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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Concord New Energy Group Limited, you should at once hand this circular together with the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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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)

MAJOR TRANSACTIONS FINANCE LEASE ARRANGEMENTS AND NOTICE OF SPECIAL GENERAL MEETING

SGM of the Company will be held at 10:00 a.m. on Wednesday, 13 May 2020 at Suite 3901, 39th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong.

A notice convening the SGM and a form of proxy for use by the Shareholders at the SGM are enclosed. Whether or not you intend to attend and vote at the SGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as practicable but in any event no later than 48 hours before the appointed time for holding of the SGM or any adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof (as the case may be) if you so wish.

PRECAUTIONARY MEASURES FOR THE SPECIAL GENERAL MEETING

Please see page ii of this document for measures being taken to try to prevent and control the spread of the COVID-19 at the SGM, including:

- compulsory temperature checks and health declarations
- compulsory wearing of surgical face masks
- no refreshments will be served

Any person who does not comply with the precautionary measures may be denied entry into the SGM venue. The Company requires attendees to wear surgical face masks and reminds Shareholders that they may appoint the chairman of the meeting as their proxy to vote on the relevant resolutions at the SGM as an alternative to attending the SGM.

24 April 2020

* For identification purpose only

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PRECAUTIONARY MEASURES FOR THE SPECIAL GENERAL MEETING

In view of the ongoing Novel Coronavirus (COVID-19) epidemic, the Company will implement the following preventive measures at the SGM to protect attending Shareholders, staff and other stakeholders from the risk of infection:

- (i) Compulsory body temperature checks will be conducted on every attendee at the entrance of the SGM venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the SGM venue.
- (ii) All attendees may be asked whether (a) he/she travels outside of Hong Kong within the 14-day period immediately before the SGM; and (b) he/she is subject to any Hong Kong Government prescribed quarantine. Anyone who responds positively to any of these questions will be denied entry into the meeting venue. We will also report to relevant authorities for the breach of quarantine required.
- (iii) The Company requires attendees to wear surgical face masks inside the SGM venue at all times, and to maintain a safe distance between seats.
- (iv) No refreshments will be served.

To the extent permitted under law, the Company reserves the right to deny entry into the SGM venue or require any person to leave the SGM venue in order to ensure the safety of the attendees at the SGM.

In the interest of all stakeholders' health and safety and consistent with recent COVID-19 guidelines issued by the Government of Hong Kong (available at www.chp.gov.hk/en/features/102742.html), the Company reminds all Shareholders that physical attendance in person at the SGM is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instructions inserted, Shareholders may appoint the chairman of the SGM as their proxy to vote on the relevant resolutions at the SGM instead of attending the SGM in person.

DEFINITIONS

In this circular, unless the context requires otherwise, the following terms and expressions shall have the following meanings:

“2019 December Finance Lease Arrangement”	the transaction contemplated under the finance lease arrangement among Bozhou Century Concord (as lessee), Tianjin Century Concord (as supplier) and Everbright Financial Leasing (as purchaser and lessor) pursuant to the finance lease agreement and the sale and purchase agreement both dated 17 December 2019, and other underlying security agreements entered into between the Group and Everbright Financial Leasing on the same day, as detailed in the announcement of the Company dated 17 December 2019
“Beijing Bainian Yihao”	Beijing Bainian Yihao New Energy Technology Development Co., Ltd.* (北京百年億豪新能源技術開發有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Benchmark Interest Rate”	the benchmark interest rate for RMB loans with a maturity of above 5 years as promulgated by the People’s Bank of China, which was 4.9%
“Board”	the board of Directors
“Bozhou Century Concord”	Bozhou Century Concord Solar Power Co., Ltd.* (亳州市協合太陽能發電有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company, which is the lessee under the Everbright Finance Lease Agreement
“Century Concord”	Century Concord Wind Power Investment Co., Ltd.* (協合風電投資有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Company”	Concord New Energy Group Limited (協合新能源集團有限公司*) (Stock code: 182), 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

DEFINITIONS

“Everbright Equipment”	certain machinery and equipment for the Group’s operation of a wind power project in Anhui Province, the PRC as stipulated under the Everbright Finance Lease Agreement
“Everbright Finance Lease Agreement”	the finance lease agreement entered into between Bozhou Century Concord and Everbright Financial Leasing on 4 March 2020, including all ancillary agreements attached thereto in respect of the purchase and lease of the Everbright Equipment
“Everbright Finance Lease Arrangement”	the transactions contemplated under the Everbright Sale and Purchase Agreement, the Everbright Finance Lease Agreement and the Everbright Security Agreements
“Everbright Financial Leasing”	Everbright Financial Leasing Co., Ltd.* (光大金融租賃股份有限公司), a company established in the PRC with limited liability, which is the purchaser and lessor under the Everbright Finance Lease Arrangement
“Everbright Sale and Purchase Agreement”	the sale and purchase agreement entered into among Bozhou Century Concord (as lessee), Everbright Financial Leasing (as purchaser and lessor) and Tianjin Century Concord (as supplier) on 4 March 2020, pursuant to which Everbright Financial Leasing agreed to purchase the Everbright Equipment from Tianjin Century Concord to fulfill Everbright Financial Leasing’s obligations under the Everbright Finance Lease Agreement
“Everbright Security Agreements”	the security agreements, including the guarantee agreement, the equity pledge agreement and the electricity fee pledge agreement, to secure the obligations of Bozhou Century Concord under the Everbright Finance Lease Arrangement
“Fanshi Century Concord”	Fanshi County Century Concord Wind Power Co., Ltd.* (繁峙縣協合風力發電有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company, which is the lessee under the Huaneng Tiancheng Finance Lease Agreements

DEFINITIONS

“Finance Lease Arrangements”	collectively, the Everbright Finance Lease Arrangement and the Huaneng Tiancheng Finance Lease Arrangements
“Group”	the Company and its subsidiaries
“Haotai New Energy”	Haotai New Energy Equipment Co., Ltd.* (浩泰新能源裝備有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company, which is the supplier under the Huaneng Tiancheng Transfer Agreement
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Huaneng Tiancheng”	Huaneng Tiancheng Financial Leasing Co., Ltd.* (華能天成融資租賃有限公司), a company established in the PRC with limited liability, which is the purchaser and lessor under the Huaneng Tiancheng Finance Lease Arrangements
“Huaneng Tiancheng Equipment I”	certain machinery and equipment for the Group’s operation of the wind power projects in Shanxi Province, the PRC as stipulated under the Huaneng Tiancheng Finance Lease Agreement I
“Huaneng Tiancheng Finance Lease Agreements”	collectively, the Huaneng Tiancheng Finance Lease Agreement I and the Huaneng Tiancheng Finance Lease Agreement II
“Huaneng Tiancheng Finance Lease Agreement I”	the finance lease agreement entered into between Fanshi Century Concord and Huaneng Tiancheng on 4 March 2020, including all ancillary agreements attached thereto in respect of the purchase and lease of the Huaneng Tiancheng Equipment I
“Huaneng Tiancheng Finance Lease Agreement II”	the finance lease agreement entered into between Fanshi Century Concord and Huaneng Tiancheng on 4 March 2020, including all ancillary agreements attached thereto in respect of the purchase and lease of the Huaneng Tiancheng Fixed Property

DEFINITIONS

“Huaneng Tiancheng Finance Lease Arrangements”	collectively, the Huaneng Tiancheng Finance Lease Arrangement I and the Huaneng Tiancheng Finance Lease Arrangement II
“Huaneng Tiancheng Finance Lease Arrangement I”	the transactions contemplated under the Huaneng Tiancheng Transfer Agreement, the Huaneng Tiancheng Finance Lease Agreement I and the Huaneng Tiancheng Security Agreements
“Huaneng Tiancheng Finance Lease Arrangement II”	the transactions contemplated under the Huaneng Tiancheng Finance Lease Agreement II and the Huaneng Tiancheng Security Agreements
“Huaneng Tiancheng Fixed Property ”	certain fixed property for the Group’s operation of the wind power projects in Shanxi Province, the PRC as stipulated under the Huaneng Tiancheng Finance Lease Agreement II
“Huaneng Tiancheng Sale and Purchase Agreement”	the sale and purchase agreement entered into between Fanshi Century Concord (as purchaser) and Haotai New Energy (as supplier) on 10 April 2019, pursuant to which Fanshi Century Concord agreed to purchase the Huaneng Tiancheng Equipment I from Haotai New Energy
“Huaneng Tiancheng Security Agreements”	the security agreements, including the guarantee agreements, the equity pledge agreement, the equipment mortgage agreements, the real property mortgage agreement, the electricity fee pledge agreement, the Huaneng Tiancheng Designated Account Agreement and the shortfall guarantee agreement, to secure the obligations of Fanshi Century Concord under the Huaneng Tiancheng Finance Lease Arrangements

DEFINITIONS

“Huaneng Tiancheng Transfer Agreement”	the transfer agreement entered into among Fanshi Century Concord (as lessee), Huaneng Tiancheng (as purchaser and lessor) and Haotai New Energy (as supplier) on 4 March 2020, pursuant to which Fanshi Century Concord agreed to transfer and Huaneng Tiancheng agreed to assume certain rights and obligations of Fanshi Century Concord under the Huaneng Tiancheng Sale and Purchase Agreement, among which, Huaneng Tiancheng agreed to purchase the Huaneng Tiancheng Equipment I from Haotai New Energy to fulfill Huaneng Tiancheng’s obligations under the Huaneng Tiancheng Finance Lease Agreement I
“Independent Third Party(ies)”	a party(ies) who is/are independent of the Company and its connected persons (as defined under the Listing Rules)
“Jingmen Lixi”	Jingmen Lixi Wind Power Co., Ltd.* (荊門栗溪風力發電有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Latest Practicable Date”	17 April 2020, the latest practicable date before the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“LPR”	the loan prime rate for RMB loans with a maturity of above 5 years as promulgated by the National Interbank Funding Center from time to time, which was 4.75% as at the Latest Practicable Date
“Nanzhao Juhe”	Nanzhao Juhe Wind Power Co., Ltd.* (南召聚合風力發電有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“PRC”	The People’s Republic of China
“Previous Everbright Announcements”	the announcements of the Company dated 18 June 2019, 17 October 2019 and 17 December 2019 in relation to the Previous Everbright Finance Lease Arrangements

DEFINITIONS

“Previous Everbright Finance Lease Arrangements”	the transactions contemplated under (i) the finance lease arrangement entered into among Yongzhou Baimangying Century Concord Wind Power Co., Ltd. (as lessee), Everbright Financial Leasing (as purchaser and lessor) and Haotai New Energy (as supplier) on 18 June 2019 (as detailed in the announcement of the Company dated 18 June 2019); (ii) the finance lease arrangement entered into among Xiangyang Yulong Wind Power Co., Ltd. (as lessee), Everbright Financial Leasing (as purchaser and lessor) and Haotai New Energy (as supplier) on 17 October 2019 (as detailed in the announcement of the Company dated 17 October 2019); and (iii) the 2019 December Finance Lease Arrangement (as detailed in the announcement of the Company dated 17 December 2019)
“Previous Huaneng Tiancheng Announcements”	the announcements of the Company dated 26 August 2019 and 18 October 2019 in relation to the Previous Huaneng Tiancheng Finance Lease Arrangements
“Previous Huaneng Tiancheng Finance Lease Arrangements”	the transactions contemplated under (i) the finance lease arrangement entered into among Shangcheng Century Concord (as lessee), Huaneng Tiancheng (as purchaser and lessor) and Tianjin Century Concord (as supplier) on 26 August 2019 (as detailed in the announcement of the Company dated 26 August 2019); (ii) the finance lease arrangement entered into among Tongyu Century Concord (as lessee), Huaneng Tiancheng (as purchaser and lessor) and Haotai New Energy (as supplier) on 26 August 2019 (as detailed in the announcement of the Company dated 26 August 2019); and (iii) the finance lease arrangements all dated 18 October 2019 entered into between (a) Jingmen Lixi (as supplier and lessee) and Huaneng Tiancheng (as purchaser and lessor), (b) Nanzhao Juhe (as supplier and lessee) and Huaneng Tiancheng (as purchaser and lessor), (c) Xiangzhou Century Concord (as supplier and lessee) and Huaneng Tiancheng (as purchaser and lessor), and (d) Zaoyang Century Concord (as supplier and lessee) and Huaneng Tiancheng (as purchaser and lessor) (as detailed in the announcement of the Company dated 18 October 2019)

DEFINITIONS

“RMB”	Renminbi, the lawful currency of the PRC
“Shangcheng Century Concord”	Shangcheng County Century Concord Wind Power Co., Ltd.* (商城縣協合風力發電有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“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
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SGM”	the special general meeting of the Company to be held at 10:00 a.m. on Wednesday, 13 May 2020 at Suite 3901, 39th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong for the Shareholders to consider and approve, if thought fit, among other things, the agreements executed pursuant to the Finance Lease Arrangement and the transactions contemplated thereunder or any adjournment thereof (as the case may be)
“Tianjin Century Concord”	Tianjin Century Concord Huaxing Wind Power Equipment Co., Ltd.* (天津協合華興風電裝備有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company, which is the supplier under the Everbright Sale and Purchase Agreement
“Tongyu Century Concord”	Jilin Tongyu Century Concord Xinfa Wind Power Co., Ltd.* (吉林通榆協合新發風力發電有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Xiangzhou Century Concord”	Xiangyang Xiangzhou Century Concord Yushan Wind Power Co., Ltd.* (襄陽襄州協合峪山風力發電有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company

DEFINITIONS

“Yongzhou Jiepai”	Yongzhou Jiepai Century Concord Wind Power Co., Ltd.* (永州界牌協合風力發電有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Zaoyang Century Concord”	Zaoyang Century Concord Wind Power Co., Ltd.* (棗陽協合風力發電有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company

* *For identification purposes only*

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Liu Shunxing (*Chairman*)
Ms. Liu Jianhong (*Vice Chairperson*)
Mr. Yu Weizhou (*Chief Executive Officer*)
Mr. Gui Kai
Mr. Niu Wenhui
Dr. Shang Li
Mr. Zhai Feng

Non-executive Director:

Mr. Wang Feng

Independent non-executive Directors:

Mr. Yap Fat Suan, Henry
Dr. Jesse Zhixi Fang
Ms. Huang Jian
Mr. Zhang Zhong

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place of
business in Hong Kong:*

Suite 3901, 39th Floor
Far East Finance Centre
16 Harcourt Road
Admiralty
Hong Kong

24 April 2020

To the Shareholders:

Dear Sir or Madam,

MAJOR TRANSACTIONS FINANCE LEASE ARRANGEMENTS

INTRODUCTION

References are made to the announcements of the Company both dated 4 March 2020 in relation to the Everbright Finance Lease Arrangement and the Huaneng Tiancheng Finance Lease Arrangements.

* *For identification purpose only*

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information regarding, among other things, the details of the Finance Lease Arrangements.

EVERBRIGHT FINANCE LEASE ARRANGEMENT

On 4 March 2020, Bozhou Century Concord (as lessee), Tianjin Century Concord (as supplier) and Everbright Financial Leasing (as purchaser and lessor) entered into the Everbright Finance Lease Arrangement, pursuant to which (i) Everbright Financial Leasing agreed to purchase the Everbright Equipment from Tianjin Century Concord, at the consideration of RMB363,732,000; and (ii) Everbright Financial Leasing agreed to lease the Everbright Equipment to Bozhou Century Concord for a term of 11 years, to be payable in 44 quarterly instalments, at an estimated total lease payments in the amount of approximately RMB509,411,885.

All Everbright Equipment under the Everbright Finance Lease Arrangement are/will be used by the Group for the operation of a wind power project of the Group in Anhui Province, the PRC.

(i) The Everbright Sale and Purchase Agreement

The principal terms of the Everbright Sale and Purchase Agreement are set out below:

Date of agreement	4 March 2020
Parties to the agreement	Purchaser and lessor: Everbright Financial Leasing; Lessee: Bozhou Century Concord; and Supplier: Tianjin Century Concord
Subject assets	The Everbright Equipment
Consideration payable by the lessor to the supplier	RMB363,732,000, which shall be settled by Everbright Financial Leasing by three instalments.

LETTER FROM THE BOARD

The first instalment of no more than RMB90,933,000, which shall be settled at or around September 2020, is payable upon (i) the arrival of the first batch of wind turbines at the project sites of the Group in Bozhou City, Anhui Province; and (ii) the provision by Bozhou Century Concord to Everbright Financial Leasing of the consent opinion issued by the authority regarding occupation of forest land of the project site in Bozhou City.

The second instalment of no more than RMB181,866,000, which shall be settled at or around November 2020, is payable upon the arrival of the second batch of wind turbines at the project sites of the Group in Bozhou City, Anhui Province.

The balance of the consideration, which shall be settled at or around December 2020, is payable upon the completion of the grid connection of all wind turbines of the two project sites in Bozhou City, Anhui Province.

The following table sets out the details of the Everbright Equipment bought by Everbright Financial Leasing:

Asset nature/ Type	Estimated useful life	Current condition	Date of original acquisition by the supplier	Current accounting treatment	Original purchase price (RMB)
Turbine	20 years	Not installed	November 2019	Not booked ⁽²⁾	208,620,000
Tower tube	20 years	Not installed	December 2019	Not booked ⁽²⁾	118,525,824
Transformers	20 years	Not installed	January 2020	Not booked ⁽²⁾	10,372,464
Other equipment	20 years	Partially installed ⁽¹⁾	May 2019	Partially booked ⁽³⁾	19,505,636
Total					<u>357,023,924</u>

Notes:

- ⁽¹⁾ The equipment partially installed is expected to be completed in August 2020.
- ⁽²⁾ The equipment not booked is expected to be booked by the end of December 2020 upon receiving, installing and commissioning all sets of the equipment by the Group.
- ⁽³⁾ The equipment partially booked is expected to be fully booked by the end of December 2020 upon receiving, installation and commissioning all sets of the equipment by the Group.

LETTER FROM THE BOARD

The total consideration of RMB363,732,000 was agreed among Everbright Financial Leasing, Tianjin Century Concord and Bozhou Century Concord after arm's length negotiations with reference to the total purchase price payable by Tianjin Century Concord to the original suppliers of the Everbright Equipment. The original suppliers are Independent Third Parties. The Everbright Equipment was purchased by Tianjin Century Concord at the original purchase price of RMB357,023,924. It is estimated that there would be a gain of RMB6,708,076 from the transfer of the Everbright Equipment by Tianjin Century Concord to Everbright Financial Leasing, being the difference of the total consideration of RMB363,732,000 and the original purchase price of RMB357,023,924. Upon comprehensively considering the original purchase price payable by Tianjin Century Concord, the finance need of Bozhou Century Concord and the finance amount to be provided by Everbright Financial Leasing for the finance lease under the Everbright Finance Lease Arrangement as a whole, the Directors consider that the total consideration is fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

The Group will book all the Everbright Equipment as its fixed assets in its financial statements pursuant to Hong Kong Financial Reporting Standards.

(ii) The Everbright Finance Lease Agreement

The principal terms of the Everbright Finance Lease Agreement are set out below:

Date of agreement	4 March 2020
Parties to the agreement	Lessor: Everbright Financial Leasing; and Lessee: Bozhou Century Concord
Period of the lease term	11 years (commencing from around September 2020)
Total lease amount payable by the lessee to the lessor	RMB509,411,885, being the total sum of the lease cost of RMB363,732,000 (which is consistent with the consideration payable by Everbright Financial Leasing in respect of the Everbright Equipment) and the estimated aggregate interest of approximately RMB145,679,885, which are payable in 44 quarterly instalments.

LETTER FROM THE BOARD

Lease interest and adjustment

The estimated aggregate interest is approximately RMB145,679,885. Interest (which forms part of the total lease amount) is calculated at the rate of 5.20% after value-added tax, which is subject to adjustment with reference to the LPR plus a premium. The said premium, which is fixed, is determined with reference to, among others, the prevailing market interest rate, the aggregate amount of the handling fee and security deposit payable by the Group under the Everbright Finance Lease Agreement. It is a common market practice for the finance lease companies in the PRC to charge a premium on top of the LPR for finance leases. In determining and agreeing on the premium, the Group considered the interest rates charged by various finance lease companies in the PRC regarding the Everbright Equipment, where interest rates per annum ranged from adding 0 to 200 basic points above the LPR. The interest rate per annum (after value-added tax) under the Everbright Finance Lease Agreement was 5.20% as at the date of the Everbright Finance Lease Agreement, which added 45 basic points above the LPR. Upon comprehensively considering the overall costs of the finance lease, such as the aggregate amount of the handling fee of RMB7,274,640 (representing 2% of the consideration payable by Everbright Financial Leasing as finance provided), the security deposit of RMB10,911,960 (representing 3% of the consideration payable by Everbright Financial Leasing as finance provided) and the interest rate, the Board is of the view that the lease interest calculated adjusted based on the aforesaid adjusting mechanism and the total lease payment so determined are fair and reasonable.

LETTER FROM THE BOARD

Handling fee payable by the lessee to the lessor RMB7,274,640, which is payable to Everbright Financial Leasing by Bozhou Century Concord before the commencement of the lease term of the Everbright Finance Lease Agreement.

The amount of handling fee is determined after arm's length negotiation between Everbright Financial Leasing and the Group, having taken into account of (i) the handling fees quoted by various finance lease companies in the PRC (ranged from 0% to 15% of the consideration payable by the lessee for the finance provided); and (ii) the overall financing costs of the transaction, including the floating interest rate to the lease interest. Accordingly, the Board is of the view that the handling fee is on normal commercial terms, fair and reasonable.

Security deposit payable by the lessee to the lessor RMB10,911,960, which is payable to Everbright Financial Leasing by Bozhou Century Concord before the commencement of the lease term of the Everbright Finance Lease Agreement.

The amount of security deposit is determined after arm's length negotiation between Everbright Financial Leasing and the Group, having taken into account of (i) the security deposits quoted by various finance lease companies in the PRC (ranged from 0% to 7% of the consideration payable by the lessee for the finance provided); and (ii) the overall financing costs of the transaction, including the floating interest rate to the lease interest. Accordingly, the Board is of the view that the security deposit is on normal commercial terms, fair and reasonable.

The security deposit will be refund to Bozhou Century Concord within five business days upon Bozhou Century Concord has fully performed all obligations under the Everbright Finance Lease Agreement.

LETTER FROM THE BOARD

Basis to determine the lease payment The lease amount was agreed between Everbright Financial Leasing and Bozhou Century Concord with reference to the consideration payable by Everbright Financial Leasing in respect of the Everbright Equipment and the prevailing market interest rate of comparable equipment finance leases.

Lessee to buy back the equipment The legal ownership of the Everbright Equipment will be rested in Everbright Financial Leasing throughout the lease term. Upon the end of the lease term, provided that Bozhou Century Concord has fulfilled all of its obligations under the Everbright Finance Lease Agreement, Bozhou Century Concord will buy back the Everbright Equipment at a nominal consideration of RMB1,000.

(iii) The Everbright Security Agreements

In order to secure Bozhou Century Concord's obligations under the Everbright Finance Lease Agreement, the following security documents were also executed on 4 March 2020:

Guarantee agreement Century Concord and Everbright Financial Leasing entered into a guarantee agreement in favour of Everbright Financial Leasing, pursuant to which Century Concord agreed to provide irrevocable joint liability guarantees for all the debts of Bozhou Century Concord under the Everbright Finance Lease Agreement.

Equity pledge agreement Beijing Bainian Yihao entered into an equity pledge agreement in favour of Everbright Financial Leasing, pursuant to which Beijing Bainian Yihao agreed to pledge all its equity interest in Bozhou Century Concord to Everbright Financial Leasing, to secure the obligations of Bozhou Century Concord under the Everbright Finance Lease Agreement.

LETTER FROM THE BOARD

**Electricity fee pledge
agreement**

Bozhou Century Concord entered into an electricity fee pledge agreement in favour of Everbright Financial Leasing, pursuant to which Bozhou Century Concord agreed to pledge its receivables in electricity fee to Everbright Financial Leasing, to secure its obligations under the Everbright Finance Lease Agreement.

HUANENG TIANCHENG FINANCE LEASE ARRANGEMENTS

Huaneng Tiancheng Finance Lease Arrangement I

On 4 March 2020, Fanshi Century Concord (as lessee), Haotai New Energy (as supplier) and Huaneng Tiancheng (as purchaser and lessor) entered into the Huaneng Tiancheng Finance Lease Arrangement I, pursuant to which (i) Huaneng Tiancheng agreed to purchase the Huaneng Tiancheng Equipment I from Haotai New Energy, at the consideration of RMB426,303,000; and (ii) Huaneng Tiancheng agreed to lease the Huaneng Tiancheng Equipment I to Fanshi Century Concord for a term of 14 years, to be payable in 56 quarterly instalments, at an estimated total lease payments in the amount of approximately RMB632,975,812.

All Huaneng Tiancheng Equipment I under the Huaneng Tiancheng Finance Lease Arrangement I are/will be used by the Group for the operation of the wind power projects of the Group in Shanxi Province, the PRC.

(i) The Huaneng Tiancheng Transfer Agreement

The principal terms of the Huaneng Tiancheng Transfer Agreement are set out below:

Date of agreement 4 March 2020

Parties to the agreement Purchaser and lessor: Huaneng Tiancheng;

Lessee: Fanshi Century Concord; and

Supplier: Haotai New Energy

LETTER FROM THE BOARD

Subject matter Fanshi Century Concord agreed to transfer and Huaneng Tiancheng agreed to assume certain rights and obligations of Fanshi Century Concord under the Huaneng Tiancheng Sale and Purchase Agreement, among which, Huaneng Tiancheng agreed to purchase the Huaneng Tiancheng Equipment I from Haotai New Energy to fulfill Huaneng Tiancheng's obligations under the Huaneng Tiancheng Finance Lease Agreement I.

As at the Latest Practicable Date, the consideration for the purchase of the Huaneng Tiancheng Equipment I under the Huaneng Tiancheng Sale and Purchase Agreement has only been partially settled by Fanshi Century Concord, and the Huaneng Tiancheng Equipment I has been partially delivered to Fanshi Century Concord.

Consideration payable by the lessor to the supplier The consideration shall be settled by Huaneng Tiancheng by two instalments.

- (a) The first instalment shall be no more than RMB400,000,000, which shall be settled at or around May 2020 upon satisfaction of the following conditions (i) the Huaneng Tiancheng Transfer Agreement, the Huaneng Tiancheng Finance Lease Agreements and the relevant ancillary documents and agreements have been duly executed and effective; (ii) the financial status of Fanshi Century Concord is basically the same as when the Huaneng Tiancheng Transfer Agreement was signed, and no material adverse change has occurred thereafter; (iii) the representations and warranties made by Fanshi Century Concord under the Huaneng Tiancheng Finance Lease Agreements are true, accurate and not misleading; (iv) Fanshi Century Concord has obtained all internal and external approvals required for the finance leasing transactions under the Huaneng Tiancheng Finance Lease Agreements; (v) relevant guarantors under the Huaneng Tiancheng Finance Lease Arrangements have obtained

LETTER FROM THE BOARD

the approvals/authorisations for the provisions of guarantees from internal and external authorised institutions, as required by Huaneng Tiancheng, and the Huaneng Tiancheng Security Agreements and the relevant ancillary documents have been duly executed and effective, and the filings and registration procedures at the relevant authorities have been completed; (vi) the Huaneng Tiancheng Designated Account (as defined in the section headed “The Huaneng Tiancheng Security Agreements” in this circular) has been set up under the Huaneng Tiancheng Designated Account Agreement (as defined in the section headed “The Huaneng Tiancheng Security Agreements” in this circular), which has become effective; (vii) relevant documents evidencing that Fanshi Century Concord has insured for the wind power projects of the Group in Shanxi Province, the PRC has been obtained by Huaneng Tiancheng, and the insurance has covered the lease cost under the Huaneng Tiancheng Finance Lease Agreements; (viii) Fanshi Century Concord has entered into a service agreement with a supervision company designated by Huaneng Tiancheng, pursuant to which, the said supervision company has agreed to issue the supervision report(s) relating to, among others, the progress of the wind power projects of the Group in Shanxi Province, the PRC and copies of each of the said service agreement and the said supervision reports(s) have been obtained by Huaneng Tiancheng; (ix) Fanshi Century Concord has repaid all financial institution loans and related party loans, and Huaneng Tiancheng has obtained the payment voucher and accounting documents stamped by Fanshi Century Concord; (x) Haotai New Energy has refunded the payment made by Fanshi Century

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Concord for the purchase of the Huaneng Tiancheng Equipment I to Fanshi Century Concord, and Huaneng Tiancheng has obtained the refund payment voucher stamped by Fanshi Century Concord; (xi) Huaneng Tiancheng has obtained the executed version of the wind resource review report; (xii) Huaneng Tiancheng has obtained the latest (not earlier than 20 working days before the date of the settlement of the first instalment by Huaneng Tiancheng to Haotai New Energy under the Huaneng Tiancheng Transfer Agreement) credit reports of each of Century Concord and Fanshi Century Concord, and the content of which is satisfied by Huaneng Tiancheng; (xiii) Huaneng Tiancheng has received the full security deposit and the first tranche handling fee from Fanshi Century Concord; and (xiv) all other conditions or relevant procedures as required by Huaneng Tiancheng have been satisfied.

- (b) The second instalment, when aggregate with the first instalment, shall be no more than RMB426,303,000, which shall be settled at or around October 2020 upon satisfaction of the following conditions (i) the conditions for the first instalment have been fulfilled; (ii) the wind power projects of the Group in Shanxi Province, the PRC have been fully connected to the grid and satisfied the relevant acceptance requirements, and the supervision report issued by the supervision company designated by Huaneng Tiancheng has been obtained; and (iii) all other conditions or relevant procedures as required by Huaneng Tiancheng have been satisfied.

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The following table sets out the details of the Huaneng Tiancheng Equipment I bought by Huaneng Tiancheng:

Asset nature/ Type	Estimated useful life	Current condition	Date of original acquisition by the supplier	Current accounting treatment	Original purchase price <i>(RMB)</i>
Turbine	20 years	Partially installed ⁽¹⁾	April 2019	Partially booked ⁽²⁾	322,590,647
Tower tube	20 years	Partially installed ⁽¹⁾	April 2019	Partially booked ⁽²⁾	67,549,721
Transformers	20 years	Fully installed	May 2019	Partially booked ⁽²⁾	12,307,177
Other equipment	20 years	Partially installed ⁽¹⁾	May 2019	Partially booked ⁽²⁾	<u>19,399,016</u>
Total					<u><u>421,846,561</u></u>

Notes:

- ⁽¹⁾ The equipment partially installed is expected to be completed in September 2020.
- ⁽²⁾ The equipment partially booked is expected to be fully booked in September 2020 upon receiving, installing and commissioning all sets of the equipment by the Group.

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The total consideration of RMB426,303,000 was agreed among Huaneng Tiancheng, Haotai New Energy and Fanshi Century Concord after arm's length negotiations with reference to the total purchase price payable by Haotai New Energy to the original suppliers of the Huaneng Tiancheng Equipment I. The original suppliers are Independent Third Parties. The Huaneng Tiancheng Equipment I was purchased by Haotai New Energy at the original purchase price of RMB421,846,561. It is estimated that there would be a gain of RMB4,456,439 from the transfer of the Huaneng Tiancheng Equipment I by Haotai New Energy to Huaneng Tiancheng, being the difference of the total consideration of RMB426,303,000 and the original purchase price of RMB421,846,561. Upon comprehensively considering the original purchase price payable by Haotai New Energy, the finance need of Fanshi Century Concord and the finance amount to be provided by Huaneng Tiancheng for the finance lease under the Huaneng Tiancheng Finance Lease Arrangement I as a whole, the Directors consider that the total consideration is fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

The Group will book all the Huaneng Tiancheng Equipment I as its fixed assets in its financial statements pursuant to Hong Kong Financial Reporting Standards.

(ii) The Huaneng Tiancheng Finance Lease Agreement I

The principal terms of the Huaneng Tiancheng Finance Lease Agreement I are set out below:

Date of agreement	4 March 2020
Parties to the agreement	Lessor: Huaneng Tiancheng; and Lessee: Fanshi Century Concord
Period of the lease term	14 years (commencing from around May 2020)
Total lease amount payable by the lessee to the lessor	RMB632,975,812, being the total sum of the lease cost of RMB426,303,000 (which is consistent with the consideration payable by Huaneng Tiancheng in respect of the Huaneng Tiancheng Equipment I) and the estimated aggregate interest of approximately RMB206,672,812, which are payable in 56 quarterly instalments.

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Lease interest and adjustment

The estimated aggregate interest is approximately RMB206,672,812. Interest (which forms part of the total lease amount) is calculated at the rate of 5.158% after value-added tax, which is subject to adjustment with reference to the Benchmark Interest Rate plus a premium. The said premium, which is fixed, is determined with reference to, among others, the prevailing market interest rate, the aggregate amount of the handling fee and security deposit payable by the Group under the Huaneng Tiancheng Finance Lease Agreement I. It is a common market practice for the finance lease companies in the PRC to charge a premium on top of the Benchmark Interest Rate for finance leases. In determining and agreeing on the premium, the Group considered the interest rates charged by various finance lease companies in the PRC regarding the Huaneng Tiancheng Equipment I, where interest rates per annum ranged from adding 0 to 220 basic points above the Benchmark Interest Rate. The interest rate per annum (after value-added tax) under the Huaneng Tiancheng Finance Lease Agreement I was 5.158% as at the date of the Huaneng Tiancheng Finance Lease Agreement I, which added 25.8 basic points above the Benchmark Interest Rate. Upon comprehensively considering the overall costs of the finance lease, such as the aggregate amount of the handling fee of RMB16,568,422 (representing approximately 3.89% of the consideration payable by Huaneng Tiancheng as finance provided), the security deposit of RMB17,052,120 (representing 4% of the consideration payable by Huaneng Tiancheng as finance provided) and the interest rate, the Board is of the view that the lease interest calculated adjusted based on the aforesaid adjusting mechanism and the total lease payment so determined are fair and reasonable.

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Handling fee payable by the lessee to the lessor RMB16,568,422, among which, RMB3,300,000 is payable to Huaneng Tiancheng by Fanshi Century Concord before the settlement of the first instalment of the consideration payable by Huaneng Tiancheng to Haotai New Energy, and the remaining shall be paid in instalments on the same day when the 17th to 56th quarterly instalments of the total lease amount is payable by Fanshi Century Concord pursuant to the Huaneng Tiancheng Finance Lease Agreement I.

The amount of handling fee is determined after arm's length negotiation between Huaneng Tiancheng and the Group, having taken into account of (i) the handling fees quoted by various finance lease companies in the PRC (ranged from 0% to 15% of the consideration payable by the lessee for the finance provided); and (ii) the overall financing costs of the transaction, including the floating interest rate to the lease interest. Accordingly, the Board is of the view that the handling fee is on normal commercial terms, fair and reasonable.

Security deposit payable by the lessee to the lessor RMB17,052,120, which shall be fully paid by Fanshi Century Concord to Huaneng Tiancheng before the settlement of the first instalment of the consideration payable by Huaneng Tiancheng to Haotai New Energy.

The amount of security deposit is determined after arm's length negotiation between Huaneng Tiancheng and the Group, having taken into account of (i) the security deposits quoted by various finance lease companies in the PRC (ranged from 0% to 7% of the consideration payable by the lessee for the finance provided); and (ii) the overall financing costs of the transaction, including the floating interest rate to the lease interest. Accordingly, the Board is of the view that the security deposit is on normal commercial terms, fair and reasonable.

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The security deposit is not refundable. It may be used for the payment of compensation to Huaneng Tiancheng in case of any breach of the finance lease by Fanshi Century Concord. Subject to the aforementioned deduction (if any), the security deposit may be used for settling the outstanding amount of lease payments due from Fanshi Century Concord to Huaneng Tiancheng.

Basis to determine the lease payment

The lease amount is agreed between Huaneng Tiancheng and Fanshi Century Concord with reference to the consideration payable by Huaneng Tiancheng in respect of the Huaneng Tiancheng Equipment I and the prevailing market interest rate of comparable equipment finance leases.

Lessee to buy back the equipment

The legal ownership of the Huaneng Tiancheng Equipment I will be rested in Huaneng Tiancheng throughout the lease term. Upon the end of the lease term, provided that Fanshi Century Concord has fulfilled all of its obligations under the Finance Lease Agreement I, Fanshi Century Concord has the option to buy back the Huaneng Tiancheng Equipment I at a nominal consideration of RMB10,000.

Huaneng Tiancheng Finance Lease Arrangement II

On 4 March 2020, Fanshi Century Concord (as supplier and lessee) and Huaneng Tiancheng (as purchaser and lessor) entered into the Huaneng Tiancheng Finance Lease Arrangement II, pursuant to which (i) Huaneng Tiancheng agreed to purchase the Huaneng Tiancheng Fixed Property from Fanshi Century Concord, at the consideration of RMB94,000,000; and (ii) Huaneng Tiancheng agreed to lease back the Huaneng Tiancheng Fixed Property to Fanshi Century Concord for a term of 10 years, to be payable in 40 quarterly instalments, at an estimated total lease payments in the amount of approximately RMB127,216,191.

All Huaneng Tiancheng Fixed Property under the Huaneng Tiancheng Finance Lease Arrangement II are/will be used by the Group for the operation of the wind power projects of the Group in Shanxi Province, the PRC.

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The Huaneng Tiancheng Finance Lease Agreement II

The principal terms of the Huaneng Tiancheng Finance Lease Agreement II are set out below:

Date of agreement	4 March 2020
Parties to the agreement	Lessor: Huaneng Tiancheng; and Lessee: Fanshi Century Concord
Subject assets	The Huaneng Tiancheng Fixed Property
Consideration payable by the lessor to the lessee	Huaneng Tiancheng shall fully pay RMB94,000,000, which shall be settled at or around December 2020, upon satisfaction of the following conditions:— (i) the Huaneng Tiancheng Finance Lease Agreement II and the relevant ancillary documents and agreements have been duly executed and effective; (ii) the financial status of Fanshi Century Concord is basically the same as when the Huaneng Tiancheng Finance Lease Agreement II is signed, and no material adverse change has occurred thereafter; (iii) the representations and warranties made by Fanshi Century Concord under the Huaneng Tiancheng Finance Lease Agreement II are true, accurate and not misleading; (iv) the conditions for the settlement of the first and the second instalments under the Huaneng Tiancheng Transfer Agreement have been fulfilled; (v) Huaneng Tiancheng has received the full security deposit and the first tranche handling fee from Fanshi Century Concord under the Huaneng Tiancheng Finance Lease Agreement II; and (vi) other conditions as required by Huaneng Tiancheng have been satisfied.

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The execution of the Huaneng Tiancheng Finance Lease Agreement II is conditional on the approval/completion of the Huaneng Tiancheng Transfer Agreement. The execution of the Huaneng Tiancheng Transfer Agreement is not conditional on the approval/completion of the the Huaneng Tiancheng Finance Lease Agreement II.

Period of the lease term	10 years (commencing from around December 2020)
Total lease amount payable by the lessee to the lessor	RMB127,216,191, being the total sum of the lease cost of RMB94,000,000 (which is consistent with the consideration) and the estimated aggregate interest of approximately RMB33,216,191, which are payable in 40 quarterly instalments.
Lease interest and adjustment	<p>The estimated aggregate interest is approximately RMB33,216,191. Interest (which forms part of the total lease amount) is calculated at the rate of 5.855%, which is subject to adjustment with reference to the Benchmark Interest Rate plus a premium. The said premium, which is fixed, is determined with reference to, among others, the prevailing market interest rate, the aggregate amount of the handling fee and security deposit payable by the Group under the Huaneng Tiancheng Finance Lease Agreement II. It is a common market practice for the finance lease companies in the PRC to charge a premium on top of the Benchmark Interest Rate for finance leases. In determining and agreeing on the premium, the Group considered the interest rates charged by various finance lease companies in the PRC regarding the Huaneng Tiancheng Fixed Property, where interest rates per annum ranged from adding 0 to 200 basic points above the Benchmark Interest Rate. The interest rate per annum under the Huaneng Tiancheng Finance Lease Agreement II was 5.855% as at the date of the Huaneng Tiancheng Finance Lease Agreement II, which added 95.5 basic points above the Benchmark Interest Rate. Under the Huaneng Tiancheng Finance Lease Arrangement I, Fanshi Century Concord can deduct the value-added tax after receiving the rent invoice from Huaneng Tiancheng, thus the interest rate of which is calculated after value-added tax. While under the Huaneng Tiancheng Finance Lease Arrangement II, which is of the type of lease-back finance lease, the value-added tax cannot be deducted by Fanshi Century Concord, the interest rate of which is calculated before value-added tax. The interest rate under the Huaneng Tiancheng Finance Lease Arrangement II would be 5.181% if it had been calculated after value-added tax, which is similar with that under the Huaneng Tiancheng Finance Lease Arrangement I.</p>

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Generally, the overall cost of a fixed property lease-back finance lease is higher than that of a movable property direct finance lease in the market. Therefore the percentage of the handling fee charged under the Huaneng Tiancheng Finance Agreement II is higher than that under the Huaneng Tiancheng Finance Lease Agreement I. Although the percentage of handling fee charged under the Huaneng Tiancheng Finance Agreement II is relatively higher, its overall comprehensive financing cost (taking into consideration of the interest rate, lease term, handling fee, security deposit, repayment schedule and payment method) is on the lower side of the market average level. Upon comprehensively considering the overall costs of the finance lease, such as the aggregate amount of the handling fee of RMB8,920,000 (representing approximately 9.49% of the consideration payable by Huaneng Tiancheng as finance provided), the security deposit of RMB3,760,000 (representing 4% of the consideration payable by Huaneng Tiancheng as finance provided) and the interest rate, the Board is of the view that the lease interest calculated adjusted based on the aforesaid adjusting mechanism and the total lease payment so determined are fair and reasonable.

**Handling fee payable by
the lessee to the lessor**

RMB8,920,000, among which, RMB1,000,000 is payable to Huaneng Tiancheng by Fanshi Century Concord before the settlement of the consideration payable by Huaneng Tiancheng to Fanshi Century Concord, and the remaining shall be paid in instalments on the same day when the 17th to 40th quarterly instalments of the total lease amount is payable by Fanshi Century Concord pursuant to the Huaneng Tiancheng Finance Lease Agreement II.

The amount of handling fee is determined after arm's length negotiation between Huaneng Tiancheng and the Group, having taken into account of (i) the handling fees quoted by various finance lease companies in the PRC (ranged from 0% to 15% of the consideration payable by the lessee for the finance provided); and (ii) the overall financing costs of the transaction, including the floating interest rate to the lease interest. Accordingly, the Board is of the view that the handling fee is on normal commercial terms, fair and reasonable.

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Security deposit payable by the lessee to the lessor RMB3,760,000, which shall be fully paid by Fanshi Century Concord to Huaneng Tiancheng before the settlement of the consideration payable by Huaneng Tiancheng to Fanshi Century Concord.

The amount of security deposit is determined after arm's length negotiation between Huaneng Tiancheng and the Group, having taken into account of (i) the security deposits quoted by various finance lease companies in the PRC (ranged from 0% to 7% of the consideration payable by the lessee for the finance provided); and (ii) the overall financing costs of the transaction, including the floating interest rate to the lease interest. Accordingly, the Board is of the view that the security deposit is on normal commercial terms, fair and reasonable.

The security deposit is not refundable. It may be used for the payment of compensation to Huaneng Tiancheng in case of any breach of the finance lease by Fanshi Century Concord. Subject to the aforementioned deduction (if any), the security deposit may be used for settling the outstanding amount of lease payments due from Fanshi Century Concord to Huaneng Tiancheng.

Basis to determine the lease payment The lease amount is agreed between Huaneng Tiancheng and Fanshi Century Concord with reference to the consideration paid by Huaneng Tiancheng in respect of the Huaneng Tiancheng Fixed Property and the prevailing market interest rate of comparable equipment finance leases.

Lessee to buy back the equipment The legal ownership of the Huaneng Tiancheng Fixed Property will be rested in Huaneng Tiancheng throughout the lease term. Upon the end of the lease term, provided that Fanshi Century Concord has fulfilled all of its obligations under the Huaneng Tiancheng Finance Lease Agreement II, Fanshi Century Concord has the option to buy back the Huaneng Tiancheng Fixed Property at a nominal consideration of RMB10,000.

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The following table sets out the details of the Huaneng Tiancheng Fixed Property bought by Huaneng Tiancheng:

Asset nature/ Type	Current condition	Date of original acquisition by the supplier	Current accounting treatment	Original purchase price (RMB)
Turbine base	Partially installed ⁽¹⁾	February 2019	Partially booked ⁽²⁾	56,300,000
Booster station	Fully installed	February 2019	Partially booked ⁽²⁾	15,900,000
Electrical circuits	Partially installed ⁽¹⁾	February 2019	Partially booked ⁽²⁾	<u>21,800,000</u>
Total				<u><u>94,000,000</u></u>

Notes:

- ⁽¹⁾ The fixed property partially installed is expected to be completed in September 2020.
- ⁽²⁾ The fixed property partially booked is expected to be fully booked by the end of December 2020 upon issuing the invoice and fully acceptance by the Group.

The total consideration of RMB94,000,000 was agreed between Huaneng Tiancheng and Fanshi Century Concord after arm's length negotiations with reference to the total purchase price payable by Fanshi Century Concord to the original suppliers of the Huaneng Tiancheng Fixed Property, being approximately RMB94,000,000. The original suppliers are Independent Third Parties. Upon comprehensively considering the original purchase price payable by Fanshi Century Concord, the finance need of Fanshi Century Concord and the finance amount to be provided by Huaneng Tiancheng for the finance lease under the Huaneng Tiancheng Finance Lease Arrangement II as a whole, the Directors consider that the total consideration is fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

The Group will book all the Huaneng Tiancheng Fixed Property as its fixed assets in its financial statements pursuant to Hong Kong Financial Reporting Standards.

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The Huaneng Tiancheng Security Agreements

In order to secure Fanshi Century Concord's obligations under the Huaneng Tiancheng Finance Lease Agreements, the following security documents were also executed on 4 March 2020:

Guarantee agreements Each of the Company, Jingmen Lixi, Nanzhao Juhe, Zaoyang Century Concord, Xiangzhou Century Concord, Tongyu Century Concord and Shangcheng Century Concord entered into a guarantee agreement in favour of Huaneng Tiancheng, pursuant to which each of the Company, Jingmen Lixi, Nanzhao Juhe, Zaoyang Century Concord, Xiangzhou Century Concord, Tongyu Century Concord and Shangcheng Century Concord agreed to provide irrevocable joint liability guarantees for all the debts of Fanshi Century Concord under the Huaneng Tiancheng Finance Lease Agreements.

Equity pledge agreement Yongzhou Jiepai entered into an equity pledge agreement in favour of Huaneng Tiancheng, pursuant to which Yongzhou Jiepai agreed to pledge all its equity interest in Fanshi Century Concord to Huaneng Tiancheng, to secure the obligations of Fanshi Century Concord under the Huaneng Tiancheng Finance Lease Agreements.

Equipment mortgage agreement I Fanshi Century Concord entered into an equipment mortgage agreement in favour of Huaneng Tiancheng, pursuant to which, upon Huaneng Tiancheng's authorisation, Fanshi Century Concord agreed to mortgage the Huaneng Tiancheng Equipment I to Huaneng Tiancheng and complete the registration procedure, to secure its obligations under the Huaneng Tiancheng Finance Lease Agreement I.

Equipment mortgage agreement II Fanshi Century Concord entered into another equipment mortgage agreement in favour of Huaneng Tiancheng, pursuant to which, upon Huaneng Tiancheng's authorisation, Fanshi Century Concord agreed to mortgage the Huaneng Tiancheng Fixed Property to Huaneng Tiancheng and complete the registration procedure, to secure its obligations under the Huaneng Tiancheng Finance Lease Agreement II.

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Real property mortgage agreement	Fanshi Century Concord entered into a real property mortgage agreement in favour of Huaneng Tiancheng, pursuant to which, Fanshi Century Concord agreed to mortgage its land use right of the land located at Fanshi County, Shanxi Province, the PRC to Huaneng Tiancheng and complete the registration procedure, to secure its obligations under the Huaneng Tiancheng Finance Lease Agreements.
Electricity fee pledge agreement	Fanshi Century Concord entered into an electricity fee pledge agreement in favour of Huaneng Tiancheng, pursuant to which Fanshi Century Concord agreed to pledge its receivables in electricity fee to Huaneng Tiancheng, to secure its obligations under the Huaneng Tiancheng Finance Lease Agreements.
Huaneng Tiancheng Designated Account Agreement	Fanshi Century Concord and Huaneng Tiancheng entered into a designated account agreement (the “ Huaneng Tiancheng Designated Account Agreement ”), pursuant to which a designated account (the “ Huaneng Tiancheng Designated Account ”) will be set up before the first instalment of the consideration is paid by Huaneng Tiancheng to Haotai New Energy pursuant to the Huaneng Tiancheng Transfer Agreement, and the shareholder’s loan for Fanshi Century Concord (if any), dividend income, operating cash flow, funding, national new energy subsidy and receivables in electricity fee of Fanshi Century Concord should be deposited into the Designated Account, the fund of which should be given priority for fulfilling the obligations of Fanshi Century Concord under the Huaneng Tiancheng Finance Lease Agreements.
Shortfall guarantee agreement	Century Concord entered into a shortfall guarantee agreement in favour of Huaneng Tiancheng, pursuant to which Century Concord agreed to make up the shortfall occurred in the Huaneng Tiancheng Designated Account (if any) for Fanshi Century Concord to guarantee the debts owed to Huaneng Tiancheng by Fanshi Century Concord under the Huaneng Tiancheng Finance Lease Agreements.

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REASONS FOR AND BENEFITS OF THE FINANCE LEASE ARRANGEMENTS

The entering into of each of the Finance Lease Arrangements is in the ordinary and usual course of business of the Group. The Directors are of the view that under the Finance Lease Arrangements, the Group will obtain financial resources and gain access to certain equipment as required for its operations. The terms under the Finance Lease Arrangements have been agreed after arm's length negotiation among the relevant parties. The Directors consider that the terms of the Finance Lease Arrangements are on normal commercial terms, fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE PARTIES TO THE FINANCE LEASE ARRANGEMENTS

Everbright Financial Leasing

Everbright Financial Leasing is a company established in the PRC and is principally engaged in the business of finance leasing. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, Everbright Financial Leasing and its ultimate beneficial owner, China Investment Corporation (中國投資有限責任公司), are Independent Third Parties. China Investment Corporation (中國投資有限責任公司) is a centrally-administered state-owned enterprise of the PRC, with the approval of the State Council of the PRC.

Huaneng Tiancheng

Huaneng Tiancheng is a company established in the PRC, which is principally engaged in the business of finance leasing. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, Huaneng Tiancheng and its ultimate beneficial owner, the State-owned Assets Supervision and Administration Commission of the State Council of the PRC, are Independent Third Parties.

The Company

The Company is a company incorporated in Bermuda with limited liability and its shares are listed on the Main Board of the Stock Exchange. The Group is principally engaged in (i) investing in wind and solar power projects; and (ii) offering professional technical services and integrated solutions to the wind and solar power generation projects.

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Bozhou Century Concord

Bozhou Century Concord is a wholly-owned subsidiary of the Company and is principally engaged in the operation of wind power generation projects in the PRC.

Fanshi Century Concord

Fanshi Century Concord is a wholly-owned subsidiary of the Company and is principally engaged in the operation of wind power generation projects in the PRC.

Tianjin Century Concord

Tianjin Century Concord is a wholly-owned subsidiary of the Company and is principally engaged in the trading of equipment for wind power and new energy.

Haotai New Energy

Haotai New Energy is a wholly-owned subsidiary of the Company and is principally engaged in the trading of equipment for wind power and new energy.

LISTING RULES IMPLICATIONS

Everbright Finance Lease Arrangement

As one or more of the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the transactions contemplated under the Everbright Finance Lease Arrangement exceed(s) 5% but is/are less than 25%, the Everbright Finance Lease Arrangement constitutes a discloseable transaction of the Company and is thus subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Reference is made to the announcement of the Company dated 17 December 2019 in relation to the 2019 December Finance Lease Arrangement. As the transactions contemplated under the Everbright Finance Lease Arrangement and the 2019 December Finance Lease Arrangement are conducted within a 12-month period, such transactions shall be aggregated under Chapter 14 of the Listing Rules. As one or more of the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the transactions contemplated under the Everbright Finance Lease Arrangement and the 2019 December Finance Lease Arrangement on an aggregated basis exceed(s) 25% but is/are less than 75%, the transactions under the Everbright Finance Lease Arrangement and the 2019 December Finance Lease Arrangement in aggregate constitute a major transaction of the Company and are thus subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

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References are also made to the Previous Everbright Announcements in relation to the Previous Everbright Finance Lease Arrangements. As the disposals of certain machinery and equipment by the Group under the Everbright Finance Lease Arrangement and the Previous Everbright Finance Lease Arrangements are conducted within a 12-month period, the said disposals shall be aggregated under Chapter 14 of the Listing Rules. As one or more of the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the said disposals under the Everbright Finance Lease Arrangement and the Previous Everbright Finance Lease Arrangements on an aggregated basis exceed(s) 25% but is/are less than 75%, the said disposals under the Everbright Finance Lease Arrangement and the Previous Everbright Finance Lease Arrangements in aggregate constitute a major transaction of the Company and are thus subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Huaneng Tiancheng Finance Lease Arrangements

As one or more of the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the transactions contemplated under the Huaneng Tiancheng Finance Lease Arrangements in aggregate exceed(s) 25% but is/are less than 75%, such transactions contemplated under the Huaneng Tiancheng Finance Lease Arrangements constitute a major transaction of the Company and are thus subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

References are made to the Previous Huaneng Tiancheng Announcements in relation to the Previous Huaneng Finance Lease Arrangements. As the disposals of certain machinery and equipment and fixed property by the Group under the Huaneng Tiancheng Finance Lease Arrangements and the Previous Huaneng Tiancheng Finance Lease Arrangements are conducted within a 12-month period, the said disposals shall be aggregated under Chapter 14 of the Listing Rules. As one or more of the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the said disposals under the Huaneng Tiancheng Finance Lease Arrangements and the Previous Huaneng Tiancheng Finance Lease Arrangements on an aggregated basis exceed(s) 25% but is/are less than 75%, the said disposals under the Huaneng Tiancheng Finance Lease Arrangements and the Previous Huaneng Tiancheng Finance Lease Arrangements in aggregate constitute a major transaction of the Company and are thus subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries as at the Latest Practicable Date, no Shareholder is required to abstain from voting on the resolution(s) in respect of Finance Lease Arrangements (including the transactions contemplated under related agreements) at the SGM.

LETTER FROM THE BOARD

SPECIAL GENERAL MEETING

The SGM shall be held at 10:00 a.m. on Wednesday, 13 May 2020 at Suite 3901, 39th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong, for the purpose of considering and, if thought fit, approving, among other things, the agreements executed pursuant to the Finance Lease Arrangements and the transactions contemplated thereunder. A notice convening the SGM and a form of proxy for use at the SGM are enclosed herewith. Whether or not you are able to attend the SGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time fixed for holding of the SGM. Completion and return of the form of proxy will not preclude you from attending and voting at the SGM or any adjourned meeting should you so desire.

In compliance with the Listing Rules, all resolution(s) put to vote at the SGM will be decided by way of poll.

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the terms of the agreements executed pursuant to the Finance Lease Arrangements and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interest of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolution(s) to be proposed at the SGM.

ADDITIONAL INFORMATION

Your attention is drawn to the information set out elsewhere in this circular and in the appendices to it.

Your faithfully,
For and on behalf of
Concord New Energy Group Limited
Liu Shunxing
Chairman

1. CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP FOR EACH OF THE THREE FINANCIAL YEARS ENDED 31 DECEMBER 2019

Consolidated financial information of the Group for each of the three financial years ended 31 December 2017, 2018 and 2019 are disclosed in the following documents which have been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cnegroup.com) respectively:

- Annual Results Announcement 2019 (pages 2 to 16):
<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0331/2020033100385.pdf>
- Annual Report 2018 (pages 175 to 399):
<https://www1.hkexnews.hk/listedco/listconews/sehk/2019/0325/ltn201903251186.pdf>
- Annual Report 2017 (pages 131 to 315):
<http://www.hkexnews.hk/listedco/listconews/SEHK/2018/0424/LTN201804241175.pdf>

2. STATEMENT OF INDEBTEDNESS

At the close of business on 29 February 2020, being the latest practicable date for ascertaining the indebtedness of the Group prior to the printing of this circular, the Group had outstanding bank borrowings of approximately RMB3,727,010,000. Among these bank borrowings, there was a bank loan of RMB1,548,850,000 that was guaranteed by subsidiaries and of RMB2,178,160,000 that was secured by fixed assets with net carrying value of approximately RMB890,642,000, account receivables with carrying value of approximately RMB629,488,000 and share capital with net carrying value of approximately RMB243,380,000.

Besides, the Group had outstanding finance lease from third parties of approximately RMB5,292,560,000, which was guaranteed by fixed assets with net carrying value of approximately RMB2,738,031,000, account receivables with carrying value of approximately RMB135,766,000 and share capital with net carrying value of approximately RMB1,761,926,000.

In addition, the Group had issued the bonds to third parties of approximately RMB1,921,620,000.

Save as aforesaid and apart from intra-group liabilities, as at the close of business on 29 February 2020, the Group did not have any other outstanding mortgages, charges, debentures, loan capital, bank loans or overdrafts, debt securities or other similar indebtedness, finance leases or hire purchase commitments, liabilities under acceptances or acceptance creditors, or guarantees.

3. WORKING CAPITAL

The Directors, after due and careful enquiry, are of the opinion that taking into account of the financial resources available to the Group including internally generated funds and the available banking facilities and in the absence of unforeseen circumstances, the Group will have sufficient working capital for its present requirements, that is for at least the next twelve months from the date of this circular.

4. MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2019, being the date to which the latest published audited financial statements of the Group were made up.

5. FINANCIAL EFFECTS OF ENTERING INTO THE FINANCE LEASE ARRANGEMENTS ON THE GROUP AND INTENDED USE OF PROCEEDS

Financial Effects

Concerning the financial impact of the Group as a result of Everbright Finance Lease Arrangement, the total asset would increase by RMB371,006,640 to reflect the aggregate value of the Everbright Equipment of RMB363,732,000 and handling fee of RMB7,274,640. In addition, the total liability of the Group will also increase by RMB371,006,640 to reflect the accounting treatment of the financial lease of the Everbright Equipment and the handling fee. Pursuant to the Everbright Finance Lease Arrangement, the estimated aggregate interest during the lease period will be RMB145,679,885 and the handling fee will be RMB7,274,640.

Concerning the financial impact of the Group as a result of the Huaneng Tiancheng Finance Lease Arrangement I, the total asset would increase by RMB442,871,422 to reflect the aggregate value of the Huaneng Tiancheng Equipment I of RMB426,303,000 and handling fee of RMB16,568,422. In addition, the total liability

of the Group will also increase by RMB442,871,422 to reflect the accounting treatment of the financial lease of the Huaneng Tiancheng Equipment I and the handling fee. Pursuant to the Huaneng Tiancheng Finance Lease Arrangement I, the estimated aggregate interest during the lease period will be RMB206,672,812 and the handling fee will be RMB16,568,422.

Concerning the financial impact of the Group as a result of the Huaneng Tiancheng Finance Lease Arrangement II, the total asset would increase by RMB102,920,000 to reflect the aggregate value of the Huaneng Tiancheng Fixed Property of RMB94,000,000 and handling fee of RMB8,920,000. In addition, the total liability of the Group will also increase by RMB102,920,000 to reflect the accounting treatment of the financial lease of the Huaneng Tiancheng Fixed Property and the handling fee. Pursuant to the Huaneng Tiancheng Finance Lease Arrangement II, the estimated aggregate interest during the lease period will be RMB33,216,191 and the handling fee will be RMB8,920,000.

Save as described above, it is not expected that there will be any material impact on the earnings, assets and liabilities of the Group as a result of entering into the Finance Lease Arrangements.

Intended Use of Proceeds

After deducting the handling fee and security deposit, the net consideration received from the sale of the Everbright Equipment to Everbright Financial Leasing would be used in the wind power project of the Group located in Anhui Province, the PRC to acquire equipment and carry out construction.

After deducting the handling fee and security deposit, the net consideration received from the sale of the Huaneng Tiancheng Equipment I to Huaneng Tiancheng would be used in the wind power project of the Group located in Shanxi Province, the PRC to acquire equipment and carry out construction.

After deducting the handling fee and security deposit, the net consideration received from the sale of the Huaneng Tiancheng Fixed Property to Huaneng Tiancheng would be used in the wind power project of the Group located in Shanxi Province, the PRC to acquire equipment and carry out construction.

6. FINANCIAL AND TRADING PROSPECT OF THE GROUP

In 2019, the power generation output attributable to the Group was 4,368.1GWh (2018: 3,635.8GWh), representing an increase of 20.1% over the same period last year, of which, wind power generation output was 3,872.8GWh (2018: 3,187.9GWh), representing a growth of 21.5% over the same period last year, while PV power generation output was 495.3GWh (2018: 447.9GWh), representing a growth of 10.6% over the same period last year. In 2019, the Group newly signed contracts for wind resources of 4,998MW and PV resources of 2,987MW in total, assuring construction and sustainability development of the Group's subsequent projects. The Directors are of the view that the wind power business will continue to be an important source of income to the Group and create value and benefit for the Shareholders. Therefore, the Company will continue its focus and effort to develop the Group's wind power business and continue to explore potential investment and cooperation opportunities in the PRC.

In recent years, the Group has optimized its assets quality, transformed operating model and adjusted its investment strategies with accurate strategies for development and operation. With substantial increased capabilities, the Group has successfully addressed various changes in the external operating environment. As an investor and a service provider in the area of renewable energy, the Group will continue its efforts in developing the industrial chain of renewable energy, as well as new applications and business modes of renewable energy, improving the quality of development by consistently upholding the principle of prudent development. Meanwhile, it will take various measures to minimize the impact of COVID-19 on the Group's performance. In 2020, the Group will focus on aspects including production safety, project construction, lowering LCOE, initial stage development, the construction of Energy IoT and intelligent O&M, improving asset quality, control over debt ratio and construction of corporate culture.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS**(i) Directors' and chief executives' interests and/or short positions in the Shares, underlying Shares and debentures of the Company or any associated corporation**

As at the Latest Practicable Date, the following Directors had interests in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short position which he/she was taken or deemed to have under such provisions of the SFO); (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") in the Listing Rules to be notified to the Company and the Stock Exchange:

Long positions in the Shares:

Name of the Director	Nature of interest				Percentage of the total issued share capital (%)
	Personal	Family	Corporate	Total	
Liu Shunxing	27,000,000 ⁽¹⁾	—	1,845,484,242 ⁽²⁾	1,872,484,242	22.21
Liu Jianhong	23,710,000 ⁽³⁾	—	150,000,000 ⁽⁴⁾	173,710,000	2.06
Yu Weizhou	35,130,000 ⁽⁵⁾	—	—	35,130,000	0.42
Gui Kai	11,600,000 ⁽⁵⁾	—	—	11,600,000	0.14
Niu Wenhui	12,000,000 ⁽⁵⁾	—	—	12,000,000	0.14
Shang Li	8,000,000 ⁽⁵⁾	—	—	8,000,000	0.09
Yap Fat Suan, Henry	2,000,000 ⁽⁵⁾	—	—	2,000,000	0.02
Jesse Zhixi Fang	1,800,000 ⁽⁵⁾	—	—	1,800,000	0.02
Huang Jian	1,800,000 ⁽⁵⁾	—	—	1,800,000	0.02
Zhang Zhong	1,800,000 ⁽⁵⁾	—	—	1,800,000	0.02

Notes:

- Mr. Liu Shunxing beneficially holds 9,000,000 Shares. 18,000,000 Shares have been granted to Mr. Liu Shunxing under the share award scheme adopted by the Company on 15 June 2015 (as amended on 29 June 2017) (the “Scheme”), among which, 25% have been vested on 17 February 2020, 25% will be vested on 15 February 2021 (or in the event that 15 February 2021 is not a business day, the first business day thereafter), 25% will be vested on 15 February 2022 (or in the event that 15 February 2022 is not a business day, the first business day thereafter) and the remaining 25% will be vested on 15 February 2023 (or in the event that 15 February 2023 is not a business day, the first business day thereafter).
- 1,147,877,155 Shares are held by China Wind Power Investment Limited, which is wholly owned by Permanent Growth Limited. Mr. Liu Shunxing holds 46.77% of the issued share capital of Permanent Growth Limited. 697,607,087 Shares are held by Splendor Power Limited, of which Mr. Liu Shunxing holds 99% of the issued share capital.
- Ms. Liu Jianhong beneficially holds 8,710,000 Shares. 15,000,000 Shares have been granted to Ms. Liu Jianhong under the Scheme, among which, 25% have been vested on 17 February 2020, 25% will be vested on 15 February 2021 (or in the event that 15 February 2021 is not a business day, the first business day thereafter), 25% will be vested on 15 February 2022 (or in the event that 15 February 2022 is not a business day, the first business day thereafter) and the remaining 25% will be vested on 15 February 2023 (or in the event that 15 February 2023 is not a business day, the first business day thereafter).
- 150,000,000 Shares are held by a discretionary trust for which Ms. Liu Jianhong is the founder and settlor and can influence how the trustee exercises its discretion.

5. Among such Shares, 10,000,000 Shares of Mr. Yu Weizhou, 8,000,000 Shares of Mr. Gui Kai, 8,000,000 Shares of Mr. Niu Wenhui, 8,000,000 Shares of Dr. Shang Li, 1,800,000 Shares of Mr. Yap Fat Suan, Henry, 1,800,000 Shares of Dr. Jesse Zhixi Fang, 1,800,000 Shares of Ms. Huang Jian and 1,800,000 Shares of Mr. Zhang Zhong, have been granted under the Scheme, among which, 25% have been vested on 17 February 2020, 25% will be vested on 15 February 2021 (or in the event that 15 February 2021 is not a business day, the first business day thereafter), 25% will be vested on 15 February 2022 (or in the event that 15 February 2022 is not a business day, the first business day thereafter) and the remaining 25% will be vested on 15 February 2023 (or in the event that 15 February 2023 is not a business day, the first business day thereafter).

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company had or was deemed to have any interest or short position in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have such provisions of the SFO); or (ii) were required to be entered in the register maintained by the Company pursuant to section 352 of the SFO; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

(ii) Directors' other interests

- (a) As of the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any asset which have been since 31 December 2019, the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group.
- (b) As of the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group which was subsisting at the Latest Practicable Date, and which was significant in relation to the business of the Group.
- (c) As of the Latest Practicable Date, none of the Directors and their respective close associates was interested in any business apart from the business of the Group, which competed or was likely to compete, either directly or indirectly, with that of the Group.

(iii) Substantial Shareholders

As of the Latest Practicable Date, so far as is known to the Directors or the chief executives of the Company, the following persons (other than a Director or chief executive of the Company) had an interest or short position in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or recorded in the register kept by the Company pursuant to Section 336 of the SFO, or who were, directly or indirectly interested in 5% or more of the issued voting shares of any other member of the Group:

(a) Long positions in the Shares

Name of Shareholder	Number of Shares held	Approximate percentage of the total issued share capital (%)
China Wind Power Investment Limited ⁽¹⁾	1,147,877,155	13.62
Huadian Fuxin International Investment Company Limited	880,000,000	10.44
Splendor Power Limited ⁽²⁾	697,607,087	8.28
Goldman Sachs Asia Strategic Pte. Ltd. (“Goldman Sachs”)	58,562,998	0.69

(b) Long positions in the underlying Shares

Name of Shareholder	Number of the underlying Shares held	Approximate percentage of the total issued share capital (%)
Goldman Sachs ⁽³⁾	432,390,000	5.13

Notes:

1. The Shares are held by China Wind Power Investment Limited, which is wholly owned by Permanent Growth Limited. Mr. Liu Shunxing holds 46.77% of the issued shares of Permanent Growth Limited.
2. The Shares are held by Splendor Power Limited. Mr. Liu Shunxing holds 99% of the issued share capital of Splendor Power Limited.
3. On 13 December 2018, the Company entered into the convertible loan agreement (the “**Convertible Loan Agreement**”) with Goldman Sachs, pursuant to which Goldman Sachs agreed to lend and the Company agreed to borrow the convertible loan (the “**Convertible Loan**”) in a principal amount of US\$30,000,000. Goldman Sachs has the right to convert all or any part of the outstanding principal amount of their respective participation in the Convertible Loan into Shares (the “**Conversion Shares**”). Assuming a conversion price (the “**Conversion Price**”) of (i) HK\$0.5 per Share (for tranche I); (ii) HK\$0.55 per Share (for tranche II); and (iii) HK\$0.6 per Share (for tranche III) and there is no adjustment to the Conversion Price pursuant to the terms of the Convertible Loan Agreement, the aggregate principal amount of the Convertible Loan of US\$30,000,000 is convertible into approximately 432,390,000 Conversion Shares. Details can be referred to the announcements dated 13 December 2018 and 16 January 2019 and the circular dated 25 February 2019.

Saved as disclosed above, as of the Latest Practicable Date, there were no other persons who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under Section 336 of the SFO, or which were recorded in the register to be kept by the Company under Section 336 of the SFO.

3. MATERIAL CONTRACTS

The following contracts, including contracts not entered into in the ordinary course of business, were entered into by the Group within the two years preceding the date of this circular and are or may be material:

- (a) On 23 May 2018, the Group and Xinjiang Goldwind Science & Technology Co., Ltd.* (新疆金風科技股份有限公司) (“**XGST**”) entered into a purchase contract regarding the purchase of wind power electricity generation equipment from XGST amounting to a total consideration of RMB192,280,000 for the Group’s wind farm project in Anhui Province, the PRC.

- (b) On 23 August 2018, Daoxian Century Concord Wind Power Co., Ltd.* (道縣協合風力發電有限公司) (“**Daoxian Century Concord**”) (as lessee), Huaneng Tiancheng (as purchaser and lessor) and Jiangsu Zhongdao Electric Power Co., Ltd.* (江蘇中導電力有限公司) (“**Jiangsu Zhongdao**”) (as supplier) entered into a finance lease arrangement, pursuant to which Huaneng Tiancheng agreed to purchase equipment from Jiangsu Zhongdao and lease the equipment to Daoxian Century Concord at a total consideration of RMB336,340,718.43 for the Group’s wind farm project in Hunan Province, the PRC.
- (c) On 30 October 2018, Nanzhao Juhe (as lessee), Haotai New Energy (as supplier) and Huaneng Tiancheng (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) Huaneng Tiancheng has agreed to purchase certain equipment from Haotai New Energy, at the consideration in the amount of not more than RMB460,000,000; and (ii) Huaneng Tiancheng has agreed to lease the said equipment to Nanzhao Juhe for a term of 12 years, to be payable in 48 quarterly installments, at an estimated total lease payments in the amount of approximately RMB660,837,897.11.
- (d) On 5 December 2018, Kangbao Concord Xuwulin Wind Power Co., Ltd.* (康保協合徐五林風力發電有限公司) (“**Kangbao Concord**”) (as lessee), Haotai New Energy (as supplier) and China Resources Leasing Co., Ltd.* (華潤租賃有限公司) (“**China Resources**”) (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) China Resources has agreed to purchase certain equipment from Haotai New Energy, at the consideration in the amount of RMB254,230,000; and (ii) China Resources has agreed to lease the equipment to Kangbao Concord for a term of 10 years, to be payable in 40 quarterly installments, at an estimated total lease payments in the amount of approximately RMB352,667,856.
- (e) On 13 December 2018, the Company entered into a convertible loan agreement (which has been amended and restated on 16 January 2019) with Goldman Sachs, pursuant to which Goldman Sachs agreed to lend and the Company agreed to borrow the convertible loan in a principal amount of US\$30,000,000 (drawable in one disbursement). The Convertible Loan will consist of three tranches as follows: (i) Tranche I being US\$12,000,000; and (ii) Tranche II being US\$9,000,000; and (iii) Tranche III being US\$9,000,000.

- (f) On 21 December 2018, Zaoyang Century Concord (as lessee), Haotai New Energy (as supplier) and Huaneng Tiancheng (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) Huaneng Tiancheng has agreed to purchase the equipment from Haotai New Energy, at the consideration in the amount of RMB230,000,000; and (ii) Huaneng Tiancheng has agreed to lease the equipment to Zaoyang Century Concord for a term of 12 years, to be payable in 48 quarterly installments, at an estimated total lease payments in the amount of approximately RMB358,043,186.03.
- (g) On 22 April 2019, (i) Yongzhou Jiepai entered into a sale and purchase agreement with Suzhou RECO New Energy Equity Investment Co., Ltd.* (蘇州瑞科新能股權投資有限公司) (“**Suzhou RECO**”), pursuant to which Yongzhou Jiepai, as the vendor, agreed to sell and Suzhou RECO, as the purchaser, agreed to acquire 75% equity interest in Daoxian Century Concord, at the consideration of RMB117,643,000, payable by Suzhou RECO in accordance with the terms and conditions of the said sale and purchase agreement; (ii) Yongzhou Jiepai entered into another sale and purchase agreement with Suzhou RECO, pursuant to which Yongzhou Jiepai, as the vendor, agreed to sell and Suzhou RECO, as the purchaser, agreed to acquire 75% equity interest in Daoxian Jingtang Century Concord Wind Power Co., Ltd.* (道縣井塘協合風力發電有限公司), at the consideration of RMB108,665,000, payable by Suzhou RECO in accordance with the terms and conditions of the said sale and purchase agreement; and (iii) Yongzhou Jiepai entered into the equity transfer agreement with RECO (Concord) HK Limited (“**RECO (Concord)**”), pursuant to which Yongzhou Jiepai, as the vendor, agreed to sell and RECO (Concord), as the purchaser, agreed to acquire the entire equity interest in Suzhou RECO and certain debts at the aggregate consideration of RMB226,308,000, payable by RECO (Concord) in accordance with the terms and conditions of the said equity transfer agreement.
- (h) On 24 April 2019, Wuhe Juhe Wind Power Co., Ltd.* (五河聚合風力發電有限公司) (“**Wuhe Juhe**”) (as lessee), Haotai New Energy (as supplier) and China General Nuclear International Financial Leasing Co., Ltd.* (中廣核國際融資租賃有限公司) (“**China General Nuclear**”) (as purchaser and lessor) entered into the finance lease arrangement, pursuant to which (i) China General Nuclear has agreed to purchase the equipment from Haotai New Energy, at the consideration of approximately RMB271,645,330; and (ii) China General Nuclear has agreed to lease the equipment to Wuhe Juhe for a term of 10 years, to be payable in 40 quarterly installments, at an estimated total lease payments in the amount of approximately RMB378,009,564.

- (i) On 30 April 2019, Haotai New Energy and Shanghai Electric Wind Power Electricity Group Co., Ltd.* (上海電氣風電集團有限公司) (“**Shanghai Electric**”) entered into a purchase contract regarding the purchase of a set of wind power electricity generation equipment at a total consideration of RMB322,590,646.56, by Haotai New Energy from Shanghai Electric for the wind farm project of the Group in Shanxi Province, the PRC.
- (j) On 23 May 2019, Haotai New Energy and Zhejiang Windey Co., Ltd.* (浙江運達風電股份有限公司) (“**Zhejiang Windey**”) entered into (i) a purchase contract regarding the purchase of a set of wind power electricity generation equipment at a total consideration of RMB159,632,000, by Haotai New Energy from Zhejiang Windey for the wind farm project of the Group in Tongyu County, Jilin Province, the PRC; and (ii) another purchase contract regarding the purchase of a set of wind power electricity generation equipment at a total consideration of RMB159,632,000, by Haotai New Energy from Zhejiang Windey for another wind farm project of the Group in Tongyu County, Jilin Province, the PRC.
- (k) On 13 June 2019, Yongzhou Hongtang Century Concord Wind Power Co., Ltd.* (永州洪塘協合風力發電有限公司) (“**Yongzhou Hongtang**”) (as supplier and lessee) and Bank of Beijing Financial Leasing Company* (北銀金融租賃有限公司) (“**Bank of Beijing Financial**”) (as purchaser and lessor) entered into a finance lease arrangement for a term of five years (which can be extended for a further term of three years), pursuant to which (i) Bank of Beijing Financial agreed to purchase the equipment from Yongzhou Hongtang at the consideration of RMB240,000,000; and (ii) Bank of Beijing Financial agreed to lease the equipment to Yongzhou Hongtang for a term of 60 months, at an estimated total lease payments in the amount of approximately RMB294,167,688.
- (l) On 18 June 2019, Yongzhou Baimangying (as lessee), Haotai New Energy (as supplier) and Everbright Financial Leasing (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) Everbright Financial Leasing has agreed to purchase the equipment from Haotai New Energy, at the consideration of RMB216,490,830; and (ii) Everbright Financial Leasing has agreed to lease the equipment to Yongzhou Baimangying for a term of nine years, to be payable in 36 quarterly installments, at an estimated total lease payments in the amount of approximately RMB296,613,456.

- (m) On 21 June 2019, (i) Haotai New Energy and Shanghai Electric entered into a purchase contract regarding the purchase of a set of wind power electricity generation equipment at a total consideration of RMB165,669,000, by Haotai New Energy from Shanghai Electric for a wind farm project of the Group in Tongyu County, Jilin Province, the PRC; and (ii) Haotai New Energy and Huayi Wind Energy Co., Ltd.* (華儀風能有限公司) (“**Huayi Wind Energy**”) entered into another purchase contract regarding the purchase of a set of wind power electricity generation equipment at a total consideration of RMB161,025,000, by Haotai New Energy from Huayi Wind Energy for another wind farm project of the Group in Tongyu County, Jilin Province, the PRC.
- (n) On 10 July 2019, Jilin Century Concord Wind Power Investment Co., Ltd.* (吉林協合風力發電投資有限公司) (“**Jilin Century Concord**”) (as lessee), Haotai New Energy (as supplier) and CITIC Financial Leasing Co., Ltd.* (中信金融租賃有限公司) (“**CITIC Financial Leasing**”) (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) CITIC Financial Leasing has agreed to purchase the equipment from Haotai New Energy, at the consideration of RMB383,490,000; and (ii) CITIC Financial Leasing has agreed to lease the equipment to Jilin Century Concord for a term of 12 years, to be payable in 48 quarterly installments, at an estimated total lease payments in the amount of approximately RMB580,378,718.
- (o) On 16 July 2019, Fuxin Century Concord Wind Power Equipment Manufacturing and Technical Services Co., Ltd.* (阜新協合風電設備製造及技術服務有限公司) (“**Fuxin Century Concord**”) and Zhejiang Windey entered into a purchase contract regarding the purchase of a set of wind power electricity generation equipment at a total consideration of RMB291,719,224.14, by Fuxin Century Concord from Zhejiang Windey for the wind farm project of the Group in Hubei Province, the PRC.
- (p) On 26 August 2019, Tianjin Century Concord and XEMC Wind Power Co., Ltd.* (湘電風能有限公司) (“**XEMC**”) entered into a purchase contract regarding the purchase of a set of wind power electricity generation equipment at a total consideration of RMB174,080,000, by Tianjin Century Concord from XEMC for the wind farm project of the Group in Henan Province, the PRC.
- (q) On 26 August 2019, Jilin Century Concord (as lessee), Haotai New Energy (as supplier) and CITIC Financial Leasing (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) CITIC Financial Leasing has agreed to purchase the equipment from Haotai New Energy, at

the consideration of RMB116,510,000; and (ii) CITIC Financial Leasing has agreed to lease the equipment to Jilin Century Concord for a term of 12 years, to be payable in 48 quarterly installments, at an estimated total lease payments in the amount of approximately RMB173,545,934.

- (r) On 26 August 2019, Shangcheng County Century (as lessee), Tianjin Century Concord (as supplier) and Huaneng Tiancheng (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) Huaneng Tiancheng has agreed to purchase the equipment from Tianjin Century Concord, at the consideration of RMB250,000,000; and (ii) Huaneng Tiancheng has agreed to lease the said equipment to Shangcheng Century Concord for a term of 12 years, to be payable in 48 quarterly installments, at an estimated total lease payments in the amount of approximately RMB384,977,994.
- (s) On 26 August 2019, Tongyu Century Concord (as lessee), Haotai New Energy (as supplier) and Huaneng Tiancheng (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) Huaneng Tiancheng has agreed to purchase the equipment from Haotai New Energy, at the consideration of RMB460,000,000; and (ii) Huaneng Tiancheng has agreed to lease the said equipment to Tongyu Century Concord for a term of 12 years, to be payable in 48 quarterly installments, at an estimated total lease payments in the amount of approximately RMB693,890,653.
- (t) On 17 October 2019, Xiangyang Yulong Wind Power Co., Ltd.* (襄陽峪龍風力發電有限公司) (“**Xiangyang Yulong**”) (as lessee), Haotai New Energy (as supplier) and Everbright Financial Leasing (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) Everbright Financial Leasing agreed to purchase the equipment from Haotai New Energy, at the consideration of RMB392,600,000; and (ii) Everbright Financial Leasing agreed to lease the said equipment to Xiangyang Yulong for a term of ten years, to be payable in 40 quarterly instalments, at an estimated total lease payments in the amount of approximately RMB544,957,717.
- (u) On 18 October 2019, Jingmen Lixi (as supplier and lessee) and Huaneng Tiancheng (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) Huaneng Tiancheng agreed to purchase the equipment from Jingmen Lixi, at the consideration of RMB60,000,000; and (ii) Huaneng Tiancheng agreed to lease back the said equipment to Jingmen Lixi for a term of 11 years, at an estimated total lease payments in the amount of approximately RMB90,933,959;

- (v) On 18 October 2019, Nanzhao Juhe (as supplier and lessee) and Huaneng Tiancheng (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) Huaneng Tiancheng agreed to purchase the equipment from Nanzhao Juhe, at the consideration of RMB110,000,000; and (ii) Huaneng Tiancheng agreed to lease back the said equipment to Nanzhao Juhe for a term of 11 years, at an estimated total lease payments in the amount of approximately RMB168,981,720.
- (w) On 18 October 2019, Xiangzhou Century Concord (as supplier and lessee) and Huaneng Tiancheng (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) Huaneng Tiancheng agreed to purchase the equipment from Xiangzhou Century Concord, at the consideration of RMB57,000,000; and (ii) Huaneng Tiancheng agreed to lease back the said equipment to Xiangzhou Century Concord for a term of 10 years, at an estimated total lease payments in the amount of approximately RMB82,466,835.
- (x) On 18 October 2019, Zaoyang Century Concord (as supplier and lessee) and Huaneng Tiancheng (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) Huaneng Tiancheng agreed to purchase the equipment from Zaoyang Century Concord, at the consideration of RMB60,000,000; and (ii) Huaneng Tiancheng agreed to lease back the said equipment to Zaoyang Century Concord for a term of 11 years, at an estimated total lease payments in the amount of approximately RMB82,618,022.
- (y) On 31 October 2019, Tianjin Century Concord and Envision Energy Co., Ltd.* (遠景能源有限公司) (“**Envision Energy**”) entered into (i) a purchase contract regarding the purchase of a set of wind power electricity generation equipment at a total consideration of RMB379,810,000, by Tianjin Century Concord from Envision Energy for a wind farm project of the Group in Bozhou City, Anhui Province, the PRC; and (ii) another purchase contract regarding the purchase of a set of wind power electricity generation equipment at a total consideration of RMB189,050,000, by Tianjin Century Concord from Envision Energy for another wind farm project of the Group in Bozhou City, Anhui Province, the PRC.
- (z) On 13 November 2019, Tianjin Century Concord and Zhejiang Windey entered into (i) a supplemental agreement to supplement a purchase contract dated 14 August 2019, to purchase additional 17 sets of wind power electricity generation equipment for the wind farm project of the Group in

Heilongjiang Province, the PRC at a consideration of RMB 155,380,000 and thus increase the total consideration payable by Tianjin Century Concord to RMB181,600,000; (ii) a purchase contract regarding the purchase of 60 sets of wind power electricity generation equipment at a total consideration of RMB569,400,000, by Tianjin Century Concord from Zhejiang Windey for the aforesaid wind farm project of the Group in Heilongjiang Province, the PRC; and (iii) another purchase contract regarding the purchase of 20 sets of wind power electricity generation equipment at a total consideration of RMB189,800,000, by Tianjin Century Concord from Zhejiang Windey for another wind farm project of the Group in Heilongjiang Province, the PRC.

- (aa) On 15 November 2019, Yilan County Century Concord Wind Power Co., Ltd.* (依蘭縣協合風力發電有限公司) (“**Yilan Century Concord**”) (as lessee), Tianjin Century Concord (as supplier) and CITIC Financial Leasing (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) CITIC Financial Leasing agreed to purchase the equipment from Tianjin Century Concord, at the consideration of RMB993,000,000; and (ii) CITIC Financial Leasing agreed to lease the equipment to Yilan Century Concord for a term of 12 years, to be payable in 48 quarterly instalments, at an estimated total lease payments in the amount of approximately RMB1,429,927,545.
- (bb) On 27 November 2019, Yongzhou Jiepai entered into an equity transfer agreement with China Nuclear Shandong Energy Co., Ltd.* (中核山東能源有限公司) (“**China Nuclear Shandong**”) and Tongdao Century Concord Wind Power Co., Ltd.* (通道協合風力發電有限公司) (“**Tongdao Century Concord**”), pursuant to which Yongzhou Jiepai agreed to sell and China Nuclear Shandong agreed to acquire the entire equity interest in Tongdao Century Concord, at the consideration of RMB244,380,000, payable by China Nuclear Shandong in accordance with the terms and conditions of the said equity transfer agreement.
- (cc) On 17 December 2019, Bozhou Century Concord (as lessee), Tianjin Century Concord (as supplier) and Everbright Financial Leasing (as purchaser and lessor) entered into a finance lease arrangement, pursuant to which (i) Everbright Financial Leasing agreed to purchase the equipment from Tianjin Century Concord, at the consideration of RMB442,614,000; and (ii) Everbright Financial Leasing agreed to lease the said equipment to Bozhou Century Concord for a term of 11 years, to be payable in 44 quarterly instalments, at an estimated total lease payments in the amount of approximately RMB619,887,258.

4. MATERIAL LITIGATION

No member of the Group was engaged in any litigation or claims of material importance, and no such litigation or claim of material importance was known to the Directors to be pending or threatened by or against any members of the Group, as at the Latest Practicable Date.

5. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with the Company or any member of the Group (excluding contracts expiring or determinable by the Group within one year without payment compensation (other than statutory compensation)).

6. SECRETARY OF THE COMPANY

The secretary of the Company is Mr. Chan Kam Kwan, Jason. Mr. Chan graduated from the University of British Columbia with a Bachelor of Commerce degree. Mr. Chan holds a certificate of Certified Public Accountant issued by Washington State Board of Accountancy in the United States, and has extensive experience acting as company secretary for listed companies.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the Company's principal place of business in Hong Kong at Suite 3901, 39th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong from the date of this circular up to and including the date of the SGM:

1. the Company's memorandum of association and by-laws;
2. the circular of the Company dated 24 April 2020;
3. the material contracts referred to in the section headed "3. Material Contracts" in this appendix; and
4. the annual reports of the Company for each of the two financial years ended 31 December 2017 and 2018, and the annual results announcement of the Company for the year ended 31 December 2019.

8. MISCELLANEOUS

The correspondence address of the Company is at Suite 3901, 39th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong.

The English texts of this circular and the accompanying form of proxy shall prevail over the Chinese texts.

NOTICE OF SPECIAL GENERAL MEETING



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)

NOTICE IS HEREBY GIVEN that the special general meeting (“SGM”) of Concord New Energy Group Limited (the “Company”) will be held at 10:00 a.m. on Wednesday, 13 May 2020 at Suite 3901, 39th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong to consider and, if thought fit, pass the following resolution of the Company:

Unless otherwise defined, capitalised terms used herein shall have the same meanings as ascribed to them in the circular of the Company dated 24 April 2020.

ORDINARY RESOLUTIONS

1. “**THAT:**

- (a) the agreements entered into pursuant to the Everbright Finance Lease Arrangement (including the Everbright Finance Lease Agreement, the Everbright Sale and Purchase Agreement and the Everbright Security Agreements, and copies of which are signed by the chairman of the SGM for identification purpose and have been tabled at the SGM), and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and
- (b) any one director of the Company (the “**Director**”) be and is hereby generally and unconditionally authorized to do all such acts and things, to sign and execute all such further documents for and on behalf of the Company by hand, or in case of execution of documents under seal, to do so jointly with any of a second Director, a duly authorized representative of the Director or the company secretary of the Company (the “**Company Secretary**”) and to take such steps as he may in his absolute discretion consider necessary, appropriate, desirable or expedient to give effect to or in connection with the transactions contemplated under the Everbright Finance Lease Arrangement.”

* *For identification purpose only*

NOTICE OF SPECIAL GENERAL MEETING

2. **“THAT:**

- (a) the agreements entered into pursuant to the Huaneng Tiancheng Finance Lease Arrangement I (including the Huaneng Tiancheng Finance Lease Agreement I, the Huaneng Tiancheng Transfer Agreement and the Huaneng Tiancheng Security Agreements, and copies of which are signed by the chairman of the SGM for identification purpose and have been tabled at the SGM), and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and

- (b) any one Director be and is hereby generally and unconditionally authorized to do all such acts and things, to sign and execute all such further documents for and on behalf of the Company by hand, or in case of execution of documents under seal, to do so jointly with any of a second Director, a duly authorized representative of the Director or the Company Secretary and to take such steps as he may in his absolute discretion consider necessary, appropriate, desirable or expedient to give effect to or in connection with the transactions contemplated under the Huaneng Tiancheng Finance Lease Arrangement I.”

3. **“THAT:**

- (a) the agreements entered into pursuant to the Huaneng Tiancheng Finance Lease Arrangement II (including the Huaneng Tiancheng Finance Lease Agreement II (the execution of the Huaneng Tiancheng Finance Lease Agreement II is conditional on the approval/completion of the Huaneng Tiancheng Transfer Agreement, while the execution of the Huaneng Tiancheng Transfer Agreement is not conditional on the approval/completion of the Huaneng Tiancheng Finance Lease Agreement II) and the Huaneng Tiancheng Security Agreements, and copies of which are signed by the chairman of the SGM for identification purpose and have been tabled at the SGM), and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and

NOTICE OF SPECIAL GENERAL MEETING

- (b) any one Director be and is hereby generally and unconditionally authorized to do all such acts and things, to sign and execute all such further documents for and on behalf of the Company by hand, or in case of execution of documents under seal, to do so jointly with any of a second Director, a duly authorized representative of the Director or the Company Secretary and to take such steps as he may in his absolute discretion consider necessary, appropriate, desirable or expedient to give effect to or in connection with the transactions contemplated under the Huaneng Tiancheng Finance Lease Arrangement II.”

For and on behalf of
Concord New Energy Group Limited
Chan Kam Kwan, Jason
Company Secretary

Hong Kong, 24 April 2020

Notes:

1. Any shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
2. In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed must be deposited at the branch share registrar of the Company, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time fixed for holding the meeting. Completion and return of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the SGM or any adjournment thereof, should he/she so wish. In such event, the instrument appointing a proxy shall be deemed to be revoked.
3. As at the date of this notice, the board of Directors comprises Mr. Liu Shunxing (Chairman), Ms. Liu Jianhong (Vice Chairperson), Mr. Yu Weizhou (Chief Executive Officer), Mr. Gui Kai, Mr. Niu Wenhui, Dr. Shang Li and Mr. Zhai Feng (all of above are executive Directors), Mr. Wang Feng (who is a non-executive Director) and Mr. Yap Fat Suan, Henry, Dr. Jesse Zhixi Fang, Ms. Huang Jian and Mr. Zhang Zhong (who are independent non-executive Directors).
4. As required under the Listing Rules, the above resolutions will be decided by way of poll.