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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)

SUPPLEMENTAL ANNOUNCEMENT
FINANCE LEASE ARRANGEMENT

Reference is made to the announcement of Concord New Energy Group Limited (the “**Company**”) dated 22 December 2020 in relation to the Finance Lease Arrangement (the “**Announcement**”). Unless the context otherwise required, terms defined in the Announcement shall have the same meanings when used herein. The board of directors of the Company (the “**Board**”) wishes to provide additional information in relation to the Announcement.

As at the date of the Announcement, the Equipment has not been fully acquired by the Seller. Under the Sale and Purchase Agreement, the Company will generate disposal proceeds of approximately RMB270.66 million, which will be used to finance the acquisition of the Equipment by the Group. Based on the understanding of the Company, a financier will not generally lend to a borrower under sale and leaseback financing arrangement an amount higher than the market value or the purchase price of the equipment under the sale and leaseback financing arrangement, whichever is the lower. In the present case, based on the understanding between the Financier and the Group, the Purchase Price to be paid to the Seller (being the amount to be borrowed by the Group under the Finance Lease Arrangement) is equal to the original purchase price of the Equipment plus the management costs attributable to the Equipment. The original purchase price of the Equipment is in line with its market value, that determined based on the Group’s experience in acquiring comparable equipment accumulated in the past years and in monitoring the market value of comparable equipment, which includes reviewing quotations obtained from suppliers of comparable equipment who are independent third parties. Hence, the Board considers that the Purchase Price is fair and reasonable.

Save as supplemented and clarified above, all other information contained in the Announcement remains unchanged.

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

Hong Kong, 6 January 2021

As at the date of this announcement, the Board comprises Mr. Liu Shunxing (Chairman), Ms. Liu Jianhong (Vice Chairperson), Mr. Gui Kai (Chief Executive Officer), Mr. Niu Wenhui, Dr. Shang Li and Mr. Zhai Feng (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*