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中国风电集团有限公司*
China WindPower Group Limited

(incorporated in Bermuda with limited liability)

(Stock Code: 182)

CONTINUING CONNECTED TRANSACTIONS

This announcement is made pursuant to rule 14A.41 of the Listing Rules.

The Group entered into a joint venture agreement to establish JV5 with Shenhua WP on 9 April 2010. As at the date of this announcement, apart from JV5, the Group has established four other joint ventures with Shanghai Shenhua (the holding company of Shenhua WP) or its subsidiaries.

The establishment of JV5 does not constitute a notifiable transaction for the Company under the Listing Rules.

Upon establishment of JV5, the Group shall hold a 51% equity interest in JV5, with the remaining 49% equity interest in JV5 held by Shenhua WP. Accordingly, Shenhua WP and Shanghai Shenhua shall become connected persons of the Company under the Listing Rules. JV1, JV2, JV3 and JV4 as associates of Shanghai Shenhua, will also become connected persons of the Company.

As at the date of this announcement, the Group has certain continuing transactions with each of JV1, JV2, JV3 and JV4. Such continuing transactions will constitute continuing connected transactions for the Company upon establishment of JV5 and thus are subject to the reporting and announcement requirements pursuant to Rule 14A.41 of the Listing Rules.

INTRODUCTION

The Group entered into a joint venture agreement to establish JV5 with Shenhua WP on 9 April 2010. As at the date of this announcement, apart from JV5, the Group has established with Shanghai Shenhua (the holding company of Shenhua WP) or its subsidiaries four other joint ventures. The table below sets out the details of the joint ventures set up between the Group and Shanghai Shenhua and its subsidiaries including JV5.

* *for identification purposes only*

	Existing JV1	Existing JV2	Existing JV3	Existing JV4	JV5
Joint venture agreement date	6 June 2007 (as amended by supplemental agreements dated 19 December 2007 and 31 August 2009)	26 July 2007 (as amended by supplemental agreements dated 6 May 2008, 17 October 2008 and 16 March 2009)	10 June 2008 (as amended by supplemental agreements dated 25 November 2008 and 16 March 2009)	21 April 2009 (as amended by a supplemental agreement dated 25 June 2009)	9 April 2010
Establishment date	3 July 2007	9 August 2007	24 June 2008	12 May 2009	To be established
Registered capital (RMB)	RMB136 million	RMB175.5 Million	RMB160 million	RMB153 million	RMB 96 million
Interest of the Group in the joint venture and the amount contributed/to be contributed by the Group	49% (RMB66.64 million)	24.5% (RMB42.9975 million)	24.5% (RMB39.2 million)	50% (RMB76.5 million)	51% (RMB48.96 million)
Interest of Shanghai Shenhua or its subsidiaries in the joint venture and the amount contributed/to be contributed by Shanghai Shenhua or its subsidiaries	51% (RMB69.36 million)	51% (RMB89.505 million)	51% (RMB 81.6 million)	50% (RMB76.5 million)	49% (RMB47.04 million)
Interest of other joint venture partner(s) in the joint venture and the amount contributed/to be contributed by such other joint venture partner(s)	N/A	24.5% (RMB42.9975 million)	24.5% (RMB39.2 million)	N/A	N/A
The accounting treatment of the joint ventures in the consolidated financial statements of the Company	Jointly controlled entity	Jointly controlled entity	Jointly controlled entity	Jointly controlled entity	Jointly controlled entity
Business of the joint venture	Development, construction, operation of wind power electricity facilities, providing services, training, technical support, research and development and engineering services				
Any other commitment of the Group in respect of the establishment of the joint venture	N/A	N/A	N/A	N/A	N/A

Apart from their respective interests in the joint ventures and save for the entering into of the joint venture agreement to establish JV5, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Shanghai Shenhua, Shenhua WP and the other joint venture partners (and their respective ultimate beneficial owners) of each of JV1, JV2, JV3 and JV4 are third parties independent of the Company and its connected persons.

The establishment of JV5 does not constitute a notifiable transaction for the Company under the Listing Rules.

Upon establishment of JV5, the Group shall hold a 51% equity interest in JV5, with the remaining 49% equity interest in JV5 held by Shenhua WP. Accordingly, Shenhua WP and Shanghai Shenhua will become connected persons of the Company under the Listing Rules. JV1, JV2, JV3 and JV4 as associates of Shanghai Shenhua, will also become connected persons of the Company.

CONTINUING CONNECTED TRANSACTIONS

As at the date of this announcement, the Group has certain continuing transactions with each of JV1, JV2, JV3 and JV4. Such continuing transactions will constitute continuing connected transactions for the Company upon establishment of JV5 and thus are subject to the reporting and announcement requirements pursuant to Rule 14A.41 of the Listing Rules. Upon any variation or renewal of the relevant agreements, the Company will comply in full with all applicable reporting, disclosure and independent shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of those continuing connected transactions.

Below are summaries of the continuing connected transactions:

Contract with JV1

Date	5 June 2008
Parties	JV1 and 北京世紀聚合風電技術有限公司(Beijing Century Concord WindPower Ltd.) (for identification purposes only) (a wholly-owned subsidiary of the Company which is principally engaged in research and development in wind power technology and provision of technical services)
Services to be provided by Beijing Century Concord WindPower Ltd. to JV1	Management and operation of the wind farm of JV1, as well as providing technical support, engineering, repair and maintenance and purchase services in relation to wind power electricity facilities and equipment
Fees and settlement arrangements	Fees range from RMB 0.0225/kWh to RMB0.045/kWh, subject to the amount of on-grid electricity supplied by the wind farm of JV1 and the scale pursuant to the contract Fees shall be payable by JV1 quarterly within 15 days after the end of each quarter and being set off against a prepayment of RMB500,000 paid by JV1
Term	From 5 June 2008 to 31 December 2012
Historical transaction amounts	For the year ended 31 March 2009 (since the date of the contract to 31 March 2009): approximately RMB3.2 million For the nine months ended 31 December 2009: approximately RMB2.6 million

Contract with JV2

Date	10 March 2008
Parties	JV2 and Beijing Century Concord WindPower Ltd. (a wholly-owned subsidiary of the Company)
Services to be provided by Beijing Century Concord WindPower Ltd. to JV2	Management and operation of the wind farm of JV2, as well as providing technical support, engineering and repair and maintenance services in relation to wind power electricity facilities and equipment
Fees and settlement arrangements	Fees range from RMB 0.0225/kWh to RMB0.055/kWh, subject to the amount of on-grid electricity supplied by the wind farm of JV2 and the scale pursuant to the contract Fees shall be payable by JV2 monthly within the first 10 days of the next month and being set off against a prepayment of RMB500,000 paid by JV2
Term	From 28 March 2009 to 31 December 2018
Historical transaction amounts	For the year ended 31 March 2008: Nil For the year ended 31 March 2009: Nil For the nine months ended 31 December 2009: Nil

Contract with JV3

Date	28 March 2009
Parties	JV3 and Beijing Century Concord WindPower Ltd. (a wholly-owned subsidiary of the Company)
Services to be provided by Beijing Century Concord WindPower Ltd. to JV3	Management and operation of the wind farm of JV3, as well as providing technical support, engineering, repair and maintenance and purchase services in relation to wind power electricity facilities and equipment
Fees and settlement arrangements	Based on the amount of on-grid electricity supplied by the wind farm of JV3, fees shall be RMB0.03375/kWh for the two years ending 31 December 2010, with RMB0.045/kWh for the remaining term of the contract Fees shall be payable by JV3 monthly within 15 days after receipt of the debit note and being set off against a prepayment of RMB500,000 paid by JV3
Term	From 28 March 2009 to 31 December 2018
Historical transaction amounts	For the year ended 31 March 2009 (since date of the contract to 31 March 2009): Nil For the nine months ended 31 December 2009: Nil

Contract with JV4

Date	18 November 2009
Parties	JV4 and Beijing Century Concord WindPower Ltd. (a wholly-owned subsidiary of the Company)
Services to be provided by Beijing Century Concord WindPower Ltd. to JV4	Management and operation of the wind farm of JV4, as well as providing technical support, engineering, repair and maintenance and purchase services in relation to wind power electricity facilities and equipment
Fee and settlement arrangements	Based on the amount of on-grid electricity supplied by the wind farm of JV4, fees shall be RMB0.03375/kWh for the two years ending 31 December 2011, with RMB0.045/kWh for the remaining term of the contract Fees shall be payable by JV4 monthly within the first 15 days of the next month and being set off against a prepayment of RMB500,000 paid by JV4
Term	From 18 November 2009 to 31 December 2019
Historical transaction amounts	For the nine months ended 31 December 2009 (since the date of the contract to 31 December 2009): Nil

ANNUAL CAPS

The aggregate consideration payable by JV1, JV2, JV3 and JV4 under the above Management Contracts are expected not to exceed RMB20,000,000 for each of the three years ending 31 December 2012. The annual caps are calculated based on the estimated on-grid amount of electricity to be supplied by the wind farms of each of the above joint ventures for the three years ending 31 December 2012.

REASONS FOR THE CONTINUING CONNECTED TRANSACTIONS

The Group is principally engaged in the wind power business and industry, investing in various wind farm projects and providing wind power engineering and construction services in the PRC. The provision of the management and technical services under the Management Contracts is in the Group's usual and ordinary course of business and shall enhance the Group's income.

The terms of the Management Contracts were negotiated on an arm's length basis between the parties. The Directors (including the independent non-executive Directors) consider that the terms of Management Contracts are on normal commercial terms, in the ordinary and usual course of business of the Company, fair and reasonable and in the interests of the Company and its shareholders as a whole.

OTHER TRANSACTIONS WITH THE JOINT VENTURES

The Group has also contracted with the above joint ventures where the Group will construct and develop wind farms for the joint ventures in 2010 with a total contract sum of approximately RMB14.4 million. These transactions are project-based and are not recurring in nature. The Company expect that all these contracts will be finished by the end of 2010.

GENERAL

Shanghai Shenhua is an investment holding company whose shares are listed on the Shanghai Stock Exchange. Shanghai Shenhua, through its subsidiaries, engaged in the business of the sale of automobiles and the provision of after sale services of automobiles, wind power generation, real estates, finance and investment and property management.

Shenhua WP is a wholly-owned subsidiary of Shanghai Shenhua and is principally engaged in wind power projects development and investment.

JV1, JV2, JV3, JV4 and JV5 are established to undertake wind farm projects in the PRC.

BOARD OF DIRECTORS

As at the date of this announcement, the Board comprises Mr. Liu Shunxing, Mr. Ko Chun Shun, Johnson, Mr. Wang Xun, Mr. Yang Zhifeng, Ms. Liu Jianhong, Mr. Yu Weizhou, Ms. Ko Wing Yan, Samantha and Mr. Chan Kam Kwan, Jason (who are executive directors), Mr. Tsoi Tong Hoo, Tony (who is non-executive director), and Dr. Zhou Dadi, Dr. Wong Yau Kar, David and Mr. Yap Fat Suan, Henry (who are independent non-executive directors).

DEFINITIONS

In this announcement, capitalized terms have the following meanings:

“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	China WindPower Group Limited, a company incorporated in Bermuda with limited liability, the ordinary shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“JV1”	太仆寺旗申華協合風力發電投資有限公司(Taipusiqi Shenhua Xiehe WindPower Investment Ltd.) (for identification purposes only), a sino-foreign equity joint venture with limited liability to carry out wind farm project at 太仆寺旗 in Inner Mongolia Autonomous Region, the PRC
“JV2”	阜新聯合風力發電有限公司(Fuxin Lianhe WindPower Ltd.) (for identification purposes only), a sino-foreign equity joint venture with limited liability to carry out wind farm project at 馬鬃山, Zhangwu (彰武) County, Fuxin, Liaoning province, the PRC
“JV3”	阜新申華協合風力發電有限公司(Fuxin Shenhua Xiehe WindPower Ltd.) (for identification purposes only), a sino-foreign equity joint venture with limited liability to carry out wind farm project at 曲家溝, Zhangwu (彰武) County, Fuxin, Liaoning province, the PRC
“JV4”	阜新華順風力發電有限公司(Fuxin Huashun WindPower Ltd.) (for identification purposes only), a sino-foreign equity joint venture with limited liability to carry out wind farm project at 西大營子, Zhangwu (彰武) County, Fuxin, Liaoning province, the PRC
“JV5”	阜新華興風力發電有限公司(Fuxin Huaxing WindPower Ltd.) (for identification purposes only), a sino-foreign equity joint venture to be establish to carry out wind farm project at 宮家, Zhangwu (彰武) County, Fuxin, Liaoning province, the PRC

“Management Contracts”	The management contracts entered into between Beijing Century Concord WindPower Ltd. (a wholly-owned subsidiary of the Company) and each of JV1, JV2, JV3 and JV4 on 5 June 2008, 10 March 2008, 28 March 2009 and 18 November 2009 respectively
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“kWh”	Kilowatt-Hour
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Shanghai Shenhua”	Shanghai Shenhua Holdings Co., Ltd, (上海申華控股股份有限公司), an investment holding company whose shares are listed on the Shanghai Stock Exchange
“Shenhua WP”	上海申華風電新能源有限公司, a wholly-owned subsidiary of Shanghai Shenhua

By order of the Board
China WindPower Group Limited
Liu Shunxing
Chairman and Chief Executive Officer

9 April 2010, Hong Kong