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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)**

### **DISCLOSEABLE TRANSACTION CONTRACT REGARDING PURCHASE OF WIND POWER ELECTRICITY GENERATION EQUIPMENT**

On 23 July 2015, the Group and the Supplier entered into the Purchase Contract regarding purchase of wind power electricity generation equipment from the Supplier for the Group's wind farm project in Hunan Province (湖南省), the PRC. The Supplier is an Independent Third Party.

The Group will purchase wind power electricity generation equipment from the Supplier under the Purchase Contract amounting to a total consideration of RMB213,600,000 (equivalent to approximately HK\$267 million).

The transaction under the Purchase Contract constitutes a discloseable transaction for the Company as an applicable percentage ratio in respect of the transaction exceeds 5% but all of the related percentage ratios are less than 25% and thus is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. No Directors have any material interest in the Purchase Contract.

#### **BACKGROUND**

On 23 July 2015, the Group and the Supplier entered into the Purchase Contract regarding purchase of wind power electricity generation equipment from the Supplier for the Group's wind farm project in Hunan Province (湖南省), the PRC. The Supplier is an Independent Third Party.

The Group will purchase wind power electricity generation equipment from the Supplier under the Purchase Contract amounting to a total consideration of RMB213,600,000 (equivalent to approximately HK\$267 million).

*\* for identification purpose only*

## **THE PURCHASE CONTRACT**

Terms of the Purchase Contract are summarised as follows:

Date : 23 July 2015

Parties: : Tianjin Century Concord Huaxing Wind Power Equipment Co., Ltd.\* (天津協合華興風電裝備有限公司), a wholly owned subsidiary of the Company, the buyer  
Xinjiang Goldwind Science & Technology Co., Ltd.\* (新疆金風科技股份有限公司), an Independent Third Party, the Supplier

Consideration : RMB213,600,000 (equivalent to approximately HK\$267 million)

Under the Purchase Contract, the Group has agreed to buy from the Supplier machinery and equipment (including turbines, electricity generation systems, control systems hardware and software, etc.) for 24 sets of wind power generation facilities of 2,000KW each to the wind farm project of the Group in Hunan Province (湖南省), the PRC.

The above consideration payable by the Group includes fees in relation to, inter alia, the purchase of machinery and equipment and technical support services to be provided by the Supplier, tax payment and delivery and insurance costs. The Supplier will provide a warranty period of 5 years in respect of the machinery and equipment supplied.

According to the Purchase Contract, the Supplier shall pay to the Group 10% of the consideration within 15 days from the effective date of the Purchase Contract as performance bond for any breach of its obligations under the Purchase Contract, which shall be refunded to the Supplier within 30 days after completion of the pre-examination of the machinery and equipment. The Group shall pay the Supplier the consideration by installment based on the stages of completion of the Purchase Contract.

## **THE SUPPLIER**

The Supplier is a supplier of wind power machinery and equipment in the PRC. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Supplier and its ultimate beneficial owner(s) are third parties independent of the Company and the connected persons of the Company.

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## **REASONS FOR AND BENEFIT OF THE TRANSACTION**

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.

It is in the ordinary and usual course of business of the Group to build wind power plants in the PRC, including, among other projects, the subject project in Hunan Province, the PRC. The purchases of the machinery and equipment from the Supplier under the Purchase Contract represent part of the Group's ordinary investments in its wind farm projects.

The Purchase Contract was entered into after the Group's tender process. The Group considers that the overall terms offered by the Supplier under the Purchase Contract represent the best offer made to the Group. The Group evaluated the terms of the contract based on, among other factors, the specifications and needs of the Group, the credentials and experience of the Supplier, the quality of the products to be supplied by the Supplier, the services agreed to be rendered by the Supplier, the products warranty provided by the Supplier and the terms offered by other suppliers to the Group.

The Directors (including the independent non-executive Directors) consider that the overall terms offered by the Supplier under the Purchase Contract represent market terms and are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

The purchase under the Purchase Contract will be financed by internal resources of the Group and borrowings.

## **GENERAL**

The transaction under the Purchase Contract constitutes a discloseable transaction for the Company as an applicable percentage ratio in respect of the transactions exceeds 5% but all of the related percentage ratios are less than 25% and thus is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. No Directors have any material interest in the Purchase Contract.

## **DEFINITIONS**

“Company”	Concord New Energy 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

“Independent Third Party”	any person/entity who/which is a third party independent of the Company and the connected persons of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“KW”	Kilowatt (1,000 watts), the commonly used unit of power in quantifying the electricity generation
“PRC”	the People’s Republic of China
“Purchase Contract”	the wind farm machinery and equipment Purchase Contract entered into between Tianjin Century Concord Huaxing Wind Power Equipment Co., Ltd.* (天津協合華興風電裝備有限公司), a wholly owned subsidiary of the Company and the Supplier dated 23 July 2015
“RMB”	Renminbi, the lawful currency of the PRC
“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
“Supplier”	Xinjiang Goldwind Science & Technology Co., Ltd.* (新疆金風科技股份有限公司), an Independent Third Party
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

*The translation of RMB into HK\$ is based on the exchange rate of RMB1.00 to HK\$1.25, and are provided for information purposes only.*

For and on behalf of  
**Concord New Energy Group Limited**  
**Liu Shunxing**  
*Chairman*

Hong Kong, 23 July 2015

*As at the date of this announcement, the Board comprises Mr. Liu Shunxing (Chairman), Mr. Yang Zhifeng (Chief Executive Officer), Ms. Liu Jianhong and Mr. Yu Weizhou (who are executive directors), Mr. Gao Fuchun (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).*

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