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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**  
**PURCHASE OF WIND POWER EQUIPMENT**

**PURCHASE CONTRACT**

The Board is pleased to announce that after trading hour on 14 April 2021, the Purchaser entered into the Purchase Contract with the Supplier, pursuant to which the Purchaser shall purchase the Wind Power Equipment from the Supplier at the Consideration.

**LISTING RULES IMPLICATIONS**

As the highest Applicable Percentage Ratio for the Transaction exceeds 5% but is less than 25%, the entering into the Purchase Contract by itself constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. As the transactions contemplated under the July 2020 Purchase Contract and the Previous Purchase Contract were conducted within a 12-month period before the date of the Purchase Contract, the transactions contemplated under the July 2020 Purchase Contract, the Previous Purchase Contract and the Purchase Contract (collectively the “**Aggregated Transactions**”) shall be aggregated under Chapter 14 of the Listing Rules resulting in a highest Applicable Percentage Ratio on an aggregated basis exceeds 5% but is less than 25%, and the entering into the Aggregated Transactions as a whole also constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. As a result, the Transaction is subject to the notification and publication requirements under Chapter 14 of the Listing Rules.

## BACKGROUND

The Board is pleased to announce that after trading hour on 14 April 2021, the Purchaser entered into the Purchase Contract with the Supplier, pursuant to which the Purchaser shall purchase the Wind Power Equipment from the Supplier at the Consideration.

## PURCHASE CONTRACT

The principal terms of the Purchase Contract are as follows:

- Date : 14 April 2021
- Parties : the Purchaser as the purchaser; and  
the Supplier as the supplier.
- Assets to be purchased : the Wind Power Equipment comprising wind turbines and ancillary equipment (including wind turbines and electricity generation systems, control systems hardware and software, ancillary equipment and etc.) with a total power output capability of 100 MW to be used for the Group's wind power project (the "**Jiuquan Wind Power Project**") situated in Guazhou County, Jiuquan City, Gansu Province, the PRC (中國甘肅省酒泉市瓜州縣).
- Consideration : The Consideration payable by the Purchaser to the Supplier for the purchase of the Wind Power Equipment is approximately RMB300.4 million (approximately HK\$357.6 million), comprising contracted purchase price of approximately RMB265.8 million and value-added tax of approximately RMB34.6 million. The Consideration also includes, among other things, fees for technical services, technical documentation, delivery and insurance charges, and other miscellaneous charges.
- The Consideration was agreed after arm's length negotiation between the Purchaser and the Supplier with reference to the market price of the major equipment or component of the Wind Power Equipment.
- Payment terms : The Consideration shall be paid by the Purchaser by four instalments in the following manner based on the stages of completion of the Purchase Contract:
- (a) **Advance payment:** 10% of the Consideration shall be paid within 25 days after the Supplier having provided the performance guarantee as mentioned below to the Purchaser;

- (b) **Raw materials payment:** 20% of the Consideration shall be paid within 25 days after the Supplier having provided the purchase contracts of the major component of the Wind Power Equipment and the delivery arrival plan for the Wind Power Equipment to the Purchaser;
- (c) **Delivery progress payment:** 60% of the Consideration shall be paid within 25 days after the Supplier having provided certain supporting documents to the Purchaser in respect of the delivery of the components of the Wind Power Equipment; and
- (d) **Pre-inspection payment:** 10% of the Consideration shall be paid within 25 days after the wind turbines of the Wind Power Equipment having passed a 240-hour trial run and the Supplier having provided (i) a certificate in respect of the Wind Power Equipment having passed the pre-inspection, and (ii) an irrevocable guarantee for the quality undertakings of the Supplier issued by a bank, which is an independent third party, in favour of the Purchaser for an amount equal to 10% of the Consideration.

It is expected that all the Wind Power Equipment shall be delivered to the Purchaser on or before the end of September 2021.

The Consideration shall be payable in cash, which will be financed by internal resources and/or borrowings of the Group.

Performance guarantee and warranty : Within 15 days from the date of the Purchase Contract, the Supplier shall provide an irrevocable performance guarantee for an amount equal to 10% of the Consideration issued by a bank (which is an independent third party) or a wholly-owned subsidiary of the Supplier, in favour of the Purchaser to secure the Supplier's due performance of its obligations under the Purchase Contract. The said irrevocable performance guarantee shall lapse on the first day of the warranty period of the Wind Power Equipment and shall be returned to the Purchaser within 30 days upon entering into the warranty period of the Wind Power Equipment.

The Supplier will provide a warranty period of five years in respect of the Wind Power Equipment.

## **PREVIOUS PURCHASE CONTRACT**

On 8 April 2021, the Purchaser as the purchaser and the Supplier as the supplier entered into the Previous Purchase Contract, pursuant to which the Purchaser shall purchase the wind power equipment comprising wind turbines and ancillary equipment (including wind turbines and electricity generation systems, control systems hardware and software, ancillary equipment and etc.) with a total power output capability of 49 MW to be used for the Group's wind power project situated in Xuwulin, Kangbao County, Hebei Province, the PRC (中國河北省康保縣徐五林) from the Supplier at the consideration of approximately RMB144.3 million (approximately HK\$171.8 million). The consideration also includes, among other things, fees for technical services, technical documentation, delivery and insurance charges, and other miscellaneous charges.

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

The Company is an investment holding company. 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 is a company established in the PRC, which is principally engaged in the supply of wind power machinery and equipment in the PRC. The Supplier is listed on the Stock Exchange (Stock code: 2208) and the Shenzhen Stock Exchange (Stock code: 2202).

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Supplier and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

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

It is in the ordinary and usual course of business of the Group to build wind power plants in the PRC, including the Jiuquan Wind Power Project. The Wind Power Equipment to be acquired under the Purchase Contract will be used for the Jiuquan Wind Power Project.

The Group evaluated the terms of the Purchase Contract based on, among other factors, the specifications and needs of the Jiuquan Wind Power Project, the credentials and experience of the Supplier, the quality of the products and the services, the products warranty and the terms offered by other suppliers to the Group. The Directors consider that the terms of the Purchase Contract is on normal commercial terms, fair and reasonable, and in the interests of the Company and its shareholders as a whole.

## LISTING RULES IMPLICATIONS

As the highest Applicable Percentage Ratio for the Transaction exceeds 5% but is less than 25%, the entering into the Purchase Contract constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. As the transactions contemplated under the July 2020 Purchase Contract and the Previous Purchase Contract were conducted within a 12-month period before the date of the Purchase Contract, the Aggregated Transactions shall be aggregated under Chapter 14 of the Listing Rules resulting in a highest Applicable Percentage Ratio on an aggregated basis exceeds 5% but is less than 25%, and the entering into the Aggregated Transactions as a whole also constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. As a result, the Transaction is subject to the notification and publication requirements under Chapter 14 of the Listing Rules.

The highest Applicable Percentage Ratio of the July 2020 Purchase Contract by itself exceeded 5% but was less than 25%, the entering into the July 2020 Purchase Contract constituted a discloseable transaction for the Company and was thus subject to the notification and publication requirements under Chapter 14 of the Listing Rules. Accordingly, an announcement was made by the Company on 20 July 2020 for the July 2020 Purchase Contract. The highest Applicable Percentage Ratio for the transaction under the Previous Purchase Contract was less than 5%. The highest Applicable Percentage Ratio of the July 2020 Purchase Contract and the Previous Purchase Contract on an aggregated basis exceeded 5% but was less than 25%. Hence, the entering into the Previous Purchase Contract does not constitute a discloseable transaction for the Company and is thus exempt from the requirements of Chapter 14 of the Listing Rules.

## DEFINITIONS

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

“Applicable Percentage Ratio” and “connected person”	have the meanings ascribed to them under the Listing Rules;
“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;
“Consideration”	the consideration payable for the purchase of the Wind Power Equipment;
“Director(s)”	the director(s) of the Company;

“July 2020 Purchase Contract”	the purchase contract dated 20 July 2020 entered into between the Purchaser and the Supplier in relation to the purchase of a set of wind power electricity generation equipment at the consideration of approximately RMB195.99 million from the Supplier for the wind power project of the Group situated in Jilin Province of the PRC by the Purchaser, which includes wind turbines, electricity generation systems, control systems hardware and software, ancillary equipment and etc., as detailed in the announcement of the Company dated 20 July 2020;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“MW”	megawatt;
“PRC”	the People’s Republic of China, which excludes, for the purposes of this announcement, Hong Kong, Macau Special Administrative Region and Taiwan;
“Previous Purchase Contract”	the purchase contract dated 8 April 2021 entered into between the Purchaser and the Supplier in relation to the purchase of certain wind power equipment;
“Purchase Contract”	the purchase contract dated 14 April 2021 entered into between the Purchaser and the Supplier in relation to the purchase of the Wind Power Equipment;
“Purchaser”	Haotai New Energy Equipment Co., Ltd.* (浩泰新能源裝備有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company;
“RMB”	Renminbi, the lawful currency of the PRC;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Supplier”	Xinjiang Goldwind Science & Technology Co., Ltd.* (新疆金風科技股份有限公司), a company established in the PRC with limited liability;

“Transaction”	purchase of the Wind Power Equipment by the Purchaser under the Purchase Contract; and
“Wind Power Equipment”	wind turbines and ancillary equipment (including wind turbines and electricity generation systems, control systems hardware and software, ancillary equipment and etc.) with a total power output capability of 100 MW to be used for the Group’s wind power project situated in Guazhou County, Jiuquan City, Gansu Province, the PRC (中國甘肅省酒泉市瓜州縣).

*For the purposes of this announcement, an exchange rate of HK\$1 = RMB0.84 has been used for currency translation, where applicable. Such exchange rate is for illustration purposes only and does not constitute any representations that any amount in RMB or HK\$ has been, could have been or may be converted at such rate.*

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

Hong Kong, 14 April 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, Mr. Zhai Feng and Ms. Shang Jia (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*