

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



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

(Incorporated in Bermuda with limited liability)

(Stock Code: 182)

DISCLOSEABLE TRANSACTION
PROVISION OF FINANCIAL ASSISTANCE TO AN ENTITY
DISCLOSURE PURSUANT TO RULES 13.13 AND 13.15 OF
THE LISTING RULES

On 24 June 2014, Tianjin Leasing, a wholly owned subsidiary of the Company, entered into the Agreements with ICBC Leasing pursuant to which Tianjin Leasing has agreed to provide the Financing to ICBC Leasing with a principal amount of US\$169,844,704.69 (equivalent to approximately HK\$1,324.79 million). The Financing will be provided by way of the Acquisition and Disposal Arrangement pursuant to which (i) the Equipment Interest will be purchased by Tianjin Leasing from ICBC Leasing at a consideration of US\$169,844,704.69 which shall be settled in RMB; and (ii) the buyback of the Equipment Interest by ICBC Leasing from Tianjin Leasing at a consideration of US\$175,508,553.79 (equivalent to approximately HK\$1,368.97 million) which shall be settled in RMB.

The transactions contemplated under the Agreements (including the provision of the Financing and the Acquisition and Disposal Arrangement) constitute a discloseable transaction for the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As the amount of Financing granted to ICBC Leasing exceeds 8% under the assets ratio as defined under Rule 13.13 of the Listing Rules, the provision of the Financing by Tianjin Leasing is also subject to the general disclosure obligations under Rule 13.15 of the Listing Rules.

* *For identification purpose only*

THE AGREEMENTS

On 24 June 2014, Tianjin Leasing, a wholly owned subsidiary of the Company, entered into the Agreements with ICBC Leasing pursuant to which Tianjin Leasing has agreed to provide the Financing to ICBC Leasing with a principal amount of US\$169,844,704.69 (equivalent to approximately HK\$1,324.79 million). The Financing will be provided by way of the Acquisition and Disposal Arrangement pursuant to which (i) the Equipment Interest will be purchased by Tianjin Leasing from ICBC Leasing at a consideration of US\$169,844,704.69 which shall be settled in RMB (the “Acquisition”); and (ii) the buyback of the Equipment Interest by ICBC Leasing from Tianjin Leasing at a consideration of US\$175,508,553.79 (equivalent to approximately HK\$1,368.97 million) which shall be settled in RMB (the “Disposal”). Principal terms on the Agreements are set out below:

Date: 24 June 2014

Lender: Tianjin Leasing, a limited liability company established in the PRC, is principally engaged in the business of leasing in the PRC. Tianjin Leasing is a wholly owned subsidiary of the Company.

Borrower: ICBC Leasing is principally engaged in the business of finance lease. To the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, ICBC Leasing and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

Principal

The principal amount of the Financing is US\$169,844,704.69 (equivalent to approximately HK\$1,324.79 million).

The Acquisition and Disposal Arrangement

The Financing will be provided by way of the Acquisition and Disposal Arrangement pursuant to which (i) the Equipment Interest will be purchased by Tianjin Leasing from ICBC Leasing at a consideration of US\$169,844,704.69 which shall be settled in RMB; and (ii) the buyback of the Equipment Interest by ICBC Leasing from Tianjin Leasing at a consideration of US\$175,508,553.79 (equivalent to approximately HK\$1,368.97 million) which shall be settled in RMB.

Tianjin Leasing will obtain the Loan with a principal amount of US\$170 million (equivalent to approximately HK\$1,326 million) to finance the Financing. The payment of the consideration under the Acquisition (i.e. the provision of the Financing to ICBC Leasing from Tianjin Leasing) will be made upon fulfillment of the following conditions: (i) withdrawal of the Loan by Tianjin Leasing and completion of the relevant currency exchange procedures; (ii) there has been no breach and/or dispute in respect of the Lease Contracts (as detailed in the paragraph below); and (iii) provision of

the duplicates of the Lease Contracts by ICBC Leasing to Tianjin Leasing and the accuracy of the information set out in the Lease Contracts has been confirmed.

The Equipment Interest comprises the Equipment for wind farm operations which is leased to two lessees under the Lease Contracts, the outstanding balance of the lease payment is approximately RMB1,545.23 million (equivalent to approximately HK\$1,916.09 million) and a 68% interest in the Lease Contracts (except for the rights to receive deposits and handling charges under the Lease Contracts). To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, such two lessees and their respective ultimate beneficial owner are third parties independent of the Company and its connected persons.

Term of the Financing and the repayment terms

Subsequent to the Acquisition, ICBC Leasing will repay US\$175,508,553.79 (equivalent to approximately HK\$1,368.97 million) to Tianjin Leasing by way of repurchasing the Equipment Interest, the repayment will be settled in 4 installments as follows:

Installment	Payment date (Note)	Amount payable by ICBC Leasing to Tianjin Leasing
1	T+85 calendar days	RMB equivalent to US\$1,456,418.34
2	T+175 calendar days	RMB equivalent to US\$1,456,418.34
3	T+265 calendar days	RMB equivalent to US\$1,456,418.34
4	T+345 calendar days	RMB equivalent to US\$171,139,298.77
	Total	RMB equivalent to US\$175,508,553.79

Note: T represents the withdrawal date of the first installment of the Loan by Tianjin Leasing.

Proceeds from the repayment of the Financing by ICBC Leasing will be used to settle the Loan and the remaining proceeds represent income to the Group.

ICBC Leasing is eligible to repay the Financing (by repurchasing the Equipment Interest) earlier than the timeline described above by serving a 15 business days' prior written notice to Tianjin Leasing and ICBC Leasing shall repay Tianjin Leasing the principal of the Financing (i.e. US\$169,844,704.69) plus a fee equals the amount incurred by Tianjin Leasing as a result of early repayment of the Loan.

Collateral

As set out in the Agreements, the aggregate original purchase price of the Equipment amounts to approximately RMB1,277.33 million (equivalent to approximately HK\$1,583.89 million).

Title of the Equipment Interest will be (i) transferred to Tianjin Leasing upon receipt of the principal under the Financing by ICBC Leasing; and (ii) transferred back to ICBC Leasing upon the receipt of the last installment of the Financing repayment by Tianjin Leasing. The Company considers that this effectively serves as collateral in respect of the Financing. Without the written consent from ICBC Leasing, Tianjin Leasing is not eligible to dispose of the Equipment Interest or pledge the Equipment Interest to any third party. After completion of the Acquisition, ICBC Leasing will still assume the rights to receive the lease payment under the Lease Contracts and the above lessees will pay the relevant lease payments to ICBC Leasing.

The Agreements do not set out any interest rate on the Financing. For illustrative purpose, the estimated implied income to be recognised by Tianjin Leasing for the Financing is expected to be 0.4% of the principal amount of the Financing (after taking into account of tax payable and other miscellaneous expenses).

The terms of the Agreements, including the amount of Financing and the consideration under the Acquisition and Disposal Arrangement were determined after arm's length negotiation between the parties to the Agreements with reference to, among other things, the original purchase costs of the Equipment and the prevailing market practice.

Information of ICBC Leasing

ICBC Leasing is principally engaged in the business of finance lease.

REASONS FOR AND BENEFIT OF THE TRANSACTIONS

The Company is principally engaged in (i) the wind power sector, investing in various wind farm projects and providing wind power engineering and construction services in the PRC; and (ii) solar energy investments and operations. Tianjin Leasing is principally engaged in the business of leasing in the PRC.

The Directors consider that the entering into of the Agreements is in the ordinary and usual course of business of Tianjin Leasing. Since the Agreements were entered into under normal commercial terms, the Directors are of the view that the terms of the Agreements are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Listing Rules implications

The transactions contemplated under the Agreements (including the provision of the Financing and the Acquisition and Disposal Arrangement) constitute a discloseable transaction for the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As the amount of Financing granted to ICBC Leasing exceeds 8% under the assets ratio as defined under Rule 13.13 of the Listing Rules, the provision of the Financing by Tianjin Leasing is also subject to the general disclosure obligations under Rule 13.15 of the Listing Rules.

DEFINITION

“Acquisition”	the acquisition of the Equipment Interest by Tianjin Leasing from ICBC Leasing pursuant to the Agreements
“Acquisition and Disposal Arrangement”	the Acquisition and the Disposal
“Agreements”	the two agreements both dated 24 June 2014, each being entered into between Tianjin Leasing and ICBC Leasing in relation to the Financing
“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 it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Equipment Interest by Tianjin Leasing to ICBC Leasing pursuant to the Agreements
“Equipment”	certain machinery and equipment for the operation of the wind farms as described in the Agreements
“Equipment Interest”	the Equipment and a 68% interest in the Lease Contracts
“Financing”	the financing provided by Tianjin Leasing to ICBC Leasing at the principal amount of US\$169,844,704.69 pursuant to the Agreements
“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
“ICBC Leasing”	ICBC Financial Leasing Co., Ltd. (工銀金融租賃有限公司)
“Lease Contract(s)”	the lease contracts that ICBC Leasing being entered into with two lessees for the lease of the Equipment
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	a loan with a principal amount of US\$170 million to be obtained by Tianjin Leasing from a bank to finance the Acquisition
“PRC”	The People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tianjin Leasing”	Tianjin Green Energy International Leasing Co., Ltd (天津國銀新源國際租賃有限公司), a wholly owned subsidiary of the Company
“US\$”	the United States dollars, the lawful currency of the United States of America

The translation of US\$ into HK\$ throughout this announcement is based on the exchange rate of US\$1.00 to HK\$7.8 and the translation of RMB into HK\$ is based on the exchange rate of RMB1.00 to HK\$1.24, and are provided for information purposes only.

By order of the Board
CHINA WINDPOWER GROUP LIMITED
Liu Shunxing
Chairman

24 June 2014, Hong Kong

As at the date of this announcement, the Board comprises Mr. Liu Shunxing (Chairman), Mr. Ko Chun Shun, Johnson (Vice Chairman), Mr. Yang Zhifeng (Chief Executive Officer), Mr. Wang Xun, Ms. Liu Jianhong, Mr. Yu Weizhou, Mr. Zhou Zhizhong and Ms. Ko Wing Yan, Samantha (who are executive directors) and Dr. Wong Yau Kar, David, BBS, JP, Mr. Yap Fat Suan, Henry, Dr. Shang Li and Ms. Huang Jian (who are independent non-executive directors).