supplier dated 22 September 2016
“Purchase Contract 6”	the wind power electricity generation equipment purchase contract entered between TCCH and the Supplier dated 13 January 2017
“Purchase Contract 7”	the wind power electricity generation equipment purchase contract entered between TCCH and the Supplier dated 13 January 2017
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it by the Listing Rules
“Supplier”	Xinjiang Goldwind Science & Technology Co., Ltd.* (新疆金風科技股份有限公 司), a limited liability company incorporated in the PRC
“Termination Agreement 1”	the termination agreement entered between TCCH and the Supplier dated 7 July 2017 regarding the termination of the Purchase Contract 1
“Termination Agreement 2”	the termination agreement entered between TCCH and the Supplier dated 7 July 2017 regarding the termination of the Purchase Contract 2
“New Purchase Contract 1”	the new purchase contract dated 7 July 2017 entered between TCCH and the Supplier
“New Purchase Contract 2”	the new purchase contract dated 7 July 2017 entered between TCCH and the Supplier
“New Purchase Contracts”	the New Purchase Contract 1 and the New Purchase Contract 2

“TCCH” Tianjin Century Concord Huaxing Wind Power Equipment Co., Ltd.* (天津協合華興風電裝備有限公司), a limited liability company incorporated in the PRC and a wholly owned subsidiary of the Company

“Transactions” the transactions contemplated under the Previous Purchase Contracts

The translation of RMB into HK\$ is based on the exchange rate of RMB1.00 to HK\$1.15, and are provided for information purposes only.

By order of the Board
CONCORD NEW ENERGY GROUP LIMITED
Liu Shunxing
Chairman

7 July 2017, Hong Kong

As at the date of this announcement, the Board comprises Mr. Liu Shunxing (Chairman), Mr. Yang Zhifeng and Ms. Liu Jianhong (who are Co-Vice Chairpersons), Mr. Yu Weizhou (Chief Executive Officer), Mr. Niu Wenhui and Mr. Gui Kai (all of above are also executive Directors), Mr. Wu Shaohua (who is non-executive Director) and Dr. Wong Yau Kar, David, BBS, JP, Mr. Yap Fat Suan, Dr. Shang Li and Ms. Huang Jian (who are independent non-executive Directors).

* *For identification purpose only*