

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



中国风电集团有限公司*

China WindPower Group Limited

(incorporated in Bermuda with limited liability)

(Stock Code: 182)

**DISCLOSEABLE TRANSACTION —
DISPOSAL OF EQUITY INTERESTS IN THE TARGET COMPANY
AND SHINENG**

**PROVISION OF FINANCIAL ASSISTANCE TO ENTITIES
DISCLOSURE PURSUANT TO RULES 13.13 AND 13.15 OF
THE LISTING RULES**

The Company announces that on 3 December 2014 (after trading hours), the Vendor and Century Concord, both wholly-owned subsidiaries of the Company, entered into the Disposal Agreement with the Purchaser pursuant to which the Vendor has conditionally agreed to dispose of and the Purchaser has conditionally agreed to acquire 100% equity interest in the Target Company at the Consideration of RMB229.38 million (equivalent to approximately HK\$289.02 million) in cash (subject to adjustment).

The Disposal Agreement and the transactions contemplated thereunder (including the disposal of the remaining 40% equity interest in Shineng) constitute a discloseable transaction for the Company and are subject to the announcement requirement under Chapter 14 of the Listing Rules.

The provision of the Guarantee also constitutes a discloseable transaction for the Company and is subject to the announcement requirement under Chapter 14 of the Listing Rules. As the amount of the Guarantee exceeds 8% under the assets ratio as defined under Rule 13.13 of the Listing Rules, the provision of Guarantee by Century Concord is also subject to the general disclosure obligations under Rule 13.15 of the Listing Rules.

The Purchaser's rights in requesting the Vendor to acquire the entire equity interest of the Target Company under the Disposal Agreement are regarded as grant of option by the Company (the "Purchaser's Option"). The exercise of the Purchaser's Option is not at the Company's discretion. Under Rule 14.74 of the Listing Rules, the acquisition of the entire equity interest of the Target Company will be classified as if the Purchaser's Option had been exercised on the grant of such option. Based on the amount which is expected to be payable by the Company and the applicable percentage ratios under the Listing Rules, the Purchaser's Option constitutes a discloseable transaction for the Company and are subject to the announcement requirement under Chapter 14 of the Listing Rules.

INTRODUCTION

The Company announces that on 3 December 2014 (after trading hours), the Vendor and Century Concord, both wholly-owned subsidiaries of the Company, entered into the Disposal Agreement with the Purchaser pursuant to which the Vendor has conditionally agreed to dispose of and the Purchaser has conditionally agreed to acquire 100% equity interest in the Target Company at the Consideration of RMB229.38 million (equivalent to approximately HK\$289.02 million) in cash (subject to adjustment).

THE DISPOSAL AGREEMENT

Date

3 December 2014

Parties

- (i) Yinhua Century Concord New Energy Investment Limited* (銀華協合新能源投資有限公司), a wholly owned subsidiary of the Company, as the vendor
- (ii) Suzhou GCL New Energy Investment Company Limited* (蘇州協鑫新能源投資有限公司), as the purchaser
- (iii) Century Concord

The Purchaser is an indirect wholly-owned subsidiary of GCL New Energy Holdings Limited (the issued shares of which are listed on the Main Board of the Stock Exchange, stock code: 451). The Purchaser is principally engaged in investment, management and consulting relating to solar power plants. GCL New Energy Holdings Limited, together with its subsidiaries, is principally engaged in development, construction, investment, operation and management of solar power station projects, provision of energy storage, energy efficiency, intelligent micro-grid and energy distribution solutions to its customers and joint venture partners and manufacturing and selling of printed circuit boards.

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

Assets to be disposed

The Vendor has conditionally agreed to dispose of and the Purchaser has conditionally agreed to acquire 100% equity interest in the Target Company. Pursuant to the Disposal Agreement, the Purchaser shall be entitled to the economic benefits of the Target Company (including 60% of the economic benefits of Shineng) since 1 August 2014 after the Disposal.

The Target Company is established in the PRC with limited liability and is principally engaged in solar power plant investment and operation at Delingha City (德令哈市), Qinghai Province (青海省), the PRC (the "Delingha Project"). Shineng is owned as to 60% by the Target Company and 40% by the Shineng Other Shareholders (as detailed below) as at the date of this announcement.

Shineng is established in the PRC with limited liability and is principally engaged in solar power plant investment and operation at Gonghe County (共和縣), Qinghai Province, the PRC (the "Gonghe Project"). Both the Delingha Project and the Gonghe Project have commenced operation.

As at the date of this announcement, the Target Company held a 60% equity interest in Shineng, which was accounted for as a joint venture in the consolidated financial statements of the Company. The remaining 40% equity interest in Shineng was held by two individuals with a 20% equity interest each (the "Shineng Other Shareholders"). Pursuant to the Disposal Agreement, the Vendor has undertaken to procure the Target Company to acquire the remaining 40% equity interest in Shineng at a consideration of not more than RMB36 million (equivalent to approximately HK\$45.36 million) (the "Shineng Acquisition"). The Purchaser has authorised the Vendor to negotiate with the Shineng Other Shareholders regarding the Shineng Acquisition, and will at the Vendor's request execute a share transfer agreement and related documents in connection with the Shineng Acquisition (which share transfer agreement shall not result in any increase in the debt, guarantee obligations or any other contingent liability of the Purchaser or the Target Company, or include any obligations of the Purchaser that is unrelated to the Shineng Acquisition). The Purchaser has agreed to provide funding of RMB36 million by depositing to the account(s) designated by the Vendor after execution of the agreement in respect of the Shineng Acquisition. If the actual consideration for the Shineng Acquisition is more than RMB36 million, the Vendor will bear the amount in excess of RMB36 million and such excess amount will reduce the Consideration. If such excess amount exceeds the Consideration, such difference shall be borne by the Vendor. It is the intention of the Company to complete the Shineng Acquisition after Completion.

As at 30 September 2014, the Target Company had net assets of approximately HK\$287.65 million based on its unaudited management accounts.

As at 30 September 2014, Shineng had net assets of approximately HK\$78.37 million based on its unaudited management accounts.

Set out below is a summary on the financial information of the Target Company for the two years ended 31 December 2012 and 2013 prepared based on the Company's accounting policies and in accordance with Hong Kong Financial Reporting Standards.

	For the year ended 31 December 2012 (unaudited) HK\$	For the year ended 31 December 2013 (unaudited) HK\$
Profit before taxation	23,740,000	24,856,000
Profit after taxation	23,740,000	24,856,000

Set out below is a summary on the financial information of Shineng for the two years ended 31 December 2012 and 2013 prepared based on the Company's accounting policies and in accordance with Hong Kong Financial Reporting Standards.

	For the year ended 31 December 2012 (unaudited) (Note 1) HK\$	For the year ended 31 December 2013 (unaudited) HK\$
(Loss)/profit before taxation	(178,000)	3,420,000
(Loss)/profit after taxation	(614,000)	3,420,000

Note 1: Shineng commenced operating its power plant since June 2013 and no revenue was recognised for the year ended 31 December 2012.

The Loan Settlement

As at the date of the Disposal Agreement, the account payable by the Target Company to JX LDK Solar under the agreement entered into between the Target Company and JX LDK Solar dated 5 July 2011 in respect of the purchase of equipment of the solar power station for the Delingha Project (the "LDK Payable") was RMB48.62 million (equivalent to approximately HK\$61.26 million). Pursuant to the Disposal Agreement, the Purchaser agreed to advance, on behalf of the Target Company, RMB48.62 million to the Vendor for the purpose of having the Vendor settle the LDK Payable on behalf of the Target Company (the "Loan Settlement") and the amount shall be provided by the Purchaser to the Vendor within ten business days after Completion. In the event that (i) the actual amount of LDK Payable exceeds the amount under the Loan Settlement, the excess shall be borne by the Vendor and the Purchaser is not required to make additional payment to the Vendor; or (ii) the amount under the Loan Settlement exceeds the actual amount of LDK Payable, the Vendor shall be entitled to keep the excess.

Completion

Completion shall take place on the day after the Disposal Agreement having become legally effective (details of which are set out in the paragraph headed “Conditions Precedent” below).

Both the Target Company and Shineng will cease to be subsidiaries or joint ventures of the Company and the Company will no longer hold any interest in each of the Target Company and Shineng after the Disposal.

The Earnest Money

The earnest money (the “Earnest Money”) represents the sum of (i) a deposit of RMB10 million (equivalent to approximately HK\$12.6 million) which has been paid by GCL New Energy Investment (China) Co., Ltd. (“GCL New Energy (China)”, a related company of GCL New Energy Holdings Limited) to Century Concord pursuant to an agreement entered into between GCL New Energy (China) and Century Concord dated 4 August 2014 in respect of possible acquisition of certain equity interest in the Target Company (the “Deposit”); and (ii) a sum equivalent to RMB40 million (equivalent to approximately HK\$50.4 million) in Hong Kong dollars (the “Additional Earnest Money”) shall be payable by a company as nominated by the Purchaser to China Wind Power (HK) Limited (a wholly owned subsidiary of the Company) within five business days from the date of the Disposal Agreement and the Additional Earnest Money (without interest) shall be returned by China Wind Power (HK) Limited to such company as nominated by the Purchaser within three business days after the receipt of the first installment of the Consideration (as detailed in the paragraph headed “Consideration” below) by the Vendor from the Purchaser. In the event that China Wind Power (HK) Limited fails to do so, a daily penalty calculated at 0.05% on such sum equivalent to RMB40 million in Hong Kong dollars shall be payable by the Vendor to the Purchaser and in the event that China Wind Power (HK) Limited fails to rectify the situation within ten days, subject to the agreement of the Purchaser, (i) the sum equivalent to RMB40 million in Hong Kong dollars shall be used for offsetting part of the Consideration; or (ii) the Vendor shall return the sum equivalent to RMB40 million in Hong Kong dollars to such company as nominated by the Purchaser.

Consideration

The Consideration is RMB229.38 million (equivalent to approximately HK\$289.02 million) (subject to adjustment) which shall be payable by the Purchaser to the Vendor in cash as follows:

(i) First Installment:

the amount of the first installment of the Consideration is RMB40 million, payable within ten business days after the Disposal Agreement has become legally effective. Pursuant to the Disposal Agreement, RMB10 million (in addition to the above RMB40 million) will be satisfied by apply the Deposit (as defined above) within ten business days after the Disposal Agreement has become legally effective (as detailed in the paragraph headed “Conditions Precedent” below).

(ii) Second Installment:

the amount of the second installment of the Consideration is RMB129.38 million, payable within ten business days after Completion, together with the amount payable under the Loan Settlement (as defined above);

(iii) Third Installment:

RMB25 million upon the latest of (a) obtaining the land use right certificate and approval on the on-grid tariff from relevant authority of RMB1/Kwh of the phase 3 Delingha Project as described in the Disposal Agreement; (b) the receipt by the Purchaser from the Vendor (1) six copies of the share transfer agreement(s) entered into between the Target Company and the Shineng Other Shareholders in respect of the Shineng Acquisition and the relevant documents for the change in shareholders of Shineng; and (2) notice of completion of the share transfer agreement(s) (with the Vendor's official chop); and (c) on 30 June 2015; and

(iv) Fourth installment:

RMB25 million by 31 December 2015.

Upon receipt of the Consideration set out in item (ii) above and the amount payable under the Loan Settlement, the Vendor will complete the change in shareholders of the Target Company with the Delingha City Administration for Industry and Commerce of the PRC ("SAIC").

Pursuant to the Disposal Agreement, the Purchaser will pay the following amounts to the Vendor:

- (a) Interest payment of approximately RMB5.38 million (equivalent to approximately HK\$6.78 million) (calculated at interest rate of 6.55% per annum) based on a principal amount of RMB228 million (equivalent to approximately HK\$287.28 million) for the period from 31 July 2014 to the date of payment of the Additional Earnest Money (the "Interest Payment"), given that the Purchaser shall be entitled to the economic benefit of the Target Company (including 60% of the economic benefits of Shineng) since 1 August 2014 pursuant to the Disposal Agreement and that the Completion shall only take place on the day after the Disposal Agreement having become legally effective (i.e. after 1 August 2014);
- (b) RMB36 million (equivalent to approximately HK\$45.36 million) for the Shineng Acquisition;
- (c) RMB48.62 million (equivalent to approximately HK\$61.26 million) for the Loan Settlement; and
- (d) the Security Deposits of approximately RMB22.08 million (equivalent to approximately HK\$27.82 million) (as detailed below).

Besides, a refund receivable from Ministry of Land and Resources of the PRC in respect of penalty previously paid of approximately RMB2.19 million (equivalent to approximately HK\$2.76 million) recognised in the accounts of the Target Company will be netted off against the Interest Payment. Upon receipt of such RMB2.19 million by the Target Company, the Target Company will pay the same amount to the Vendor within 3 business days.

If the difference between (a) the sum of cash, account receivable, note receivable and other receivable (“Cash and Receivable Sum”); and (b) the sum of payable, dividend payable and other payable (“Payable Sum”) of the Target Company and Shineng as at the date of the change in shareholders of the Target Company with the SAIC is lower than the difference between the Cash and Receivable Sum and the Payable Sum as at 30 September 2014, the Consideration will be reduced by such shortfall (the “Consideration Adjustment”).

The terms of the Disposal Agreement, including the Consideration and the other amount receivable by the Group under the Disposal Agreement were determined after arm’s length negotiations between the parties. In agreeing with the terms of the Disposal Agreement, the Group has considered, among other factors, the net asset value of the Target Company and Shineng, and their respective capital.

Pursuant to the Disposal Agreement, the Vendor has undertaken that the land use right certificates of phase 3 Delingha Project and the phase 1 Gonghe Project shall be obtained before 27 April 2015 and 31 December 2015 respectively at the expense of the Target Company and Shineng and the land use rights of phase 1, phase 2 and phase 3 of Delingha Project and phase 1 of Gonghe Project are in compliance with the relevant regulatory requirements and policies on solar power plants. If the land use right certificates are not obtained before timeline as described above or there is any non-compliance in respect of the land use rights leading to loss incurred by the Purchaser, the Vendor agreed to compensate the loss incurred by the Purchaser including but not limited to any administrative penalty, loss of on-grid tariff or any other relevant loss in relation to the suspension of the operation of the power plants, the amount of which will be netted-off against the Consideration at the discretion of the Purchaser.

Further, the Vendor has undertaken that the on-grid tariff of the phase 3 Delingha Project would be RMB1/Kwh and that the approval from the relevant authority in respect of the on-grid tariff will be obtained before 31 December 2015. If such approval is not obtained before 31 December 2015 or the approved on-grid tariff is less than RMB1/Kwh, the Vendor shall compensate the Purchaser the loss (being the difference between the actual tariff and the tariff calculated at RMB1/Kwh) since on-grid.

As at 30 September 2014, Century Concord (i) provided the Guarantee in favour of the Bank in respect of the bank loan of the Target Company and Shineng of RMB651 million (equivalent to approximately HK\$820.26 million) and RMB232 million (equivalent to approximately HK\$292.32 million) respectively; and (ii) provided the Security Deposits of approximately RMB22.08 million (equivalent to approximately HK\$27.82 million) in favour of the Bank in respect of the bank loan as stated in item (i) above and in view of the Disposal, the Guarantee will be released subject to the consent of the Bank.

Pursuant to the Disposal Agreement, within four months after the change in shareholders of the Target Company with the SAIC and the delivery of common seal, financial seal, seal of authorised legal representative, business licenses, certificate of organisation code, certificate of tax registration, bank records of each of the Target and Shineng, the Purchaser will assist in procuring the Bank to refund the Security Deposits to Century Concord or the Purchaser will pay Century Concord an amount equals to the Security Deposits, if fail, a daily late penalty calculated at 0.05% on the amount of the Security Deposits will be payable by the Purchaser to Century Concord. Upon release of the Guarantee and refund of the Security Deposits from the Bank, Century Concord will refund to the Purchaser the amount it previously received from the Purchaser in relation to the Security Deposits (if any) within 3 business days upon receipt of the Security Deposits from the Bank, if fail, a daily penalty calculated at 0.05% on the amount received from the Purchaser in relation to the Security Deposits will be payable by Century Concord to the Purchaser.

Century Concord agreed to continue to provide the Guarantee for four months after completion of the change in shareholders of the Target Company with the SAIC for nil consideration. If the Guarantee has not been released by the Bank within four months, an annual fee calculated at 3% per annum on the guaranteed amount shall be payable by the Purchaser to Century Concord after the above four-month period. No collateral will be provided by the Purchaser to the Vendor or Century Concord in this regard.

As set the date of this announcement, the Bank provided bank loan to the Target Company and Shineng. Set out below is a summary on the loans:

Borrower	Project concerned	Amount of loan provided by the Bank pursuant to the loan agreement <i>RMB' million</i>	Term <i>Years</i>	Interest rate per annum (premium over the benchmark lending rate announced by the People's Bank of China for loan with a term of over 5 years)	Date of the loan was first drawn down	Entity provided the corporate guarantee for the loan	Pledge or collateral provided to the Bank
Target Company	Phase 1 Delingha Project	344	16	10%	20 September 2012	Century Concord	Solar panels and other equipment of carrying value at RMB351.83 million of the Target Company
Target Company	Phase 2 Delingha Project	165	14	5%	23 October 2013	Century Concord	Solar panels and other equipment of carrying value at RMB131.29 million of the Target Company

Borrower	Project concerned	Amount of loan provided by the Bank pursuant to the loan agreement <i>RMB' million</i>	Term <i>Years</i>	Interest rate per annum (premium over the benchmark lending rate announced by the People's Bank of China for loan with a term of over 5 years)	Date of the loan was first drawn down	Entity provided the corporate guarantee for the loan	Pledge or collateral provided to the Bank
Target Company	Phase 3 Delingha Project	150	14	5%	18 December 2013	Century Concord	Solar panels and other equipment of carrying value at RMB143.13 million of the Target Company
Shineng	Gonghe Project	235	13	5%	20 June 2013	Century Concord	Solar panels and other equipment of carrying value at RMB207.13 million of Shineng

Note: As at 30 September 2014, the outstanding amount of loan provided by the Bank to the Target Company and Shineng amounted to RMB651 million and RMB232 million respectively.

Conditions Precedent

Pursuant to the Disposal Agreement, the Disposal Agreement is not legally effective upon the execution of the Disposal Agreement and it shall become legally effective upon the fulfillment of the following conditions precedent:

- (i) approvals by the board of directors of each of the Purchaser, the Vendor and Century Concord (if applicable);
- (ii) approvals by the shareholders (or by written shareholders' approval) of each of the Purchaser, the Vendor and Century Concord; and
- (iii) if applicable, compliance of the related requirements as required by the Stock Exchange regarding the transactions contemplated under the Disposal Agreement, including but not limited to the Listing Rules.

In the event that any of the above conditions is not fulfilled by 31 March 2015, the Disposal Agreement will fail to become legally effective and will be terminated.

The Disposal is subject to the consent from the Bank.

Based on the applicable percentage ratios, the Disposal constitutes a discloseable transaction to the Company under Chapter 14 of the Listing. No shareholders' approval for the Company is required under the Listing Rules. The Company was informed by the Purchaser that the Disposal Agreement and transactions contemplated thereunder constitute a major transaction to GCL New Energy Holdings Limited under the Listing Rules and that GCL New Energy Holdings Limited will apply for a written shareholder's approval to approve the Disposal Agreement and the transactions contemplated thereunder. In the case that the Disposal Agreement is terminated before the Disposal Agreement has become legally effective due to reasons caused by the Purchaser, or if the compliance of the related requirements as required by the Stock Exchange regarding the transactions contemplated under the Disposal Agreement, including but not limited to the Listing Rules (if applicable) or shareholders' approval on the Disposal Agreement (on the Purchaser side) has not been obtained on or before 31 March 2015, the Purchaser will pay RMB25 million to the Vendor and the Vendor will refund to the Purchaser the Earnest Money of RMB50 million received after deducting such RMB25 million and return the remainder of the Earnest Money to the Purchaser. If the loss incurred by the Vendor exceeds RMB25 million, such excess shall be compensated by the Purchaser.

In the case that the Disposal Agreement is terminated before the Disposal Agreement has become legally effective due to reasons caused by the Vendor, or if the compliance of the related requirements as required by the Stock Exchange regarding the transactions contemplated under the Disposal Agreement, including but not limited to the Listing Rules (if applicable) or shareholders' approval on the Disposal Agreement (on the Vendor side) has not been obtained on or before 31 March 2015, the Vendor will pay RMB25 million to the Purchaser. If the loss incurred by the Purchaser exceeds RMB25 million, such excess shall be compensated by the Vendor.

Termination

The Disposal Agreement may be terminated (i) by the mutual consent of the parties thereto; (ii) by the Purchaser (as detailed below); or (iii) by the parties thereto in the event that the Disposal Agreement does not become effective by 31 March 2015 (details of which are set out in the paragraph headed "Conditions precedent" above).

The Purchaser has the right to unilaterally request to terminate the Disposal Agreement in the event that: (i) the Vendor deliberately conceals any material information on normal business operation and income of the power plant projects leading to, in the reasonable opinion of the Purchaser, the failure of the Purchaser to achieve the purpose of the Disposal Agreement in performing the Disposal Agreement; or (ii) the approval from the relevant authority in respect of the on-grid tariff of phase 3 Delingha Project has not been obtained, leading to, in the reasonable opinion of the Purchaser, the failure of the Purchaser to achieve the purpose of Disposal Agreement in performing the Disposal Agreement; or (iii) obtaining of the land use right certificates and the on-grid tariff approval as described in the Disposal Agreement has been delayed for more than 3 months than the respective prescribed dates as stated in the Disposal Agreement; or application for the change in shareholders of the Target Company with the SAIC has been delayed for more than one month than the prescribed date as stated in the Disposal Agreement; or the settlement of balances and any other obligations

as described under the Disposal Agreement has been delayed for more than 4 months than the prescribed date as stated in the Disposal Agreement.

In the case that Disposal Agreement is terminated due to reasons caused by the Vendor, (i) if the change in shareholders of the Target Company with the SAIC as a result of the Disposal has not been completed, the Vendor shall refund all the fund paid by the Purchaser under the Disposal in full within 3 business days after the Purchaser has served the notice to terminate the Disposal Agreement; or (ii) if the change in shareholders of the Target Company with the SAIC as a result of the Disposal has been completed, the Purchaser is entitled to request the Vendor to repurchase the entire equity interest in the Target Company at a consideration equals to all amount paid by the Purchaser to the Vendor under the Disposal Agreement and Century Concord shall also refund to the Purchaser all amount it received from the Purchaser under the Disposal Agreement. Besides, if the Purchaser (or its designated entity) has provided corporate guarantee or security deposit to the Bank in respect of the loan due from the Target Company and Shineng to the Bank, the Vendor and Century Concord shall, within four months from the date of the termination of the Disposal Agreement, procure the Bank to release and refund the said corporate guarantee and security deposits given or paid by the Purchaser (or its designated entities), if fail, a daily penalty calculated at 0.05% on the amount of security deposit provided by the Purchaser (or its designated entity) would be payable by the Vendor and/or Century Concord to the Purchaser. If the corporate guarantee given the Purchaser (or its designated entity) has not been released by the Bank four months after the Purchaser has served the notice to terminate the Disposal Agreement, an annual fee calculated at 3% per annum on the guaranteed amount (given by the Purchaser (or its designated entity)) is payable by the Vendor and/or Century Concord to the Purchaser.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Company is principally engaged in (i) the wind power sector, investing in various wind farm projects and providing wind power engineering and construction services in the PRC; and (ii) the solar power sector, investing in various solar farm projects and providing solar power engineering and construction services in the PRC.

The Group has adopted a “build and sell” strategy whereby the Group builds power plants and disposes of its interests in the power plants upon completion or operation of the power plants. The Directors consider that the “build and sell” strategy allows the Group to fully leverage on its strengths of solar power development and power plant construction so as to attain a more reasonable return on its investments.

For illustrative purpose only, the Group would record an unaudited gain of approximately RMB56.96 million (equivalent to approximately HK\$71.77 million) as a result of the Disposal (before taking into account of any gain/loss arising from the Interest Payment, the Shineng Acquisition, the disposal of the remaining 40% equity interest in Shineng and the Consideration Adjustment), being the sum of (i) the difference between the Consideration and the net asset value as at 30 September 2014 attributable to the 100% equity interest in the Target Company (including share of 60% of the financial results of Shineng for the nine months ended 30 September 2014); and (ii) the sum of the

follows: recognition of unrealised profits of previous transactions between the Group and the Target Company and Shineng, effect from deferred tax, other accounting adjustment and exchange gain that were attributable to the Disposal. The actual amount of gain or loss on the Disposal shall depend on the actual financial information of the Target Company and Shineng as at the date of Completion. The proceeds from the Disposal will be used as general working capital of the Group.

The Directors consider the terms of the Disposal Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole.

IMPLICATIONS UNDER THE LISTING RULES

The Disposal Agreement and the transactions contemplated thereunder (including the disposal of the remaining 40% equity interest in Shineng) constitute a discloseable transaction for the Company and are subject to the announcement requirement under Chapter 14 of the Listing Rules.

The provision of the Guarantee also constitutes a discloseable transaction for the Company and is subject to the announcement requirement under Chapter 14 of the Listing Rules. As the amount of the Guarantee exceeds 8% under the assets ratio as defined under Rule 13.13 of the Listing Rules, the provision of the Guarantee by Century Concord is also subject to the general disclosure obligations under Rule 13.15 of the Listing Rules.

Based on the maximum consideration of RMB36 million and the applicable percentage ratios under the Listing Rules, the Shineng Acquisition does not constitute a notifiable transaction to the Company under the Listing Rules (in the case that the Shineng Acquisition is completed before Completion). Based on the relevant percentage ratios, Shineng is an insignificant subsidiary of the Company under Rule 14A.09 of the Listing Rules. Under Rule 14A.09 of the Listing Rules, substantial shareholder of an insignificant subsidiary is not regarded as a connected person. Accordingly, each of the Shineng Other Shareholders is not a connected person of the Company under Rule 14A.09 of the Listing Rules and the Shineng Acquisition does not constitute a connected transaction to the Company under Chapter 14A of the Listing Rules (in the case that the share transfer agreement(s) in respect of the Shineng Acquisition is entered into before Completion). The Company will comply with the relevant Listing Rules in respect of the Shineng Acquisition as and when required and if applicable upon the relevant agreements in respect of the Shineng Acquisition are entered into.

The Purchaser's rights in requesting the Vendor to acquire the entire equity interest of the Target Company under the Disposal Agreement (set out under the section headed "Termination") are regarded as grant of option by the Company (the "Purchaser's Option"). The exercise of the Purchaser's Option is not at the Company's discretion and no option premium is receivable by the Vendor under the Disposal Agreement. As described under the paragraph headed "Termination" above, upon the exercise of the Purchaser's Option by the Purchaser, the total consideration payable by the Vendor will be the sum of (i) all amount paid by the Purchaser to the Vendor pursuant to the Disposal Agreement; and (ii) all amount paid by the Purchaser to Century Concord pursuant to

the Disposal Agreement. Under Rule 14.74 of the Listing Rules, the acquisition of the entire equity interest of the Target Company will be classified as if the Purchaser's Option had been exercised on the grant of such option. Based on the amount which is expected to be payable by the Company and the applicable percentage ratios under the Listing Rules, the Purchaser's Option constitutes a discloseable transaction for the Company and are subject to the announcement requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

The following expressions in this announcement have the meanings set out below unless the context requires otherwise:

“Bank”	a commercial bank in the PRC which provided bank loan to the Target Company and Shineng
“Board”	the board of Directors
“Century Concord”	Century Concord Wind Power Investment Co., Ltd.* (協合風電投資有限公司)
“Company”	China WindPower Group Limited, a company incorporated in Bermuda with limited liability, the ordinary shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the Disposal in accordance with the terms and conditions of the Disposal Agreement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	consideration of RMB229.38 million for the Disposal
“Director(s)”	the director(s) of the Company
“Disposal”	disposal of the 100% equity interest in the Target Company by the Vendor pursuant to the Disposal Agreement
“Disposal Agreement”	the Disposal Agreement dated 3 December 2014 entered into between the Vendor, the Purchaser and Century Concord in relation to the Disposal, the Guarantee and the transactions contemplated thereunder
“Group”	the Company and its subsidiaries

“Guarantee”	corporate guarantee provided by Century Concord in favour of the Bank in respect of the bank loans of the Target Company and Shineng due to the Bank with respective outstanding balance of RMB651 million and RMB232 million as at 30 September 2014
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“JX LDK Solar”	Jiangxi LDK Solar Co., Limited* (江西賽維LDK太陽能高科技有限公司)
“Kwh”	Kilowatt-hours
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“Purchaser”	Suzhou GCL New Energy Investment Company Limited* (蘇州協鑫新能源投資有限公司)
“RMB”	Renminbi Yuan, the lawful currency of the PRC
“Security Deposits”	security deposits of RMB22.08 million provided by Century Concord in favour of the Bank in respect of the bank loan of the Target Company and Shineng due to the Bank
“Shineng”	Hainanzhou Shineng Photovoltaic Power Co., Ltd.* (海南州世能光伏發電有限公司)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Delingha Century Concord Photovoltaic Power Co., Ltd.* (德令哈協合光伏發電有限公司)
“Vendor”	Yinhua Century Concord New Energy Investment Limited* (銀華協合新能源投資有限公司)

“%”

per cent

By order of the Board
China WindPower Group Limited
Liu Shunxing
Chairman

Hong Kong, 3 December 2014

As at the date of this announcement, the Board comprises Mr. Liu Shunxing (Chairman), Mr. Ko Chun Shun, Johnson (Vice Chairman), Mr. Yang Zhifeng (Chief Executive Officer), Mr. Wang Xun, Ms. Liu Jianhong, Mr. Yu Weizhou and Mr. Zhou Zhizhong (who are executive Directors), Ms. Ko Wing Yan, Samantha (who is a non-executive Director), and Dr. Wong Yau Kar, David, BBS, JP, Mr. Yap Fat Suan, Dr. Shang Li and Ms. Huang Jian (who are independent non-executive Directors).

For the purpose of this announcement, the translation of RMB into HK\$ is based on the exchange rate of RMB1.00 = HK\$1.26.