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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**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).

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, 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 circular.

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**CONCORD NEW ENERGY GROUP LIMITED**

**協合新能源集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 182)**

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

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A special general meeting (the “SGM”) of the Company will be held at 10:00 a.m. on 23 November 2017, Thursday 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.

7 November 2017

\* *For identification purpose only*

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## DEFINITIONS

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

“Accounts Receivable Agreement”	the agreement dated 13 October 2017 entered into between the Lessor and the Lessee pursuant to which the Lessee has agreed to Lessor and the Lessee pursuant to which the Lessee has agreed to pledge its receivable in electricity fee in favour of the Lessor under Finance Lease Agreement 1 as described in the section headed “Security Agreements” in this circular
“associates”	has the meaning ascribed to it by the Listing Rules
“Century Concord”	Century Concord Wind Power Investment Co., Ltd.* (協合風電投資有限公司), a wholly-owned subsidiary of the Company and hold 100% equity interest in Nanzhao Concord
“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
“Director(s)”	the director(s) of the Company
“Early Purchase Compensation”	the fee payable by the Lessee to the Lessor in the case that the Lessee purchases Equipment 1 and Equipment 2 before the end of the lease term under the Finance Lease Agreements, the calculation of such fee is set out in the paragraph headed “Lessee’s option to purchase” in this circular
“Early Purchase Date”	the date that the Lessee can purchase Equipment 1 and Equipment 2 before the end of the lease term under the Finance Lease Agreements
“Equipment 1”	certain machinery and equipment for the operation of wind power projects under Finance Lease Arrangement 1

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## DEFINITIONS

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“Equipment 2”	certain construction for the operation of wind power projects under Finance Lease Arrangement 2
“Finance Lease Agreement 1”	an agreement entered into between the Lessor, the Lessee and the Supplier dated 13 October 2017, all of its attachment documents, and attachment forms in relation to Finance Lease Arrangement 1
“Finance Lease Agreement 2”	an agreement entered into between the Lessor and the Lessee dated 13 October 2017, all of its attachment documents, and attachment forms in relation to Finance Lease Arrangement 2
“Finance Lease Arrangements”	Finance Lease Arrangement 1 and Finance Lease Arrangement 2
“Finance Lease Arrangement 1”	the Finance Lease Agreement 1, the Sale and Purchase Agreement and the related agreements
“Finance Lease Arrangement 2”	the Finance Lease Agreement 2 and the related agreement
“Group”	the Company and its subsidiaries
“Guarantee Agreement”	the agreement entered into between Lessor and the Company on 13 October 2017 pursuant to which the Company has agreed to provide an irrevocable guarantee for all the debts of the Lessor under the Finance lease Agreement 1 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 qualifying the electricity generation
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“kWh”	Kilowatt-hour, a standard unit of energy used in the electric power industry. One kilowatt-hour is the amount of energy that would be produced by a generator producing one thousand watts for one hour

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## DEFINITIONS

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“Latest Practicable Date”	2 November 2017, the latest practicable date before the printing of this circular for ascertaining certain information contained herein
“Lessee”/“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
“Lessor”/“Purchaser”/“Huaneng Tiancheng”	Huaneng Tiancheng Financial Leasing Co., Ltd.* (華能天成融資租賃有限公司), a limited liability company incorporated in the PRC, which is a third party independent of the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mortgage Agreement 1”	the agreement entered into between the Lessor and the Lessee on 13 October 2017 pursuant to which the Lessee agreed to charge the assets listed in the Appendix I to the Finance Lease Agreement 1 to the Lessor as described in the section headed “Security Agreements” in this circular
“Mortgage Agreement 2”	the agreement entered into between the Lessor and the Lessee on 13 October 2017 pursuant to which the Lessee agreed to charge the assets listed in the Appendix I to the Finance Lease Agreement 2 to the Lessor as described in the section headed “Security Agreement” in this circular
“MW”	Megawatt (1,000,000 watts), the commonly used unit of power in quantifying the electricity generation
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Sale and Purchase Agreement”	an agreement entered into among the Lessor, the Supplier and Lessee dated 13 October 2017 pursuant to which the Supplier agreed to supply the Equipment 1 to the Lessor to fulfill the Lessor’s obligations under the Finance Lease Agreement 1

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## DEFINITIONS

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“Security Agreement(s)”	the definition given to it in the section headed “Security Agreement(s)” for Finance Lease Arrangement 1 and Finance Lease Arrangement 2 in this circular
“SFO”	Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong
“SGM”	the special general meeting of the company to be convened and held at 10:00 a.m. on 23 November 2017, Thursday 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 1 and Finance lease Agreement 2 pursuant to the Finance lease Arrangements and the transactions contemplated thereunder or any adjournment thereof (as the case may be)
“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 Century Concord and the Lessor on 13 October 2017 pursuant to which Century Concord has agreed to pledge all its equity interest in the Lessee in favour of the Lessor under the Finance Lease Agreement 1 as described in the section headed “Security Agreements” in this circular
“Shortfall Make-up Agreement”	the agreement entered into between Lessor and Century Concord on 13 October 2017 pursuant to which Century Concord has agreed to provide an irrevocable shortfall guarantee to the Lessee to guarantee the debts of the Lessor under the Finance lease Agreement 1 as described in the section headed “Security Agreements” in this circular
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it by the Listing Rules

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## DEFINITIONS

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“Supplier”/“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

“%”    per cent

\* *For identification purposes only.*

*Note:* The translation of RMB into HK\$ is based on the exchange rate of RMB1.00 to HK\$1.19, and are provided for information purposes only.

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## LETTER FROM THE BOARD

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### CONCORD NEW ENERGY GROUP LIMITED

協合新能源集團有限公司\*

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 182)**

*Executive Directors:*

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

*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:*

Dr. Wong Yau Kar, David, BBS, JP  
Mr. Yap Fat Suan, Henry  
Dr. Shang Li  
Ms. Huang Jian

7 November 2017

*To the Shareholders:*

Dear Sir or Madam,

### MAJOR TRANSACTION FINANCE LEASE ARRANGEMENTS

#### INTRODUCTION

Reference is made to the announcement of the Company dated 13 October 2017 in relation to Finance Lease Arrangement 1 entered into between Nanzhao Century Concord (as Lessee), Huaneng Tiancheng (as Lessor), and Haotai New Energy (as Supplier), and Finance Lease Arrangement 2 entered into between Nanzhao Century Concord (as Lessee) and Huaneng Tiancheng (as Lessor).

\* For identification purpose only

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## LETTER FROM THE BOARD

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The purpose of this circular is to provide you with information regarding the details of Finance Lease Arrangement 1 and Finance Lease Arrangement 2.

### FINANCE LEASE ARRANGEMENT 1

#### A. Principal Terms of Sale and Purchase Agreement and Finance Lease Agreement 1

*(i) Date of agreements*

13 October 2017

*(ii) Parties*

Purchaser/Lessor: Huaneng Tiancheng

Supplier: Haotai New Energy

Lessee: Nanzhao Century Concord

*(iii) Sale and lease arrangement*

Pursuant to the Sale and Purchase Agreement, subject to the satisfaction of the conditions precedent under the Sale and Purchase Agreement, the Lessor shall purchase Equipment 1 from the Supplier at a total consideration of RMB550,000,000.00 (equivalent to approximately HK\$654,500,000.00), which shall be leased to the Lessee in accordance with the Sale and Purchase Agreement. The purchase price shall be paid by the Lessor to the Supplier by separate instalments in accordance with the Finance Lease Agreement 1. The total consideration was agreed among the relevant parties with reference to the total purchase price of Equipment 1.

The Supplier has bought Equipment 1, which includes certain wind power electricity equipment and machinery at a consideration of RMB544,633,000.00.

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## LETTER FROM THE BOARD

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The following table sets out the details of Equipment 1 bought by the Supplier:

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 <sup>1</sup>	October 2016	Partially booked in <sup>2</sup>	434,442,000.00
Tower tube	20 years	Partially installed <sup>1</sup>	March 2017	Partially booked in <sup>2</sup>	72,331,000.00
Cubicle-type substation	20 years	Partially installed <sup>1</sup>	September 2016	Fully booked in	7,920,000.00
Power substation equipment	20 years	Construction completed	June 2016	Partly booked in <sup>2</sup>	5,370,000.00
Control and protection system	20 years	Construction completed	August 2016	Fully booked in	842,000.00
Transmission lines and accessory equipment	20 years	Partially installed <sup>1</sup>	November 2016	Partially booked in <sup>2</sup>	23,728,000.00
Total					544,633,000.00

*Notes:*

1. The equipment partially installed is expected to be completed in December 2017.
2. The equipment partially booked in is expected to be fully booked in December 2017.

The total consideration of RMB550,000,000.00 (equivalent to approximately HK\$654,500,000.00) was agreed among Huaneng Tiancheng, Haotai New Energy and Nanzhao Century Concord after arm's length negotiations with reference to the total purchase price of Equipment 1, being approximately RMB544,633,000.00 (equivalent to approximately HK\$648,113,270.00). It is estimated that there would be a gain of RMB5,367,000.00 from the disposal of Equipment 1 by Haotai New Energy to Huaneng Tiancheng. 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.

**(iv) Lease payments**

Pursuant to the Finance Lease Agreement 1, the estimated lease payments payable by the Lessee to the Lessor is approximately RMB753,027,000.00 (equivalent to approximately HK\$896,102,130.00) (which is the sum of the

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## LETTER FROM THE BOARD

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lease costs of RMB550,000,000.00, the estimated interest of approximately RMB191,027,000.00 and handling fees of RMB12,000,000.00). The interest is calculated at a floating rate and 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 1**").

The lease payments are payable in 11 years through 44 quarterly installments. The lease interest is calculated based on the lease cost and the lease interest rate. The current Benchmark Interest Rate is 4.9% and the interest rate per annum under Finance Lease Arrangement 1 is 119.5% of the Benchmark Interest Rate 1. As such, the interest rate per annum under Finance Lease Arrangement 1 shall be 5.8555%, subject to adjustment of the Benchmark Interest Rate 1.

The aggregate lease interests were determined after arm's length negotiations between Huaneng Tiancheng and Nanzhao Century Concord 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 Equipment 1, where interest rates per annum ranged from 110% to 200% of the Benchmark Interest Rate 1. It is also common market practice for financial leasing companies to charge a premium on top of the Benchmark Interest Rate 1 for finance leases. In addition, the aggregate lease interests were determined after having considered various characteristics of Equipment 1, including without limitation the nature, estimated useful life and condition of Equipment 1. The handling fees were determined after arm's length negotiations between Huaneng Tiancheng and Nanzhao Century Concord.

The aggregate lease payments are to be settled out of Nanzhao Century Concord's internal resources. The lease payments shall be paid into the bank account designated by Huaneng Tiancheng.

(v) *Security deposit*

The Lessee shall pay an interest-free security deposit of RMB22,000,000.00 (equivalent to approximately HK\$26,180,000.00) to the Lessor as guarantee of its obligations under Finance Lease Agreement 1. The Lessee shall pay the full amount of the security deposit under the Finance Lease Agreement 1 to the Lessor before the Lessor pays the first purchase price for Equipment 1 to the Supplier. Such deposit shall be used to offset any default of payment by the Lessee under the Finance Lease Agreement 1.

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## LETTER FROM THE BOARD

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*(vi) Lessee's option to purchase*

The selection of Equipment 1 will be at the sole discretion of the Lessee, but the legal ownership of Equipment 1 will be vested in the Lessor throughout the lease period. Upon the end of the lease period, provided that the Lessee has fulfilled all of its obligations under the Finance Lease Agreement 1, including the full payment of the lease and interest payment and all other expenses as described in the Finance Lease Agreement 1, the Lessee has the option to purchase Equipment 1 at a nominal consideration of RMB1.

In addition, at any time after the expiration of 12 months from the date of commencement of the lease, the Lessee is eligible to purchase Equipment 1 at the Early Purchase Date before the end of the lease term by serving a 30 business days' prior written notice to the Lessor (and after obtaining the written consent from the Lessor) at a consideration being the sum of (i) all outstanding unpaid pre-lease interest/lease payment and late fees (if any) up to the Early Purchase Date; (ii) residual lease costs; (iii) the nominal consideration of RMB1; and (iv) value-added tax payable and all other expenses as a result of the early purchase of Equipment 1. In addition, if the Early Purchase Date falls after 72 months from the date of commencement of the lease, an additional Early Purchase Compensation, which is calculated based on 1.0% on all residual lease costs will be payable by the Lessee.

The Company intends to exercise the option to purchase Equipment 1 at the end or before the end of the lease period.

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## LETTER FROM THE BOARD

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### **B. Security Agreements**

In order to secure Lessee's obligations under Finance Lease Agreement 1, the following Security Agreements have been executed on 13 October 2017:

**(i) *Mortgage Agreement 1***

The Lessee has executed the Mortgage Agreement 1 in favour of the Lessor, pursuant to which the Lessee agreed to charge the assets listed in the Mortgage Agreement 1 to the Lessor to secure the obligations of the Lessee under the Finance Lease Agreement 1.

**(ii) *Share Pledge Agreement***

Century Concord (a wholly-owned subsidiary of the Company and a direct shareholder of the Lessee) has executed the Share Pledge Agreement in favour of the Lessor, pursuant to which Century Concord has agreed to pledge all its equity interest in the Lessee (including, among others, any dividends declared) in favour of the Lessor, to secure the obligations of the Lessee under the Finance Lease Agreement 1.

**(iii) *Guarantee Agreement***

The Company has executed the Guarantee Agreement in favour of the Lessor, pursuant to which the Company has agreed to provide an irrevocable guarantee for all the debts of the Lessee under the Finance Lease Agreement 1.

**(iv) *Shortfall Make-up Agreement***

Century Concord executed a shortfall guarantee agreement in favour of the Lessor, pursuant to which Century Concord has agreed to provide an irrevocable shortfall guarantee to the Lessor to guarantee the debts of the Lessee under the Finance Lease Agreement 1.

**(v) *Accounts Receivable Security Agreement***

The Lessee has executed the Accounts Receivable Security Agreement in favour of the Lessor, pursuant to which the Lessee has agreed to pledge its receivable in electricity fee in favour of the Lessor, to secure the obligations of the Lessee under the Finance Lease Agreement 1.

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## LETTER FROM THE BOARD

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Finance Lease Arrangement 2 was entered into between Nanzhao Century Concord (as Lessee) and Huaneng Tiancheng (as Lessor), pursuant to which Huaneng Tiancheng agreed to lease Equipment 2 to Nanzhao Century Concord for a term of 5 years, to be payable in 20 quarterly installments at lease payments of approximately RMB23,767,000.00 (equivalent to approximately HK\$28,282,730.00).

### FINANCE LEASE ARRANGEMENT 2

#### A. Principal Terms of Finance Lease Agreement 2

*(i) Date of agreement*

13 October 2017

*(ii) Parties*

Lessor: Huaneng Tiancheng

Lessee: Nanzhao Century Concord

*(iii) Lease Arrangement*

Pursuant to the Finance Lease Agreement 2, the Lessor agreed to lease Equipment 2 to the Lessee for a term of 5 years. The lease payments will be payable in 20 quarterly installments.

*(iv) Lease payments*

Pursuant to the Finance Lease Agreement 2, the estimated lease payments payable by the Lessee to the Lessor is approximately RMB23,767,000.00 (equivalent to approximately HK\$28,282,730.00) (which is the sum of the lease costs of RMB20,000,000.00, the estimated interest of approximately RMB3,567,000.00 and handling fees of RMB200,000.00). The lease costs are based on the original costs of RMB20,000,000.00 for acquiring Equipment 2. The interest is calculated at a floating rate and be adjusted with reference to the benchmark interest rate for RMB loans with a maturity of one to five years as promulgated by the People's Bank of China from time to time (the "**Benchmark Interest Rate 2**"). The lease payment was agreed between the Lessor and the Lessee with reference to the prevailing market interest rate for finance leases for comparable equipment.

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## LETTER FROM THE BOARD

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The lease payments are payable in 5 years through 20 quarterly installments. The lease interest is calculated based on the lease cost and the lease interest rate. The current Benchmark Interest Rate 2 is 4.75% and the interest rate per annum under Finance Lease Arrangement 2 is 105.0% of the Benchmark Interest Rate 2. As such, the interest rate per annum under Finance Lease Arrangement 2 shall be 4.9875%, subject to adjustment of the Benchmark Interest Rate 2.

The aggregate lease interests were determined after arm's length negotiations between Huaneng Tiancheng and Nanzhao Century Concord 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 Equipment 2, where interest rates per annum ranged from 100% to 130% of the Benchmark Interest Rate 2. It is also common market practice for financial leasing companies to charge a premium on top of the Benchmark Interest Rate 2 for finance leases. In addition, the aggregate lease interests were determined after having considered various characteristics of Equipment 2, including without limitation the nature, estimated useful life and condition of Equipment 2. The handling fees were determined after arm's length negotiations between Huaneng Tiancheng and Nanzhao Century Concord.

The aggregate lease payments are to be settled out of Nanzhao Century Concord's internal resources. The lease payments shall be paid into the bank account designated by Huaneng Tiancheng.

The following table sets out the details of Equipment 2 in Finance Lease Arrangement 2:

<b>Asset nature/Type</b>	<b>Estimated useful life</b>	<b>Current condition</b>
Field road construction	20 years	under construction
Foundation construction of wind turbine and cubicle-type substation	20 years	under construction

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## LETTER FROM THE BOARD

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(v) *Security deposit*

The Lessee shall pay an interest-free security deposit of RMB800,000.00 (equivalent to approximately HK\$952,000.00) to the Lessor as guarantee of its obligations under Finance Lease Agreement 2. The Lessee shall pay the full amount of the security deposit under the Finance Lease Agreement 2 to the Lessor before the Lessor pays the first purchase price for Equipment 2 to an independent service provider. Such deposit shall be used to offset any default of payment by the Lessee under the Finance Lease Agreement 2.

(vi) *Lessee's option to purchase*

The selection of Equipment 2 will be at the sole discretion of the Lessee, but the legal ownership of Equipment 2 will be vested in the Lessor throughout the lease period. Upon the end of the lease period, provided that the Lessee has fulfilled all of its obligations under the Finance Lease Agreement 2, including the full payment of the lease and interest payment and all other expenses as described in the Finance Lease Agreement 2, the Lessee has the option to purchase Equipment 2 at a nominal consideration of RMB1.

In addition, at any time after the expiration of 12 months from the date of commencement of the lease, the Lessee is eligible to purchase Equipment 2 at the Early Purchase Date before the end of the lease term by serving a 30 business days' prior written notice to the Lessor (and after obtaining the written consent from the Lessor) at a consideration being the sum of (i) all outstanding unpaid pre-lease interest/lease payment and late fees (if any) up to the Early Purchase Date; (ii) residual lease costs; (iii) the nominal consideration of RMB1; and (iv) value-added tax payable and all other expenses as a result of the early purchase of Equipment 2.

The Company intends to exercise the option to purchase Equipment 2 at the end or before the end of the lease period.

### **B. Security Agreement**

In order to secure the Lessee's obligations under the Finance Lease Agreement 2, the Lessee has executed the Mortgage Agreement 2 in favour of the Lessor on 13 October 2017, pursuant to which the Lessee agreed to charge the assets listed in the Mortgage Agreement 2 to the Lessor, to secure the obligations of the Lessee under the Finance Lease Agreement 2.

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## LETTER FROM THE BOARD

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### INFORMATION OF THE PARTIES TO FINANCE LEASE ARRANGEMENTS

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. The Lessee is principally engaged in the wind power plant investment and operation in the PRC.

Century Concord is a wholly-owned subsidiary of the Company and holds 100% equity interest in Nanzhao Century Concord.

Haotai New Energy is a limited liability company incorporated in the PRC and a wholly-owned subsidiary of the Company, which is principally engaged in wind power equipment and new energy equipment trade.

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, the Lessor and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Nanzhao Century Concord is a limited liability company incorporated in the PRC and a wholly owned subsidiary of the Company.

### REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The execution of the Finance Lease Agreements and the related agreements are in the ordinary and usual course of business of the Lessee. The Directors are of the view that under the Finance Lease Agreements, the Group will obtain financial resources and gain access to the use of the certain other Equipment. The terms under the Finance Lease Agreements and the related agreements have been agreed after arm's length negotiation among the parties. The Directors consider the terms of the Finance Lease Agreements and the related agreements 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.

### IMPLICATIONS OF THE LISTING RULES

As one or more of the applicable percentage ratios under Chapter 14 of the Listing Rules for the Finance Lease Arrangements (including the transactions contemplated under the related agreements) in aggregate exceed 25% but are less than 100%, the Finance Lease Arrangements (including the transactions contemplated under the related agreements) constitute a major transaction for the Company and is subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

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## LETTER FROM THE BOARD

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To the best knowledge, information and belief of the Directors having made all reasonable enquiries as at the Latest Practicable Date, Huaneng Tiancheng does not hold any Shares and no Shareholders or their close associates have a material interest in the transactions contemplated under Finance Lease Arrangements (including the transactions contemplated under related agreements).

A special general meeting will be convened and held for the shareholders to consider and, if thought fit, approve Finance Lease Arrangements and the transactions contemplated thereunder.

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 Arrangements (including the transactions contemplated under related agreements) at the SGM.

### **SPECIAL GENERAL MEETING**

The SGM shall be held at 10:00 a.m. on 23 November 2017, Thursday at Suite 3901, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong. The SGM will be held for the purpose of considering and, if thought fit, approving, among other things, the agreements executed pursuant to Finance Lease Arrangements 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.

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## LETTER FROM THE BOARD

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### RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the terms of the agreements executed pursuant to Finance Lease Arrangements 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 2016 AND THE SIX MONTHS ENDED 30 JUNE 2017**

Consolidated financial information of the Group for each of the three financial years ended 31 December 2014, 2015 and 2016 and the six months ended 30 June 2017 are disclosed in the following documents which have been published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.cnegroup.com](http://www.cnegroup.com)) respectively:

- Interim Report 2017 (pages 33 to 66):  
<http://www.hkexnews.hk/listedco/listconews/SEHK/2017/0824/LTN20170824402.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>
- Annual Report 2014 (pages 32 to 170):  
<http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0429/LTN201504291480.pdf>

**2. STATEMENT OF INDEBTEDNESS**

At the close of business on 30 September, 2017, 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 HK\$5,597,026,000. Among these bank borrowings, there was a bank loan of HK\$2,168,033,000 that was guaranteed by subsidiaries, of HK\$238,000,000 was credit loan and of HK\$3,190,993,000 that was secured by a subsidiary's fixed assets, account receivables and share capital of subsidiary with carrying value of approximately HK\$1,493,414,000, HK\$407,901,000 and HK\$330,677,000 respectively.

Save as aforesaid, and apart from intra-group liabilities, the Group did not have outstanding as at 30 September, 2017 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, 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 2016, 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 ARRANGEMENTS ON THE GROUP AND INTENDED USE OF PROCEEDS****Financial Effects**

As a result of the transactions contemplated under Finance Lease Arrangements, it is expected that the total assets of the Group will increase to reflect the estimated gain of RMB5,367,000.00 from the disposal of Equipment 1 by Haotai New Energy to Huaneng Tiancheng. In addition, the total assets of the Group will increase to reflect the value of Equipment 1, being the sum of the total consideration of approximately RMB550,000,000.00 and handling fee of RMB12,000,000.00. The total liabilities of the Group will increase to reflect the total consideration of Equipment 1, being RMB550,000,000.00.

Concerning the impact on the earnings of the Group as a result of Finance Lease Arrangements, the income statement would reflect the estimated gain of RMB5,367,000.00 from the disposal of Equipment 1 by Haotai New Energy to Huaneng Tiancheng. Besides, the estimated interest elements of approximately RMB191,027,000.00 and handling fees of RMB12,000,000.00 under Finance Lease Arrangement 1, and the estimated interest elements of approximately RMB3,567,000.00 and handling fees of RMB200,000.00 under Finance Lease Arrangement 2 will be charged to the income statement of the Group over the lease period.

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 Arrangements.

**Intended Use of Proceeds**

The total consideration of RMB550,000,000.00 received from the sale of Equipment 1 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**

As stated in 2017 working report of the central government, coal power capacity should be eliminated, ceased and suspended. Measures including connecting power generation from renewable energy to the grid and boosting clean heating supply in winter within northern area are secured as the top priorities.

In February 2017, the China National Energy Administration (“NEA”) issued the “Guiding Opinions on Energy Related Work for 2017”, pursuant to which, non-fossil energy consumption proportion in China targets at 14.3% for 2017, representing 1% increase from last year. The construction of wind power capacity reaching 25.00GW and solar power capacity reaching 20.00GW were planned to commence during the year. In March 2017, National Development and Reform Commission (“NDRC”) and NEA issued the “Notice on the Plan of Orderly Relaxation of Power Generation and Utilization”, requiring power generation from clean energy, such as existing wind power and solar power as stated in the national plan, acting as the focus in the prioritized power generation plan. In June 2017, NEA issued the “Notice on the formulation of implementation plan of commencing clean heating from renewable energy in Northern Area”, confirming the commencement of the project of supplying clean heating from renewable energy during the year, Such project required 10% of local wind power to be used on heating supply. In light of the trend and changes in national policy, the Directors are optimistic about the prospect of wind power business in PRC.

According to the Company’s announcement of interim results for the six months ended 30 June 2017, during the first half of 2017, the power plants held by the Group delivered a total revenue of RMB350,692,000 (2016 first half: RMB360,875,000), which accounted for 59.03% (2016 first half: 40.75%) of the Group’s revenue. Power generation output attributable to the Group was 1,201.05 million kWh (2016 first half: 1,096.85 million kWh), representing a growth of 9.50% over the same period last year, of which, wind power generation output was 939.94 million kWh (2016 first half: 679.46 million kWh), representing a growth of 38.34% over the

same period last year, while solar power generation output was 261.11 million kWh (2016 first half: 417.39 million kWh), representing a decrease of 37.44% 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 the Shareholders.

Therefore, the Company will continue its focus and effort to develop the Group's wind power and solar 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				Total	Approximate percentage of the total issued share capital (%)
	Personal	Family	Corporate			
Liu Shunxing	9,000,000	—	2,436,479,387		2,445,479,387	28.18
Liu Jianhong	8,710,000	—	—		8,710,000	0.10
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:*

- 2,311,469,387 shares are held by China Wind Power Investment Limited, China Wind Power Investment Limited (“**CWPI**”) is wholly-owned by New Energy International Limited (“**New Energy**”), which in turn is a wholly-owned subsidiary of Concord International Investment Limited (“**Concord International**”). Mr. Liu Shunxing held as to 47.78% of the issued shares of Concord International, and 125,010,000 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.

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 2016, 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.

\* For identification purpose only

**(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

<b>Name of shareholder</b>	<b>Number of Shares held</b>	<b>Approximate percentage of the total issued share capital (%)</b>
China Wind Power Investment Limited <sup>1</sup>	2,311,469,387	26.64
Huadian Fuxin	880,000,000	10.14

*Note:*

- The shares are held by CWPI, CWPI is wholly owned by New Energy, which in turn is a wholly-owned subsidiary of Concord International. Mr. Liu Shunxing held as to 47.78% of the issued shares of Concord International. Mr. Liu Shunxing and Ms. Liu Jianhong are directors of CWPI, New Energy and Concord International.

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 1 December 2015, TCCH and Gamesa Wind Power (Tianjian) Co., Ltd.\* (歌美颯風電(天津)有限公司) (“GWP”) entered into purchase contract regarding the purchase of wind power electricity generation equipment from GWP, at a total consideration of RMB206,160,000, for the Group’s wind farm project in Yunnan Province (雲南省), the PRC;
- (b) On 26 January 2016, TCCH 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 RMB213.6 million for the Group’s wind farm project in Hunan Province (湖南省), the PRC. As disclosed in the announcement of the Company dated 7 July 2017, this purchase contract was terminated on 7 July 2017 and substituted by another purchase contract which reduced the total consideration from RMB213.6 million to RMB194,224,000. The amount of machinery and equipment purchased was also adjusted. Save for the aforementioned, other material terms and conditions of the new purchase contract are the same as the original purchase contract;
- (c) On 2 February 2016, Jilin Tianhe Wind Power Equipment Manufacturing Operation and Maintenance Ltd.\* (吉林省天合風電裝備製造運行維護有限公司) (“ILTH”) a wholly owned subsidiary of the Company, entered into purchase contract with Shaanxi Tuori New Energy Technology Ltd.\* (陝西拓日新能源科技有限公司) (“SXTR”), regarding the purchase of solar power electricity generation equipment from SXTR at a total consideration of RMB215,255,040 for the Group’s solar power project located in Shaanxi Province (陝西省), the PRC;
- (d) On 14 March 2016, TCCH and GWP entered into purchase contract regarding the purchase of wind power electricity generation equipment from GWP at a total consideration of RMB137,782,002 for the Group’s wind farm project in Yunnan Province (雲南省), the PRC;

\* For identification purpose only

- (e) On 5 April 2016, the Company and Huadian Fuxin Energy Corporation Limited (華電福新能源股份有限公司) (“**HDFE**”) entered into agreement, pursuant to which the Company agreed to sell and HDFE agreed to acquire 51% of the entire equity interests in the Hubei Jinquan Wind Power Electricity Co., Ltd.\* (湖北金泉風力發電有限公司) (“**HBJQ**”), at a consideration of RMB44.13 million. The agreement was supplemental to the equity transfer agreement entered into between the Company and HDFE on 22 December 2014 in relation to the transfer of 49% of the equity interests in HBJQ;
- (f) On 6 April 2016, TCCH and XGST entered into purchase contract regarding the purchase of wind power electricity generation equipment from XGST at a total consideration of RMB205,440,000 for the Group’s wind farm project in Anhui Province (安徽省), the PRC;
- (g) On 19 May 2016, the Company and HDFE entered into agreement, pursuant to which the Company agreed to sell and HDFE agreed to acquire 49% of the entire equity interests in the Yiyang Century Concord Wind Power Co., Ltd.\* (宜陽協合風力發電有限公司) (“**YYXH**”), at a consideration of RMB37,298,485. The agreement was supplemental to the equity transfer agreement entered into between the Company and HDFE on 22 April 2014 in relation to the transfer of 51% of the equity interests in YYXH;
- (h) On 26 July 2016, Haotai New Energy and Guodian United Power Technology Company Ltd.\* (國電聯合動力技術有限公司) (“**GDUP**”) entered into purchase contract regarding the purchase of wind power electricity generation equipment at a total consideration of RMB194,752,784 for the Group’s wind farm project in Henan Province (河南省), the PRC;
- (i) On 2 August 2016, Haotai New Energy and XGST entered into purchase contract regarding the purchase of wind power electricity generation equipment from XGST at a total consideration of RMB205,440,000 for the Group’s wind farm project in Anhui Province (安徽省), the PRC;
- (j) On 23 August 2016, Haotai New Energy and Envision Energy (Jiangsu) Co., Ltd.\* (遠景能源(江蘇)有限公司) (“**EEJS**”) entered into purchase contract regarding the purchase of wind power electricity generation equipment from the EEJS at a total consideration of RMB201,344,000 for the Group’s wind farm project in Hebei Province (河北省), the PRC;

\* For identification purpose only

- (k) On 22 September 2016, Haotai New Energy and XGST entered into purchase contract regarding the purchase of wind power electricity generation equipment from XGST at a total consideration of RMB428,000,000 for the Group's wind farm project in Henan Province (河南省), the PRC;
- (l) On 30 September 2016, Jilin Tianhe Wind Power Equipment Manufacturing Operation and Maintenance Ltd.\* (吉林省天合風電裝備製造運行維護有限公司), a wholly owned subsidiary of the Company, and CSIC (Chongqing) Haizhuang Windpower Equipment Co., Ltd.\* (中船重工(重慶)海裝風電設備有限公司) entered into purchase contract regarding the purchase of wind power electricity generation equipment at a total consideration of RMB199,680,000 for the Group's wind farm project in Guangxi Province (廣西省), the PRC;
- (m) On 14 October 2016, Jilin Tianhe Wind Power Equipment Co., Ltd.\* (吉林省天合風電設備有限公司) as the buyer, and Guangdong Mingyang Wind Power Industry Group Co., Ltd.\* (廣東明陽風電產業集團有限公司), as the supplier entered into purchase contract regarding the purchase of wind power electricity generation equipment at a total consideration of RMB203,040,000 for the Group's wind farm project in Hunan province (湖南省), the PRC;
- (n) On 30 November 2016, Century Concord 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;
- (o) On 28 December 2016, Yinhua Century Concord New Energy Investment Limited\* (銀華協合新能源投資有限公司) 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;
- (p) On 13 January 2017, TCCH and 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;

\* For identification purpose only

- (q) On 13 January 2017, TCCH 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;
- (r) On 23 March 2017, the Company entered into the agreements (including a sale and purchase agreement, a finance lease agreement, a finance lease consultancy agreement and other security agreements) pursuant to the finance lease arrangement;
- (s) On 11 April 2017, Haotai New Energy 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 at a total consideration of RMB192,960,000 for the Group's wind farm project in Hunan Province (湖南省), the PRC;
- (t) On 24 April 2017, Haotai New Energy and CRRC entered into the purchase contract regarding the purchase of wind power electricity generation equipment at a total consideration of RMB192,960,000 for the Group's wind farm project in Hubei Province (湖北省), the PRC;
- (u) On 24 April 2017, TCCH and CRRC entered into the purchase contract regarding the purchase of wind power electricity generation equipment at a total consideration of RMB192,000,000 for the Group's wind farm project in Hunan Province (湖南省), the PRC;
- (v) On 9 August 2017, the Company entered into the agreements (including a sale and purchase agreement, a finance lease agreement and other security agreements) pursuant to the finance lease arrangement;
- (w) On 26 September 2017, the Group and Envision Energy (Jiangsu) Co., Ltd.\* (遠景能源(江蘇)有限公司) entered into the purchase contract regarding the purchase of wind power electricity generation equipment at a total consideration of RMB402,804,000 for the Group's wind farm project in Henan province (河南省), the PRC;

\* For identification purpose only

- (x) 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 China Everbright agreed to lease the equipment to Dao County Century Concord Wind Power Co., Ltd.\* (道縣協合風力發電有限公司), a wholly-owned subsidiary of the Company for at a total consideration of RMB351,386,836 for the Group’s wind farm project in Hunan Province (湖南省), the PRC; and
- (y) 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 Huaneng Tiancheng agreed to 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 for at a total consideration of RMB350,176,819 for the Group’s wind farm project in Hubei Province (湖北省), 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.

#### 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.

\* For identification purpose only

**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 circulars of the Company dated 10 February 2017, 7 September 2017 and this circular;
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 two financial years ended 31 December 2015 and 2016, and the interim report of the Company for the six months ended 30 June 2017.

**8. MISCELLANEOUS**

- The correspondence address of the Directors is at Suite 3901, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong;
- The principal place of business in Hong Kong and correspondence address of the Company is at Suite 3901, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong;
- The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda;
- The Hong Kong branch share registrar and transfer office of the Company is Tricor Tengis Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong; and
- The English texts of this circular and the accompanying form of proxy shall prevail over the Chinese texts.

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## NOTICE OF SPECIAL GENERAL MEETING

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### CONCORD NEW ENERGY GROUP LIMITED

協合新能源集團有限公司\*

*(Incorporated in Bermuda with limited liability)*

(Stock code: 182)

### NOTICE OF SPECIAL GENERAL MEETING

**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 23 November 2017, Thursday 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 7 November 2017.

#### ORDINARY RESOLUTION

(1) **That:**

- (a) The agreements entered into pursuant to Finance Lease Arrangements (including Finance Lease Agreement 1, Finance Lease Agreement 2, Sale and Purchase Agreement, the Security Agreements (a copy of each of the above documents 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

\* *For identification purpose only*

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## NOTICE OF SPECIAL GENERAL MEETING

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secretary of the Company and to 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 Arrangements.

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

Hong Kong, 7 November 2017

*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 and Mr. Gui Kai (all of above are also executive Directors), Mr. Wu Shaohua (who is 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).
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.