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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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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).

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



### 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 TRANSACTION FINANCE LEASE ARRANGEMENT AND NOTICE OF SPECIAL GENERAL MEETING

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SGM of the Company will be held at 10:00 a.m. on Monday, 10 May 2021 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
- 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 reminds Shareholders that they may appoint the chairman of the meeting as their proxy to vote on the relevant resolution at the SGM as an alternative to attending the SGM.

23 April 2021

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## PRECAUTIONARY MEASURES FOR THE SPECIAL GENERAL MEETING

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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 the COVID-19 guidelines issued by the Government of Hong Kong (available at [www.chp.gov.hk/en/features/102742.html](http://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 resolution at the SGM instead of attending the SGM in person.

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## DEFINITIONS

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

“Applicable Percentage Ratio”, “connected person” and “subsidiary”	have the meanings ascribed to them under the Listing Rules;
“Board”	board of Directors;
“Century Concord Wind Power”	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 Shares of which are listed on the Main Board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Equipment”	certain machinery and equipment for the operation of the Power Plant as stipulated under the Finance Lease Agreement;
“Finance Lease Agreement”	the finance lease agreement entered into between the Lessee and the Financier on 25 March 2021 for the sale by the Lessee of the Equipment to the Financier and the leasing of the Equipment to the Lessee from the Financier;
“Finance Lease Arrangement”	the transactions contemplated under the Finance Lease Agreement;
“Financier”	Bank of Beijing Financial Leasing Co., Ltd.* (北銀金融租賃有限公司), a company established in the PRC with limited liability;
“Group”	the Company and its subsidiaries;
“GW”	gigawatt;

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## DEFINITIONS

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“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Latest Practicable Date”	19 April 2021, the latest practicable date before the printing of this circular for ascertaining certain information contained herein;
“Lease Payment(s)”	the monthly lease payment(s) payable by the Lessee to the Financier under the Finance Lease Agreement in consideration of the Financier leasing the Equipment to the Lessee;
“Lease Period”	the 10-year period commencing from the date of the payment of the Purchase Price by the Financier;
“Lessee”	Feixi Century Concord Wind Power Co., Ltd.* (肥西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;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“LPR”	the loan prime rate (貸款市場報價利率) announced by the National Interbank Funding Center (全國銀行間同業拆借中心) from time to time;
“March 2021 Finance Lease Arrangement”	the transactions contemplated under the finance lease agreement entered into between Yongzhou Qiaotoupu and the Financier on 19 March 2021 for the sale of certain machinery and equipment at the purchase price of RMB300 million for the Group’s operation of the 48MW wind power plant situated in Qiaotoupu, Tuojiang Town, Jianghua Yao Autonomous County, Yongzhou City, Hunan Province, the PRC to the Financier and the lease of the aforesaid equipment back from the Financier, as detailed in the announcement of the Company dated 19 March 2021;

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## DEFINITIONS

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“MW”	megawatt;
“Power Plant”	the 26MW wind power plant situated in Feixi Lianhua Mountain, Feixi County, Hefei City, Anhui Province, the PRC (中國安徽省合肥市肥西縣肥西蓮花山), which uses the Equipment;
“PRC”	the People’s Republic of China, which, for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“Purchase Price”	the purchase price payable by the Financier for the purchase of the Equipment;
“RMB”	Renminbi, the lawful currency of the PRC;
“September 2020 Finance Lease Arrangements”	<p>(i) the transactions contemplated under the finance lease agreement entered into between Kangbao Century Concord Xuwulin Wind Power Co., Ltd.* (康保協合徐五林風力發電有限公司) (a wholly-owned subsidiary of the Company) and the Financier on 30 September 2020 for the sale of certain machinery and equipment at the purchase price of RMB320 million for the Group’s operation of the 48MW wind power plant in Kangbao County, Zhangjiakou City, Hebei Province, the PRC to the Financier and the lease of the aforesaid equipment back from the Financier, as detailed in the announcement of the Company dated 30 September 2020; and</p> <p>(ii) the transactions contemplated under the finance lease agreement entered into between Yongzhou Hongtang Century Concord Wind Power Co., Ltd.* (永州洪塘協合風力發電有限公司) (a wholly-owned subsidiary of the Company) and the Financier on 30 September 2020 for the sale of certain machinery and equipment at the purchase price of RMB270 million for the Group’s operation of the 48MW wind power plant in Jiepai Township, Yongzhou City, Jianghua Yao Autonomous Region, the PRC to the Financier and the lease of the aforesaid equipment back from the Financier, as detailed in the announcement of the Company dated 30 September 2020;</p>

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## DEFINITIONS

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“SGM”	the special general meeting of the Company to be held at 10:00 a.m. on Monday, 10 May 2021 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);
“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;
“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;
“Yongzhou Qiaotoupu”	Yongzhou Qiaotoupu Century Concord Wind Power Co., Ltd.* (永州橋頭鋪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; and
“%”	per cent.

*For the purposes of this circular, the exchange rates of HK\$1.00=RMB0.84 has been used for currency translation. Such exchange rate is for illustration purposes only and does not constitute any representations that any amount in HK\$ or RMB has been, could have been or may be converted at such rate.*

\* For identification purposes only

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LETTER FROM THE BOARD

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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)**

*Executive Directors:*

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

*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

23 April 2021

*To the Shareholders:*

Dear Sir or Madam,

**MAJOR TRANSACTION  
FINANCE LEASE ARRANGEMENT**

**INTRODUCTION**

Reference is made to the announcement of the Company dated 25 March 2021 in relation to the Finance Lease Arrangement agreed between the Lessee and the Financier.

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## LETTER FROM THE BOARD

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### FINANCE LEASE ARRANGEMENT

#### Finance Lease Agreement

On 25 March 2021, the Lessee and the Financier agreed on the Finance Lease Arrangement by way of entering into the Finance Lease Agreement, pursuant to which (i) the Financier shall purchase the Equipment from the Lessee at a purchase price of RMB180 million for the purposes of leasing the Equipment back to the Lessee; and (ii) the Lessee shall lease the Equipment from the Financier for the Lease Period in consideration of the Lessee paying to the Financier the monthly Lease Payments.

Date: 25 March 2021

Parties: (i) the Financier as the purchaser and the lessor; and  
(ii) the Lessee as the seller and the lessee.

Subject asset: The Equipment, which shall be purchased by the Financier from the Lessee for the purposes of leasing the Equipment back to the Lessee, and shall subsequently be leased from the Financier by the Lessee.

The following table sets out the details of the Equipment which shall be purchased by the Financier:

Asset nature/ Type	Estimated remaining useful life	Current condition	Current accounting treatment	Book value
				as at 28 February 2021 <i>(RMB million)</i>
Turbines	15 years	Fully installed <sup>(1)</sup>	Fully booked	84.0
Tower tubes	15 years	Fully installed <sup>(1)</sup>	Fully booked	22.8
Power cables	15 years	Fully installed <sup>(1)</sup>	Fully booked	9.2
Control and protection system	15 years	Fully installed <sup>(1)</sup>	Fully booked	4.1
Transformers and other assets	15 years	Fully installed <sup>(1)</sup>	Fully booked	74.4
Total				<u>194.5</u>

Note:

(1) The relevant equipment has been installed in April 2016.

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## LETTER FROM THE BOARD

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Purchase price and completion:

The Purchase Price payable by the Financier to the Lessee for the purchase of the Equipment shall be RMB180 million (approximately HK\$214.3 million), which was determined after arm's length negotiation between the Lessee and the Financier with reference to the book value of the Equipment and the amount of general working capital needs required by the Group under the Finance Lease Arrangement.

The Purchase Price shall be payable after the fulfilment of the following conditions:

- (a) the Financier having received from the Lessee documents that demonstrate the title to the Equipment belongs to the Financier;
- (b) there being no breach by the Lessee of the Finance Lease Agreement and any other existing contracts between the Lessee and the Financier;
- (c) all the security documents as mentioned below (the "**Security Documents**") having been duly executed and all the relevant procedures for the Security Documents having been completed;
- (d) the Lessee having insured the Equipment with the Financier being named as the first beneficiary of such insurance;
- (e) all the outstanding loans owned by the Lessee and Yongzhou Qiaotoupu, having been fully settled, and the pledge on the electricity income of the Lessee having been released; and
- (f) all other conditions or relevant procedures as required by the Finance Lease Agreement having been satisfied or completed.

The Purchase Price is expected to be paid around the end of May 2021.

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## LETTER FROM THE BOARD

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Since the Purchase Price is lower than the book value of the Equipment, the transaction under the Finance Lease Arrangement will give rise to a deficit of approximately RMB14.5 million. The Purchase Price only represents the amount that the Group will borrow. According to the Hong Kong Financial Reporting Standards, the transactions under the Finance Lease Arrangement will not give rise to any disposal gain or loss to be recorded by the Group.

Hence, upon comprehensively considering the book value of the Equipment and the amount of the general working capital needs required by the Group under the Finance Lease Arrangement, the Directors consider that the Purchase Price is fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

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

Lease term: The Lease Period, being a 10-year period commencing from the date of the payment of the Purchase Price by the Financier.

Lease payments and interest rate: The Lessee shall pay monthly Lease Payments to the Financier during the Lease Period. The total Lease Payments represents the Purchase Price plus interest attributable to the Purchase Price under the Finance Lease Arrangement to be determined based on the following applicable interest rate.

The applicable interest rate is a floating interest rate equal to the relevant 5-year LPR plus 0.55%. The relevant LPR for the first Lease Payment is the LPR announced on 20 January 2021, being 4.65%, which gives rise to an applicable interest rate of 5.20% for the first Lease Payment. The applicable interest rate will be adjusted annually on the first monthly Lease Payment in each calendar year, which will, after adjustment, equal to the latest LPR plus 0.55%. Assuming the applicable interest rate was 5.20% throughout the Lease Period, the total Lease Payments would be approximately RMB232.1 million (approximately HK\$276.3 million).

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## LETTER FROM THE BOARD

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The Lease Payments and the applicable interest rate were determined after arm's length negotiation between the Lessee and the Financier with reference to the prevailing market cost of equipment finance lease.

The 0.55% premium, which is fixed, is determined with reference to, among others, the prevailing market interest rate, the amount of the security deposit payable by the Group under the 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 Equipment, where interest rates per annum ranged from adding 55 to 285 basic points (each basic point represents 0.01%) above the LPR.

Upon comprehensively considering the overall costs of the finance lease, such as the amount of the security deposit of RMB5.4 million (representing 3% of the Purchase Price) and the interest rate, the Board is of the view that the applicable interest rate adjusted based on the aforesaid adjusting mechanism and the total Lease Payments so determined are fair and reasonable.

Security documents: As security for the due performance of all the Lessee's obligations under the Finance Lease Agreement, the Lessee and certain wholly-owned subsidiaries of the Company (namely Century Concord Wind Power, Yongzhou Jiepai and Yongzhou Qiaotoupu) shall, in favour of the Financier, execute the Security Documents consisting of the guarantees, and the pledges on (i) the land parcels where the booster station and the 13 units of wind turbines of the Power Plant are situated, (ii) the entire equity interest in the Lessee and Yongzhou Qiaotoupu, (iii) the electricity income arising from the operation of the Power Plant and the power plant of Yongzhou Qiaotoupu, and (iv) the Equipment. The Finance Lease Agreement and the Security Documents have no material adverse effect on the operation and management of the Group's businesses.

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## LETTER FROM THE BOARD

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Security deposit: To secure the due performance of the Lessee's obligations under the Finance Lease Agreement, the Lessee shall pay a security deposit of RMB5.4 million (approximately HK\$6.4 million) to the Financier, which shall be paid on the date of the payment of the Purchase Price by the Financier.

The amount of the security deposit is determined after arm's length negotiation between the Financier and the Lessee, having taken into account of (i) the security deposits quoted by various finance lease companies in the PRC (ranged from 0% to 5% of the Purchase Price); and (ii) the overall financing costs of the Finance Lease Arrangement, including the floating interest rate. Accordingly, the Board is of the view that the security deposit is on normal commercial terms, fair and reasonable.

The security deposit will be refunded to the Lessee within seven days upon the Lessee having fully performed all the obligations under the Finance Lease Agreement.

Buyback option: Upon the expiry of the Lease Period, the Lessee has the option to buy back the Equipment from the Financier at a consideration of RMB100.

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## LETTER FROM THE BOARD

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### REASONS FOR AND BENEFITS OF THE FINANCE LEASE ARRANGEMENT

The entering into the Finance Lease Arrangement is in the ordinary and usual course of business of the Group, which allows the Group to obtain financial resources and gain access to certain equipment as required for its operations. The Directors consider that the terms of the Finance Lease Arrangement are on normal commercial terms, fair and reasonable and are in the interests of the Shareholders as a whole. For the Finance Lease Arrangement, the book value of the Equipment as at 28 February 2021 is approximately RMB194.5 million (approximately HK\$231.5 million). According to the Hong Kong Financial Reporting Standards, the transactions under the Finance Lease Arrangement will not give rise to any disposal gain or loss to be recorded by the Group.

### INTENDED USE OF PROCEEDS

Under the Finance Lease Arrangement, the Company will generate total disposal proceeds of RMB180 million, which will be used as general working capital to finance the business operation and activities of the Group within its ordinary course of business, including the purchase of wind and photovoltaic power equipment.

### FINANCIAL EFFECTS OF ENTERING INTO THE FINANCE LEASE ARRANGEMENT ON THE GROUP

Concerning the financial impact of the Group as a result of the Finance Lease Arrangement, the total asset would increase by RMB180,000,000 to reflect the Purchase Price of the Equipment of RMB180,000,000. In addition, the total liability of the Group will also increase by RMB180,000,000 to reflect the accounting treatment of the financial lease of the Equipment. Pursuant to the Finance Lease Arrangement, the estimated aggregate interest during the Lease Period will be RMB52,100,000.

### INFORMATION OF THE PARTIES TO THE FINANCE LEASE ARRANGEMENT

The Company is an investment holding company. 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.

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

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## LETTER FROM THE BOARD

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The Financier is a company established in the PRC, which is principally engaged in the business of equipment finance leasing. Insofar as the Company is aware, as at the Latest Practicable Date, the Financier is owned as to approximately 64.51% by Bank of Beijing Co., Ltd. (北京銀行股份有限公司), a company listed on the Shanghai Stock Exchange (Stock code: 601169).

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Financier and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

### LISTING RULES IMPLICATIONS

As the highest Applicable Percentage Ratio for the Finance Lease Arrangement on a standalone basis exceeds 5% but is less than 25%, the entering into the Finance Lease Arrangement on a standalone basis constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

As the transactions contemplated under the September 2020 Finance Lease Arrangements and the March 2021 Finance Lease Arrangement (the “**Previous Finance Lease Arrangements**”) are conducted within a 12-month period before the date of the Finance Lease Agreement, the transactions contemplated under the Previous Finance Lease Arrangements and the Finance Lease Arrangement (the “**Aggregated Transactions**”) shall be aggregated under Chapter 14 of the Listing Rules resulting in a highest Applicable Percentage Ratio on an aggregated basis exceeds 25% but is less than 75%, the Aggregated Transactions on an aggregated basis constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and are thus subject to the notification, publication, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The SGM will be convened by the Company to consider and, if thought fit, approve the Finance Lease Arrangement by the Shareholders. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder has a material interest in the transactions contemplated under Finance Lease Arrangement and is required to abstain from voting on the relevant resolution at the SGM.

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## LETTER FROM THE BOARD

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### SPECIAL GENERAL MEETING

The SGM shall be held at 10:00 a.m. on Monday, 10 May 2021 at Suite 3901, 39th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong, for the purposes of considering and, if thought fit, approving, among other things, the agreements executed pursuant to the Finance Lease Arrangement 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, the resolution 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 Arrangement 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 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 2020**

Consolidated financial information of the Group for each of the three financial years ended 31 December 2018, 2019 and 2020 are disclosed in the following documents which have been published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.cnegroup.com](http://www.cnegroup.com)) respectively:

- Annual Report 2020 (pages 94 to 300):  
<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0407/2021040701680.pdf>
- Annual Report 2019 (pages 208 to 428):  
<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0429/2020042901834.pdf>
- Annual Report 2018 (pages 175 to 399):  
<https://www1.hkexnews.hk/listedco/listconews/sehk/2019/0325/lt201903251186.pdf>

**2. STATEMENT OF INDEBTEDNESS**

As at 28 February 2021, 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 RMB2,956,576,800. Among these bank borrowings, there was a unsecured bank loan of RMB945,200,000 that was guaranteed by subsidiaries and a bank loan of RMB2,011,376,800 that was guaranteed by the Company and/or subsidiaries of the Company, and was secured by fixed assets with net carrying value of approximately RMB407,298,000, account receivables with carrying value of approximately RMB572,038,000 and share capital with net carrying value of approximately RMB94,000,000.

Besides, the Group had outstanding finance lease from third parties of approximately RMB4,857,905,400, which was guaranteed by the Company and/or subsidiaries of the Company, and was secured by fixed assets with net carrying value of approximately RMB1,769,434,000, account receivables with carrying value of approximately RMB236,293,000 and share capital with net carrying value of approximately RMB1,425,905,600. There was a contingent liability of RMB422,285,000, which was guaranteed by the Company and/or subsidiaries of the Company and was unsecured.

In addition, the Group had issued the unsecured bonds guaranteed by the Company and/or subsidiaries of the Company to third parties of approximately RMB973,275,000.

Save as aforesaid and apart from intra-group liabilities, as at 28 February 2021, 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 or other contingent liabilities.

### **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 2020, being the date to which the latest published audited financial statements of the Group were made up.

### **5. FINANCIAL AND TRADING PROSPECT OF THE GROUP**

In 2020, the Group have overcome many difficulties especially the COVID-19 pandemic, and finally achieved outstanding results with higher key operating indicators, better asset quality, stronger resistant ability against risks, and more project reserves. During the year ended 31 December 2020, the Group had a total of 13 projects (1,068MW in total) included in the Wind Power and Photovoltaic Power Construction Plans for 2020 published by the state and various provinces. New construction index obtained and newly approved projects during the year ended 31 December 2020 were all high-quality grid parity projects with larger scale and better resource conditions. In 2020, the attributable installed capacity of newly put into production projects reached a record high, reaching 662MW. Besides, by implementing the “build and transfer” strategy, the Group sold certain renewable energy subsidised power plants with a total installed capacity attributable to the Group of 643.7MW. The Group’s attributable power generation amounted to 4.75 billion kWh in the year, representing an increase of 8.7% over last year, and realized a revenue of RMB2.001 billion, an increase of 9.0% over the same period last year.

In 2020, the environment of the renewable energy industry has undergone tremendous changes. China proposed the targets of peaking carbon dioxide emissions before 2030 and achieving carbon neutrality before 2060 and listed it as one of the key tasks of Central Economic Work in 2021. New energy power generation such as wind and photovoltaic power generation is an important means to achieve the targets of peaking carbon dioxide emissions and achieving carbon neutrality, as well as the goal of “the total installed capacity of wind power and solar power generation reaching 1,200GW or above by 2030” proposed by China. Wind and photovoltaic power generation will usher in the opportunity of accelerated development. After fifteen years of development, the Group has laid a solid foundation and formed multi-business synergetic development layout composed of power plant investment, intelligent O&M and R&D of energy IoT, engineering consultancy and design as well as financial leasing, accumulating extensive experience in human resources, financial resources, intangible assets and industry experience. The Group has sufficient project reserves, and possesses strong development capability and professional construction capability in the industry, and its competitiveness in the industry has been greatly improved. We are confident to seize the opportunities for development in the industry and achieve the sustainable and healthy development in the long run.

In 2021, we will continue to implement the principle of steady development, strengthen our strategic research and actively adjust our operation strategies according to changes in the industry. The Group will be committed to lowering the levelized cost of energy, continuously optimizing asset quality, vigorously developing high-quality photovoltaic and wind power projects, accelerating the progress of project construction and production, and vigorously developing the service business to build an influential service business brand in the industry.

**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 Directors	Nature of interest				Total	Approximate percentage of the total issued share capital (%)
	Personal	Family	Corporate			
Liu Shunxing	27,000,000 <sup>(1)</sup>	—	1,845,484,242 <sup>(1)</sup>	1,872,484,242	22.38	
Liu Jianhong	23,710,000 <sup>(2)</sup>	—	150,000,000 <sup>(2)</sup>	173,710,000	2.08	
Gui Kai	11,600,000	—	—	11,600,000	0.14	
Niu Wenhui	12,000,000	—	—	12,000,000	0.14	
Shang Jia	4,000,000	—	—	4,000,000	0.05	
Yap Fat Suan, Henry	2,000,000	—	—	2,000,000	0.02	
Jesse Zhixi Fang	1,800,000	—	—	1,800,000	0.02	
Huang Jian	1,800,000	—	—	1,800,000	0.02	
Zhang Zhong	1,800,000	—	—	1,800,000	0.02	

*Notes:*

- (1) 1,147,877,155 shares are held by China Wind Power Investment Limited (CWPI) and 697,607,087 shares are held by Splendor Power Limited. CWPI is wholly-owned by Permanent Growth Limited. Mr. Liu Shunxing held as to 46.77% of the issued shares of Permanent Growth Limited and held as to 99% of the issued shares of Splendor Power Limited. Mr. Liu Shunxing beneficially holds 27,000,000 Shares.
- (2) 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. Ms. Liu Jianhong beneficially holds 23,710,000 Shares.

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 2020, 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 <sup>(1)</sup>	1,147,877,155	13.72
Huadian Fuxin International Investment Company Limited	880,000,000	10.52
Splendor Power Limited <sup>(2)</sup>	697,607,087	8.34

(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 Asia Strategic Pte. Ltd. (“Goldman Sachs”) <sup>(3)</sup>	432,390,000	5.17

*Notes:*

- The Shares are held by China Wind Power Investment Limited, which is wholly owned by Permanent Growth Limited. Mr. Liu Shunxing (“Mr. Liu”) holds 46.77% of the issued shares of Permanent Growth Limited. Mr. Liu is a director of China Wind Power Investment Limited and Permanent Growth Limited. Ms. Liu Jianhong is also a director of China Wind Power Investment Limited.
- The Shares are held by Splendor Power Limited. Mr. Liu Shunxing holds 99% of the issued share capital of Splendor Power Limited. Mr. Liu is a director 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.

Save as disclosed above, none of the Directors is a director or employee of a company which has an interest or short position in the Shares and underlying shares of the Company which falls to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

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 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.

- (b) On 17 April 2020, Yongzhou Jiepai (as vendor) and Shanghai Shenneng New Energy Investment Co., Ltd.\* (上海申能新能源投資有限公司) (“**Shanghai Shenneng**”) (as purchaser) entered into (i) an equity transfer agreement pursuant to which, Yongzhou Jiepai agreed to sell and Shanghai Shenneng agreed to acquire the entire equity interest in Yongzhou Dongtian Century Concord Wind Power Co., Ltd.\* (永州東田協合風力發電有限公司), at the consideration of RMB92,344,000, payable by Shanghai Shenneng in accordance with the terms and conditions of the said equity transfer agreement; and (ii) an equity transfer agreement pursuant to which, Yongzhou Jiepai agreed to sell and Shanghai Shenneng agreed to acquire the entire equity interest in Nanzhao Juhe Wind Power Co., Ltd.\* (南召聚合風力發電有限公司), at the consideration of RMB206,251,000, payable by Shanghai Shenneng in accordance with the terms and conditions of the said equity transfer agreement.
- (c) On 7 May 2020, Century Concord (as vendor) and Shanghai Shenneng (as purchaser) entered into an equity transfer agreement, pursuant to which, Century Concord agreed to sell and Shanghai Shenneng agreed to acquire the entire equity interest in Lingbao Century Concord Wind Power Co., Ltd.\* (靈寶協合風力發電有限公司), at the consideration of RMB131,764,000, payable by Shanghai Shenneng in accordance with the terms and conditions of the said equity transfer agreement.
- (d) On 8 September 2020, the Company commenced (i) the exchange offer with respect to the Company’s outstanding senior notes (the “**Existing Notes**”) pursuant to which an offer is made to exchange Existing Notes for the US\$ denominated senior notes to be issued by the Company (the “**New Notes**”); and (ii) a concurrent offering to issue and sell additional New Notes that will form a single series with the corresponding New Notes to be issued under the said exchange offer.

#### 4. MATERIAL LITIGATION

As at the Latest Practicable Date, 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.

#### 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 holds a certificate of Certified Public Accountant issued by the 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, for a period of 14 days from the date of this circular:

1. the Company's memorandum of association and by-laws;
2. this circular;
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 three financial years ended 31 December 2018, 2019 and 2020.

**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.

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## NOTICE OF SPECIAL GENERAL MEETING

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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)**

**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 Monday, 10 May 2021 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:

#### **ORDINARY RESOLUTION**

“**THAT** the Finance Lease Agreement (as defined in the circular of the Company dated 23 April 2021), copy of which is signed by the chairman of the SGM for identification purpose and is tabled at the SGM, and the transactions contemplated thereunder be and are hereby approved, confirmed, authorised and ratified, and any one or two of the directors of the Company be and is hereby authorised to execute all such documents and to do all such acts as he/she may in his/her absolute opinion deem necessary, desirable or expedient to give effect to the transactions contemplated thereunder with such changes as he/she may in his/her absolute opinion deem necessary, desirable or expedient.”

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

Hong Kong, 23 April 2021

\* *For identification purposes only*

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## NOTICE OF SPECIAL GENERAL MEETING

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*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. Completion and return of the form of proxy will not preclude a member from attending the meeting or at any adjournment thereof (as the case may be) and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. If tropical cyclone warning signal no. 8 or above, "extreme conditions" caused by super typhoons or a black rainstorm warning is in effect at any time after 7 a.m. on Monday, 10 May 2021, the meeting will be postponed and further announcement for details of alternative meeting arrangements will be made. The meeting will be held as scheduled even when tropical cyclone warning signal no. 3 or below is hoisted, or an amber or red rainstorm warning signal is in force. You should make your own decision as to whether you would attend the meeting under bad weather conditions and if you should choose to do so, you are advised to exercise care and caution.
5. The Chinese translation of this notice is for reference only. In case of any inconsistency, the English version shall prevail.
6. As required under the Listing Rules, the above resolution will be decided by way of poll.