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Concord New Energy Group Limited
協合新能源集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 182)

DISCLOSEABLE TRANSACTION
FINANCE LEASE ARRANGEMENTS

FINANCE LEASE ARRANGEMENTS

The Company is pleased to announce the followings:

- (a) on 18 October 2019, Jingmen Lixi (as supplier and lessee) and Huaneng Tiancheng (as purchaser and lessor) entered into the Jingmen Finance Lease Arrangement, pursuant to which (i) Huaneng Tiancheng agreed to purchase the Jingmen Equipment from Jingmen Lixi, at the consideration of RMB60,000,000; and (ii) Huaneng Tiancheng agreed to lease back the Jingmen Equipment to Jingmen Lixi for a term of 11 years, at an estimated total lease payments in the amount of approximately RMB90,933,959;
- (b) on 18 October 2019, Nanzhao Juhe (as supplier and lessee) and Huaneng Tiancheng (as purchaser and lessor) entered into the Nanzhao Finance Lease Arrangement, pursuant to which (i) Huaneng Tiancheng agreed to purchase the Nanzhao Equipment from Nanzhao Juhe, at the consideration of RMB110,000,000; and (ii) Huaneng Tiancheng agreed to lease back the Nanzhao Equipment to Nanzhao Juhe for a term of 11 years, at an estimated total lease payments in the amount of approximately RMB168,981,720;

* *For identification purposes only*

- (c) on 18 October 2019, Xiangzhou Century Concord (as supplier and lessee) and Huaneng Tiancheng (as purchaser and lessor) entered into the Xiangzhou Finance Lease Arrangement, pursuant to which (i) Huaneng Tiancheng agreed to purchase the Xiangzhou Equipment from Xiangzhou Century Concord, at the consideration of RMB57,000,000; and (ii) Huaneng Tiancheng agreed to lease back the Xiangzhou Equipment to Xiangzhou Century Concord for a term of 10 years, at an estimated total lease payments in the amount of approximately RMB82,466,835; and
- (d) on 18 October 2019, Zaoyang Century Concord (as supplier and lessee) and Huaneng Tiancheng (as purchaser and lessor) entered into the Zaoyang Finance Lease Arrangement, pursuant to which (i) Huaneng Tiancheng agreed to purchase the Zaoyang Equipment from Zaoyang Century Concord, at the consideration of RMB60,000,000; and (ii) Huaneng Tiancheng agreed to lease back the Zaoyang Equipment to Zaoyang Century Concord for a term of 11 years, at an estimated total lease payments in the amount of approximately RMB82,618,022.

LISTING RULES IMPLICATIONS

As the transactions contemplated under the Finance Lease Arrangements are conducted within a 12-month period, the transactions shall be aggregated under Chapter 14 of the Listing Rules. As one or more of the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the transactions contemplated under the Finance Lease Arrangements in aggregate exceed(s) 5% but is/are less than 25%, the Finance Lease Arrangements constitute a discloseable transaction of the Company and is thus subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

FINANCE LEASE ARRANGEMENTS

(a) Jingmen Finance Lease Arrangement

On 18 October 2019, Jingmen Lixi (as supplier and lessee) and Huaneng Tiancheng (as purchaser and lessor) entered into the Jingmen Finance Lease Arrangement, pursuant to which (i) Huaneng Tiancheng agreed to purchase the Jingmen Equipment from Jingmen Lixi, at the consideration of RMB60,000,000; and (ii) Huaneng Tiancheng agreed to lease back the Jingmen Equipment to Jingmen Lixi for a term of 11 years, at an estimated total lease payments in the amount of approximately RMB90,933,959.

All Jingmen Equipment under the Jingmen Finance Lease Arrangement are/will be used by the Group for the operation of the wind power projects of the Group in Hubei Province, the PRC.

(i) *The Jingmen Finance Lease Agreement*

The principal terms of the Jingmen Finance Lease Agreement are set out below:

Date of agreement	18 October 2019
Parties to the agreement	Lessor: Huaneng Tiancheng; and Lessee: Jingmen Lixi
Subject assets	The Jingmen Equipment
Consideration payable by the lessor to the lessee	Huaneng Tiancheng shall fully pay RMB60,000,000 upon satisfaction of the conditions summarized in the subsection headed “Consideration payable by the lessor to the lessees under each of the Finance Lease Agreements” in this announcement.
Basis of the consideration	The consideration is determined after arm’s length negotiations with reference to the purchase price payable by Jingmen Lixi to original supplier(s) for the Jingmen Equipment.
Period of the lease term	11 years (commencing from middle of November 2019)
Total lease amount payable by the lessee to the lessor	RMB90,933,959, being the total sum of the lease cost of RMB60,000,000 (which is consistent with the consideration) and the estimated aggregate interest of approximately RMB26,133,959, which are payable in 44 quarterly instalments, the handling fee of RMB2,400,000 and the security deposit of RMB2,400,000.
Lease interest and adjustment	The estimated aggregate interest is approximately RMB26,133,959. Interest (which forms part of the total lease amount) is calculated at a floating rate and shall be adjusted with reference to the Benchmark Interest Rate plus a premium.
Handling fee payable by the lessee to the lessor	RMB2,400,000, which shall be fully paid by Jingmen Lixi to Huaneng Tiancheng before the settlement of the consideration payable by Huaneng Tiancheng to Jingmen Lixi.

Security deposit payable by the lessee to the lessor	RMB2,400,000, which shall be fully paid by Jingmen Lixi to Huaneng Tiancheng before the settlement of the consideration payable by Huaneng Tiancheng to Jingmen Lixi.
Basis to determine the lease payment	The lease amount is agreed between Huaneng Tiancheng and Jingmen Lixi with reference to the consideration payable by Huaneng Tiancheng in respect of the Jingmen Equipment and the prevailing market interest rate of comparable equipment finance leases.
Lessee to buy back the equipment	The legal ownership of the Jingmen Equipment will be rested in Huaneng Tiancheng throughout the lease term. Upon the end of the lease term, provided that Jingmen Lixi has fulfilled all of its obligations under the Jingmen Finance Lease Agreement, Jingmen Lixi has the option to buy back the Jingmen Equipment at a nominal consideration of RMB10,000.

(ii) The Jingmen Security Agreements

In order to secure Jingmen Lixi's obligations under the Jingmen Finance Lease Agreement, the following security documents were also executed on 18 October 2019:

Guarantee agreement	The Company entered into a guarantee agreement in favour of Huaneng Tiancheng, pursuant to which, the Company agreed to provide irrevocable joint liability guarantee for all the debts of Jingmen Lixi under the Jingmen Finance Lease Agreement.
Equity pledge agreement	Yongzhou Jiepai entered into an equity pledge agreement in favour of Huaneng Tiancheng, pursuant to which Yongzhou Jiepai agreed to pledge all its equity interest in Jingmen Lixi to Huaneng Tiancheng, to secure the obligations of Jingmen Lixi under the Jingmen Finance Lease Agreement.

Equipment mortgage agreement

Jingmen Lixi entered into an equipment mortgage agreement in favour of Huaneng Tiancheng, pursuant to which, upon Huaneng Tiancheng's authorisation, Jingmen Lixi agreed to mortgage the Jingmen Equipment to Huaneng Tiancheng and complete the registration procedure, to secure its obligations under the Jingmen Finance Lease Agreement.

Real property mortgage agreement

Jingmen Lixi entered into a real property mortgage agreement in favour of Huaneng Tiancheng, pursuant to which, Jingmen Lixi agreed to mortgage the booster station, the multifunctional building and the wind turbines foundation relating to a wind power project of the Group in Jingmen City, Hubei Province, the PRC to Huaneng Tiancheng and complete the registration procedure, to secure its obligations under the Jingmen Finance Lease Agreement.

Electricity fee pledge agreement

Jingmen Lixi entered into an electricity fee pledge agreement in favour of Huaneng Tiancheng, pursuant to which Jingmen Lixi agreed to pledge its receivables in electricity fee to Huaneng Tiancheng, to secure its obligations under the Jingmen Finance Lease Agreement.

Jingmen Designated Account Agreement

Jingmen Lixi and Huaneng Tiancheng entered into a designated account agreement (the "**Jingmen Designated Account Agreement**"), pursuant to which a designated account (the "**Jingmen Designated Account**") will be set up before the consideration is paid by Huaneng Tiancheng to Jingmen Lixi, and the shareholder's loan for Jingmen Lixi (if any), the consideration for the Jingmen Equipment and the receivables in electricity fee of Jingmen Lixi should be deposited into the Jingmen Designated Account, the fund of which should be given priority for fulfilling the obligations of Jingmen Lixi under the Jingmen Finance Lease Agreement.

Shortfall guarantee agreement

Century Concord entered into a shortfall guarantee agreement in favour of Huaneng Tiancheng, pursuant to which Century Concord agreed to make up the shortfall occurred in the Jingmen Designated Account (if any) for Jingmen Lixi to guarantee the debts owed to Huaneng Tiancheng by Jingmen Lixi under the Jingmen Finance Lease Agreement.

(b) Nanzhao Finance Lease Arrangement

On 18 October 2019, Nanzhao Juhe (as supplier and lessee) and Huaneng Tiancheng (as purchaser and lessor) entered into the Nanzhao Finance Lease Arrangement, pursuant to which (i) Huaneng Tiancheng agreed to purchase the Nanzhao Equipment from Nanzhao Juhe, at the consideration of RMB110,000,000; and (ii) Huaneng Tiancheng agreed to lease back the Nanzhao Equipment to Nanzhao Juhe for a term of 11 years, at an estimated total lease payments in the amount of approximately RMB168,981,720.

All Nanzhao Equipment under the Nanzhao Finance Lease Arrangement are/will be used by the Group for the operation of the wind power projects of the Group in Henan Province, the PRC.

(i) The Nanzhao Finance Lease Agreement

The principal terms of the Nanzhao Finance Lease Agreement are set out below:

Date of agreement	18 October 2019
Parties to the agreement	Lessor: Huaneng Tiancheng; and Lessee: Nanzhao Juhe
Subject assets	The Nanzhao Equipment
Consideration payable by the lessor to the lessee	Huaneng Tiancheng shall fully pay RMB110,000,000 upon satisfaction of the conditions summarized in the subsection headed “Consideration payable by the lessor to the lessees under each of the Finance Lease Agreements” in this announcement.
Basis of the consideration	The consideration is determined after arm’s length negotiations with reference to the purchase price payable by Nanzhao Juhe to original supplier(s) for the Nanzhao Equipment.
Period of the lease term	11 years (commencing from middle of November 2019)
Total lease amount payable by the lessee to the lessor	RMB168,981,720, being the total sum of the lease cost of RMB110,000,000 (which is consistent with the consideration) and the estimated aggregate interest of approximately RMB50,181,720, which are payable in 43 quarterly installments, the handling fee of RMB4,400,000 and the security deposit of RMB4,400,000.

Lease interest and adjustment	The estimated aggregate interest is approximately RMB50,181,720. Interest (which forms part of the total lease amount) is calculated at a floating rate and shall be adjusted with reference to the Benchmark Interest Rate plus a premium.
Handling fee payable by the lessee to the lessor	RMB4,400,000, which shall be fully paid by Nanzhao Juhe to Huaneng Tiancheng before the settlement of the consideration payable by Huaneng Tiancheng to Nanzhao Juhe.
Security deposit payable by the lessee to the lessor	RMB4,400,000, which shall be fully paid by Nanzhao Juhe to Huaneng Tiancheng before the settlement of the consideration payable by Huaneng Tiancheng to Nanzhao Juhe.
Basis to determine the lease payment	The lease amount is agreed between Huaneng Tiancheng and Nanzhao Juhe with reference to the consideration payable by Huaneng Tiancheng in respect of the Nanzhao Equipment and the prevailing market interest rate of comparable equipment finance leases.
Lessee to buy back the equipment	The legal ownership of the Nanzhao Equipment will be rested in Huaneng Tiancheng throughout the lease term. Upon the end of the lease term, provided that Nanzhao Juhe has fulfilled all of its obligations under the Nanzhao Finance Lease Agreement, Nanzhao Juhe has the option to buy back the Nanzhao Equipment at a nominal consideration of RMB10,000.

(ii) *The Nanzhao Security Agreements*

In order to secure Nanzhao Juhe's obligations under the Nanzhao Finance Lease Agreement, the following security documents have also been executed on 18 October 2019:

Guarantee agreement	The Company has entered into a guarantee agreement in favour of Huaneng Tiancheng, pursuant to which, the Company agreed to provide irrevocable joint liability guarantee for all the debts of Nanzhao Juhe under the Nanzhao Finance Lease Agreement.
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Equity pledge agreement	Yongzhou Jiepai entered into an equity pledge agreement in favour of Huaneng Tiancheng, pursuant to which Yongzhou Jiepai agreed to pledge all its equity interest in Nanzhao Juhe to Huaneng Tiancheng, to secure the obligations of Nanzhao Juhe under the Nanzhao Finance Lease Agreement.
Equipment mortgage agreement	Nanzhao Juhe has entered into an equipment mortgage agreement in favour of Huaneng Tiancheng, pursuant to which, upon Huaneng Tiancheng's authorisation, Nanzhao Juhe agreed to mortgage the Nanzhao Equipment to Huaneng Tiancheng and complete the registration procedure, to secure its obligations under the Nanzhao Finance Lease Agreement.
Real property mortgage agreement	Nanzhao Juhe has entered into a real property mortgage agreement in favour of Huaneng Tiancheng, pursuant to which, Nanzhao Juhe agreed to mortgage the booster station, the multifunctional building and the wind turbines foundation relating to a wind power project of the Group in Nanzhao County, Henan Province, the PRC to Huaneng Tiancheng and complete the registration procedure, to secure its obligations under the Nanzhao Finance Lease Agreement.
Electricity fee pledge agreement	Nanzhao Juhe has entered into an electricity fee pledge agreement in favour of Huaneng Tiancheng, pursuant to which Nanzhao Juhe agreed to pledge its receivables in electricity fee to Huaneng Tiancheng, to secure its obligations under the Nanzhao Finance Lease Agreement.
Nanzhao Designated Account Agreement	Nanzhao Juhe and Huaneng Tiancheng have entered into a designated account agreement (the " Nanzhao Designated Account Agreement "), pursuant to which a designated account (the " Nanzhao Designated Account ") will be set up before the consideration is paid by Huaneng Tiancheng to Nanzhao Juhe, and the shareholder's loan for Nanzhao Juhe (if any), the consideration for the Nanzhao Equipment and the receivables in electricity fee of Nanzhao Juhe should be deposited into the Nanzhao Designated Account, the fund of which should be given priority for fulfilling the obligations of Nanzhao Juhe under the Nanzhao Finance Lease Agreement.

Shortfall guarantee agreement

Century Concord entered into a shortfall guarantee agreement in favour of Huaneng Tiancheng, pursuant to which Century Concord agreed to make up the shortfall occurred in the Nanzhao Designated Account (if any) for Nanzhao Juhe to guarantee the debts owed to Huaneng Tiancheng by Nanzhao Juhe under the Nanzhao Finance Lease Agreement.

(c) Xiangzhou Finance Lease Arrangement

On 18 October 2019, Xiangzhou Century Concord (as supplier and lessee) and Huaneng Tiancheng (as purchaser and lessor) entered into the Xiangzhou Finance Lease Arrangement, pursuant to which (i) Huaneng Tiancheng agreed to purchase the Xiangzhou Equipment from Xiangzhou Century Concord, at the consideration of RMB57,000,000; and (ii) Huaneng Tiancheng agreed to lease back the Xiangzhou Equipment to Xiangzhou Century Concord for a term of 10 years, at an estimated total lease payments in the amount of approximately RMB82,466,835.

All Xiangzhou Equipment under the Xiangzhou Finance Lease Arrangement are/will be used by the Group for the operation of the wind power projects of the Group in Hubei Province, the PRC.

(i) *The Xiangzhou Finance Lease Agreement*

The principal terms of the Xiangzhou Finance Lease Agreement are set out below:

Date of agreement	18 October 2019
Parties to the agreement	Lessor: Huaneng Tiancheng; and Lessee: Xiangzhou Century Concord
Subject assets	The Xiangzhou Equipment
Consideration payable by the lessor to the lessee	Huaneng Tiancheng shall fully pay RMB57,000,000 upon satisfaction of the conditions summarized in the subsection headed “Consideration payable by the lessor to the lessees under each of the Finance Lease Agreements” in this announcement.

Basis of the consideration	The consideration is determined after arm's length negotiations with reference to the purchase price payable by Xiangzhou Century Concord to original supplier(s) for the Xiangzhou Equipment.
Period of the lease term	10 years (commencing from middle of November 2019)
Total lease amount payable by the lessee to the lessor	RMB82,466,835, being the total sum of the lease cost of RMB57,000,000 (which is consistent with the consideration) and the estimated aggregate interest of approximately RMB21,191,835, which are payable in 40 quarterly installments, the handling fee of RMB1,995,000 and the security deposit of RMB2,280,000.
Lease interest and adjustment	The estimated aggregate interest is approximately RMB21,191,835. Interest (which forms part of the total lease amount) is calculated at a floating rate and shall be adjusted with reference to the Benchmark Interest Rate plus a premium.
Handling fee payable by the lessee to the lessor	RMB1,995,000, which shall be fully paid by Xiangzhou Century Concord to Huaneng Tiancheng before the settlement of the consideration payable by Huaneng Tiancheng to Xiangzhou Century Concord.
Security deposit payable by the lessee to the lessor	RMB2,280,000, which shall be fully paid by Xiangzhou Century Concord to Huaneng Tiancheng before the settlement of the consideration payable by Huaneng Tiancheng to Xiangzhou Century Concord.
Basis to determine the lease payment	The lease amount is agreed between Huaneng Tiancheng and Xiangzhou Century Concord with reference to the consideration payable by Huaneng Tiancheng in respect of the Xiangzhou Equipment and the prevailing market interest rate of comparable equipment finance leases.

Lessee to buy back the equipment

The legal ownership of the Xiangzhou Equipment will be rested in Huaneng Tiancheng throughout the lease term. Upon the end of the lease term, provided that Xiangzhou Century Concord has fulfilled all of its obligations under the Xiangzhou Finance Lease Agreement, Xiangzhou Century Concord has the option to buy back the Xiangzhou Equipment at a nominal consideration of RMB10,000.

(ii) *The Xiangzhou Security Agreements*

In order to secure Xiangzhou Century Concord's obligations under the Xiangzhou Finance Lease Agreement, the following security documents were also executed on 18 October 2019:

Guarantee agreement

The Company has entered into a guarantee agreement in favour of Huaneng Tiancheng, pursuant to which, the Company agreed to provide irrevocable joint liability guarantees for all the debts of Xiangzhou Century Concord under the Xiangzhou Finance Lease Agreement.

Equity pledge agreement

Yongzhou Jiepai entered into an equity pledge agreement in favour of Huaneng Tiancheng, pursuant to which Yongzhou Jiepai agreed to pledge all its equity interest in Xiangzhou Century Concord to Huaneng Tiancheng, to secure the obligations of Xiangzhou Century Concord under the Xiangzhou Finance Lease Agreement.

Equipment mortgage agreement

Xiangzhou Century Concord entered into an equipment mortgage agreement in favour of Huaneng Tiancheng, pursuant to which, upon Huaneng Tiancheng's authorisation, Xiangzhou Century Concord agreed to mortgage the Xiangzhou Equipment to Huaneng Tiancheng and complete the registration procedure, to secure its obligations under the Xiangzhou Finance Lease Agreement.

Real property mortgage agreement

Xiangzhou Century Concord entered into a real property mortgage agreement in favour of Huaneng Tiancheng, pursuant to which, Xiangzhou Century Concord agreed to mortgage the multifunctional building and the wind turbines foundation relating to a wind power project of the Group in Xiangzhou District, Hubei Province, the PRC to Huaneng Tiancheng and complete the registration procedure, to secure its obligations under the Xiangzhou Finance Lease Agreement.

Electricity fee pledge agreement

Xiangzhou Century Concord entered into an electricity fee pledge agreement in favour of Huaneng Tiancheng, pursuant to which Xiangzhou Century Concord agreed to pledge its receivables in electricity fee to Huaneng Tiancheng, to secure its obligations under the Xiangzhou Finance Lease Agreement.

Xiangzhou Designated Account Agreement

Xiangzhou Century Concord and Huaneng Tiancheng entered into a designated account agreement (the “**Xiangzhou Designated Account Agreement**”), pursuant to which a designated account (the “**Xiangzhou Designated Account**”) will be set up before the consideration is paid by Huaneng Tiancheng to Xiangzhou Century Concord, and the shareholder’s loan for Xiangzhou Century Concord (if any), the consideration for the Xiangzhou Equipment and the receivables in electricity fee of Xiangzhou Century Concord should be deposited into the Xiangzhou Designated Account , the fund of which should be given priority for fulfilling the obligations of Xiangzhou Century Concord under the Xiangzhou Finance Lease Agreement.

Shortfall guarantee agreement

Century Concord entered into a shortfall guarantee agreement in favour of Huaneng Tiancheng, pursuant to which Century Concord agreed to make up the shortfall occurred in the Xiangzhou Designated Account (if any) for Xiangzhou Century Concord to guarantee the debts owed to Huaneng Tiancheng by Xiangzhou Century Concord under the Xiangzhou Finance Lease Agreement.

(d) Zaoyang Finance Lease Arrangement

On 18 October 2019, Zaoyang Century Concord (as supplier and lessee) and Huaneng Tiancheng (as purchaser and lessor) entered into the Zaoyang Finance Lease Arrangement, pursuant to which (i) Huaneng Tiancheng agreed to purchase the Zaoyang Equipment from Zaoyang Century Concord, at the consideration of RMB60,000,000; and (ii) Huaneng Tiancheng agreed to lease back the Zaoyang Equipment to Zaoyang Century Concord for a term of 11 years, at an estimated total lease payments in the amount of approximately RMB82,618,022.

All Zaoyang Equipment under the Zaoyang Finance Lease Arrangement are/will be used by the Group for the operation of the wind power projects of the Group in Hubei Province, the PRC.

(i) *The Zaoyang Finance Lease Agreement*

The principal terms of the Zaoyang Finance Lease Agreement are set out below:

Date of agreement	18 October 2019
Parties to the agreement	Lessor: Huaneng Tiancheng; and Lessee: Zaoyang Century Concord
Subject assets	The Zaoyang Equipment
Consideration payable by the lessor to the lessee	Huaneng Tiancheng shall fully pay RMB60,000,000 upon satisfaction of the conditions summarized in the subsection headed “Consideration payable by the lessor to the lessees under each of the Finance Lease Agreements” in this announcement.
Basis of the consideration	The consideration is determined after arm’s length negotiations with reference to the purchase price payable by Zaoyang Century Concord to original supplier(s) for the Zaoyang Equipment.
Period of the lease term	11 years (commencing from middle of November 2019)

Total lease amount payable by the lessee to the lessor	RMB82,618,022, being the total sum of the lease cost of RMB60,000,000 (which is consistent with the consideration) and the estimated aggregate interest of approximately RMB17,818,022, which are payable in 44 quarterly installments, the handling fee of RMB2,400,000 and the security deposit of RMB2,400,000.
Lease interest and adjustment	The estimated aggregate interest is Approximately RMB17,818,022. Interest (which forms part of the total lease amount) is calculated at a floating rate and shall be adjusted with reference to the Benchmark Interest Rate plus a premium.
Handling fee payable by the lessee to the lessor	RMB2,400,000, which shall be fully paid by Zaoyang Century Concord to Huaneng Tiancheng before the settlement of the consideration payable by Huaneng Tiancheng to Zaoyang Century Concord.
Security deposit payable by the lessee to the lessor	RMB2,400,000, which shall be fully paid by Zaoyang Century Concord to Huaneng Tiancheng before the settlement of the consideration payable by Huaneng Tiancheng to Zaoyang Century Concord.
Basis to determine the lease payment	The lease amount is agreed between Huaneng Tiancheng and Zaoyang Century Concord with reference to the consideration payable by Huaneng Tiancheng in respect of the Zaoyang Equipment and the prevailing market interest rate of comparable equipment finance leases.
Lessee to buy back the equipment	The legal ownership of the Zaoyang Equipment will be rested in Huaneng Tiancheng throughout the lease term. Upon the end of the lease term, provided that Zaoyang Century Concord has fulfilled all of its obligations under the Zaoyang Finance Lease Agreement, Zaoyang Century Concord has the option to buy back the Zaoyang Equipment at a nominal consideration of RMB10,000.

(ii) The Zaoyang Security Agreements

In order to secure Zaoyang Century Concord's obligations under the Zaoyang Finance Lease Agreement, the following security documents were also executed on 18 October 2019:

Guarantee agreement	The Company entered into a guarantee agreement in favour of Huaneng Tiancheng, pursuant to which, the Company agreed to provide irrevocable joint liability guarantee for all the debts of Zaoyang Century Concord under the Zaoyang Finance Lease Agreement.
Equity pledge agreement	Yongzhou Jiepai entered into an equity pledge agreement in favour of Huaneng Tiancheng, pursuant to which Yongzhou Jiepai agreed to pledge all its equity interest in Zaoyang Century Concord to Huaneng Tiancheng, to secure the obligations of Zaoyang Century Concord under the Zaoyang Finance Lease Agreement.
Equipment mortgage agreement	Zaoyang Century Concord entered into an equipment mortgage agreement in favour of Huaneng Tiancheng, pursuant to which, upon Huaneng Tiancheng's authorisation, Zaoyang Century Concord agreed to mortgage the Zaoyang Equipment to Huaneng Tiancheng and complete the registration procedure, to secure its obligations under the Zaoyang Finance Lease Agreement.
Real property mortgage agreement	Zaoyang Century Concord entered into a real property mortgage agreement in favour of Huaneng Tiancheng, pursuant to which, Zaoyang Century Concord agreed to mortgage the booster station, the multifunctional building and the wind turbines foundation relating to a wind power project of the Group in Zaoyang City, Hubei Province, the PRC to Huaneng Tiancheng and complete the registration procedure, to secure its obligations under the Zaoyang Finance Lease Agreement.
Electricity fee pledge agreement	Zaoyang Century Concord entered into an electricity fee pledge agreement in favour of Huaneng Tiancheng, pursuant to which Zaoyang Century Concord agreed to pledge its receivables in electricity fee to Huaneng Tiancheng, to secure its obligations under the Zaoyang Finance Lease Agreement.

Zaoyang Designated Account Agreement Zaoyang Century Concord and Huaneng Tiancheng entered into a designated account agreement (the “**Zaoyang Designated Account Agreement**”), pursuant to which a designated account (the “**Zaoyang Designated Account**”) will be set up before the consideration is paid by Huaneng Tiancheng to Zaoyang Century Concord, and the shareholder’s loan for Zaoyang Century Concord (if any), the consideration for the Zaoyang Equipment and the receivables in electricity fee of Zaoyang Century Concord should be deposited into the Zaoyang Designated Account , the fund of which should be given priority for fulfilling the obligations of Zaoyang Century Concord under the Zaoyang Finance Lease Agreement.

Shortfall guarantee agreement Century Concord entered into a shortfall guarantee agreement in favour of Huaneng Tiancheng, pursuant to which Century Concord agreed to make up the shortfall occurred in the Zaoyang Designated Account (if any) for Zaoyang Century Concord to guarantee the debts owed to Huaneng Tiancheng by Zaoyang Century Concord under the Zaoyang Finance Lease Agreement.

Consideration payable by the lessor to the lessees under each of the Finance Lease Agreements

Huaneng Tiancheng shall fully pay the consideration under each of the Finance Lease Agreements upon satisfaction of the following conditions:

- (i) each of the Finance Lease Agreements and the relevant ancillary documents and agreements have been duly executed and effective;
- (ii) the representations and warranties made by Jingmen Lixi, Nanzhao Juhe, Xiangzhou Century Concord and Zaoyang Century Concord under each of the Finance Lease Agreements are true, accurate and not misleading;
- (iii) relevant guarantors under each of the Finance Lease Arrangements have obtained the approvals/authorisations for the provisions of guarantees from internal and external authorised institutions, as required by Huaneng Tiancheng, and each of the Security Agreements and the relevant ancillary documents have been duly executed and effective, and the filings and registration procedures at the relevant authorities have been completed;
- (iv) each of the Designated Accounts has been set up under each of the Designated Account Agreements, which has become effective;

- (v) Huaneng Tiancheng has received the full security deposit and the handling fee from Jingmen Lixi, Nanzhao Juhe, Xiangzhou Century Concord and Zaoyang Century Concord under each of the Finance Lease Agreements;
- (vi) Huaneng Tiancheng has obtained the latest credit report of Century Concord (the date should be later than 1 August 2019) and the content of which has not affected the guarantee ability of Century Concord under each of the Finance Lease Arrangements; and
- (vii) other conditions as required by Huaneng Tiancheng have been satisfied.

Each of the Finance Lease Arrangements is independent and not inter-connected with each other.

REASONS FOR AND BENEFIT OF THE FINANCE LEASE ARRANGEMENTS

The entering into of each of the Finance Lease Arrangements is in the ordinary and usual course of business of the Group. The Directors are of the view that under the Finance Lease Arrangements, the Group will obtain financial resources and gain access to certain equipment as required for its operations. The terms under the Finance Lease Arrangements have been agreed after arm's length negotiation among the relevant parties. The Directors consider the terms of the Finance Lease Arrangements are on normal commercial terms, fair and reasonable and are in the interests of the Company and the shareholders of the Company as a whole.

INFORMATION OF THE PARTIES TO THE FINANCE LEASE AGREEMENTS

Huaneng Tiancheng

Huaneng Tiancheng is a company established in the PRC and is principally engaged in the business of finance leasing. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, Huaneng Tiancheng and its ultimate beneficial owner, the State-owned Assets Supervision and Administration Commission of the State Council of the PRC, are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

The Company

The Company is a company incorporated in Bermuda with limited liability and its shares are listed on the Main Board of the Stock Exchange. The Group is principally engaged in (i) investing in wind and solar power projects; and (ii) offering professional technical services and integrated solutions to the wind and solar power generation projects.

Jingmen Lixi

Jingmen Lixi is a wholly-owned subsidiary of the Company and is principally engaged in the operation of wind power generation projects in the PRC.

Nanzhao Juhe

Nanzhao Juhe is a wholly-owned subsidiary of the Company and is principally engaged in the operation of wind power generation projects in the PRC.

Xiangzhou Century Concord

Xiangzhou Century Concord is a wholly-owned subsidiary of the Company and is principally engaged in the operation of wind power generation projects in the PRC.

Zaoyang Century Concord

Zaoyang Century Concord is a wholly-owned subsidiary of the Company and is principally engaged in the operation of wind power generation projects in the PRC.

LISTING RULES IMPLICATIONS

As the transactions contemplated under the Finance Lease Arrangements are conducted within a 12-month period, the transactions shall be aggregated under Chapter 14 of the Listing Rules. As one or more of the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the transactions contemplated under the Finance Lease Arrangements in aggregate exceed(s) 5% but is/are less than 25%, the Finance Lease Arrangements constitute a discloseable transaction of the Company and is thus subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Benchmark Interest Rate”	the benchmark interest rate for RMB loans with a maturity of above 5 years, as promulgated by the People’s Bank of China from time to time, which was 4.9% as at the date of this announcement
“Board”	the board of Directors
“Century Concord”	Century Concord Wind Power Investment Co., Ltd.* (協合風電投資有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company

“Company”	Concord New Energy Group Limited (協合新能源集團有限公司*) (Stock code: 182), a company incorporated in Bermuda with limited liability, the ordinary shares of which are listed on the Main Board of the Stock Exchange
“Designated Accounts”	collectively, the Jingmen Designated Account, the Nanzhao Designated Account, the Xiangzhou Designated Account and the Zaoyang Designated Account
“Designated Account Agreements”	collectively, the Jingmen Designated Account Agreement, the Nanzhao Designated Account Agreement, the Xiangzhou Designated Account Agreement and the Zaoyang Designated Account Agreement
“Director(s)”	the director(s) of the Company
“Finance Lease Agreements”	collectively, the Jingmen Finance Lease Agreement, the Nanzhao Finance Lease Agreement, the Xiangzhou Finance Lease Agreement and the Zaoyang Finance Lease Agreement
“Finance Lease Arrangements”	collectively, the Jingmen Finance Lease Arrangement, the Nanzhao Finance Lease Arrangement, the Xiangzhou Finance Lease Arrangement and the Zaoyang Finance Lease Arrangement
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Huaneng Tiancheng”	Huaneng Tiancheng Financial Leasing Co., Ltd.* (華能天成融資租賃有限公司), a company established in the PRC with limited liability and a third party independent of the Company and its connected persons (as defined under the Listing Rules)
“Jingmen Equipment”	certain machinery and equipment for the Group’s operation of the wind power projects in Hubei Province, the PRC as stipulated under the Jingmen Finance Lease Agreement
“Jingmen Finance Lease Agreement”	the finance lease agreement entered into between Jingmen Lixi and Huaneng Tiancheng on 18 October 2019, including all ancillary agreements attached thereto in respect of the purchase and lease of the Jingmen Equipment, as described in the sub-section headed “Jingmen Finance Lease Arrangement — (i) The Jingmen Finance Lease Agreement” in this announcement

“Jingmen Finance Lease Arrangement”	the transactions contemplated under the Jingmen Finance Lease Agreement and the Jingmen Security Agreements
“Jingmen Lixi”	Jingmen Lixi Wind Power Co., Ltd.* (荊門栗溪風力發電有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Jingmen Security Agreements”	the security agreements, including the guarantee agreement, the equity pledge agreement, the equipment mortgage agreement, the real property mortgage agreement, the electricity fee pledge agreement, the Jingmen Designated Account Agreement and the shortfall guarantee agreement, to secure the obligations of Jingmen Lixi under the Jingmen Finance Lease Arrangement, as described in the sub-section headed “Jingmen Finance Lease Arrangement — (ii) The Jingmen Security Agreements” in this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nanzhao Equipment”	certain machinery and equipment for the Group’s operation of the wind power projects in Henan Province, the PRC as stipulated under the Nanzhao Finance Lease Agreement
“Nanzhao Finance Lease Agreement”	the finance lease agreement entered into between Nanzhao Juhe and Huaneng Tiancheng on 18 October 2019, including all ancillary agreements attached thereto in respect of the purchase and lease of the Nanzhao Equipment, as described in the sub-section headed “Nanzhao Finance Lease Arrangement — (i) The Nanzhao Finance Lease Agreement” in this announcement
“Nanzhao Finance Lease Arrangement”	the transactions contemplated under the Nanzhao Finance Lease Agreement and the Nanzhao Security Agreements
“Nanzhao Juhe”	Nanzhao Juhe Wind Power Co., Ltd.* (南召聚合風力發電有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Nanzhao Security Agreements”	the security agreements, including the guarantee agreement, the equity pledge agreement, the equipment mortgage agreement, the real property mortgage agreement, the electricity fee pledge agreement, the Nanzhao Designated Account Agreement and the shortfall guarantee agreement, to secure the obligations of Nanzhao Juhe under the Nanzhao Finance Lease Arrangement, as described in the sub-section headed “Nanzhao Finance Lease Arrangement — (ii) The Nanzhao Security Agreements” in this announcement

“PRC”	The People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Security Agreements”	collectively, the Jingmen Security Agreements, the Nanzhao Security Agreements, the Xiangzhou Security Agreements and the Zaoyang Security Agreements
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Xiangzhou Century Concord”	Xiangyang Xiangzhou Century Concord Yushan Wind Power Co., Ltd.* (襄陽襄州協合峪山風力發電有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Xiangzhou Equipment”	certain machinery and equipment for the Group’s operation of the wind power projects in Hubei Province, the PRC as stipulated under the Xiangzhou Finance Lease Agreement
“Xiangzhou Finance Lease Agreement”	the finance lease agreement entered into between Xiangzhou Century Concord and Huaneng Tiancheng on 18 October 2019, including all ancillary agreements attached thereto in respect of the purchase and lease of the Xiangzhou Equipment, as described in the sub-section headed “Xiangzhou Finance Lease Arrangement — (i) The Xiangzhou Finance Lease Agreement” in this announcement
“Xiangzhou Finance Lease Arrangement”	the transactions contemplated under the Xiangzhou Finance Lease Agreement and the Xiangzhou Security Agreements
“Xiangzhou Security Agreements”	the security agreements, including the guarantee agreement, the equity pledge agreement, the equipment mortgage agreement, the real property mortgage agreement, the electricity fee pledge agreement, the Xiangzhou Designated Account Agreement and the shortfall guarantee agreement, to secure the obligations of Xiangzhou Century Concord under the Xiangzhou Finance Lease Arrangement, as described in the sub-section headed “Xiangzhou Finance Lease Arrangement — (ii) The Xiangzhou Security Agreements” in this announcement
“Yongzhou Jiepai”	Yongzhou Jiepai Century Concord Wind Power Co., Ltd.* (永州界牌協合風力發電有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company

“Zaoyang Century Concord”	Zaoyang Century Concord Wind Power Co., Ltd.* (棗陽協合風力發電有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Zaoyang Equipment”	certain machinery and equipment for the Group’s operation of the wind power projects in Hubei Province, the PRC as stipulated under the Zaoyang Finance Lease Agreement
“Zaoyang Finance Lease Agreement”	the finance lease agreement entered into between Zaoyang Century Concord and Huaneng Tiancheng on 18 October 2019, including all ancillary agreements attached thereto in respect of the purchase and lease of the Zaoyang Equipment, as described in the sub-section headed “Zaoyang Finance Lease Arrangement — (i) The Zaoyang Finance Lease Agreement” in this announcement
“Zaoyang Finance Lease Arrangement”	the transactions contemplated under the Zaoyang Finance Lease Agreement and the Zaoyang Security Agreements
“Zaoyang Security Agreements”	the security agreements, including the guarantee agreement, the equity pledge agreement, the equipment mortgage agreement, the real property mortgage agreement, the electricity fee pledge agreement, the Zaoyang Designated Account Agreement and the shortfall guarantee agreement, to secure the obligations of Zaoyang Century Concord under the Zaoyang Finance Lease Arrangement, as described in the sub-section headed “Zaoyang Finance Lease Arrangement — (ii) The Zaoyang Security Agreements” in this announcement

For and on behalf of
Concord New Energy Group Limited
Liu Shunxing
Chairman

Hong Kong, 18 October 2019

As at the date of this announcement, the Board comprises Mr. Liu Shunxing (Chairman), Ms. Liu Jianhong (Vice Chairperson), Mr. Yu Weizhou (Chief Executive Officer), Mr. Niu Wenhui, Mr. Gui Kai and Dr. Shang Li (all of above are executive Directors), Mr. Wang Feng (who is a non-executive Director) and Mr. Yap Fat Suan, Henry, Dr. Jesse Zhixi Fang, Ms. Huang Jian and Mr. Zhang Zhong (who are independent non-executive Directors).

* *For identification purposes only*