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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 INTERESTS IN FUXIN TAIHE AND CHAOYANG CENTURY**

On 25 June 2012, Century Concord, a wholly-owned subsidiary of the Company, entered into the Fuxin Disposal Agreement with Liaoning Energy pursuant to which Century Concord has conditionally agreed to dispose of a 21% equity interest in Fuxin Taihe to Liaoning Energy at a consideration of RMB79,711,100 (equivalent to approximately HK\$95.65 million).

On 25 June 2012, Century Concord and Tianjin Century, both wholly-owned subsidiaries of the Company, respectively entered into the Chaoyang Disposal Agreements with Liaoning Energy pursuant to which (i) Century Concord has conditionally agreed to dispose of a 13% equity interest in Chaoyang Century to Liaoning Energy at a consideration of RMB24,511,695 (equivalent to approximately HK\$29.41 million) and (ii) Tianjin Century has conditionally agreed to dispose of a 12% equity interest in Chaoyang Century to Liaoning Energy at a consideration of RMB22,626,180 (equivalent to approximately HK\$27.15 million).

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 Fuxin Disposal and the Chaoyang Disposal when aggregated constitute a discloseable transaction and a connected transaction for the Company subject to the reporting, announcement and independent shareholders' approval requirements under the Listing Rules.

* *for identification purpose only*

The Company has obtained a written shareholders' approval from Gain Alpha Finance Limited and China Wind Power Investment Limited approving the Fuxin Disposal Agreement and the Chaoyang Disposal Agreements 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 Fuxin Disposal Agreement and the Chaoyang Disposal Agreements and the transactions contemplated thereunder in lieu of convening a general meeting. Accordingly, no general meeting will be convened in this regard.

For information purposes, a circular containing, among other matters, further details of the Fuxin Disposal Agreement and the Chaoyang Disposal Agreements 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 17 July 2012.

On 25 June 2012, Century Concord, a wholly-owned subsidiary of the Company, entered into the Fuxin Disposal Agreement with Liaoning Energy pursuant to which Century Concord has conditionally agreed to dispose of a 21% equity interest in Fuxin Taihe to Liaoning Energy at a consideration of RMB79,711,100 (equivalent to approximately HK\$95.65 million).

On 25 June 2012, Century Concord and Tianjin Century, both wholly-owned subsidiaries of the Company, respectively entered into the Chaoyang Disposal Agreements with Liaoning Energy pursuant to which (i) Century Concord has conditionally agreed to dispose of a 13% equity interest in Chaoyang Century to Liaoning Energy at a consideration of RMB24,511,695 (equivalent to approximately HK\$29.41 million) and (ii) Tianjin Century has conditionally agreed to dispose of a 12% equity interest in Chaoyang Century to Liaoning Energy at a consideration of RMB22,626,180 (equivalent to approximately HK\$27.15 million).

THE FUXIN DISPOSAL AGREEMENT

Date

25 June 2012

Parties

Vendor: Century Concord

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.

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.

Assets involved

Century Concord has conditionally agreed to sell and transfer a 21% equity interest in Fuxin Taihe to Liaoning Energy.

Fuxin Taihe was established on 10 September 2009. It 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 has commenced operation since earlier this year.

As at 31 May 2012, based on its unaudited management accounts, Fuxin Taihe had net assets of approximately RMB299.4 million (equivalent to approximately HK\$359.3 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\$36,000). For the year ended 31 December 2011, the audited loss of Fuxin Taihe (both before and after taxation) amounted to approximately RMB0.31 million (equivalent to approximately HK\$0.37 million).

As at the date of this announcement, Fuxin Taihe is a jointly controlled entity of the Company owned as to 51% by Century Concord and 49% by Liaoning Energy. Upon completion of the Fuxin Disposal, Fuxin Taihe will be owned as to 30% by Century Concord and 70% by Liaoning Energy, and Fuxin Taihe will be accounted for as an associated company of the Company in the consolidated financial statements of the Company.

Consideration

The consideration for the Fuxin Disposal is RMB79,711,100 (equivalent to approximately HK\$95.65 million) which shall be payable by Liaoning Energy to Century Concord as follows:

- (i) 50% of the consideration within three business days after the Fuxin 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 Fuxin Disposal.

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

For illustrative purpose only, the Group would record a gain of approximately RMB16.8 million (equivalent to approximately HK\$20.2 million) as a result of the Fuxin Disposal, being the difference between the consideration for the Fuxin Disposal and the net asset value of Fuxin Taihe as at 31 May 2012 attributable to the 21% equity interest in Fuxin Taihe being sold by the Group. The actual amount of gain or loss on the Fuxin Disposal shall depend on the actual financial information of Fuxin Taihe as at the date of completion of the Fuxin Disposal. The proceeds from the Fuxin Disposal will be used as general working capital of the Group.

Conditions precedent and completion

The Fuxin Disposal Agreement shall take full effect upon the approval of any relevant authorities of the respective parties (including the approval by the independent Shareholders of the Company) and the signing of the agreement with the company chops by the authorised persons of the respective parties.

The Fuxin Disposal Agreement was signed by the authorised persons of the respective parties with the company chops and the Company has obtained the Written Shareholders' Approval. The registration on the change in shareholders of the relevant interest in Fuxin Taihe is expected to be completed on or before 30 June 2012.

THE CHAOYANG DISPOSAL AGREEMENTS

Date

25 June 2012

Parties

Vendors: Century Concord and Tianjin Century (both wholly-owned subsidiaries of the Company)

Purchaser: Liaoning Energy

Assets involved

Century Concord and Tianjin Century have conditionally agreed to sell and transfer their respective 13% and 12% equity interests in Chaoyang Century to Liaoning Energy.

Chaoyang Century was established on 27 June 2011. It has a registered capital of RMB162 million contributed by Tianjin Century, Century Concord and Liaoning Energy according to their respective interests in Chaoyang Century. Chaoyang Century is principally engaged in wind power plant investment and operation of the Chaoyang Wind Farm Project located in Chaoyang, Liaoning Province of the PRC. The Chaoyang Wind Farm Project is in the process of construction and development.

As at 31 May 2012, based on its unaudited management accounts, Chaoyang Century had net assets of approximately RMB162 million (equivalent to approximately HK\$194.4 million). It has not yet reported any full financial year results.

As at the date of this announcement, Chaoyang Century is a jointly controlled entity of the Company owned as to 42% by Tianjin Century, 13% by Century Concord and 45% by Liaoning Energy. Upon completion of the Chaoyang Disposal, Chaoyang Century will be owned as to 30% by Tianjin Century and 70% by Liaoning Energy, and Chaoyang Century will be accounted for as an associated company of the Company in the consolidated financial statements of the Company.

Consideration

The total consideration of the Chaoyang Disposal is RMB47,137,875 (equivalent to approximately HK\$56.57 million) of which RMB24,511,695 (equivalent to approximately HK\$29.41 million) is payable to Century Concord and RMB22,626,180 (equivalent to approximately HK\$27.15 million) is payable to Tianjin Century as follows:

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

The consideration for the Chaoyang Disposal was determined after arm's length negotiations between the parties. In agreeing with the terms, the Group has considered, among other factors, the capital and future development plan of Chaoyang Century.

For illustrative purpose only, the Group would record a gain of approximately RMB6.6 million (equivalent to approximately HK\$7.92 million) as a result of the Chaoyang Disposal, being the difference between the consideration for the Chaoyang Disposal and the net asset value of Chaoyang Century as at 31 May 2012 attributable to the 25% equity interests in Chaoyang Century being sold by the Group. The actual amount of gain or loss on the Chaoyang Disposal shall depend on the actual financial information of Chaoyang Century as at the date of completion of the Chaoyang Disposal. The proceeds from the Chaoyang Disposal will be used as general working capital of the Group.

Conditions precedent and completion

Each of the Chaoyang Disposal Agreements shall take effect upon obtaining (i) the approval by 朝陽市對外貿易經濟合作局 (Chaoyang City Bureau of Foreign Trade & Economic Cooperation*); (ii) the approval by any relevant authorities of the respective parties (including the approval by the independent Shareholders of the Company) and (iii) the signing of the agreements with the company chops by the authorised persons of the respective parties.

The Chaoyang Disposal Agreements were signed by the authorised persons of the respective parties with the company chops and the Company has obtained the Written Shareholders' Approval. The registration on the change in shareholders of the relevant interest in Chaoyang Century is expected to be completed on or before 30 June 2012.

REASON FOR AND BENEFITS OF THE DISPOSALS

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 has commenced operation this year. Chaoyang Century is principally engaged in wind power plant investment and operation of the Chaoyang Wind Farm Project located in Chaoyang, Liaoning Province of the PRC. The Chaoyang 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. In December 2011, the Group disposed of a 49% equity interest in Fuxin Taihe to Liaoning Energy. Liaoning Energy is a stated-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.

As at the date of this announcement, Fuxin Taihe is owned as to 51% by Century Concord and 49% by Liaoning Energy. Pursuant to the Fuxin Disposal, Century Concord shall dispose of a 21% interest in Fuxin Taihe to Liaoning Energy; upon completion of the Fuxin Disposal, Fuxin Taihe will be owned as to 30% by Century Concord and 70% by Liaoning Energy.

As at the date of this announcement, Chaoyang Century is owned as to 42% by Tianjin Century, 13% by Century Concord and 45% by Liaoning Energy. Pursuant to the Chaoyang Disposal, Century Concord and Tianjin Century shall respectively dispose of 13% and 12% interests in Chaoyang Century to Liaoning Energy; upon completion of the Chaoyang Disposal, Chaoyang Century will be owned as to 30% by Tianjin Century and 70% by Liaoning Energy.

The Directors (excluding the independent non-executive Directors who will express their opinion after considering the independent financial adviser's opinion) consider that the Disposals represent good opportunities for the Group to realise part of its investments in the Fuxin Wind Farm Project and the Chaoyang Wind Farm Project whilst the Group will continue to enjoy the development of these projects as a substantial shareholder leveraging on the experience, expertise and resources of Liaoning Energy. 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 Disposals are fair and reasonable and the Disposals are 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 Fuxin Disposal and the Chaoyang Disposal when aggregated constitute 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 88.02% 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 Fuxin Disposal Agreement and the Chaoyang Disposal Agreements 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 Fuxin Disposal Agreement and the Chaoyang Disposal Agreements 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 Fuxin Disposal Agreement and the Chaoyang Disposal Agreements 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 Fuxin Disposal Agreement and the Chaoyang Disposal Agreements and the transactions contemplated thereunder in lieu of convening a general meeting. Accordingly, no general meeting will be convened in this regard.

GENERAL

An independent board committee will be established to advise the independent Shareholders regarding the Disposals. An independent financial adviser will be appointed to advise the independent board committee and the independent shareholders regarding the fairness and reasonableness of the Disposals. For information purposes, a circular containing, among other matters, further details of the Fuxin Disposal Agreement and the Chaoyang Disposal Agreements 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 17 July 2012.

DEFINITIONS

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

“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
“Chaoyang Century”	Chaoyang Century Concord Wanjia Wind Power Co., Ltd. (朝陽協合萬家風力發電有限公司), a jointly controlled entity of the Company held as to 42% by Tianjin Century, 13% by Century Concord and 45% by Liaoning Energy as at the date of this announcement
“Chaoyang Disposal”	the disposal of 13% and 12% equity interests in Chaoyang Century respectively by Century Concord and Tianjin Century to Liaoning Energy pursuant to the Chaoyang Disposal Agreements
“Chaoyang Disposal Agreements”	(i) the agreement dated 25 June 2012 entered into between Century Concord and Liaoning Energy pursuant to which Century Concord shall dispose of a 13% equity interest in Chaoyang Century to Liaoning Energy and (ii) the agreement dated 25 June 2012 entered into between Tianjin Century and Liaoning Energy pursuant to which Tianjin Century shall dispose of a 12% equity interest in Chaoyang Century to Liaoning Energy
“Chaoyang Effective Date”	the date when all the conditions precedent to the Chaoyang Disposal Agreements are fulfilled and the Chaoyang Disposal Agreements take effect

“Chaoyang Wind Farm Project”	design, construction, fabrication, equipping, delivery, installation, commissioning and placing into operation of a wind power plant located in Chaoyang, Liaoning Province, the PRC, with a capacity of 49.5 Megawatt
“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
“Disposals”	the Fuxin Disposal and the Chaoyang Disposal
“Fuxin Disposal”	the disposal of a 21% equity interest in Fuxin Taihe by Century Concord pursuant to the Fuxin Disposal Agreement
“Fuxin Disposal Agreement”	the agreement dated 25 June 2012 entered into between Century Concord and Liaoning Energy in relation to the Fuxin Disposal
“Fuxin Effective Date”	the date when all the conditions precedent to the Fuxin Disposal Agreement are fulfilled and the Fuxin 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 jointly controlled entity held as to 51% by Century Concord and 49% by Liaoning Energy 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)

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“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
“Tianjin Century”	Tianjin Century Concord Wind Power Investment Co., Ltd. (天津協合風電投資有限公司), a wholly-owned subsidiary of the Company
“Written Shareholders’ Approval”	the written shareholders’ approval provided by Gain Alpha Finance Limited and China Wind Power Investment Limited to approve the Fuxin Disposal Agreement, the Chaoyang Disposal Agreements and the transactions contemplated thereunder
“%”	per cent

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

Hong Kong, 25 June 2012

As at the date of this announcement, the board of directors of the Company comprises Mr. Liu Shunxing (Chairman and Chief Executive Officer), Mr. Ko Chun Shun, Johnson (Vice-Chairman), 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 (each of whom is an executive Director), Mr. Tsoi Tong Hoo, Tony (who is a non-executive Director), and Dr. Zhou Dadi, Dr. Wong Yau Kar, David, JP, and Mr. Yap Fat Suan, Henry (each of whom is an independent non-executive Director).

For the purpose of this announcement, the translation of RMB into HK\$ is based on the exchange rate of RMB1.00 = HK\$1.2.