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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)

**(1) RESULTS OF THE EXCHANGE OFFER IN RELATION TO
THE OUTSTANDING 7.90% SENIOR NOTES DUE 2021
(ISIN (Reg S): XS1676123851, Common Code (Reg S): 167612385,
Stock Code: 5099)**

AND

(2) CONCURRENT NEW MONEY ISSUANCE

Reference is made to the announcements of Concord New Energy Group Limited (協合新能源集團有限公司*) (the “**Company**”) dated September 8, 2020, September 9, 2020 and September 10, 2020 in respect of the Exchange Offer in relation to the outstanding 7.90% Senior Notes due 2021 and the Concurrent New Money Issuance (the “**Announcements**”). Unless the context herein defines otherwise, capitalized terms used in this announcement shall have the same meanings as defined in the Announcements or the Exchange Offer Memorandum.

RESULTS OF THE EXCHANGE OFFER AND PRICING OF THE CONCURRENT NEW MONEY ISSUANCE

As set out in the Exchange Offer Memorandum, the Exchange Offer expired at 4:00 p.m., London time, on September 16, 2020. The Company is pleased to announce that, as of the Exchange Expiration Deadline, US\$82,373,000 of the Existing Notes, representing approximately 41.19% of the aggregate principal amount of the Existing Notes, had been validly tendered for exchange pursuant to the Exchange Offer.

Further, the Board is pleased to announce that on September 17, 2020, the Company, together with the Subsidiary Guarantors, priced the Concurrent New Money Issuance. The Company, together with the Subsidiary Guarantors, entered into a purchase agreement (the “**Purchase Agreement**”) with UBS, Haitong International, Oriental Patron and China Everbright Bank Hong Kong Branch (the “**Initial Purchasers**”) in connection with the Concurrent New Money Issuance. See further details in “*The Purchase Agreement in relation to the Concurrent New Money Issuance*” and “*Principal Terms of the New Notes*” below.

Subject to the terms and conditions of the Exchange Offer, the Company will accept the validly tendered Existing Notes for exchange in full with no pro rata scaling. With respect to the Existing Notes tendered for exchange, subject to the fulfillment or waiver of the conditions precedent to the Exchange Offer and taking into account the Exchange Consideration under the Exchange Offer, the Company expects to issue US\$83,448,000 in principal amount of the New Notes (which includes Capitalized Interest) pursuant to the Exchange Offer (the “**New Exchange Notes**”).

Other terms and conditions of the Exchange Offer remain the same as announced in the Announcements.

THE PURCHASE AGREEMENT IN RELATION TO THE CONCURRENT NEW MONEY ISSUANCE

Date: September 17, 2020

Parties to the Purchase Agreement

- (a) the Company as the issuer;
- (b) the Subsidiary Guarantors; and
- (c) the Initial Purchasers.

The pricing of the additional New Notes, including the aggregate principal amount and the offering price was determined through a book building exercise conducted by UBS, Haitong International, Oriental Patron and China Everbright Bank Hong Kong Branch as the joint lead managers and joint bookrunners. In respect of the offer and sale of the additional New Notes, UBS, Haitong International, Oriental Patron and China Everbright Bank Hong Kong Branch are also the Initial Purchasers of the additional New Notes. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Initial Purchasers is an independent third party and not a connected person of the Company.

The New Notes and the guarantees given by the Subsidiary Guarantors of the New Notes (the "**Subsidiary Guarantees**") have not been and will not be registered under the Securities Act or any state securities laws and, unless so registered, may not be offered or sold within the United States or to U.S. persons (as defined in Regulation S under the U.S. Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the New Notes and the Subsidiary Guarantees are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. None of the New Notes and the Subsidiary Guarantees will be offered to the public in Hong Kong.

Principal Terms of the New Notes

Subject to the fulfillment or waiver of the conditions precedent to the Exchange Offer and the Concurrent New Money Issuance, the Company will issue the New Notes (ISIN (Reg S): XS2192432271, Common Code (Reg S): 219243227) with an aggregate principal amount of US\$90,000,000, consisting of US\$83,448,000 principal amount of New Exchange Notes issued in the Exchange Offer and US\$6,552,000 principal amount of additional New Notes to be issued pursuant to the Concurrent New Money Issuance.

Maturity

The New Notes will mature on September 24, 2023.

Issue Price

The issue price of the additional New Notes will be 100% of the principal amount.

Final Interest Rate

The New Notes will bear interest at a rate of 10.75% per annum, payable semi-annually in arrears.

Ranking of the New Notes

The New Notes are general obligations of the Company and are guaranteed by the Subsidiary Guarantors on a senior basis, subject to certain limitations on the issue date of the New Notes. The New Notes are (1) senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the New Notes; (2) at least pari passu in right of payment with the Existing Notes and all other unsecured, unsubordinated indebtedness of the Company (subject to any priority rights of such unsecured, unsubordinated indebtedness pursuant to applicable law); (3) effectively subordinated to the secured obligations (if any) of the Company and the Subsidiary Guarantors, to the extent of the value of the assets serving as security therefor; and (4) effectively subordinated to all existing and future obligations of the subsidiaries of the Company which are not Subsidiary Guarantors.

Covenants

The New Notes, the indenture governing the New Notes that specifies the terms and conditions of the New Notes (the “**Indenture**”) and the Subsidiary Guarantees will limit the Company’s ability and the ability of certain of its subsidiaries to, among other things:

- (a) incur or guarantee additional indebtedness and issue disqualified or preferred stock;
- (b) declare dividends on its capital stock or purchase or redeem capital stock;
- (c) make investments or other specified restricted payments;
- (d) issue or sell capital stock of certain of its subsidiaries;
- (e) guarantee indebtedness of certain of its subsidiaries;
- (f) sell assets;
- (g) create liens;
- (h) enter into sale and leaseback transactions;
- (i) enter into agreements that restrict certain of its subsidiaries’ ability to pay dividends, transfer assets or make intercompany loans;
- (j) enter into transactions with shareholders or affiliates;
- (k) effect a consolidation or merger; and
- (l) engage in any business other than permitted business.

Events of Default

The events of default under the New Notes include, among others:

- (a) default in the payment of principal;
- (b) default in the payment of interest;
- (c) default in the performance or breach of certain covenants under the Indenture or the New Notes;
- (d) default by the Company or certain of its subsidiaries in the performance or breach of the provisions of certain covenants under the Indenture or the New Notes;
- (e) default by the Company or certain of its subsidiaries in the repayment of indebtedness having, in the aggregate, an outstanding principal amount in excess of US\$10.0 million;
- (f) one or more final judgments or orders for the payment of money are rendered against the Company or certain of its subsidiaries and are not paid or discharged;
- (g) involuntary bankruptcy or insolvency proceedings against the Company or certain of its subsidiaries;
- (h) voluntary bankruptcy or insolvency proceedings commenced by the Company or certain of its subsidiaries or consent to such similar action;
- (i) any Subsidiary Guarantor denying or disaffirming its obligations under its Subsidiary Guarantee or, except as permitted by the Indenture, any Subsidiary Guarantee being determined to be unenforceable or invalid or for any reason ceasing to be in full force and effect; or
- (j) if an event of default (other than an event of default specified in (g) or (h) above) occurs and is continuing under the Indenture, the trustee or the holders of at least 25% in aggregate principal amount of outstanding New Notes may declare the principal of, premium, if any, and accrued and unpaid interest on the New Notes to be immediately due and payable. If an event of default specified in (g) or (h) above occurs with respect to the Company or certain of its subsidiaries, the principal of, premium, if any, and accrued and unpaid interest on the New Notes then outstanding shall be immediately due and payable.

Optional Redemption

At any time prior to September 24, 2023, the Company may at its option redeem the New Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the New Notes redeemed plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date.

At any time and from time to time prior to September 24, 2023, the Company may at its option redeem up to 35% of the aggregate principal amount of the New Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price of 110.75% of the principal amount of the New Notes redeemed, plus accrued and unpaid interest, if any, to (but not including) the redemption date; provided that at least 65% of the aggregate principal amount of the New Notes originally issued on the original issue date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.

Use of Proceeds

The Company is an investment holding company and the Group is principally engaged in the investment in and operation of wind and solar power plants, power plant operation and maintenance and other businesses.

The gross proceeds of the New Notes will be US\$6,552,000 million, which after deduction of commissions and estimated expenses, the Company intends to use for refinancing certain existing offshore indebtedness of the Company, fund wind and solar power projects and for general corporate purpose. The net proceeds received by the Company from the Concurrent New Money Issuance will be used in accordance with its green bond framework.

Ratings

The New Notes are expected to be rated “BB-” by Fitch Ratings Services.

Listing

The Company will seek a listing of the New Notes on the Stock Exchange. A confirmation of the eligibility of the listing of the New Notes has been received from the Stock Exchange. Admission of the New Notes to the Stock Exchange is not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors or the New Notes.

SETTLEMENT

The settlement date is expected to occur on or about September 24, 2020 (the “**Settlement Date**”), unless extended or earlier terminated.

On the Settlement Date, subject to the fulfillment or waiver of the conditions precedent to the Exchange Offer and the Concurrent New Money Issuance, the Company will (1) deliver US\$83,448,000 in principal amount of New Exchange Notes and US\$851,384.08 in cash in full satisfaction of the Exchange Consideration to Eligible Holders whose Existing Notes have been validly tendered and accepted for exchange; and (2) issue additional New Notes with a principal amount of US\$6,552,000.

The additional New Notes will be consolidated and form a single series with the New Exchange Notes. Upon consolidation, the total aggregate principal amount of the New Notes will be US\$90,000,000.

Following consummation of the Exchange Offer, the outstanding principal amount of the Existing Notes will be US\$117,627,000.

No assurance can be given that any of the Exchange Offer and the Concurrent New Money Issuance will be completed and the Company reserves the right, in its sole and absolute discretion, to extend, withdraw or terminate the Exchange Offer and the Concurrent New Money Issuance and amend, modify or waive any of the terms and conditions of the Exchange Offer and the Concurrent New Money Issuance, in each case in whole or in part, at any time before the Settlement Date. As the Exchange Offer and the Concurrent New Money Issuance may or may not proceed to settlement, shareholders of the Company, holders of the Existing Notes and potential investors in any securities of the Company should exercise caution when dealing in the securities of the Company or the Existing Notes.

GENERAL

None of this announcement, the Announcements and the Exchange Offer Memorandum is an offer to purchase, a solicitation of an offer to purchase, an offer to sell or a solicitation of an offer to sell, securities in the United States or elsewhere. No securities of the Company or any of its subsidiaries are being, or will be, registered under the U.S. Securities Act or the securities laws of any state of the United States, and no such securities may be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state or local securities laws. No public offering of securities is being or will be made in the United States or any other jurisdiction. Nothing in this communication shall constitute an offer to sell or the solicitation of an offer to buy securities in any jurisdiction in which such offer or sale would be unlawful.

The distribution of this announcement, the Announcements and the Exchange Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this announcement comes are required to inform themselves about, and to observe, any such restrictions.

Each of this announcement, the Announcements and the Exchange Offer Memorandum does not constitute, and may not be used in connection with, an offer to buy any securities or a solicitation to sell any securities by anyone in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such an offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make an offer or a solicitation. The Company will not accept any responsibility for any violation by any person of the restrictions applicable in any jurisdiction.

By order of the board
Concord New Energy Group Limited
Liu Shunxing
Chairman

Hong Kong, September 18, 2020

As at the date of this announcement, the Board comprises Mr. Liu Shunxing (Chairman), Ms. Liu Jianhong (Vice Chairperson), Mr. Gui Kai (Chief Executive Officer), Mr. Niu Wenhui, Dr. Shang Li and Mr. Zhai Feng (all of above are executive Directors), Mr. Wang Fen (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).

* *For identification purposes only*