
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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**MAJOR TRANSACTION
FINANCE LEASE ARRANGEMENT
AND
NOTICE OF SPECIAL GENERAL MEETING**

SGM of the Company will be held at 10:00 a.m. on 12 December 2018, Wednesday at Suite 3901, 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 22, 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.

24 November 2018

* 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:

“2017 Finance Lease Arrangement”	the finance lease arrangement entered into between Nanzhao Century Concord (as lessee), Huaneng Tiancheng (as lessor) and Haotai New Energy (as supplier) on 13 October 2017 and the finance lease arrangement entered into between Nanzhao Century Concord (as lessee) and Huaneng Tiancheng (as lessor) on the same day, as detailed in the Company’s announcement dated 13 October 2017 and the Company’s circular dated 7 November 2017, which have already constituted major transactions which have obtained shareholders’ approval at the Company’s special general meetings held on 23 November 2017
“2018 August Finance Lease Arrangements”	the 2018 August First Finance Lease Arrangement and the 2018 August Second Finance Lease Arrangement
“2018 August First Finance Lease Arrangement”	the finance lease arrangement entered into between Dao County (as original purchaser and lessee), Huaneng Tiancheng (as new purchaser and lessor) and Jiangsu Zhongdao (as supplier) on 23 August 2018, as detailed in the Company’s announcement dated 23 August 2018
“2018 August Second Finance Lease Arrangement”	the finance lease arrangement between Jingmen Shengjingshan (as lessee), Huaneng Tiancheng (as lessor) pursuant to the finance lease agreement between the parties dated 28 August 2018 and other underlying security agreements entered between the Group and Huaneng Tiancheng, as detailed in the paragraph headed “2018 August Finance Lease Arrangements — 2018 August Second Finance Lease Arrangement” of this circular
“Accounts Receivable Security Agreement”	the accounts receivable security agreement entered into between Huaneng Tiancheng and Nanzhao Juhe dated 30 October 2018, as described in the section headed “Security Agreements” in this circular

DEFINITIONS

“Century Concord”	Century Concord Wind Power Investment Co., Ltd.* (協合風電投資有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company
“closed associates”	has the meaning ascribed to it by the Listing Rules
“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
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	consideration of the purchase of the Equipment, being not more than RMB460,000,000 (equivalent to approximately HK\$519,800,000)
“Dao County”	Dao County Century Concord Wind Power Co, Ltd* (道縣協合風力發電有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Director(s)”	the director(s) of the Company
“Equipment”	certain machinery and equipment for the operation of wind power projects as stipulated under the Finance Lease Arrangement
“Finance Lease Agreement”	the agreement entered into between Huaneng Tiancheng, Nanzhao Juhe and Haotai New Energy dated 30 October 2018, including all ancillary agreements attached thereto in respect of the lease of the Equipment
“Finance Lease Arrangement”	the transactions contemplated under the Finance Lease Agreement, the Sale and Purchase Agreement and the Security Agreements

DEFINITIONS

“Group”	the Company and its subsidiaries
“Guarantee Agreement”	the agreement entered into between Huaneng Tiancheng and the Company on 30 October 2018, as described in the section headed “Security Agreements” in this circular
“GW”	gigawatt (1,000,000,000 watts), the commonly used unit of power in quantifying the electricity generation
“GWh”	gigawatt-hour, a standard unit of energy used in the electric power industry. One gigawatt-hour is the amount of energy that would be produced by a generator producing one billion watts for one hour
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Haotai New Energy”	Haotai New Energy Equipment Co., Ltd.* (浩泰新能源裝備有限公司), a limited liability company incorporated in the PRC and a wholly-owned subsidiary of the Company, and the supplier under the Sale and Purchase Agreement
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Huaneng Tiancheng”	Huaneng Tiancheng Financial Leasing Co., Ltd.* (華能天成融資租賃有限公司), a company incorporated in the PRC with limited liability and an Independent Third Party, the purchaser under the Sale and Purchase Agreement and the lessor under the Finance Lease Agreement
“Independent Third Party(ies)”	independent third party(ies) who is/are independent of and not connected with the Company and its connected persons (has the meaning ascribed to it under the Listing Rules)
“Jiangsu Zhongdao”	Jiangsu Zhongdao Electric Power Co., Ltd.* (江蘇中導電力有限公司), a company incorporated in the PRC with limited liability and an Independent Third Party
“Jingmen Shengjingshan”	Jingmen Shengjingshan Wind Power Co., Ltd.* (荊門聖境山風力發電有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company

DEFINITIONS

“Latest Practicable Date”	21 November 2018, 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
“Mortgage Agreement”	the agreement entered into between Huaneng Tiancheng and Nanzhao Juhe on 30 October 2018, as described in the section headed “Security Agreements” in this circular
“Nanzhao Century Concord”	Nanzhao Century Concord Wind Power Co., Ltd.* (南召協合風力發電有限公司), a limited liability company incorporated in the PRC and a wholly-owned subsidiary of the Company
“Nanzhao Juhe”	Nanzhao Juhe Wind Power Co., Ltd.* (南召聚合風力發電有限公司), a limited liability company incorporated in the PRC and a wholly-owned subsidiary of the Company, the lessee under the Sale and Purchase Agreement and the Finance Lease Agreement
“PRC”	The People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Sale and Purchase Agreement”	the agreement entered into among Huaneng Tiancheng, Haotai New Energy and Nanzhao Juhe dated 30 October 2018 pursuant to which Haotai New Energy agreed to supply the Equipment to Huaneng Tiancheng to fulfill Huaneng Tiancheng’s obligations under the Finance Lease Agreement
“Security Agreement(s)”	the agreements as set out the section headed “Security Agreement(s)” in respect of the Finance Lease Arrangement of this circular, including the Shortfall Guarantee Agreement, the Mortgage Agreement, the Guarantee Agreement, the Accounts Receivable Security Agreement and the Share Pledge Agreement
“SFO”	Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong

DEFINITIONS

“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
“Share Pledge Agreement”	the agreement entered into between Huaneng Tiancheng and Yongzhou Concord on 30 October 2018, as described in the section headed “Security Agreements” in this circular
“Shortfall Guarantee Agreement”	the agreement entered into between Huaneng Tiancheng and Century Concord on 30 October 2018, as described in the section headed “Security Agreements” in this circular
“SGM”	the special general meeting of the company to be held at 10:00 a.m. on 12 December 2018, Wednesday at Suite 3901, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong for the Shareholders to consider and approve, if thought fit, among other things, 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
“subsidiary”	has the meaning ascribed to it by the Listing Rules
“Yongzhou Concord”	Yongzhou Jiepai Century Concord Wind Power Co., Ltd.* (永州界牌協合風力發電有限公司), a company incorporated in the PRC with limited liability and, a wholly-owned subsidiary of the Company which holds 100% equity interest in Nanzhao Juhe

* *For identification purposes only.*

Note: The translation of RMB into HK\$ is based on the exchange rate of RMB1.00 to HK\$1.13, and are provided for information 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

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Non-executive Director:

Mr. Wu Shaohua

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

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

Independent Non-executive Directors:

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

24 November 2018

To the Shareholders:

Dear Sir or Madam,

MAJOR TRANSACTION FINANCE LEASE ARRANGEMENT

INTRODUCTION

Reference is made to the announcement of the Company dated 30 October 2018 in relation to Finance Lease Arrangement entered into between Nanzhao Juhe (as lessee), Haotai New Energy (as supplier) and Huaneng Tiancheng (as purchaser and lessor).

* 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 30 October 2018 (after trading hours), Nanzhao Juhe (as lessee), Haotai New Energy (as supplier) and Huaneng Tiancheng (as purchaser and lessor) entered into the Finance Lease Arrangement, pursuant to which (i) Huaneng Tiancheng has agreed to purchase the Equipment from Haotai New Energy, at the Consideration in the amount of not more than RMB460,000,000 (equivalent to approximately HK\$519,800,000); and (ii) Huaneng Tiancheng has agreed to lease the 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 (equivalent to approximately HK\$746,746,823.73).

Principal Terms of Sale And Purchase Agreement

Date of agreements

30 October 2018

Parties

Purchaser: Huaneng Tiancheng

Supplier: Haotai New Energy

Lessee: Nanzhao Juhe

Subject matter of the sale and purchase

Pursuant to the Sale and Purchase Agreement, Huaneng Tiancheng shall purchase the Equipment from Haotai New Energy and Nanzhao Juhe leases the Equipment from Huaneng Tiancheng under finance lease for its own use. The Equipment will be used for the operation of the wind power project of the Group located in Henan Province, the PRC. The Group will book all the Equipment as its fixed assets in its financial statements pursuant to Hong Kong Financial Reporting Standards, while the legal titles of the Equipment shall be rested with Huaneng Tiancheng throughout the lease period.

LETTER FROM THE BOARD

The following table sets out the details of Equipment bought by Huaneng Tiancheng:

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)
Wind turbine	20 years	Partially installed ¹	Sep-17	Partially booked ²	364,305,000
Tower tube	20 years	Partially installed ¹	Apr-18	Partially booked ²	68,314,786
Transformer	20 years	Partially installed ¹	Apr-18	Not booked	10,724,259
Transmission lines and other equipment	20 years	Partially installed ¹	Jun-18	Partially booked ²	10,072,579
Total					453,416,624.00

Note:

1. The equipment partially installed is expected to be completed in June 2019.
2. The equipment partially booked in is expected to be fully booked in June 2019.

The total consideration of RMB460,000,000.00 (equivalent to approximately HK\$519,800,000) was agreed among Huaneng Tiancheng, Haotai New Energy and Nanzhao Juhe after arm's length negotiations with reference to the total purchase price of Equipment, being approximately RMB453,416,624 (equivalent to approximately HK\$512,360,785). In view of the above, the Directors consider that the total consideration is fair and reasonable, and in the interests of the Company and Shareholders as a whole.

Consideration

The Consideration shall be settled by Huaneng Tiancheng by three installments. The first installment (RMB318,000,000) shall be settled by the end of December 2018, subject to, among other things, the execution of the Finance Lease Agreement, the Security Agreements and the relevant ancillary documents and the completion of the filings and

LETTER FROM THE BOARD

registration procedure at the relevant authorities. Huaneng Tiancheng shall be entitled to terminate the Sale and Purchase Agreement if such conditions have not been satisfied on or before 29 January 2019. The second installment (RMB79,500,000) and the third installment (not more than RMB62,500,000) shall be settled by the end of February 2019. The consideration was agreed among the relevant parties after arm's length negotiations.

Principal Terms of The Finance Lease Agreement

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

Parties

Lessor: Huaneng Tiancheng

Lessee: Nanzhao Juhe

The lease arrangement

Pursuant to the Finance Lease Agreement, Huaneng Tiancheng shall lease the Equipment to Nanzhao Juhe for a term of 12 years. The lease payments will be payable in 48 quarterly installments.

Lease payments of the Equipment

Pursuant to the Finance Lease Agreement, the estimated total lease payments payable by Nanzhao Juhe to Huaneng Tiancheng are approximately RMB660,837,897.11 (equivalent to approximately HK\$746,746,823.73) (which is the sum of the Consideration, the estimated total interest of approximately RMB182,437,897.11 and handling fees of RMB18,400,000). The interest is calculated at a floating rate and will be adjusted with reference to the benchmark interest rate for RMB loans with a maturity of above five years as promulgated by the People's Bank of China from time to time (the "**Benchmark Interest Rate**"). The said total lease payments were agreed between Huaneng Tiancheng and the Group with reference to the prevailing market interest rate for finance leases for comparable equipment.

In determining the prevailing market interest rate, the Group considered the interest rates charged by various financial leasing companies in PRC regarding the Equipment, where interest rates per annum ranged from 0% to 60% above the Benchmark Interest Rate. It is also common market practice for financial leasing companies to charge a premium on top

LETTER FROM THE BOARD

of the Benchmark Interest Rate for finance leases. The current Benchmark Interest Rate is 4.9% and the interest rate per annum under the Finance Lease Agreement was 5.9045% as at the date of the Finance Lease Agreement, which represents 20.5% above the Benchmark Interest Rate.

Security deposit

Nanzhao Juhe shall pay an interest-free security deposit in the amount of RMB18,400,000 (equivalent to approximately HK\$20,792,000) to Huaneng Tiancheng to guarantee its obligations under the Finance Lease Arrangement. Nanzhao Juhe shall pay the security deposit in full to Huaneng Tiancheng before the payment of the first installment of the Consideration by Huaneng Tiancheng. Such deposit shall be used to offset any default of payment by Nanzhao Juhe under the Finance Lease Agreement, and will be used as the final payment of the remaining lease amount.

Option to purchase

Upon the expiry of the lease term, subject to the fulfillment of the obligations of Nanzhao Juhe under the Finance Lease Agreement, Nanzhao Juhe has the option to purchase the Equipment at a nominal consideration of RMB10,000.

Nanzhao Juhe is entitled to purchase the Equipment from Huaneng Tiancheng before the expiry of the lease term from the date of commencement of the lease term by serving a 30 business days' prior written notice to Huaneng Tiancheng (and after obtaining the written consent from Huaneng Tiancheng) at a consideration being the sum of (i) all outstanding lease payments (taking into account the outstanding principal, interests and late penalties (if any); (ii) the nominal consideration of RMB10,000; and (iii) all other related expenses.

Security Agreements

In order to secure Nanzhao Juhe's obligations under the Finance Lease Arrangement, the following Security Documents have also been executed on 30 October 2018:

Mortgage Agreement

Nanzhao Juhe has entered into the Mortgage Agreement in favour of Huaneng Tiancheng, pursuant to which Nanzhao Juhe has agreed to charge the assets listed therein to Huaneng Tiancheng to secure the obligations of Nanzhao Juhe under the Finance Lease Agreement.

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Share Pledge Agreement

Yongzhou Concord has entered into the Share Pledge Agreement in favour of Huaneng Tiancheng, pursuant to which Yongzhou Concord has agreed to pledge all its equity interest in Nanzhao Juhe (including, among others, any dividends declared) in favour of Huaneng Tiancheng, to secure the obligations of Nanzhao Juhe under the Finance Lease Agreement.

Guarantee Agreement

The Company has entered into the Guarantee Agreement in favour of Huaneng Tiancheng, pursuant to which the Company has agreed to provide an irrevocable guarantee for all the debts owed to Huaneng Tiancheng by Nanzhao Juhe under the Finance Lease Agreement.

Shortfall Guarantee Agreement

Century Concord entered into the Shortfall Guarantee Agreement in favour of Huaneng Tiancheng, pursuant to which Century Concord has agreed to provide an irrevocable shortfall guarantee to Nanzhao Juhe to guarantee the debts owed to Huaneng Tiancheng by Nanzhao Juhe under the Finance Lease Agreement.

Accounts Receivable Security Agreement

Nanzhao Juhe has entered into the Accounts Receivable Security Agreement in favour of Huaneng Tiancheng, pursuant to which Nanzhao Juhe has agreed to pledge its receivable in electricity fee in favour of Huaneng Tiancheng, to secure the obligations of Nanzhao Juhe under the Finance Lease Agreement.

INFORMATION OF THE PARTIES TO FINANCE LEASE ARRANGEMENT

The Company is 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. Haotai New Energy, Nanzhao Juhe, Century Concord, Jingmen Shengjingshan and Yongzhou Concord are limited liability companies incorporated in the PRC and are wholly-owned subsidiaries of the Company. Haotai New Energy is principally engaged in wind power equipment and other renewable energy equipment trade. Nanzhao Juhe and Jingmen Shengjingshan are principally engaged in the wind power plant investment and operation. Yongzhou Concord is principally engaged in wind power projects investment. Century Concord is principally engaged in wind and solar power projects investment.

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Huaneng Tiancheng is a company incorporated in the PRC which 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, Huaneng Tiancheng and its ultimate beneficial owner(s) are Independent Third Parties.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The entering into of the Finance Lease Arrangement are 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 operation. The terms under the Finance Lease Arrangement have been agreed after arm's length negotiation among the parties. The Directors consider 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 of the Company as a whole.

2018 AUGUST FINANCE LEASE ARRANGEMENTS

2018 August First Finance Lease Arrangement

On 23 August 2018, as detailed in the Company's announcement dated 23 August 2018, Dao County (as original purchaser and lessee), Huaneng Tiancheng (as new purchaser and lessor) and Jiangsu Zhongdao (as supplier) have entered into the 2018 August First Finance Lease Arrangement. The 2018 August First Finance Lease Arrangement constituted a disclosable transaction of the Company.

2018 August Second Finance Lease Arrangement

On 28 August 2018, Jingmen Shengjingshan (as lessee) and Huaneng Tiancheng (as lessor), entered into the 2018 August Second Finance Lease Arrangement, pursuant to which Huaneng Tiancheng agreed to lease certain construction with cost of RMB50,000,000 for the operation of wind power project of the Group located in Hubei Province, the PRC (the "2018 August Second Finance Lease Construction") to Jingmen Shengjingshan for a term of 5 years (which was commenced from August 2018), to be payable in 20 quarterly installments at lease payments of RMB61,530,745.99. The 2018 August Second Finance Lease Arrangement was a transaction fully exempt from reporting and announcement under Chapter 14 of the Listing Rules, as none of the applicable percentage ratios exceeded 5%.

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Under the 2018 August Second Finance Lease Arrangement, an agreement was entered into between Jingmen Shengjingshan and Huaneng Tiancheng on 28 August 2018 (the “**2018 August Second Finance Lease Agreement**”). The principal terms of the 2018 August Second Finance Lease Agreement are set out below.

Lease Arrangement

Pursuant to the 2018 August Second Finance Lease Agreement, Huaneng Tiancheng agreed to lease the 2018 August Second Finance Lease Construction to Jingmen Shengjingshan for a term of 5 years (which was commenced from August 2018). The lease payments will be payable in 20 quarterly installments.

Pursuant to the 2018 August Second Finance Lease Agreement, the lease payments payable by Jingmen Shengjingshan to Huaneng Tiancheng is RMB61,530,745.99 (which is the sum of the lease costs of RMB50,000,000.00, the estimated interest of RMB9,950,745.99 and handling fees of RMB1,580,000.00). The interest is calculated at a floating rate and be adjusted with reference to the Benchmark interest rate for 1 to 5 years RMB loans as promulgated by the People’s Bank of China from time to time (the “**Benchmark Interest Rate 2**”). The lease payment was agreed between Jingmen Shengjingshan and Huaneng Tiancheng with reference to the prevailing market interest rate for finance leases for comparable construction.

In determining the prevailing market interest rate, the Group considered the interest rates charged by various financial leasing companies in PRC regarding the 2018 August Second Finance Lease Construction, where interest rates per annum ranged from 0% to 60% above the Benchmark Interest Rate 2. It is also common market practice for financial leasing companies to charge a premium on top of the corresponding benchmark interest rate for finance leases. The Benchmark Interest Rate 2 was 4.75% and the interest rate per annum under the 2018 August Second Finance Lease Agreement was 5.89% as at the date of the 2018 August Second Finance Lease Agreement, which represents 24% above the Benchmark Interest Rate 2.

Security Deposit

Jingmen Shengjingshan shall pay a security deposit of RMB2,000,000.00 to Huaneng Tiancheng as guarantee of its obligations under the 2018 August Second Finance Lease Agreement. Such deposit shall be used to offset any default of payment by Jingmen Shengjingshan under the 2018 August Second Finance Lease Agreement. If there is no event of default of payment by Jingmen Shengjingshan, such deposit may be used to offset part of the payment of the last installment payable by Jingmen Shengjingshan.

LETTER FROM THE BOARD

Jingmen Shengjingshan's Option to Purchase

The legal ownership of the 2018 August Second Finance Lease Construction will be vested in Huaneng Tiancheng throughout the lease period. Upon the end of the lease period, provided that Jingmen Shengjingshan has fulfilled all of its obligations under the 2018 August Second Finance Lease Agreement, including the full payment of the lease and interest payment and all other expenses as described in the 2018 August Second Finance Lease Agreement, Jingmen Shengjingshan has the option to purchase the 2018 August Second Finance Lease Construction at a nominal consideration of RMB10,000.

Security Agreements

In order to secure Jingmen Shengjingshan's obligations under the 2018 August Second Finance Lease Agreement, the Group executed a share pledge agreement, an accounts receivable security agreement and a mortgage agreement in favour of Huaneng Tiancheng, to secure the obligations of Jingmen Shengjingshan under the 2018 August Second Finance Lease Agreement.

IMPLICATIONS OF THE LISTING RULES

As the highest percentage ratio (as defined under the Listing Rules) in respect of the transaction contemplated under the Finance Lease Arrangement exceeds 25% but is less than 100%, the Finance Lease Arrangement constitutes a major transaction and is subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Finance Lease Arrangement, the 2017 Finance Lease Arrangement and the 2018 August Finance Lease Arrangements were entered into by the Group and Huaneng Tiancheng within a 12-month period and hence are aggregated as required under Rule 14.22 of the Listing Rules. When aggregated, the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the transactions contemplated under the Finance Lease Arrangement together with the 2017 Finance Lease Arrangement and the 2018 August Finance Lease Arrangements also exceed 25% but is less than 100%, which also constitutes a major transaction, and therefore is subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

LETTER FROM THE BOARD

To the best knowledge, information and belief of the Directors having made all reasonable enquiries as at the Latest Practicable Date, no Shareholder is required to abstain from voting on the resolution(s) in respect of Finance Lease Arrangement (including the transactions contemplated under related agreements) at the SGM.

SPECIAL GENERAL MEETING

The SGM shall be held at 10:00 a.m. on 12 December 2018, Wednesday at Suite 3901, 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 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 Limited at Level 22, 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 resolutions 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 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 resolutions 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 2017 AND THE SIX MONTHS ENDED 30 JUNE 2018

Consolidated financial information of the Group for each of the three financial years ended 31 December 2015, 2016 and 2017 and the six months ended 30 June 2018 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 2018 (pages 47 to 86):
<http://www.hkexnews.hk/listedco/listconews/SEHK/2018/0917/LTN20180917576.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>
- Annual Report 2015 (pages 62 to 266):
<http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0425/LTN20160425997.pdf>

2. STATEMENT OF INDEBTEDNESS

At the close of business on 30 September, 2018, 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 RMB4,690,249,000. Among these bank borrowings, there was a credit loan of RMB200,000,000 and a bank loan of RMB2,015,487,000 that was guaranteed by subsidiaries, the member of the Group and of RMB2,474,762,000 that was secured by fixed assets with net carrying value of approximately RMB964,660,000, account receivables with carrying value of approximately RMB522,551,000 and share capital with net carrying value of approximately RMB149,380,000.

Besides, the Group had outstanding finance lease from third parties of approximately RMB1,953,407,000, which was guaranteed by fixed assets with net carrying value of approximately RMB1,981,948,000 and share capital with net carrying value of approximately RMB626,220,000.

In addition, the Group had issued the bonds to third parties of approximately RMB1,681,572,000.

Save as aforesaid or disclosed herein, and apart from intra-group liabilities, the Group did not have outstanding as at 30 September, 2018 any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loan or other similar indebtedness, liabilities under acceptances or acceptable credits, debentures, mortgages, charges, hire purchase commitments, 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. NO 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 2017, 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 RMB478,400,000 to reflect the Equipment value RMB460,000,000 and handling fee RMB18,400,000. In addition, the total liability of the Group will also increase by RMB478,400,000 to reflect the accounting treatment of the financial lease of the Equipment and handling fee.

Pursuant to the Financial Lease Arrangement, the estimated interest during the lease period will be RMB182,438,000 and handling fee will be RMB18,400,000.

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 Finance Lease Arrangement.

Intended Use of Proceeds

After deducting the handling fee and security deposit, the net consideration received from the sale of Equipment to Huaneng Tiancheng would be used in the wind power project of the Lessee located in Henan Province, the PRC to acquire equipment and carry out construction.

6. FINANCIAL AND TRADING PROSPECT OF THE GROUP

In March 2018, the National Energy Administration (“NEA”) of the PRC issued “Guiding Opinions on Energy Related Work for 2018”, setting out the targeted non-fossil fuel energy consumption of approximately 14.3%. The construction of wind power capacity of approximately 25.00GW and newly installed capacity of approximately 20.00GW were planned to commence during the year, aiming to actively promote offshore wind power construction in a steady pace, expedite the development of distributed wind power, stably push forward the construction of photovoltaic power projects and regulate the development of distributed photovoltaic power.

During 2018, the NEA further enhanced the competitive allocation mechanism for new energy projects, optimized the construction distribution of wind and photovoltaic power generation, promoted the grid parity of renewable energy such as wind and photovoltaic power, supported the development of distributed wind and photovoltaic power and continued to reinforce the initiatives for renewable energy consumption, by upholding the principle of quality development.

According to the “Notice of Requirements on the Administration of 2018 Wind Power Construction” 《(關於2018年度風電建設管理有關要求的通知)》 and the “Notice of Matters Relevant to Photovoltaic Power Generation in 2018” 《(關於2018年光伏發電有關事項的通知)》 issued by the NEA regarding the enhancement of the administration of renewable energy constructions and the usage of renewable energy, all provinces (autonomous regions, cities) commenced the construction of new energy projects in an orderly manner following the related planning of renewable energy as contained in the “13th Five-Year Plan” and the Guiding Opinions on the Implementation of the 13th Five-Year Plan Concerning the Development of Renewable Energy Sources 《關於可再生能源發展「十三五」規劃實施的指導意見》).

All provinces (autonomous regions, cities) scaled up efforts to improve the consumption of renewable energy, strengthened renewable energy construction and the regulation of connected power grids in accordance with the “Implementation Plan on Solving Problems of Water, Wind and PV Power Curtailment” (《解決棄水棄風棄光問題實施方案》) issued by the National Development and Reform Commission and the NEA, thereby maintaining the stable and orderly development of renewable energy.

For the previous three quarters, the national newly added grid connected wind power capacity was 12.61GW, representing an increase of 30% over the same period last year, while the national wind power generation reached 267,600GWh, representing a growth of 26% over the same period last year. The consumption of wind and photovoltaic power continued to improve, with a decreasing trend of both curtailed electricity and curtailment rate. The average curtailment rates of wind and photovoltaic power were 7.7% and 2.9% respectively for the previous three quarters.

According to the announcement on interim results for the six months ended 30 June 2018, in the first half of 2018, the Group’s wholly-owned plants delivered a total revenue of RMB627,482,000, which accounted for 77.50% of the Group’s revenue (same period of 2017: 59.03%), representing an increase of 78.93% over the same period last year. The power generation output attributable to the Group was 1,862.32GWh (1H 2017: 1,201.05GWh), representing an increase of 55.06% over the same period last year, of which, wind power generation output was 1,634.99GWh (1H 2017: 939.94GWh), representing a growth of 73.95% over the same period last year, while solar power generation output was 227.32GWh (1H 2017: 261.11GWh), representing a decrease of 12.94% over the same period last year. 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.

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 Practical 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 of Hong Kong Limited (the “**Stock Exchange**”) pursuant to Division 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	Name of Shareholders and nature of interest				Approximate percentage of the total issued share capital (%)
	Personal	Family	Corporate	Total	
Liu Shunxing	9,000,000	—	1,845,484,242 ⁽¹⁾	1,854,484,242	21.58
Liu Jianhong	8,710,000	—	150,000,000	158,710,000	1.85
Yu Weizhou	25,130,000	—	—	25,130,000	0.29
Niu Wenhui	4,000,000	—	—	4,000,000	0.05
Gui Kai	3,600,000	—	—	3,600,000	0.04
Yap Fat Suan	200,000	—	—	200,000	0.002

Note:

1. 1,147,877,155 Shares are held by China Wind Power Investment Limited and 697,607,087 shares are held by Guangfeng International Holdings Limited. China Wind Power Investment Limited is wholly-owned by New Energy International Limited, which in turn is a wholly-owned subsidiary of Concord International Investment Limited (“**Concord International**”). Mr. Liu Shunxing held as to 46.77% of the issued shares of Concord International. Guangfeng International Holdings Limited is wholly owned by Beijing Guangfeng Energy Technology Limited. Mr. Liu Shunxing held as to 99% of the issued shares of Beijing Guangfeng Energy Technology Limited.

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 for Securities Transactions by Directors of Listed Issuers as contained in the Listing Rules.

(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 2017, 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.

Save as disclosed above, 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.

- (c) Save as disclosed in (iii) below, as of the Latest Practicable Date, none of the Directors was a director or employee of a company which had an interest or short interest in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO.

(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:

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	13.36
Huadian Fuxin International Investment Company Limited	880,000,000	10.24
Guangfeng International Holdings Limited ⁽²⁾	697,607,087	8.12

Note:

1. The Shares are held by China Wind Power Investment Limited, China Wind Power Investment Limited is wholly owned by New Energy International Limited, which in turn is a wholly-owned subsidiary of Concord International. Mr. Liu Shunxing held as to 46.77% of the issued shares of Concord International.
2. The Shares are held by Guangfeng International Holdings Limited, which is wholly owned by Beijing Guangfeng Energy Technology Limited. Mr. Liu Shunxing held as to 99% of the issued shares of Beijing Guangfeng Energy Technology Limited.

Saved 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 30 November 2016, the Group as the vendor, and Tianjin Clean Energy Investment Company Limited* (天津富歡企業管理諮詢有限公司) (“**Tianjin Clean Energy**”), as the purchaser entered into the sale and purchase agreement regarding the proposed disposal of the entire share capital of Yulin Century Concord Solar Power Co., Ltd.* (榆林協合太陽能發電有限公司) to Tianjin Clean Energy at a total consideration of RMB320,950,314.19;
- (b) On 28 December 2016, the Group as the vendor, and Shaanxi Hydro Development Co., Ltd.* (陝西省水電開發有限責任公司) (“**Shaanxi Hydro**”), as the purchaser entered into the sale and purchase agreement regarding the proposed disposal of the entire equity interest in Yulin Century Concord Ecology New Energy Co., Ltd.* (榆林協合生態新能源有限公司) to Shaanxi Hydro at a total consideration of RMB573,924,900;
- (c) On 13 January 2017, the Group and Xinjiang Goldwind Science & Technology Co., Ltd.* (新疆金風科技股份有限公司) (“**XGST**”) entered into purchase contract regarding the purchase of wind power electricity generation equipment from XGST at a total consideration of RMB210,144,000 for the Group’s wind farm project in Jingmen City (荊門市), Hubei Province (湖北省), the PRC;
- (d) On 13 January 2017, the Group and XGST entered into purchase contract regarding the purchase of wind power electricity generation equipment from the XGST at a total consideration of RMB207,360,000 for the Group’s wind farm project in Xiangyang City (襄陽市), Hubei Province (湖北省), the PRC;
- (e) On 23 March 2017, the Group and Huaneng Tiancheng entered into finance lease arrangements, pursuant to which Huaneng Tiancheng agreed to purchase equipment from Tianjin Century Concord Huaxing Wind Power Equipment Co., Ltd.* (天津協合華興風電裝備有限公司), a wholly-owned subsidiary of the Company and lease the equipment to Jingmen Shengjingshan for at a total consideration of RMB370,108,592.03 for the Group’s wind farm project in Hubei Province (湖北省), the PRC;

* For identification purpose only

- (f) On 11 April 2017, the Group and CRRC Zhuzhou Institute Co., Ltd.* (中車株洲電力機車研究所有限公司) (“**CRRC**”) entered into the purchase contract regarding the purchase of wind power electricity generation equipment from CRRC at a total consideration of RMB192,960,000 for the Group’s wind farm project in Hunan Province (湖南省), the PRC;
- (g) On 24 April 2017, the Group and CRRC entered into the purchase contract regarding the purchase of wind power electricity generation equipment from CRRC at a total consideration of RMB192,960,000 for the Group’s wind farm project in Hubei Province (湖北省), the PRC;
- (h) On 24 April 2017, the Group and CRRC entered into the purchase contract regarding the purchase of wind power electricity generation equipment from CRRC at a total consideration of RMB192,000,000 for the Group’s wind farm project in Hunan Province (湖南省), the PRC;
- (i) On 9 August 2017, the Group and Huaneng Tiancheng entered into finance lease arrangements, pursuant to which Huaneng Tiancheng agreed to purchase equipment from Haotai New Energy and lease the equipment to Jingmen Lixi Wind Power Co., Ltd.* (荊門栗溪風力發電有限公司), a wholly-owned subsidiary of the Company at a total consideration of RMB379,297,405.37 for the Group’s wind farm project in Hubei Province (湖北省), the PRC;
- (j) On 26 September 2017, the Group and Envision Energy (Jiangsu) Co., Ltd.* (遠景能源(江蘇)有限公司) (“**Envision**”) entered into the purchase contract regarding the purchase of wind power electricity generation equipment for Envision at a total consideration of RMB402,804,000 for the Group’s wind farm project in Henan province (河南省), the PRC;
- (k) On 29 September 2017, the Group and Everbright Financial Leasing Co., Ltd.* (光大金融租賃股份有限公司) (“**China Everbright**”) entered into a finance lease arrangement, pursuant to which China Everbright agreed to purchase equipment from the Haotai New Energy and lease the equipment to Dao County at a total consideration of RMB351,386,836 for the Group’s wind farm project in Hunan Province (湖南省), the PRC;
- (l) On 29 September 2017, the Group and Huaneng Tiancheng entered into finance lease arrangements, pursuant to which Huaneng Tiancheng agreed to purchase equipment from the Haotai New Energy and lease the equipment to Xiangyang Xiangzhou Concord Wind power Co., Ltd.* (襄陽襄州協合峪山風力發電有限公司), a wholly-owned subsidiary of the Company at a total consideration of RMB350,176,819 for the Group’s wind farm project in Hubei Province (湖北省), the PRC;

* For identification purpose only

- (m) On 13 October 2017, the Group and Huaneng Tiancheng entered into finance lease arrangements, pursuant to which Huaneng Tiancheng agreed to purchase equipment from the Haotai New Energy and lease the equipment to Nanzhao Century Concord at a total consideration of RMB776,794,000 for the Group's wind farm project in Hunan Province (湖南省), the PRC;
- (n) On 11 December 2017, the Group and XEMC Windpower 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 (湖南省), the PRC;
- (o) 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 (湖南省) and Anhui Province (安徽省), the PRC;
- (p) On 23 May 2018, the Group and 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 (安徽省), the PRC;
- (q) On 23 August 2018, the Group and Huaneng Tiancheng entered into a finance lease arrangement, pursuant to which Huaneng Tiancheng agreed to purchase equipment from Jiangsu Zhongdao and lease the equipment to Dao County at a total consideration of RMB336,340,718.43 for the Group's wind farm project in Hunan Province (湖南省), the PRC.

4. LITIGATION

As at the Latest Practicable Date, neither the Company nor any member of the Group was engaged in any litigation or claims of material importance and no litigation or claims of material importance had known to the Directors to be pending or threatened against any member of the Group.

* For identification purpose only

5. 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)).

6. 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.

7. 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 from the date of this circular up to and including the date of the SGM:

1. the Company's memorandum of association and bye-laws;
2. the circular of the Company dated 24 November 2018;
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 2015, 2016 and 2017, and the interim report of the Company for the six months ended 30 June 2018.

8. MISCELLANEOUS

- The correspondence address of the Company is at Suite 3901, 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 12 December 2018, Wednesday at Suite 3901, 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 meaning as ascribed to them in the circular of the Company dated 24 November 2018.

ORDINARY RESOLUTION

“That:

- (a) The agreements entered into pursuant to Finance Lease Arrangement (including Finance Lease Agreement, 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 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 secretary of the Company and to

* For identification purpose only

NOTICE OF SPECIAL GENERAL MEETING

take such steps as he may in his absolute discretion consider necessary, appropriate, desirable or expedient to give effect to or in connection with the transactions contemplated under Finance Lease Arrangement.”

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

Hong Kong, 24 November 2018

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 registrars of the Company, Tricor Tengis Limited at Level 22, 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 of the Company 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 also executive Directors), Mr. Wu Shaohua (who is non-executive Director) and Mr. Yap Fat Suan, Dr. Jesse Zhixi Fang, Ms. Huang Jian and Mr. Zhang Zhong (who are independent non-executive Directors).
4. As required under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the above resolutions will be decided by way of poll.