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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)**

**MAJOR TRANSACTION**  
**CONTRACTS REGARDING PURCHASE OF**  
**WIND POWER ELECTRICITY GENERATION EQUIPMENT**

**PURCHASE CONTRACTS**

On 14 August 2019, the Purchaser and the Supplier entered into the Purchase Contract I regarding the purchase of 3 sets of wind power electricity generation equipment at a total consideration of RMB26,220,000, by the Purchaser from the Supplier for the wind farm project I of the Group in Heilongjiang Province, the PRC. The Board is pleased to announce that since additional sets of wind power electricity generation equipment are required for the wind farm project I, on 13 November 2019, the Purchaser and the Supplier entered into the Supplemental Agreement to the Purchase Contract I to purchase additional 17 sets of wind power electricity generation equipment at a consideration of RMB 155,380,000 and thus increase the total consideration payable by the Purchaser to RMB181,600,000.

The Board is also pleased to announce that on 13 November 2019, the Purchaser and the Supplier entered into (i) the Purchase Contract II regarding the purchase of 60 sets of wind power electricity generation equipment at a total consideration of RMB569,400,000, by the Purchaser from the Supplier for the wind farm project I of the Group in Heilongjiang Province, the PRC; and (ii) the Purchase Contract III regarding the purchase of 20 sets of wind power electricity generation equipment at a total consideration of RMB189,800,000, by the Purchaser from the Supplier for the wind farm project II of the Group in Heilongjiang Province, the PRC.

\* *For identification purposes only*

## **LISTING RULES IMPLICATIONS**

At the time when the Purchase Contract I was entered into, as none of the applicable percentage ratios exceeded 5%, the transaction contemplated thereunder did not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. Pursuant to the Supplemental Agreement, as one or more of the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the transaction contemplated thereunder exceed(s) 5% but is/are less than 25%, the transaction contemplated under the Purchase Contract I has become a discloseable transaction of the Company and is thus subject to the reporting and announcement requirements 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 transaction contemplated under each of the Purchase Contract II and the Purchase Contract III exceed(s) 5% but is/are less than 25%, the transaction contemplated under each of the Purchase Contract II and the Purchase Contract III constitutes a discloseable transaction of the Company and is thus subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Reference are made to the announcements of the Company dated 23 May 2019 and 16 July 2019 in relation to the Previous Purchases. As the transactions contemplated under the Purchase Contracts and the Previous Purchases 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 Purchase Contracts and the Previous Purchases in aggregate exceed(s) 25% but is/are less than 100%, the transactions contemplated under the Purchase Contracts and the Previous Purchases in aggregate constitute a major transaction of the Company and are thus subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

A special general meeting will be convened by the Company to consider and, if thought fit, approve the Purchase Contracts by the shareholders of the Company. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, no shareholders of the Company has a material interest in the transactions contemplated under the Purchase Contracts and is required to abstain from voting on the relevant resolution(s) at the special general meeting of the Company.

A circular containing, among others, details of the Purchase Contracts and the transactions contemplated thereunder, the financial information of the Group and other information as required to be disclosed under the Listing Rules and the notice of the special general meeting is expected to be despatched to the shareholders of the Company on or before 20 December 2019.

## BACKGROUND

On 14 August 2019, the Purchaser and the Supplier entered into the Purchase Contract I regarding the purchase of 3 sets of wind power electricity generation equipment at a total consideration of RMB26,220,000, by the Purchaser from the Supplier for the wind farm project I of the Group in Heilongjiang Province, the PRC. The Board is pleased to announce that since additional sets of wind power electricity generation equipment are required for the wind farm project I, on 13 November 2019, the Purchaser and the Supplier entered into the Supplemental Agreement to the Purchase Contract I to purchase 17 sets of wind power electricity generation equipment at a consideration of RMB 155,380,000 and thus increase the total consideration payable by the Purchaser to RMB181,600,000.

The Board is also pleased to announce that on 13 November 2019, the Purchaser and the Supplier entered into (i) the Purchase Contract II regarding the purchase of 60 sets of wind power electricity generation equipment at a total consideration of RMB569,400,000, by the Purchaser from the Supplier for the wind farm project I of the Group in Heilongjiang Province, the PRC; and (ii) the Purchase Contract III regarding the purchase of 20 sets of wind power electricity generation equipment at a total consideration of RMB189,800,000, by the Purchaser from the Supplier for the wind farm project II of the Group in Heilongjiang Province, the PRC.

## PURCHASE CONTRACT I

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

- Date : 14 August 2019
- Parties : Purchaser: Tianjin Century Concord Huaxing Wind Power Equipment Co., Ltd.\* (天津協合華興風電裝備有限公司); and  
Supplier: Zhejiang Windey Co., Ltd.\* (浙江運達風電股份有限公司)
- Subject : The Purchaser agreed to buy from the Supplier 3 sets of wind power electricity generation equipment for the wind farm project I of the Group in Heilongjiang Province, the PRC, including turbines, electricity generation systems, control systems hardware and software, and ancillary equipment etc.
- Consideration : RMB26,220,000. The amount of consideration also includes fees in relation to, inter alia, technical support services to be provided by the Supplier, tax payment, delivery and insurance costs.

On 13 November 2019, the Purchaser and the Supplier entered into the Supplemental Agreement to the Purchase Contract I to purchase additional 17 sets of wind power electricity generation equipment at a consideration of RMB 155,380,000 and thus increase the total consideration payable by the Purchaser to RMB181,600,000.

The amount of the total consideration payable by the Purchaser is on normal commercial terms and is agreed after arm's length negotiation 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 Purchase Contract I (as supplemented and amended by the Supplemental Agreement). The payment of consideration to be made by the Purchaser by instalment will be based on the stages of completion of the Purchase Contract I. The consideration will be payable by wire transfer or bank acceptance bills, which will be financed by internal resources of the Group and/or borrowings.

According to the Purchase Contract I (as supplemented and amended by the Supplemental Agreement), within 15 days from the effective date of the Purchase Contract I, the Supplier shall pay to the Purchaser 10% of the total consideration as irrevocable performance guarantee for any breach of its obligations under the Purchase Contract I, which shall be refunded to the Supplier within 30 days upon entering into the warranty period of all wind power electricity generation equipment.

The Supplier will provide a warranty period of 2 years in respect of the wind power electricity generation equipment supplied.

## **PURCHASE CONTRACT II**

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

- Date : 13 November 2019
- Parties : Purchaser: Tianjin Century Concord Huaxing Wind Power Equipment Co., Ltd.\* (天津協合華興風電裝備有限公司); and  
Supplier: Zhejiang Windey Co., Ltd.\* (浙江運達風電股份有限公司)
- Subject : The Purchaser agreed to buy from the Supplier 60 sets of wind power electricity generation equipment for the wind farm project I of the Group in Heilongjiang Province, the PRC, including turbines, electricity generation systems, control systems hardware and software, and ancillary equipment etc.
- Consideration : RMB569,400,000. The amount of consideration also includes fees in relation to, inter alia, technical support services to be provided by the Supplier, tax payment, delivery and insurance costs.

The amount of the total consideration payable by the Purchaser is on normal commercial terms and is agreed after arm's length negotiation 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 Purchase Contract II. The payment of consideration to be made by the Purchaser by instalment will be based on the stages of completion of the Purchase Contract II. The consideration will be payable by wire transfer or bank acceptance bills, which will be financed by internal resources of the Group and/or borrowings.

According to the Purchase Contract II, within 15 days from the effective date of the Purchase Contract II, the Supplier shall pay to the Purchaser 10% of the total consideration as irrevocable performance guarantee for any breach of its obligations under the Purchase Contract II, which shall be refunded to the Supplier within 30 days upon entering into the warranty period of all wind power electricity generation equipment.

The Supplier will provide a maximum warranty period of 5 years in respect of the wind power electricity generation equipment supplied.

### **PURCHASE CONTRACT III**

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

- Date : 13 November 2019
- Parties : Purchaser: Tianjin Century Concord Huaxing Wind Power Equipment Co., Ltd.\* (天津協合華興風電裝備有限公司); and  
Supplier: Zhejiang Windey Co., Ltd.\* (浙江運達風電股份有限公司)
- Subject : The Purchaser agreed to buy from the Supplier 20 sets of wind power electricity generation equipment for the wind farm project II of the Group in Heilongjiang Province, the PRC, including turbines, electricity generation systems, control systems hardware and software, and ancillary equipment etc.
- Consideration : RMB189,800,000. The amount of consideration also includes fees in relation to, inter alia, technical support services to be provided by the Supplier, tax payment, delivery and insurance costs.

The amount of the total consideration payable by the Purchaser is on normal commercial terms and is agreed after arm's length negotiation 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 Purchase Contract III. The payment of consideration to be made by the Purchaser by instalment will be based on the stages of completion of the Purchase Contract III. The consideration will be payable by wire transfer or bank acceptance bills, which will be financed by internal resources of the Group and/or borrowings.

According to the Purchase Contract III, within 15 days from the effective date of the Purchase Contract III, the Supplier shall pay to the Purchaser 10% of the total consideration as irrevocable performance guarantee for any breach of its obligations under the Purchase Contract III, which shall be refunded to the Supplier within 30 days upon entering into the warranty period of all wind power electricity generation equipment.

The Supplier will provide a warranty period of 5 years in respect of the wind power electricity generation equipment supplied.

## **INFORMATION OF THE PARTIES TO THE PURCHASE CONTRACTS**

### **The Company and the Purchaser**

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.

The Purchaser is a wholly-owned subsidiary of the Company and is principally engaged in the trading of equipment for new energy.

### **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 after having made all reasonable enquiries, the Supplier and its ultimate beneficial owner, the People's Government of Zhejiang Province, the PRC, are third parties independent to the Company and its connected persons (as defined under the Listing Rules).

## **REASONS FOR AND BENEFIT OF THE TRANSACTIONS**

It is in the ordinary and usual course of business of the Group to build wind power plants in the PRC, including, among other projects, the subject projects in Heilongjiang Province, the PRC. The purchase of the machinery and equipment from the Supplier under the Purchase Contracts represent part of the Group's ordinary investments in its wind power projects.

The Group evaluated the terms of the respective contracts based on, among other factors, the specifications and needs of the Group, the credentials and experience of the Supplier, the quality of the products to be supplied by the Supplier, the services agreed to be rendered by the Supplier, the products warranty provided by the Supplier and the terms offered by other suppliers to the Group.

The Directors (including the independent non-executive Directors) consider that the overall terms offered by the Supplier under the Purchase Contracts are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

## LISTING RULES IMPLICATIONS

At the time when the Purchase Contract I was entered into, as none of the applicable percentage ratios exceeded 5%, the transaction contemplated thereunder did not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. Pursuant to the Supplemental Agreement, as one or more of the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the transaction contemplated thereunder exceed(s) 5% but is/are less than 25%, the transaction contemplated under the Purchase Contract I has become a discloseable transaction of the Company and is thus subject to the reporting and announcement requirements 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 transaction contemplated under each of the Purchase Contract II and the Purchase Contract III exceed(s) 5% but is/are less than 25%, the transaction contemplated under each of the Purchase Contract II and the Purchase Contract III constitutes a discloseable transaction of the Company and is thus subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

References are made to the announcements of the Company dated 23 May 2019 and 16 July 2019 in relation to the Previous Purchases. As the transactions contemplated under the Purchase Contracts and the Previous Purchases 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 Purchase Contracts and the Previous Purchases in aggregate exceed(s) 25% but is/are less than 100%, the transactions contemplated under the Purchase Contracts and the Previous Purchases in aggregate constitute a major transaction of the Company and are thus subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

A special general meeting will be convened by the Company to consider and, if thought fit, approve the Purchase Contracts by the shareholders of the Company. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, no shareholders of the Company has a material interest in the transactions contemplated under the Purchase Contracts and is required to abstain from voting on the relevant resolution(s) at the special general meeting of the Company.

A circular containing, among others, details of the Purchase Contracts and the transactions contemplated thereunder, the financial information of the Group and other information as required to be disclosed under the Listing Rules and the notice of the special general meeting is expected to be despatched to the shareholders of the Company on or before 20 December 2019.

## DEFINITIONS

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

“Board”	the board of Directors
“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
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China
“Previous Purchases”	the purchases of wind power electricity generation equipment by the Company from the Supplier pursuant to two purchase contracts both dated 23 May 2019 and the purchase of wind power electricity generation equipment by the Company from the Supplier pursuant to another purchase contract dated 16 July 2019, the details of which were disclosed in the announcements of the Company dated 23 May 2019 and 16 July 2019
“Purchaser”	Tianjin Century Concord Huaxing Wind Power Equipment Co., Ltd.* (天津協合華興風電裝備有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Purchase Contract I”	the purchase contract dated 14 August 2019 (as supplemented and amended by the Supplemental Agreement) entered into between the Purchaser and the Supplier in relation to the purchase of machinery and equipment for the wind farm project I
“Purchase Contract II”	the purchase contract dated 13 November 2019 entered into between the Purchaser and the Supplier in relation to the purchase of further machinery and equipment for the wind farm project I



“Purchase Contract III”	the purchase contract dated 13 November 2019 entered into between the Purchaser and the Supplier in relation to the purchase of machinery and equipment for the wind farm project II
“Purchase Contracts”	collectively, the Purchase Contract I (as supplemented and amended by the Supplemental Agreement), the Purchase Contract II and the Purchase Contract III
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Agreement”	the supplemental agreement dated 13 November 2019 entered into between the Purchaser and the Supplier to supplement the Purchase Contract I
“Supplier”	Zhejiang Windey Co., Ltd.* (浙江運達風電股份有限公司), a limited liability company established in the PRC

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

Hong Kong, 13 November 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 nonexecutive 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*