
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Concord New Energy Group Limited, you should at once hand this circular together with the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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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
FINANCE LEASE ARRANGEMENT AND
NOTICE OF SPECIAL GENERAL MEETING**

SGM of the Company will be held at 10:00 a.m. on Wednesday, 27 November 2019 at Suite 3901, 39th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong.

A notice convening the SGM and a form of proxy for use by the Shareholders at the SGM are enclosed. Whether or not you intend to attend and vote at the SGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as practicable but in any event no later than 48 hours before the appointed time for holding of the SGM or any adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof (as the case may be) if you so wish.

11 November 2019

* For identification purpose only

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DEFINITIONS

In this circular, unless the context requires otherwise, the following terms and expressions shall have the following meanings:

“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
“Director(s)”	the director(s) of the Company
“Equipment”	certain machinery and equipment for the Group’s operation of a wind power project in Hubei Province, the PRC as stipulated under the Finance Lease Agreement
“Everbright Financial Leasing”	Everbright Financial Leasing Co. Ltd.* (光大金融租賃股份有限公司), 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), which is the purchaser and lessor under the Finance Lease Arrangement
“Finance Lease Agreement”	the finance lease agreement entered into between Xiangyang Yulong and Everbright Financial Leasing dated 17 October 2019, including all ancillary agreements attached thereto in respect of the purchase and lease of the Equipment
“Finance Lease Arrangement”	the transactions contemplated under the Sale and Purchase Agreement, the Finance Lease Agreement and the Security Agreements
“Group”	the Company and its subsidiaries

DEFINITIONS

“Haotai New Energy”	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, which is the supplier under the Sale and Purchase Agreement
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“June Finance Lease Arrangement”	the transaction contemplated under the finance lease arrangement among Yongzhou Baimangying Century Concord Wind Power Co., Ltd.* (永州白芒營協合風力發電有限公司) (“ Yongzhou Baimangying ”) (as lessee), Haotai New Energy (as supplier) and Everbright Financial Leasing (as purchaser and lessor) pursuant to the finance lease agreement and the sale and purchase agreement both dated 18 June 2019, and other underlying security agreements entered between the Group and Everbright Financial Leasing on the same day, as detailed in the announcement of the Company dated 18 June 2019
“Latest Practicable Date”	8 November 2019, the latest practicable date before the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Sale and Purchase Agreement”	the sale and purchase agreement entered into among Xiangyang Yulong (as lessee), Everbright Financial Leasing (as purchaser and lessor) and Haotai New Energy (as supplier) on 17 October 2019, pursuant to which Everbright Financial Leasing agreed to purchase the Equipment from Haotai New Energy to fulfill Everbright Financial Leasing’s obligations under the Finance Lease Agreement

DEFINITIONS

“Security Agreements”	the security agreements, including the guarantee agreement, the equity pledge agreement, the electricity fee pledge agreement and the designated account agreement to secure Xiangyang Yulong’s obligations under the Finance Lease Arrangement
“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
“SGM”	the special general meeting of the Company to be held at 10:00 a.m. on Wednesday, 27 November 2019 at Suite 3901, 39th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong for the Shareholders to consider and approve, if thought fit, among other things, the agreements executed pursuant to the Finance Lease Arrangement and the transactions contemplated thereunder or any adjournment thereof (as the case may be)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Xiangyang Yulong”	Xiangyang Yulong Wind Power Co., Ltd.* (襄陽峪龍風力發電有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“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

* For identification purposes only.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Liu Shunxing (*Chairman*)
Ms. Liu Jianhong (*Vice Chairperson*)
Mr. Yu Weizhou (*Chief Executive Officer*)
Mr. Niu Wenhui
Mr. Gui Kai
Dr. Shang Li

Non-executive Director:

Mr. Wang Feng

Independent Non-executive Directors:

Mr. Yap Fat Suan, Henry
Dr. Jesse Zhixi Fang
Ms. Huang Jian
Mr. Zhang Zhong

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place of
business in Hong Kong:*

Suite 3901, 39th Floor
Far East Finance Centre
16 Harcourt Road
Admiralty
Hong Kong

11 November 2019

To the Shareholders:

Dear Sir or Madam,

MAJOR TRANSACTION
FINANCE LEASE ARRANGEMENT

INTRODUCTION

Reference is made to the announcement of the Company dated 17 October 2019 in relation to the Finance Lease Arrangement.

* For identification purpose only

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information regarding, among other things, the details of Finance Lease Arrangement.

FINANCE LEASE ARRANGEMENT

On 17 October 2019, Xiangyang Yulong (as lessee), Haotai New Energy (as supplier) and Everbright Financial Leasing (as purchaser and lessor) entered into the Finance Lease Arrangement, pursuant to which (i) Everbright Financial Leasing agreed to purchase the Equipment from Haotai New Energy, at the consideration of RMB392,600,000; and (ii) Everbright Financial Leasing agreed to lease the Equipment to Xiangyang Yulong for a term of ten years, to be payable in 40 quarterly instalments, at an estimated total lease payments in the amount of approximately RMB544,957,717.

(i) The Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement are set out below:

Date of agreement	17 October 2019
Parties to the agreement	Purchaser and lessor: Everbright Financial Leasing; Lessee: Xiangyang Yulong; and Supplier: Haotai New Energy
Subject assets	The Equipment. All Equipment under the Finance Lease Arrangement are/will be used by the Group for the operation of a wind power project of the Group in Hubei Province, the PRC.
Consideration payable by the lessor to the supplier	RMB392,600,000, which shall be settled by Everbright Financial Leasing by four instalments.

The first instalment of no more than 75% of the consideration (i.e. RMB294,450,000) is payable upon the arrival of the first wind turbine at the project site.

The second instalment of no more than 10% of the consideration (i.e. RMB39,260,000) is payable upon the completion of the grid connection of the first wind turbine.

LETTER FROM THE BOARD

The third instalment of no more than 10% of the consideration (i.e. RMB39,260,000) is payable upon the arrival of not less than 16 wind turbines at the project site.

The balance of the consideration is payable upon the completion of the grid connection of all wind turbines.

The following table sets out the details of the Equipment bought by Everbright Financial Leasing:

Asset nature/ Type	Estimated useful life	Current condition	Date of original acquisition by the supplier	Current accounting treatment	Actual purchase price/ Estimated book value (RMB)
Turbine	20 years	Not installed	Jun-19	Not booked	302,600,000
Tower tube	20 years	Not installed	Jun-19	Not booked	60,800,000
Transformers	20 years	Partially installed ⁽¹⁾	Jun-19	Not booked	6,150,000
Other equipment	20 years	Partially installed ⁽¹⁾	Jun-19	Not booked	23,050,000
Total					392,600,000

Note:

(1) The equipment partially installed is expected to be completed in November 2019.

LETTER FROM THE BOARD

The total consideration of RMB392,600,000 was agreed among Everbright Financial Leasing, Haotai New Energy and Xiangyang Yulong after arm's length negotiations with reference to the total purchase price payable by Haotai New Energy to the original supplier(s) of the Equipment, being approximately RMB392,600,000. In view of the above, the Directors consider that the total consideration is fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

The Group will book all the Equipment as its fixed assets in its financial statements pursuant to Hong Kong Financial Reporting Standards.

(ii) The Finance Lease Agreement

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

Date of agreement	17 October 2019
Parties to the agreement	Lessor: Everbright Financial Leasing; and Lessee: Xiangyang Yulong
Period of the lease term	10 years (commencing from middle of December 2019)
Total lease amount payable by the lessee to the lessor	RMB544,957,717, being the total sum of the lease cost of RMB392,600,000 (which is consistent with the consideration payable by Everbright Financial Leasing in respect of the Equipment), the estimated aggregate interest of RMB129,390,617, which are payable in 40 quarterly instalments, the handling fee of RMB11,189,100 and the security deposit of RMB11,778,000.

LETTER FROM THE BOARD

Lease interest and adjustment	<p>The estimated aggregate interest is approximately RMB129,390,617. 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 for RMB loans with a maturity of above 5 years as promulgated by the People’s Bank of China from time to time (the “Benchmark Interest Rate”) plus a premium. The Benchmark Interest Rate as at the Latest Practicable Date was 4.85%. The said premium, which is fixed, is determined with reference to, among others, the prevailing market interest rate and the aggregate amount of the handling fee payable by the Group under the Finance Lease Agreement. In determining and agreeing on the premium, the Group considered the interest rates charged by various finance lease companies in the PRC regarding the Equipment, where interest rates per annum ranged from 0% to 20% above the Benchmark Interest Rate. The interest rate per annum (after value added tax) under the Finance Lease Agreement was 4.867% as at the date of the Finance Lease Agreement, which represented 0.356% above the Benchmark Interest Rate.</p>
Handling fee payable by the lessee to the lessor	<p>RMB11,189,100, which is paid to Everbright Financial Leasing by Xiangyang Yulong before the commencement of the lease term of the Finance Lease Agreement.</p>
Security deposit payable by the lessee to the lessor	<p>RMB11,778,000, which is paid to Everbright Financial Leasing by Xiangyang Yulong before the commencement of the lease term of the Finance Lease Agreement.</p>
Basis to determine the lease payment	<p>The lease amount was agreed between Everbright Financial Leasing and Xiangyang Yulong with reference to the consideration paid by Everbright Financial Leasing in respect of the Equipment and the prevailing market interest rate of comparable equipment finance leases.</p>

LETTER FROM THE BOARD

**Lessee to buy back the
Equipment**

The legal ownership of the Equipment will be rested in Everbright Financial Leasing throughout the lease term. Upon the end of the lease term, provided that Xiangyang Yulong has fulfilled all of its obligations under the Finance Lease Agreement, Xiangyang Yulong will buy back the Equipment at a nominal consideration of RMB1,000.

(iii) Security Agreements

In order to secure Xiangyang Yulong's obligations under the Finance Lease Agreement, the following security documents were also executed on 17 October 2019:

Guarantee agreement

Century Concord and Everbright Financial Leasing entered into a guarantee agreement in favour of Everbright Financial Leasing, pursuant to which Century Concord agreed to provide irrevocable joint liability guarantees for all the debts of Xiangyang Yulong under the Finance Lease Agreement.

Equity pledge agreement

Yongzhou Jiepai entered into an equity pledge agreement in favour of Everbright Financial Leasing, pursuant to which Yongzhou Jiepai agreed to pledge all its equity interest in Xiangyang Yulong to Everbright Financial Leasing, to secure the obligations of Xiangyang Yulong under the Finance Lease Agreement.

**Electricity fee pledge
agreement**

Xiangyang Yulong entered into an electricity fee pledge agreement in favour of Everbright Financial Leasing, pursuant to which Xiangyang Yulong agreed to pledge its receivables in electricity fee to Everbright Financial Leasing, to secure its obligations under the Finance Lease Agreement.

LETTER FROM THE BOARD

Designated account agreement

Everbright Financial Leasing, Xiangyang Yulong and China Everbright Bank (Xiangyang Branch) entered into a designated account agreement, pursuant to which a designated account (the “**Designated Account**”) has been set up and the receivables in electricity fee of Xiangyang Yulong should be deposited into the Designated Account, the fund of which should be given priority for fulfilling Xiangyang Yulong’s obligations under the Finance Lease Agreement.

REASONS FOR AND BENEFIT OF THE FINANCE LEASE ARRANGEMENT

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

INFORMATION OF THE PARTIES TO THE FINANCE LEASE ARRANGEMENT

Everbright Financial Leasing

Everbright Financial Leasing 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, Everbright Financial Leasing and its ultimate beneficial owner, China Investment Corporation (中國投資有限責任公司), are third parties independent of the Company and its connected persons (as defined under the Listing Rules). China Investment Corporation (中國投資有限責任公司) is a centrally-administered state-owned enterprise of the PRC, with the approval of the State Council of the PRC.

The Company and Xiangyang Yulong

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

LETTER FROM THE BOARD

Haotai New Energy

Haotai New Energy is a wholly-owned subsidiary of the Company and is principally engaged in the trading of equipment for wind power and new energy.

LISTING RULES IMPLICATIONS

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 Arrangement exceed(s) 5% but less than 25%, the Finance Lease Arrangement constitutes a discloseable transaction of the Company and thus is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Reference is made to the announcement of the Company dated 18 June 2019 in relation to the June Finance Lease Arrangement. As the transactions contemplated under the Finance Lease Arrangement and the June Finance Lease Arrangement 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 Arrangement and the June Finance Lease Arrangement on an aggregated basis exceed(s) 25% but is/are less than 100%, the transactions under the Finance Lease Arrangement and the June Finance Lease Arrangement 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.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder has a material interest in the transactions contemplated under Finance Lease Arrangement and is required to abstain from voting on the relevant resolution(s) at the SGM.

SPECIAL GENERAL MEETING

The SGM shall be held at 10:00 a.m. on Wednesday, 27 November 2019 at Suite 3901, 39th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong, for the purpose of considering and, if thought fit, approving, among other things, the agreements executed pursuant to the Finance Lease Arrangement and the transactions contemplated thereunder. A notice convening the SGM and a form of proxy for use at the SGM are enclosed herewith. Whether or not you are able to attend the SGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis

LETTER FROM THE BOARD

Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time fixed for holding of the SGM. Completion and return of the form of proxy will not preclude you from attending and voting at the SGM or any adjourned meeting should you so desire.

In compliance with the Listing Rules, all resolution(s) put to vote at the SGM will be decided by way of poll.

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the terms of the agreements executed pursuant to the Finance Lease Arrangement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interest of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolution(s) to be proposed at the SGM.

ADDITIONAL INFORMATION

Your attention is drawn to the information set out elsewhere in this circular and in the appendices to it.

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

1. CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP FOR EACH OF THE THREE FINANCIAL YEARS ENDED 31 DECEMBER 2018 AND THE SIX MONTHS ENDED 30 JUNE 2019

Consolidated financial information of the Group for each of the three financial years ended 31 December 2016, 2017 and 2018 and the six months ended 30 June 2019 are disclosed in the following documents which have been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cnegroup.com) respectively:

- Interim Report 2019 (pages 61 to 106):
<https://www1.hkexnews.hk/listedco/listconews/sehk/2019/0822/ltn20190822519.pdf>
- Annual Report 2018 (pages 175 to 399):
<https://www1.hkexnews.hk/listedco/listconews/sehk/2019/0325/ltn201903251186.pdf>
- Annual Report 2017 (pages 131 to 315):
<http://www.hkexnews.hk/listedco/listconews/SEHK/2018/0424/LTN201804241175.pdf>
- Annual Report 2016 (pages 104 to 311):
<http://www.hkexnews.hk/listedco/listconews/SEHK/2017/0427/LTN201704272051.pdf>

2. STATEMENT OF INDEBTEDNESS

At the close of business on 30 September 2019, being the latest practicable date for ascertaining the indebtedness of the Group prior to the printing of this circular, the Group had outstanding bank borrowings of approximately RMB4,163,920,000. Among these bank borrowings, there was a bank loan of RMB1,893,240,000 that was guaranteed by subsidiaries and of RMB2,270,680,000 that was secured by fixed assets with net carrying value of approximately RMB914,086,000, account receivables with carrying value of approximately RMB636,744,000 and share capital with net carrying value of approximately RMB243,380,000.

Besides, the Group had outstanding finance lease from third parties of approximately RMB3,511,550,000, which was guaranteed by fixed assets with net carrying value of approximately RMB2,838,800,000, account receivables with carrying value of approximately RMB118,649,000 and share capital with net carrying value of approximately RMB1,207,926,000.

In addition, the Group had issued the bonds to third parties of approximately RMB1,937,660,000.

Save as aforesaid or disclosed herein, and apart from intra-group liabilities, as at the close of business on 30 September 2019, the Group did not have any other outstanding mortgages, charges, debentures, loan capital, bank loans or overdrafts, debt securities or other similar indebtedness, finance leases or hire purchase commitments, liabilities under acceptances or acceptance creditors, guarantees, or other material contingent liabilities.

3. WORKING CAPITAL

The Directors, after due and careful enquiry, are of the opinion that taking into account of the financial resources available to the Group including internally generated funds and the available banking facilities and in the absence of unforeseen circumstances, the Group will have sufficient working capital for its present requirements, that is for at least the next twelve months from the date of this circular.

4. MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2018, being the date to which the latest published audited financial statements of the Group were made up.

5. FINANCIAL EFFECTS OF ENTERING INTO FINANCE LEASE ARRANGEMENT ON THE GROUP AND INTENDED USE OF PROCEEDS

Financial Effects

Concerning the financial impact of the Group as a result of Finance Lease Arrangement, the total asset would increase by RMB403,789,000 to reflect the aggregate Equipment value RMB392,600,000 and handling fee of RMB11,189,000. In addition, the total liability of the Group will also increase by RMB403,789,000 to reflect the accounting treatment of the financial lease of the Equipment and the handling fee.

Pursuant to the Finance Lease Arrangement, the estimated interest during the lease period will be RMB129,391,000 and the handling fee will be RMB11,189,000.

Save as described above, it is not expected that there will be any material impact on the earnings, assets and liabilities of the Group as a result of entering into the Finance Lease Arrangement.

Intended Use of Proceeds

After deducting the handling fee and security deposit, the net consideration received from the sale of the Equipment to Everbright Financial Leasing would be used in the wind power project of the Group located in Hubei Province, the PRC to acquire Equipment and carry out construction.

6. FINANCIAL AND TRADING PROSPECT OF THE GROUP

In the first half of 2019, the Group's principal power generation business robustly grew with high safety and efficiency, power generation output and profit were both higher than expected. All new businesses such as Energy IoT, intelligent operation & maintenance ("O&M"), energy storage and financing lease were speedily propelled as planned. Beneficial from accurate research and judgement for new energy policy, the Group gained well in respect of resources storage and project approval, which underlain the development this year and next.

According to the interim report for the six months ended 30 June 2019, the power generation output attributable to the Group was 2,403.0GWh (1H 2018: 1,862.3GWh), representing an increase of 29.0% over the same period last year, of which, wind power generation output was 2,139.0GWh (1H 2018: 1,635.0GWh), representing a growth of 30.8% over the same period last year, while solar power generation output was 264.2GWh (1H 2018: 227.32GWh), representing a growth of 16.2% over the same period last year. In the first half of 2019, the Group newly signed contracts for wind resources of 3,682MW and solar resources of 868MW in total, assuring construction and sustainability development of the Group's subsequent projects. The Directors are of the view that the wind power business will continue to be an important source of income to the Group and create value and benefit for the Shareholders. Therefore, the Company will continue its focus and effort to develop the Group's wind power business and continue to explore potential investment and cooperation opportunities in the PRC.

During the first half of 2019, the implementation of the primary ancillary policies related to renewable energy law of the PRC has been completed in main, which guiding the renewable energy industry to a bright prospect. Since the resources in the northern regions were abundant and power curtailment mitigated, the Group timely measured the northern wind and solar resources, and considered most of the northern regions are satisfied for the conditions of grid-parity. The Group put more efforts on projects development and speed up the construction progress in northern

regions, and all the new construction projects are highly profitable. Afterwards, with wind turbines technology being advanced, solar power modules' price dropping and transformational efficiency heightened as well as enhanced level of industrial scale, centralization and marketization, the era of grid parity of renewable energy has come in advance.

In recent years, the Group has optimized its assets quality, transformed operating model and adjusted its investment strategies with accurate strategies for development and operation. With its largely increased capability, the Group has successfully addressed various changes in the external operating environment. In the second half of 2019, the Group will insist on sparing great efforts in the development of renewable energy's industrial chain, as an investor as well as a service provider of renewable energy field. With focus on practical work and laborious efforts, the Group will continue to pursue the principle of healthy development, focusing on the strategies involving production safety, accelerating progress in project construction and operation, lowering LCOE, enhancing pre-development, expediting the construction of Energy IoT and intelligent O&M, optimizing asset structure and improving asset quality.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS**(i) Directors' and chief executives' interests and/or short positions in the Shares, underlying Shares and debentures of the Company or any associated corporation**

As at the Latest Practicable Date, the following Directors had interests in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short position which he/she was taken or deemed to have under such provisions of the SFO); (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") in the Listing Rules to be notified to the Company and the Stock Exchange:

Long positions in the Shares:

Name of the Director	Nature of interest				Total	Percentage of the total issued share capital (%)
	Personal	Family	Corporate			
Liu Shunxing	27,000,000 ⁽¹⁾	—	1,845,484,242 ⁽²⁾		1,872,484,242	22.31
Liu Jianhong	23,710,000 ⁽³⁾	—	150,000,000 ⁽⁴⁾		173,710,000	2.07
Yu Weizhou	35,130,000 ⁽⁵⁾	—	—		35,130,000	0.42
Niu Wenhui	12,000,000 ⁽⁵⁾	—	—		12,000,000	0.14
Gui Kai	11,600,000 ⁽⁵⁾	—	—		11,600,000	0.14
Shang Li	8,000,000 ⁽⁵⁾	—	—		8,000,000	0.10
Yap Fat Suan, Henry	2,000,000 ⁽⁵⁾	—	—		2,000,000	0.02
Jesse Zhixi Fang	1,800,000 ⁽⁵⁾	—	—		1,800,000	0.02
Huang Jian	1,800,000 ⁽⁵⁾	—	—		1,800,000	0.02
Zhang Zhong	1,800,000 ⁽⁵⁾	—	—		1,800,000	0.02

Notes:

- Mr. Liu Shunxing beneficially holds 9,000,000 Shares. 18,000,000 Shares have been granted to Mr. Liu Shunxing under the share award scheme adopted by the Company on 15 June 2015 (as amended on 29 June 2017) (the “Scheme”), among which, 25% will be vested on 15 February 2020 (or in the event that 15 February 2020 is not a business day, the first business day thereafter), 25% will be vested on 15 February 2021 (or in the event that 15 February 2021 is not a business day, the first business day thereafter), 25% will be vested on 15 February 2022 (or in the event that 15 February 2022 is not a business day, the first business day thereafter) and the remaining 25% will be vested on 15 February 2023 (or in the event that 15 February 2023 is not a business day, the first business day thereafter).
- 1,147,877,155 Shares are held by China Wind Power Investment Limited, which is wholly owned by Permanent Growth Limited. Mr. Liu Shunxing holds 46.77% of the issued share capital of Permanent Growth Limited. 697,607,087 Shares are held by Splendor Power Limited, of which Mr. Liu Shunxing holds 99% of the issued share capital.
- Ms. Liu Jianhong beneficially holds 8,710,000 Shares. 15,000,000 Shares have been granted to Ms. Liu Jianhong under the Scheme, among which, 25% will be vested on 15 February 2020 (or in the event that 15 February 2020 is not a business day, the first business day thereafter), 25% will be vested on 15 February 2021 (or in the event that 15 February 2021 is not a business day, the first business day thereafter), 25% will be vested on 15 February 2022 (or in the event that 15 February 2022 is not a business day, the first business day thereafter) and the remaining 25% will be vested on 15 February 2023 (or in the event that 15 February 2023 is not a business day, the first business day thereafter).

4. 150,000,000 Shares are held by a discretionary trust for which Ms. Liu Jianhong is the founder and settlor and can influence how the trustee exercises its discretion.
5. Among such Shares, 10,000,000 Shares of Mr. Yu Weizhou, 8,000,000 Shares of Mr. Niu Wenhui, 8,000,000 Shares of Mr. Gui Kai, 8,000,000 Shares of Dr. Shang Li, 1,800,000 Shares of Mr. Yap Fat Suan, Henry, 1,800,000 Shares of Dr. Jesse Zhixi Fang, 1,800,000 Shares of Ms. Huang Jian and 1,800,000 Shares of Mr. Zhang Zhong, have been granted under the Scheme, among which, 25% will be vested on 15 February 2020 (or in the event that 15 February 2020 is not a business day, the first business day thereafter), 25% will be vested on 15 February 2021 (or in the event that 15 February 2021 is not a business day, the first business day thereafter), 25% will be vested on 15 February 2022 (or in the event that 15 February 2022 is not a business day, the first business day thereafter) and the remaining 25% will be vested on 15 February 2023 (or in the event that 15 February 2023 is not a business day, the first business day thereafter).

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company had or was deemed to have any interest or short position in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have such provisions of the SFO); or (ii) were required to be entered in the register maintained by the Company pursuant to section 352 of the SFO; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

(ii) Directors' other interests

- (a) As of the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any asset which have been since 31 December 2018, the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group.
- (b) As of the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group which was subsisting at the date of this circular, and which was significant in relation to the business of the Group.
- (c) As of the Latest Practicable Date, none of the Directors and their respective close associates was interested in any business apart from the business of the Group, which competed or was likely to compete, either directly or indirectly, with that of the Group.

(iii) Substantial Shareholders

As of the Latest Practicable Date, so far as is known to the Directors or the chief executives of the Company, the following persons (other than a Director or chief executive of the Company) had an interest or short position in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or recorded in the register kept by the Company pursuant to Section 336 of the SFO, or who were, directly or indirectly interested in 5% or more of the issued voting shares of any other member of the Group:

(a) Long positions in the Shares

Name of Shareholder	Number of Shares held	Approximate percentage of the total issued share capital (%)
China Wind Power Investment Limited ⁽¹⁾	1,147,877,155	13.68
Huadian Fuxin International Investment Company Limited	880,000,000	10.49
Splendor Power Limited ⁽²⁾	697,607,087	8.31
Goldman Sachs Asia Strategic Pte. Ltd. (“Goldman Sachs”)	58,562,998	0.70

(b) Long positions in the underlying Shares

Name of shareholder	Number of the underlying Shares held	Approximate percentage of the total issued share capital (%)
Goldman Sachs ⁽³⁾	432,390,000	5.15

Notes:

1. The Shares are held by China Wind Power Investment Limited, which is wholly owned by Permanent Growth Limited. Mr. Liu Shunxing holds 46.77% of the issued shares of Permanent Growth Limited.
2. The Shares are held by Splendor Power Limited. Mr. Liu Shunxing holds 99% of the issued share capital of Splendor Power Limited.
3. On 13 December 2018, the Company entered into the convertible loan agreement (the “**Convertible Loan Agreement**”) with Goldman Sachs, pursuant to which Goldman Sachs agreed to lend and the Company agreed to borrow the convertible loan (the “**Convertible Loan**”) in a principal amount of US\$30,000,000. Goldman Sachs has the right to convert all or any part of the outstanding principal amount of their respective participation in the Convertible Loan into Shares (the “**Conversion Shares**”). Assuming a conversion price (the “**Conversion Price**”) of (i) HK\$0.5 per Share (for tranche I); (ii) HK\$0.55 per Share (for tranche II); and (iii) HK\$0.6 per Share (for tranche III) and there is no adjustment to the Conversion Price pursuant to the terms of the Convertible Loan Agreement, the aggregate principal amount of the Convertible Loan of US\$30,000,000 is convertible into approximately 432,390,000 Conversion Shares. Details can be referred to the announcements dated 13 December 2018 and 16 January 2019 and the circular dated 25 February 2019.

Save as disclosed above, as of the Latest Practicable Date, there were no other persons who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under Section 336 of the SFO, or which were recorded in the register to be kept by the Company under Section 336 of the SFO.

3. MATERIAL CONTRACTS

The following contracts, including contracts not entered into in the ordinary course of business, were entered into by the Group within the two years preceding the date of this circular and are or may be material:

- (a) On 11 December 2017, the Group and XEMC Wind Power Co., Ltd.* (湘電風能有限公司) (“**XEMC**”) entered into a purchase contract regarding the purchase of wind power electricity generation equipment from XEMC amounting to a total consideration of RMB183,920,000 for the Group’s wind farm project in Hunan Province, the PRC.
- (b) On 9 April 2018, the Group and Ming Yang Smart Energy Group., Ltd.* (明陽智慧能源集團股份公司) (“**Ming Yang**”) entered into purchase contracts regarding the purchase of wind power electricity generation equipment from Ming Yang amounting to a total consideration of RMB303,400,000 for the Group’s wind farm projects in Hunan Province and Anhui Province, the PRC.

- (c) On 23 May 2018, the Group and Xinjiang Goldwind Science & Technology Co., Ltd.* (新疆金風科技股份有限公司) (“**XGST**”) entered into a purchase contract regarding the purchase of wind power electricity generation equipment from XGST amounting to a total consideration of RMB192,280,000 for the Group’s wind farm project in Anhui Province, the PRC.
- (d) On 23 August 2018, Daoxian Century Concord Wind Power Co., Ltd.* (道縣協合風力發電有限公司) (“**Daoxian Century Concord**”) (as lessee), Huaneng Tiancheng Financial Leasing Co., Ltd.* (華能天成融資租賃有限公司) (“**Huaneng Tiancheng**”) (as purchaser and lessor) and Jiangsu Zhongdao Electric Power Co., Ltd.* (江蘇中導電力有限公司) (“**Jiangsu Zhongdao**”) (as supplier) entered into a finance lease arrangement, pursuant to which Huaneng Tiancheng agreed to purchase equipment from Jiangsu Zhongdao and lease the equipment to Daoxian Century Concord at a total consideration of RMB336,340,718.43 for the Group’s wind farm project in Hunan Province, the PRC.
- (e) On 30 October 2018, Nanzhao Juhe Wind Power Co., Ltd.* (南召聚合風力發電有限公司) (“**Nanzhao Juhe**”) (as lessee), Haotai New Energy (as supplier) and Huaneng Tiancheng (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) Huaneng Tiancheng agreed to purchase certain equipment from Haotai New Energy, at the consideration in the amount of not more than RMB460,000,000; and (ii) Huaneng Tiancheng agreed to lease the said equipment to Nanzhao Juhe for a term of 12 years, to be payable in 48 quarterly installments, at an estimated total lease payments in the amount of approximately RMB660,837,897.11.
- (f) On 5 December 2018, Kangbao Concord Xuwulin Wind Power Co., Ltd.* (康保協合徐五林風力發電有限公司) (“**Kangbao Concord**”) (as lessee), Haotai New Energy (as supplier) and China Resources Leasing Co. Ltd.* (華潤租賃有限公司) (“**China Resources**”) (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) China Resources agreed to purchase certain equipment from Haotai New Energy, at the consideration in the amount of RMB254,230,000; and (ii) China Resources agreed to lease the equipment to Kangbao Concord for a term of 10 years, to be payable in 40 quarterly installments, at an estimated total lease payments in the amount of approximately RMB352,667,856.

- (g) On 13 December 2018, the Company entered into a convertible loan agreement (which has been amended and restated on 16 January 2019) with Goldman Sachs, pursuant to which Goldman Sachs agreed to lend and the Company agreed to borrow the convertible loan in a principal amount of US\$30,000,000 (drawable in one disbursement). The Convertible Loan will consist of three tranches as follows: (i) Tranche I being US\$12,000,000; and (ii) Tranche II being US\$9,000,000; and (iii) Tranche III being US\$9,000,000.
- (h) On 21 December 2018, Zaoyang Century Concord Wind Power Co., Ltd.* (棗陽協合風力發電有限公司) (“**Zaoyang Century Concord**”) (as lessee), Haotai New Energy (as supplier) and Huaneng Tiancheng (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) Huaneng Tiancheng agreed to purchase the equipment from Haotai New Energy, at the consideration in the amount of RMB230,000,000; and (ii) Huaneng Tiancheng agreed to lease the equipment to Zaoyang Century Concord for a term of 12 years, to be payable in 48 quarterly installments, at an estimated total lease payments in the amount of approximately RMB358,043,186.03.
- (i) On 22 April 2019, (i) Yongzhou Jiepai entered into a sale and purchase agreement with Suzhou RECO New Energy Equity Investment Co., Ltd.* (蘇州瑞科新能股權投資有限公司) (“**Suzhou RECO**”), pursuant to which Yongzhou Jiepai, as the vendor, agreed to sell and Suzhou RECO, as the purchaser, agreed to acquire 75% equity interest in Daoxian Century Concord, at the consideration of RMB117,643,000, payable by Suzhou RECO in accordance with the terms and conditions of the said sale and purchase agreement; (ii) Yongzhou Jiepai entered into another sale and purchase agreement with Suzhou RECO, pursuant to which Yongzhou Jiepai, as the vendor, agreed to sell and Suzhou RECO, as the purchaser, agreed to acquire 75% equity interest in Daoxian Jingtang Century Concord Wind Power Co., Ltd.* (道縣井塘協合風力發電有限公司), at the consideration of RMB108,665,000, payable by Suzhou RECO in accordance with the terms and conditions of the said sale and purchase agreement; and (iii) Yongzhou Jiepai entered into the equity transfer agreement with RECO (Concord) HK Limited (“**RECO (Concord)**”), pursuant to which Yongzhou Jiepai, as the vendor, agreed to sell and RECO (Concord), as the purchaser, agreed to acquire the entire equity interest in Suzhou RECO and certain debts at the aggregate consideration of RMB226,308,000, payable by RECO (Concord) in accordance with the terms and conditions of the said equity transfer agreement.

- (j) On 24 April 2019, Wuhe Juhe Wind Power Co., Ltd.* (五河聚合風力發電有限公司) (“**Wuhe Juhe**”) (as lessee), Haotai New Energy (as supplier) and China General Nuclear International Financial Leasing Co. Ltd.* (中廣核國際融資租賃有限公司) (“**China General Nuclear**”) (as purchaser and lessor) entered into the finance lease arrangement, pursuant to which (i) China General Nuclear agreed to purchase the equipment from Haotai New Energy, at the consideration of approximately RMB271,645,330; and (ii) China General Nuclear agreed to lease the equipment to Wuhe Juhe for a term of 10 years, to be payable in 40 quarterly installments, at an estimated total lease payments in the amount of approximately RMB378,009,564.
- (k) On 30 April 2019, Haotai New Energy and Shanghai Electric Wind Power Electricity Group Co., Ltd.* (上海電氣風電集團有限公司) (“**Shanghai Electric**”) entered into a purchase contract regarding the purchase of a set of wind power electricity generation equipment at a total consideration of RMB322,590,646.56, by Haotai New Energy from Shanghai Electric for the wind farm project of the Group in Shanxi Province, the PRC.
- (l) On 23 May 2019, Haotai New Energy and Zhejiang Windey Co., Ltd.* (浙江運達風電股份有限公司) (“**Zhejiang Windey**”) entered into (i) a purchase contract regarding the purchase of a set of wind power electricity generation equipment at a total consideration of RMB159,632,000, by Haotai New Energy from Zhejiang Windey for the wind farm project of the Group in Tongyu County, Jilin Province, the PRC; and (ii) another purchase contract regarding the purchase of a set of wind power electricity generation equipment at a total consideration of RMB159,632,000, by Haotai New Energy from Zhejiang Windey for another wind farm project of the Group in Tongyu County, Jilin Province, the PRC.
- (m) On 13 June 2019, Yongzhou Hongtang Century Concord Wind Power Co., Ltd.* (永州洪塘協合風力發電有限公司) (“**Yongzhou Hongtang**”) (as supplier and lessee) and Bank of Beijing Financial Leasing Company* (北銀金融租賃有限公司) (“**Bank of Beijing Financial**”) (as purchaser and lessor) entered into a finance lease arrangement for a term of five years (which can be extended for a further term of three years), pursuant to which (i) Bank of Beijing Financial agreed to purchase the equipment from Yongzhou Hongtang at the consideration of RMB240,000,000; and (ii) Bank of Beijing Financial agreed to lease the equipment to Yongzhou Hongtang for a term of 60 months, at an estimated total lease payments in the amount of approximately RMB294,167,688.

- (n) On 18 June 2019, Yongzhou Baimangying (as lessee), Haotai New Energy (as supplier) and Everbright Financial Leasing (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) Everbright Financial Leasing agreed to purchase the equipment from Haotai New Energy, at the consideration of RMB216,490,830; and (ii) Everbright Financial Leasing agreed to lease the equipment to Yongzhou Baimangying for a term of nine years, to be payable in 36 quarterly installments, at an estimated total lease payments in the amount of approximately RMB296,613,456.
- (o) On 21 June 2019, (i) Haotai New Energy and Shanghai Electric entered into a purchase contract regarding the purchase of a set of wind power electricity generation equipment at a total consideration of RMB165,669,000, by Haotai New Energy from Shanghai Electric for a wind farm project of the Group in Tongyu County, Jilin Province, the PRC; and (ii) Haotai New Energy and Huayi Wind Energy Co., Ltd* (華儀風能有限公司) (“**Huayi Wind Energy**”) entered into another purchase contract regarding the purchase of a set of wind power electricity generation equipment at a total consideration of RMB161,025,000, by Haotai New Energy from Huayi Wind Energy for another wind farm project of the Group in Tongyu County, Jilin Province, the PRC.
- (p) On 10 July 2019, Jilin Century Concord Wind Power Investment Co., Ltd.* (吉林協合風力發電投資有限公司) (“**Jilin Century Concord**”) (as lessee), Haotai New Energy (as supplier) and CITIC Financial Leasing Co., Ltd.* (中信金融租賃有限公司) (“**CITIC Financial Leasing**”) (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) CITIC Financial Leasing agreed to purchase the equipment from Haotai New Energy, at the consideration of RMB383,490,000; and (ii) CITIC Financial Leasing agreed to lease the equipment to Jilin Century Concord for a term of 12 years, to be payable in 48 quarterly installments, at an estimated total lease payments in the amount of approximately RMB580,378,718.
- (q) On 16 July 2019, Fuxin Century Concord Wind Power Equipment Manufacturing and Technical Services Co. Ltd.* (阜新協合風電設備製造及技術服務有限公司) (“**Fuxin Century Concord**”) and Zhejiang Windey entered into a purchase contract regarding the purchase of a set of wind power electricity generation equipment at a total consideration of RMB291,719,224.14, by Fuxin Century Concord from Zhejiang Windey for the wind farm project of the Group in Hubei Province, the PRC.

- (r) On 26 August 2019, Tianjin Century Concord Huaxing Wind Power Equipment Co., Ltd.* (天津協合華興風電裝備有限公司) (“**Tianjin Century Concord**”) and XEMC entered into a purchase contract regarding the purchase of a set of wind power electricity generation equipment at a total consideration of RMB174,080,000, by Tianjin Century Concord from XEMC for the wind farm project of the Group in Henan Province, the PRC.
- (s) On 26 August 2019, Jilin Century Concord (as lessee), Haotai New Energy (as supplier) and CITIC Financial Leasing (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) CITIC Financial Leasing agreed to purchase the equipment from Haotai New Energy, at the consideration of RMB116,510,000; and (ii) CITIC Financial Leasing agreed to lease the equipment to Jilin Century Concord for a term of 12 years, to be payable in 48 quarterly installments, at an estimated total lease payments in the amount of approximately RMB173,545,934.
- (t) On 26 August 2019, Shangcheng County Century Concord Wind Power Co., Ltd.* (商城縣協合風力發電有限公司) (“**Shangcheng Century Concord**”) (as lessee), Tianjin Century Concord (as supplier) and Huaneng Tiancheng (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) Huaneng Tiancheng agreed to purchase the equipment from Tianjin Century Concord, at the consideration of RMB250,000,000; and (ii) Huaneng Tiancheng agreed to lease the said equipment to Shangcheng Century Concord for a term of 12 years, to be payable in 48 quarterly installments, at an estimated total lease payments in the amount of approximately RMB384,977,994.
- (u) On 26 August 2019, Jilin Tongyu Century Concord Xinfa Wind Power Co., Ltd.* (吉林通榆協合新發風力發電有限公司) (“**Tongyu Century Concord**”) (as lessee), Haotai New Energy (as supplier) and Huaneng Tiancheng (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) Huaneng Tiancheng agreed to purchase the equipment from Haotai New Energy, at the consideration of RMB460,000,000; and (ii) Huaneng Tiancheng agreed to lease the said equipment to Tongyu Century Concord for a term of 12 years, to be payable in 48 quarterly installments, at an estimated total lease payments in the amount of approximately RMB693,890,653.

- (v) On 18 October 2019, Jingmen Lixi Wind Power Co., Ltd.* (荊門栗溪風力發電有限公司) (“**Jingmen Lixi**”) (as supplier and lessee) and Huaneng Tiancheng (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) Huaneng Tiancheng agreed to purchase the equipment from Jingmen Lixi, at the consideration of RMB60,000,000; and (ii) Huaneng Tiancheng agreed to lease back the said equipment to Jingmen Lixi for a term of 11 years, at an estimated total lease payments in the amount of approximately RMB90,933,959.
- (w) On 18 October 2019, Nanzhao Juhe (as supplier and lessee) and Huaneng Tiancheng (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) Huaneng Tiancheng agreed to purchase the equipment from Nanzhao Juhe, at the consideration of RMB110,000,000; and (ii) Huaneng Tiancheng agreed to lease back the said equipment to Nanzhao Juhe for a term of 11 years, at an estimated total lease payments in the amount of approximately RMB168,981,720.
- (x) On 18 October 2019, 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) (“**Xiangzhou Century Concord**”) (as supplier and lessee) and Huaneng Tiancheng (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) Huaneng Tiancheng agreed to purchase the equipment from Xiangzhou Century Concord, at the consideration of RMB57,000,000; and (ii) Huaneng Tiancheng agreed to lease back the said 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.
- (y) On 18 October 2019, Zaoyang Century Concord (as supplier and lessee) and Huaneng Tiancheng (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) Huaneng Tiancheng agreed to purchase the equipment from Zaoyang Century Concord, at the consideration of RMB60,000,000; and (ii) Huaneng Tiancheng agreed to lease back the said 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.
- (z) On 31 October 2019, Tianjin Century Concord and Envision Energy Co., Ltd.* (遠景能源有限公司) (“**Envision Energy**”) entered into (i) a purchase contract regarding the purchase of a set of wind power electricity generation equipment at a total consideration of RMB379,810,000, by Tianjin Century Concord from Envision Energy for a wind farm project of the Group in Bozhou City, Anhui

Province, the PRC; and (ii) another purchase contract regarding the purchase of a set of wind power electricity generation equipment at a total consideration of RMB189,050,000, by Tianjin Century Concord from Envision Energy for another wind farm project of the Group in Bozhou City, Anhui Province, the PRC.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirmed that they are not aware of any material adverse change in the financial or trading position or prospects of the Group since 31 December 2018, the date to which the latest published audited consolidated financial statements of the Company were made up.

5. MATERIAL LITIGATION

No member of the Group was engaged in any litigation or claims of material importance, and no such litigation or claim of material importance was known to the Directors to be pending or threatened by or against any members of the Group, as at the Latest Practicable Date.

6. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with the Company or any member of the Group (excluding contracts expiring or determinable by the Group within one year without payment compensation (other than statutory compensation)).

7. SECRETARY OF THE COMPANY

The secretary of the Company is Mr. Chan Kam Kwan, Jason. Mr. Chan graduated from the University of British Columbia with a Bachelor of Commerce degree. Mr. Chan holds a certificate of Certified Public Accountant issued by Washington State Board of Accountancy in the United States, and has extensive experience acting as company secretary for listed companies.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the Company's principal place of business in Hong Kong at Suite 3901, 39th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong from the date of this circular up to and including the date of the SGM:

1. the Company's memorandum of association and by-laws;
2. the circulars of the Company dated 3 June 2019, 23 September 2019 and 11 November 2019;
3. the material contracts referred to in the section headed "3. Material Contracts" in this appendix; and
4. the annual reports of the Company for each of the three financial years ended 31 December 2016, 2017 and 2018, and the interim report of the Company for the six months ended 30 June 2019.

9. MISCELLANEOUS

The correspondence address of the Company is at Suite 3901, 39th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong; and

The English texts of this circular and the accompanying form of proxy shall prevail over the Chinese texts.

NOTICE OF SPECIAL GENERAL MEETING



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)

NOTICE IS HEREBY GIVEN that the special general meeting (“SGM”) of Concord New Energy Group Limited (the “**Company**”) will be held at 10:00 a.m. on Wednesday, 27 November 2019 at Suite 3901, 39th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong to consider and, if thought fit, pass the following resolution of the Company:

Unless otherwise defined, capitalised terms used herein shall have the same meanings as ascribed to them in the circular of the Company dated 11 November 2019.

ORDINARY RESOLUTION

“**THAT:**

- (a) the agreements entered into pursuant to the Finance Lease Arrangement (including the Finance Lease Agreement, the Sale and Purchase Agreement and the Security Agreements, and copies of which are signed by the chairman of the SGM for identification purpose and have been tabled at the SGM), and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and
- (b) any one director of the Company (the “**Director**”) be and is hereby generally and unconditionally authorized to do all such acts and things, to sign and execute all such further documents for and on behalf of the Company by hand, or in case of execution of documents under seal, to do so jointly with any of a second Director, a duly authorized representative of the Director or the company secretary of the Company (the “**Company Secretary**”) and to take such steps as he may in his absolute discretion consider necessary, appropriate, desirable or expedient to give

* *For identification purpose only*

NOTICE OF SPECIAL GENERAL MEETING

effect to or in connection with the transactions contemplated under the Finance Lease Arrangement.”

For and on behalf of
Concord New Energy Group Limited
Chan Kam Kwan, Jason
Company Secretary

Hong Kong, 11 November 2019

Notes:

1. Any shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
2. In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed must be deposited at the branch share registrar of the Company, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time fixed for holding the meeting. Completion and return of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the SGM or any adjournment thereof, should he/she so wish. In such event, the instrument appointing a proxy shall be deemed to be revoked.
3. As at the date of this notice, the board of Directors 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).
4. As required under the Listing Rules, the above resolution will be decided by way of poll.