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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)

**DISCLOSEABLE AND CONNECTED TRANSACTION
DISPOSAL OF INTEREST IN FUXIN TAIHE**

The Company announces that on 24 November 2011, the Vendor, a wholly-owned subsidiary of the Company, entered into the Disposal Agreement with Liaoning Energy pursuant to which the Vendor has conditionally agreed to dispose of a 49% equity interest in Fuxin Taihe to Liaoning Energy at a consideration of RMB169,122,400 (equivalent to approximately HK\$208.02 million).

As at the date of this announcement, Fuxin Taihe is a wholly-owned subsidiary of the Company. It is owned as to 51% by Century Concord and 49% by the Vendor (both wholly-owned subsidiaries of the Company). Upon completion of the Disposal, Fuxin Taihe will be owned as to 51% by Century Concord and 49% by Liaoning Energy, and Fuxin Taihe will become a jointly controlled entity of the Company in the consolidated financial statements of the Company.

Liaoning Energy is a substantial shareholder of certain subsidiaries of the Company (for the purposes of the Listing Rules) and therefore is a connected person of the Company under the Listing Rules. The Disposal constitutes a discloseable transaction and a connected transaction for the Company subject to the reporting, announcement and independent shareholders' approval requirements under the Listing Rules.

The Company has obtained a written shareholders' approval from Gain Alpha Finance Limited and China Wind Power Investment Limited approving the Disposal Agreement and the transactions contemplated thereunder. Pursuant to Rule 14A.43 of the Listing Rules, the Company has applied for and received a waiver from the Stock Exchange accepting the written shareholders' approval by Gain Alpha Finance Limited and China Wind Power Investment Limited to approve the Disposal Agreement and the transactions contemplated thereunder in lieu of convening a general meeting. Accordingly, no general meeting will be convened in this regard.

* *for identification purpose only*

For information purposes, a circular containing, among other matters, further details of the Disposal and the transactions contemplated thereunder, a letter from the independent board committee to the independent shareholders and a letter from the independent financial adviser to the independent board committee and the independent shareholders will be despatched to the Shareholders in compliance with the Listing Rules as soon as practicable on or before 15 December 2011.

INTRODUCTION

The Company announces that on 24 November 2011, the Vendor, a wholly-owned subsidiary of the Company, entered into the Disposal Agreement with Liaoning Energy pursuant to which the Vendor has conditionally agreed to dispose of a 49% equity interest in Fuxin Taihe to Liaoning Energy at a consideration of RMB169,122,400 (equivalent to approximately HK\$208.02 million).

THE DISPOSAL AGREEMENT

Date

24 November 2011

Parties

Vendor: CWP Energy Ltd

Purchaser: Liaoning Energy

Liaoning Energy is a large state-owned enterprise affiliated with the State-owned Assets Supervision and Administration Commission of Liaoning Province. Its establishment was approved by the People's Government of Liaoning Province. Authorised by the provincial government, Liaoning Energy invests in and manages provincial electric power assets.

As Liaoning Energy is a substantial shareholder of certain subsidiaries of the Company (for the purposes of the Listing Rules), Liaoning Energy is a connected person of the Company under the Listing Rules.

Assets involved

The Vendor has conditionally agreed to sell and transfer its 49% equity interest in Fuxin Taihe to Liaoning Energy.

Fuxin Taihe was established on 10 September 2009. Fuxin Taihe is principally engaged in the investment, development and operation of the Fuxin Wind Farm Project in Fuxin, Liaoning Province of the PRC. The Fuxin Wind Farm Project is in the process of construction and development.

As at 31 October 2011, Fuxin Taihe had net assets of approximately RMB299.38 million (equivalent to approximately HK\$368.24 million).

For the period ended 31 December 2009 (since its establishment on 10 September 2009), the audited loss of Fuxin Taihe (both before and after taxation) amounted to approximately RMB0.26 million (equivalent to approximately HK\$0.32 million). For the year ended 31 December 2010, the audited loss of Fuxin Taihe (both before and after taxation) amounted to approximately RMB30,000 (equivalent to approximately HK\$36,900).

As at the date of this announcement, Fuxin Taihe is a wholly-owned subsidiary of the Company. Fuxin Taihe is owned as to 51% by Century Concord and 49% by the Vendor (both wholly-owned subsidiaries of the Company). Upon completion of the Disposal, Fuxin Taihe will be owned as to 51% by Century Concord and 49% by Liaoning Energy, and Fuxin Taihe will become a jointly controlled entity of the Company in the consolidated financial statements of the Company.

Consideration

The consideration for the Disposal is RMB169,122,400 (equivalent to approximately HK\$208.02 million) which shall be payable by the Purchaser to the Vendor as follows:

- (i) 50% of the consideration within three business days after the Effective Date; and
- (ii) the remaining 50% of the total consideration within three business days after completion of the change of shareholders of Fuxin Taihe in Fuxin Administration for Industry and Commerce pursuant to the Disposal.

The consideration for the Disposal was determined after arm's length negotiations between the parties. In agreeing with the terms, the Group has considered, among other factors, the net asset value of Fuxin Taihe, and its capital and development plan.

For illustrative purpose only, the Group would record an unaudited gain of approximately HK\$27 million as a result of the Disposal based on the difference between the consideration for the Disposal and the net asset value as at 31 October 2011 attributable to the 49% equity interest in Fuxin Taihe being sold by the Group. The actual amount of gain or loss on the Disposal shall depend on the actual financial information of Fuxin Taihe as at the date of completion of the Disposal. The proceeds from the Disposal will be used as general working capital of the Group.

Conditions precedent and completion

The Disposal Agreement shall take effect upon obtaining Shareholders' approval and the approval of State-owned Assets Supervision and Administration Commission of the PRC in respect of the Disposal. A closely allied group of shareholders of the Company has given written approval for the Disposal as set out under the paragraph headed "Listing Rules and written shareholders' approval" in this announcement. The Disposal Agreement has taken effect.

The Disposal shall complete before 15 December 2011 pursuant to the Disposal Agreement.

Board composition of Fuxin Taihe

After completion of the Disposal, Fuxin Taihe shall have five directors of which Century Concord shall appoint three directors and Liaoning Energy shall appoint two directors. The chairman shall be appointed by Century Concord. The passing of any resolution at the board meeting of Fuxin Taihe requires the approval of two-thirds of the directors.

REASON FOR AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in the wind power sector, investing in various wind farm projects and providing wind power engineering and construction services in the PRC. Fuxin Taihe is principally engaged in the investment, development and operation of the Fuxin Wind Farm Project in Fuxin, Liaoning Province of the PRC. The Fuxin Wind Farm Project is in the process of construction and development.

It is a business strategy of the Group to cooperate jointly with partners in the PRC in respect of its wind farm investments. Liaoning Energy is a state-owned enterprise in the PRC affiliated with the State-owned Assets Supervision and Administration Commission of the Liaoning Provincial Government and is principally engaged in the development of power projects in the PRC. Liaoning Energy is a joint venture partner of a number of the Group's joint ventures. The Directors (excluding the independent non-executive Directors who will express their opinion after considering the independent financial adviser's opinion) consider that the Disposal represents a good opportunity for the Group to realise part of its investment in the Fuxin Wind Farm Project whilst the Group will continue to enjoy the development of this project as a majority shareholder leveraging on the experience, expertise and resources of the Purchaser. The Directors (excluding the independent non-executive Directors who will express their opinion after considering the independent financial adviser's opinion) consider that the terms of the Disposal are fair and reasonable and the Disposal is in the interests of the Company and its shareholders as a whole.

LISTING RULES AND WRITTEN SHAREHOLDERS' APPROVAL

Liaoning Energy is a substantial shareholder of certain subsidiaries of the Company (for the purposes of the Listing Rules) and therefore is a connected person of the Company under the Listing Rules. The Disposal constitutes a discloseable transaction and a connected transaction for the Company subject to the reporting, announcement and independent shareholders' approval requirements under the Listing Rules.

Gain Alpha Finance Limited is wholly owned by Mr. Ko Chun Shun, Johnson, the Vice Chairman of the Company and an executive Director. China Wind Power Investment Limited is wholly owned by New Energy International Limited which is wholly owned by Concord International Investment Limited. Concord International Investment Limited is owned as to approximately 64.64% by Mr. Liu Shunxing, Mr. Wang Xun, Mr. Yang Zhifeng and Ms. Liu Jianhong, all being executive Directors. Mr. Liu Shunxing is also the Chairman and Chief Executive Officer of the Company. Gain Alpha Finance Limited which holds 2,000,000,000 Shares and China Wind Power Investment Limited which holds 2,023,469,387 Shares are a closely allied group of Shareholders who, in aggregate, hold 4,023,469,387 Shares, representing approximately 54.4% of the existing issued share capital of the Company as at the date of this announcement.

To the best knowledge of the Directors, no Shareholder (including Gain Alpha Finance Limited, China Wind Power Investment Limited and their respective associates) has a material interest in the Disposal Agreement and the transactions contemplated thereunder which is different from other Shareholders and no Shareholder is required to abstain from voting if the Company were to convene a general meeting in respect of the Disposal Agreement and the transactions contemplated thereunder. The Company has obtained a written shareholders' approval from Gain Alpha Finance Limited and China Wind Power Investment Limited approving the Disposal Agreement and the transactions contemplated thereunder. Pursuant to Rule 14A.43 of the Listing Rules, the Company has applied for and received a waiver from the Stock Exchange accepting the written shareholders' approval by Gain Alpha Finance Limited and China Wind Power Investment Limited to approve the Disposal Agreement and the transactions contemplated thereunder in lieu of convening a general meeting. Accordingly, no general meeting will be convened in this regard.

Fuxin Taihe entered into operation and maintenance agreements with Beijing Century (a subsidiary of the Company) in April 2011 pursuant to which Beijing Century shall provide operation and maintenance services to the wind farms of Fuxin Taihe for a period up to 18 April 2014. Based on the estimated annual service fee payable by Fuxin Taihe to Beijing Century under the operation and maintenance agreements, the transactions under the operation and maintenance agreements will constitute a continuing connected transaction of the Company which is de minimus and exempt from the reporting, annual review, announcement and independent shareholders' approval requirements of the Listing Rules. The Company will monitor the transaction amount under the operation and maintenance agreements and will comply with the applicable requirements of the Listing Rules as and when required.

GENERAL

An independent board committee will be established to advise the independent shareholders regarding the Disposal. An independent financial adviser will be appointed to advise the independent board committee and the independent shareholders regarding the fairness and reasonableness of the Disposal. For information purposes, a circular containing, among other matters, further details of the Disposal and the transactions contemplated thereunder, a letter from the independent board committee to the independent shareholders and a letter from the independent financial adviser to the independent board committee and the independent shareholders will be despatched to the Shareholders in compliance with the Listing Rules as soon as practicable on or before 15 December 2011.

DEFINITIONS

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

“Beijing Century”	Beijing Century Concord Operation and Maintenance Co., Ltd. (北京協合運維風電技術有限公司), a wholly-owned subsidiary of the Company
“Board”	the board of Directors
“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
“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
“connected person(s)”	has the meaning ascribed to such term in the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of a 49% equity interest in Fuxin Taihe by the Vendor pursuant to the Disposal Agreement
“Disposal Agreement”	the agreement dated 24 November 2011 entered into between the Vendor and the Purchaser in relation to the Disposal and the transactions contemplated thereunder

“Effective Date”	the date when all the conditions precedent of the Disposal Agreement are fulfilled and the Disposal Agreement takes effect
“Fuxin Taihe”	Fuxin Taihe Wind Power Co., Ltd. (阜新泰合風力發電有限公司), a wholly-owned subsidiary of the Company as at the date of this announcement
“Fuxin Wind Farm Project”	design, construction, fabrication, equipping, delivery, installation, commissioning and placing into operation of two wind power plants located in Fuxin, Liaoning Province, the PRC, each with a capacity of 49.5 Megawatt
“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
“Liaoning Energy”	遼寧能源投資(集團)有限責任公司 (Liaoning Energy Investment (Group) Co.,Ltd), the purchaser under the Disposal Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Purchaser”	Liaoning Energy
“RMB”	Renminbi Yuan, the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	CWP Energy Ltd (中國風電能源有限公司), a wholly-owned subsidiary of the Company
“%”	per cent

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

Hong Kong, 24 November 2011

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, Mr. Zhou Zhizhong, 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 JP and Mr. Yap Fat Suan (who are independent non-executive Directors).

For the purpose of this announcement, the translation of RMB into HK\$ is based on the exchange rate of RMB1.00 = HK\$1.23.