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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)**

**CONVERTIBLE LOAN FROM  
GOLDMAN SACHS ASIA STRATEGIC PTE. LTD. AND DISCLOSURE  
OBLIGATION UNDER RULE 13.18 OF THE LISTING RULES**

The Board announces that on 13 December 2018 (after trading hours), the Company entered into the Convertible Loan Agreement with Goldman Sachs Asia Strategic Pte. Ltd. (“**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.

The Convertible Loan (or any portion thereof which shall not have been converted) shall be repaid on the Maturity Date, together with the Redemption Premium (if any).

The Lenders have the right to convert all or any part of the outstanding principal amount of their respective participation in the Convertible Loan into Conversion Shares at a 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) (subject to the adjustments as set out in the Convertible Loan Agreement), credited as fully paid, at any time after the date of the Disbursement and prior to the Maturity Date. If the Company fails to repay any part of the Convertible Loan on the Maturity Date, the Lenders may continue to exercise its right to convert all or any part of the outstanding principal amount of their respective participation in the Convertible Loan until the date on which the Company has repaid the Convertible Loan in full.

\* *For identification purposes only*

Assuming a 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 (equivalent to approximately HK\$234,300,000) is convertible into approximately 432,390,000 Conversion Shares, representing approximately 5.06% of the issued share capital of the Company as at the date of this announcement and approximately 4.81% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares (both without taking into account any other Share(s) which may be issued by the Company including Shares which may be issued pursuant to the Share Award Scheme or upon conversion of the IFC CN).

The net proceeds of the Convertible Loan (after deducting the fees and expenses in relation to the obtaining of the Convertible Loan) are estimated to be approximately US\$29,650,000, which are intended to be used for general corporate and working capital purposes and capital expenditure requirements of the Group.

The Conversion Shares will be allotted and issued under the General Mandate approved by the Shareholders at the Company's annual general meeting held on 28 May 2018.

Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

**The obligation of Goldman Sachs to make the Disbursement pursuant to the Convertible Loan Agreement is subject to fulfillment of certain conditions stated therein. As the Disbursement may or may not be made, Shareholders and prospective investors are reminded to exercise caution when dealing in the Shares.**

## THE CONVERTIBLE LOAN AGREEMENT

The Board announces that on 13 December 2018 (after trading hours), the Company entered into the Convertible Loan Agreement 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.

A summary of the salient terms of the Convertible Loan Agreement is set out below:

**Date:** 13 December 2018

**Parties:** (i) the Company (as borrower)  
(ii) Goldman Sachs (as original lender)

- Principal Amount:** US\$30,000,000
- Disbursement:** The Company may request for the Disbursement by delivering to Goldman Sachs a Disbursement request at least five Business Days prior to the proposed date of the Disbursement and the Company may request only one Disbursement in the aggregate principal amount of US\$30,000,000.
- The Disbursement Date shall fall on or before the date falling seven days from the date of the Convertible Loan Agreement (or such other date as the parties thereto may agree).
- Interest:** The outstanding principal of the Convertible Loan will bear interest at a rate of (i) 2% per annum for the period commencing on the date of the Convertible Loan Agreement until the date falling on (but excluding) the third anniversary of the date of the Convertible Loan Agreement; and (ii) 5% per annum thereafter.
- Interest period of the Convertible Loan shall be each period of six months in each case beginning on an Interest Payment Date and ending on the day immediately before the next following Interest Payment Date, except in the case of the first period applicable to the Disbursement, when it means the period beginning on the date on which the Disbursement is made and ending on the day immediately before the next following Interest Payment Date.
- Interest shall accrue from day to day, be pro-rated on the basis of a 360-day year for the actual number of days in the relevant interest period and be payable in arrears on the Interest Payment Date immediately following the end of that interest period or, as applicable, on the Maturity Date subject to certain exceptional circumstances as provided in the Convertible Loan Agreement.
- Maturity Date:** The date falling five years after the Disbursement Date.
- Repayment:** The Company shall repay the Convertible Loan in full on the Maturity Date, together with the Redemption Premium (if any).
- Prepayment:** The Company may not voluntarily prepay the Convertible Loan or any part thereof.

The Majority Lenders may serve a written notice (a “**Prepayment Notice**”) on the Company requiring the Company to: (i) at any time during the period commencing on (and including) the third anniversary of the date of the Convertible Loan Agreement and ending on the fourth anniversary of the date of the Convertible Loan Agreement (the “**First Prepayment Period**”), prepay the non-converted portion of the Convertible Loan within 45 days of the date of the relevant Prepayment Notice in the amount specified in the Prepayment Notice, provided such amount is not, when aggregated with all other amounts prepaid in response to Prepayment Notices during the First Prepayment Period, greater than one-third of the total amount of the Disbursement made on the Disbursement Date; and (ii) at any time during the period commencing on (and including) the fourth anniversary of the date of the Convertible Loan Agreement and ending on the Maturity Date (the “**Second Prepayment Period**”), prepay the non-converted portion of the Convertible Loan within 45 days of the date of the relevant Prepayment Notice in the amount specified in the Prepayment Notice, provided such amount is not, when aggregated with all other amounts prepaid in response to Prepayment Notices during the First Prepayment Period and the Second Prepayment Period, greater than two-thirds of the amount of the Disbursement made on the Disbursement Date.

The Majority Lenders also have the right to request for prepayment upon the occurrence of a Change of Control, under which the Company shall, within 45 days of the date of the prepayment notice served by the Majority Lenders, prepay the non-converted portion of the Convertible Loan in full.

On the date of any prepayment made, the Company must simultaneously pay all accrued interest on the amount of the Convertible Loan to be prepaid, together with all other amounts then due and payable under the Convertible Loan Agreement.

**Conversion:**

The Lenders have the right to convert all or any part of the outstanding principal amount of their respective participation in the Convertible Loan into Conversion Shares, credited as fully paid, at any time after the date of the Disbursement and prior to the Maturity Date.

If the Company fails to repay the Convertible Loan on the Maturity Date, the Lenders may continue to exercise its right to convert all or any part of the outstanding principal amount of their respective participation in the Convertible Loan up to and including the date on which the Lenders have received the repayment of the Convertible Loan in full (including all accrued interest, together with all other amounts then due and payable under the Convertible Loan Agreement).

**Conversion Price:**

The Conversion Price is initially (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), subject to customary adjustments for, amongst others, consolidation, subdivision or reclassification of Shares, capitalization of profits and reserves, distributions, rights issues, open offers or other similar capital actions of the Company as set forth in the Convertible Loan Agreement.

The initial 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) were arrived at after arm's length negotiations between the Company and Goldman Sachs with reference to the recent performance of the Shares.

The initial 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) represents:

For Tranche I

- (i) a premium of approximately 63.93% over the closing price of HK\$0.305 as quoted on the Stock Exchange on the date of the Convertible Loan Agreement; and
- (ii) a premium of approximately 65.02% over the average closing price of HK\$0.303 as quoted on the Stock Exchange for the last five trading days immediately prior to the date of the Convertible Loan Agreement.

For Tranche II

- (i) a premium of approximately 80.33% over the closing price of HK\$0.305 as quoted on the Stock Exchange on the date of the Convertible Loan Agreement; and
- (ii) a premium of approximately 81.52% over the average closing price of HK\$0.303 as quoted on the Stock Exchange for the last five trading days immediately prior to the date of the Convertible Loan Agreement.

For Tranche III

- (i) a premium of approximately 96.72% over the closing price of HK\$0.305 as quoted on the Stock Exchange on the date of the Convertible Loan Agreement; and

- (ii) a premium of approximately 98.02% over the average closing price of HK\$0.303 as quoted on the Stock Exchange for the last five trading days immediately prior to the date of the Convertible Loan Agreement.

**Non-Conversion  
Premium:**

If the whole or any part of the Convertible Loan is not converted into Conversion Shares by the date falling on the third anniversary of the date of the Convertible Loan Agreement, the Company shall on such date pay to the Lenders (pro rata to their participation in the Convertible Loan) an aggregate amount equal to:

- (a) the interest on the non-converted portion of the Convertible Loan which shall be payable by the Company to the Lenders as if the interest rate on that non-converted portion of the Convertible Loan is five per cent. per annum for the period commencing on the date of the Convertible Loan Agreement until the date falling on the third anniversary of the date of the Convertible Loan Agreement; minus
- (b) the actual interest paid by the Company to, and received by, the Lenders (and without taking into account the default interest payable under the Convertible Loan Agreement) in respect of that non-converted portion of the Convertible Loan for the period commencing on the date of the Convertible Loan Agreement until the date falling on the third anniversary of the date of the Convertible Loan Agreement.

**Ranking of the  
Conversion Shares:**

The Conversion Shares, when allotted and issued, shall rank *pari passu* in all respects with the other Shares in issue.

**Option to Grant  
Additional Loan:**

The Company granted to Goldman Sachs the option and the right (exercisable in the sole and absolute discretion of Goldman Sachs) to advance an additional loan for up to an aggregate principal amount of US\$20,000,000 to the Company (with tranche I, tranche II and tranche III of such new loan being US\$8,000,000, US\$6,000,000 and US\$6,000,000 respectively) and to require the Company to borrow from Goldman Sachs such amount advanced, which right may be exercised by Goldman Sachs by notice in writing to the Company at any time on or before the date falling 12 months after the Disbursement Date while any amount is outstanding under the Convertible Loan Agreement and other transaction documents and which loan shall be made on the terms set out in the Convertible Loan Agreement. The Company and Goldman Sachs shall enter into such new documents as may be necessary to document such new loan being made by Goldman Sachs to the Company promptly and in any event within 20 Business Days after the date of the notice from Goldman Sachs.

## **USE OF PROCEEDS**

The net proceeds from the Convertible Loan, after deducting the commissions and other estimated expenses payable, will amount to approximately US\$29,650,000. On such basis, the net price received by the Company for each Conversion Share is approximately HK\$0.536. The Company intends to use the net proceeds for general corporate and working capital purposes and capital expenditure requirements of the Group.

## **CONDITIONS OF DISBURSEMENT OF THE LOAN**

The obligation of Goldman Sachs to make the Disbursement is subject to the fulfilment of a number of conditions, including the following key conditions that:

- (i) Goldman Sachs has received a certificate of incumbency and authority from the Company, dated the date of the Disbursement, together with copies of the memorandum of association and bye-laws of the Company, shareholder resolutions approving the general mandate in respect of the issuance of the Conversion Shares (or minutes of the annual general meeting of the Company recording such resolutions), board resolutions, certificate of incorporation, certificates of incorporation on change of name, certificate of compliance, register of directors and officers, specimen of the signature of each person authorized by the board resolutions to execute any transaction document in relation to the Convertible Loan Agreement, referred to in such certificate of incumbency and authority, each to be in form and substance satisfactory to Goldman Sachs (acting reasonably), and such certificate shall further certify that (i) the borrowing of the Total Commitments would not cause any borrowing limit binding on it to be exceeded, and (ii) each copy document relating to it attached to the certificate of incumbency and authority is a true, correct and complete copy and in full force and effect as at a date no earlier than the date of the Convertible Loan Agreement;
- (ii) the Company has obtained, and provided to Goldman Sachs copies of all authorizations under the Convertible Loan Agreement;
- (iii) each of the Convertible Loan Agreement, the Share Retention Agreement and all other transaction documents have been executed by the parties thereto;
- (iv) evidence that the up-front fees then due from the Company to Goldman Sachs have been paid or will be paid on the Disbursement Date;
- (v) Goldman Sachs has received a solvency certificate from the chief financial officer of the Company;
- (vi) no event of default and no potential event of default has occurred and is continuing or would result from the proposed Disbursement;

- (vii) since the date of the Convertible Loan Agreement nothing has occurred which has or could reasonably be expected to have a Material Adverse Effect;
- (viii) since the date of the Convertible Loan Agreement the Company has not incurred any material loss or liability (except such liabilities as may be incurred in accordance with the Convertible Loan Agreement);
- (ix) the representations and warranties made in the Convertible Loan Agreement are true and correct in all material respects on and as of the Disbursement Date with the same effect as if those representations and warranties had been made on and as of the Disbursement Date;
- (x) the Company will not violate its memorandum of association and bye-laws, any document to which it is party or by which it is bound or any law, rule, regulation or authorization as a result of the Disbursement;
- (xi) the Shares remain listed and traded on the Stock Exchange at all times prior to and on the Disbursement Date and no notification or indication being received on or before the Disbursement Date from the Stock Exchange or the SFC to the effect that listing of the Shares on the Stock Exchange will or may be, for whatever reason, withdrawn or objected to, excluding any suspension for the purpose of obtaining clearance from the Stock Exchange or the SFC for any notices, announcements or circulars relating to the transactions contemplated under the Convertible Loan Agreement or the transaction documents;
- (xii) the granting of the listing approval of the Conversion Shares, subject to conditions reasonably satisfactory to Goldman Sachs, and such approval not having been revoked;
- (xiii) the legal opinions of (i) legal advisors to Goldman Sachs as to Hong Kong law; and (ii) legal advisors to Goldman Sachs as to Bermuda law, each to be in form and substance satisfactory to the Goldman Sachs; and
- (xiv) any information reasonably requested by Goldman Sachs to meet its usual “know your customer” compliance requirements and normal operating procedures or other similar checks under all applicable laws and regulations in relation to the Company or any other party to a transaction document, and all such “know your customer” and other similar checks being completed to the satisfaction of Goldman Sachs.

## **SHARE RETENTION AGREEMENT AND DISCLOSURE PURSUANT TO RULE 13.18 OF THE LISTING RULES**

As a condition to the Disbursement, the Company, Goldman Sachs and Mr. Liu Shunxing (the Chairman of the Board, an executive Director and a substantial Shareholder) entered into the Share Retention Agreement on 13 December 2018.

Pursuant to the Share Retention Agreement, it is agreed that, among other things, so long as any amount of the Convertible Loan has remained available for Disbursement by Goldman Sachs and, thereafter, until all amounts payable to the Lenders under the Convertible Loan Agreement has been paid in full to the sole satisfaction of the Lenders, Mr. Liu Shunxing shall maintain directly and indirectly the beneficial owner of no less than 1,100,000,000 Shares (determined on a fully diluted basis) free from all Prohibited Transfer (the “**Specific Performance Obligations**”). A breach of the Specific Performance Obligations will constitute an event of default under the Convertible Loan Agreement which would entitle the Lenders to require the Company to immediately repay the Convertible Loan upon notice.

The Company will make disclosure in its subsequent interim and annual reports pursuant to the requirements of Rule 13.21 of the Listing Rules for so long as the Specific Performance Obligations continue to exist.

### **ISSUE OF CONVERSION SHARES UNDER THE GENERAL MANDATE**

Assuming a 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 (equivalent to approximately HK\$234,300,000) is convertible into approximately 432,390,000 Conversion Shares, representing approximately 5.06% of the issued share capital of the Company as at the date of this announcement and approximately 4.81% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares (both without taking into account any other Share which may be issued by the Company including Shares which may be issued pursuant to the Share Award Scheme or upon conversion of the IFC CN).

Pursuant to the General Mandate approved by the Shareholders at the Company’s annual general meeting held on 28 May 2018, the Company is allowed to allot, issue and deal with a maximum of 1,735,358,993 Shares. No Shares or convertible securities have been issued by the Company pursuant to the General Mandate prior to the date of this announcement. The Conversion Shares, being a maximum of 432,390,000 Shares (with aggregate nominal value of HK\$4,323,900) to be issued upon the exercise in full of the Conversion Right based on the initial Conversion Price, will be allotted and issued under the General Mandate. As such, the issue of the Conversion Shares is not subject to approval by the Shareholders.

An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares on the Stock Exchange.

## EFFECT OF THE SHAREHOLDING STRUCTURE

Assuming that there is no change in the issued share capital of the Company prior to the conversion of the Convertible Loan, the shareholding structure of the Company (i) as at the date of this announcement; and (ii) assuming full conversion of the full principal amount of the Convertible Loan at the initial 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), without taking into account any other Share(s) which may be issued by the Company including Shares which may be issued pursuant to the Share Award Scheme and upon conversion of the IFC CN, and there is no adjustment to the Conversion Price pursuant to the terms of the Convertible Loan Agreement, will be as follows:

Name of shareholders	As at the date of this announcement		Assuming full conversion of the Convertible Loan at the Conversion Price of (i) HK\$0.5 per Share (Tranche I); HK\$0.55 per Share (Tranche II); and HK\$0.6 per Share (Tranche III)	
	Number of Shares held	Approximate percentage of the issued share capital of the Company	Number of Shares held	Approximate percentage of the issued share capital of the Company
<b>Directors</b>				
Mr. Liu Shunxing <sup>1</sup>	706,607,087	8.26%	706,607,087	7.87%
Ms. Liu Jianhong	158,710,000	1.86%	158,710,000	1.77%
Mr. Yu Weizhou	25,130,000	0.29%	25,130,000	0.28%
Mr. Niu Wenhui	4,000,000	0.05%	4,000,000	0.04%
Mr. Gui Kai	3,600,000	0.04%	3,600,000	0.04%
Mr. Yap Fat Suan, Henry	200,000	0.002%	200,000	0.002%
<b>Substantial Shareholders</b>				
CWPI <sup>2</sup>	1,147,877,155	13.42%	1,147,877,155	12.78%
Huadian Fuxin International Investment Company Limited	880,000,000	10.29%	880,000,000	9.80%
Goldman Sachs	0	0%	432,390,000	4.81%
Other Shareholders	5,624,460,723	65.78%	5,624,460,723	62.61%
Total	<u>8,550,584,965</u>	<u>100.0%</u>	<u>8,982,974,965</u>	<u>100.0%</u>

*Notes:*

1. Mr. Liu Shunxing (“**Mr. Liu**”) holds 9,000,000 Shares. 697,607,087 Shares are held by Guangfeng International Holdings Limited, a wholly-owned subsidiary of Beijing Guangfeng Energy Technology Limited, of which Mr. Liu holds 99% of the issued share capital.
2. The Shares are held by China Wind Power Investment Limited (“**CWPI**”). CWPI is wholly owned by New Energy International Limited, which in turn is a wholly-owned subsidiary of Concord International Investment Limited (“**Concord**”). Mr. Liu holds 46.77% of the issued share capital of Concord.

## **INFORMATION ON GOLDMAN SACHS**

Goldman Sachs is a company incorporated under the laws of Singapore with limited liability and is a wholly-owned indirect subsidiary of The Goldman Sachs Group, Inc.. The Goldman Sachs Group, Inc., the ultimate beneficial shareholder of Goldman Sachs is leading global investment banking, securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. Founded in 1869, the firm is headquartered in New York and maintains offices in all major financial centers around the world.

## **REASONS FOR ENTERING INTO THE CONVERTIBLE LOAN AGREEMENT**

The Company and its subsidiaries are principally engaged in (i) investing in wind and solar power projects and (ii) offering professional technical services and integrated solution to the wind and solar power generation projects.

Goldman Sachs’s interest in making an investment into the Group reflects its confidence in the Group’s business and growth potential. The Directors (including the independent non-executive Directors) are of the view that the raising of funds by the issue of the Convertible Loan is fair and reasonable having considered the recent market conditions which represent an opportunity for the Company to enhance its working capital, strengthen its capital base and financial position and broaden the Shareholders base without immediate dilution effect on the shareholding of the existing Shareholders.

The Directors consider that the Convertible Loan will finance the development and construction of the Company’s proposed wind energy projects in the PRC. Further, if the Conversion Right is to be exercised, the capital base of the Company shall be strengthened.

The Directors (including the independent non-executive Directors) consider the terms and conditions of the Convertible Loan Agreement (including the Conversion Price) and the Share Retention Agreement are fair and reasonable, on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

## EQUITY FUND RAISING ACTIVITIES DURING THE LAST TWELVE MONTHS

Save as disclosed below, the Company has not carried out any other equity fund raising activities during the twelve months immediately preceding the date of this announcement. The actual use of proceeds from the equity fund raising activity mentioned below is in line with the intended use of proceeds as disclosed in the announcement as follows:

<b>Date of announcement</b>	<b>Fund raising activity</b>	<b>Approximate net proceeds raised (HK\$)</b>	<b>Actual use of proceeds</b>
28 December 2017	Issue of IFC CN in the principal amount of HK\$233,800,000 pursuant to the convertible loan agreement with International Finance Corporation with the IFC CN convertible into an aggregate of 431,449,393 Shares	HK\$230,200,000	Approximately HK\$230,200,000 is used to finance the development and construction of wind energy projects in the PRC

**The obligation of Goldman Sachs to make the Disbursement pursuant to the Convertible Loan Agreement is subject to fulfillment of certain conditions stated therein. As the Disbursement may or may not be made, Shareholders and prospective investors are reminded to exercise caution when dealing in the Shares.**

## DEFINITIONS

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

“acting in concert”	has the meaning as ascribed thereto under the Takeovers Code
“Board”	the board of Directors
“Business Day”	a day when banks are open for business in Hong Kong and (in relation to any date for payment or purchase of US\$) New York

“Change of Control”	<p>any of the following situations:</p> <ul style="list-style-type: none"> <li>(i) any person or group of persons (other than certain ultimate beneficial owners of CWPI) gains the power (whether through the ownership of voting capital, by contract or otherwise and whether such power has been exercised) to elect a majority number of the directors of the Company; or</li> <li>(ii) there is an occurrence of a change of control or any other events analogous to the events described in paragraph (i) above in respect of the ownership of the Shares and/or control of the Company (irrespective of the nature, amount or degree (as applicable) of the change of such ownership or control required for such event to be triggered) which: (a) is a misrepresentation, breach of covenant, event of default or prepayment event (however described) under any agreement or otherwise; and (b) entitles a creditor, shareholder or investor to declare any financial debt, preferred stock or any other amount owed under an agreement due and payable before its specified maturity and/or to cancel or suspend any commitment for any such financial debt or preferred stock</li> </ul>
“Commitment”	(a) in relation to Goldman Sachs, US\$30,000,000; and (b) in relation to any other Lender, the amount in US\$ of any Commitment transferred or assigned to it under the Convertible Loan Agreement
“Company”	Concord New Energy Group Limited, a company incorporated in Bermuda and whose shares are listed on the Stock Exchange
“Conversion Price”	the price per Share, which initially is (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), subject to adjustments as set forth in the Convertible Loan Agreement
“Conversion Right”	the right to convert the Convertible Loan into Conversion Shares pursuant to the Convertible Loan Agreement
“Conversion Shares”	the Shares to be allotted and issued by the Company to a Lender upon a conversion of its participation in the Convertible Loan (or the relevant part thereof) where that Lender is the lender of record for all or that portion of the Convertible Loan that is being converted into Shares in accordance with the terms and conditions of the Convertible Loan Agreement

“Convertible Loan”	the convertible loan of US\$30,000,000 granted by Goldman Sachs to the Company pursuant to the Convertible Loan Agreement which will consist of three tranches drawable in one disbursement 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
“Convertible Loan Agreement”	the convertible loan agreement dated 13 December 2018 and entered into between the Company and Goldman Sachs
“Directors”	the directors of the Company
“Disbursement”	the disbursement of the Convertible Loan
“Disbursement Date”	the date on which the Disbursement shall be made by Goldman Sachs to the Company
“General Mandate”	the general mandate granted to the Board to allot and issue new Shares by the Shareholders at the annual general meeting held on 28 May 2018
“Goldman Sachs”	Goldman Sachs Asia Strategic Pte. Ltd., a company incorporated and existing under the laws of Singapore, which is a wholly-owned indirect subsidiary of The Goldman Sachs Group, Inc.
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“IFC CN”	the convertible loan in the principal amount of HK\$233,800,000 issued to International Finance Corporation pursuant to the convertible loan agreement dated 28 December 2017
“Interest Payment Date”	15 January and 15 July in each year

“IRR”	the internal rate of return of a specified percentage on a Lender’s investment in the Company pursuant to the Convertible Loan calculated from the date of the Disbursement, expressed as an annualized rate based on a 360-day period used to discount each cash flow with respect to the Convertible Loan in US\$, calculated from the date or dates of such cash flows and taking into account both the timing of receipt or payment in US\$ (including all interest and any non-conversion premium payable but excluding default interest and reimbursement of any costs and expenses), accrued on that portion of the Convertible Loan (if any) that has not been converted into Conversion Shares, such that the present value of the aggregate of such cash flows equals zero
“Lenders”	Goldman Sachs and any bank, financial institution, trust, fund or other entity which has become a party in accordance with the terms of the Convertible Loan Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Majority Lender”	a Lender or Lenders whose Commitment(s) aggregate more than 50 per cent. of the Total Commitments (or, if the Total Commitments have been reduced to zero, aggregated more than 50 per cent. of the Total Commitments immediately prior to the reduction of the Total Commitments to zero)
“Material Adverse Effect”	a material adverse effect on (a) the Company’s and its subsidiaries’ business, operations, property, liabilities, condition (financial or otherwise), prospects or the carrying on of the Company’s and its subsidiaries’ business or operations; or (b) the ability of the Company and its subsidiaries to comply with their respective obligations under the Convertible Loan Agreement or under any other transaction document to which it is a party
“Maturity Date”	the date falling five years after the Disbursement Date
“PRC”	the People’s Republic of China
“Prohibited Transfer”	with respect to any Shares (or share capital or other interest through which the Shares are owned indirectly), a transfer, a lien, grant of an option, conditional sale, conditional transfer or other conditional disposition over such Shares (or share capital or other interest through which the Shares are owned indirectly)

“Redemption Premium”	with respect to any portion of the Convertible Loan that has not been converted into Conversion Shares, an amount (payable in US\$) which is required to provide a Lender with an IRR in respect of such non-converted portion of the Convertible Loan of seven per cent.
“SFC”	the Securities and Futures Commission
“Share(s)”	ordinary share(s) having a par value of HK\$0.01 each in the capital of the Company
“Share Award Scheme”	the share award scheme adopted by the Company on 15 June 2015
“Share Retention Agreement”	the share retention agreement dated 13 December 2018 entered into among the Company, Mr. Liu Shunxing and Goldman Sachs
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Total Commitments”	the aggregate of the Commitments, being US\$30,000,000 at the date of the Convertible Loan Agreement
“US\$”	United States dollar(s), the lawful currency of the United States of America
“%”	per cent.

*This announcement contains translations between US\$ and HK\$ at US\$1.00 = HK\$7.81. The translations are not representations that the US\$ and HK\$ amounts could actually be converted at such rate, if at all.*

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

Hong Kong, 13 December 2018

*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 Mr. Shang Li (all of above are also executive Directors), Mr. Wu Shaohua (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).*