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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)**

**GRANT OF AWARDS UNDER THE SHARE AWARD SCHEME**

**(1) CONNECTED TRANSACTIONS IN RELATION TO THE PROPOSED ISSUE OF NEW SHARES UNDER THE SHARE AWARD SCHEME TO CONNECTED PERSONS PURSUANT TO SPECIFIC MANDATE; AND**

**(2) PROPOSED ISSUE OF NEW SHARES TO NON-CONNECTED PERSONS UNDER THE SHARE AWARD SCHEME PURSUANT TO SPECIFIC MANDATE**

**GRANT OF AWARDS UNDER THE SCHEME**

On 2 April 2019, the Board resolved to grant 113,000,000 New Awarded Shares to not less than 30 Selected Persons by way of allotment and issue of the New Awarded Shares pursuant to the Specific Mandate, out of which (a) 55,600,000 Connected New Awarded Shares will be granted to 12 Connected Grantees by way of allotment and issue of new Shares pursuant to the Specific Mandate and (b) 57,400,000 Non-connected New Awarded Shares will be granted to not less than 18 Non-connected Grantees.

**LISTING RULES IMPLICATIONS**

As the Connected Grantees are either Directors or directors of certain subsidiaries of the Company and are connected persons of the Company, the allotment and issue of the Connected New Awarded Shares to those 12 Connected Grantees constitute connected transactions on the part of the Company and will be subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. Specific Mandate will also be sought from the Shareholders for issue and allotment of the Non-connected New Awarded Shares to the Non-connected Grantees.

\* *For identification purposes only*

Pursuant to Rule 13.39(6)(c) of the Listing Rules, in the event that all independent non-executive directors of an issuer have a material interest in the relevant transaction or arrangement, no independent board committee can be formed. As all of the independent non-executive Directors are Connected Grantees, the Company is of the view that each of the independent non-executive Directors is regarded as having a material interest in the issue of the New Awarded Shares under the Scheme. Accordingly, no independent board committee has been formed. The Independent Financial Advisor has been appointed by the Company to advise the Independent Shareholders in this regard.

The SGM will be held to consider and, if thought fit, passing the ordinary resolutions to approve, among other matters, the Specific Mandate for the allotment and issue of the New Awarded Shares.

A circular containing, among other matters, (i) information regarding the New Awarded Shares and the proposed Specific Mandate for the allotment and issue of the New Awarded Shares; (ii) a letter of advice from the Independent Financial Adviser to the Independent Shareholders in respect of the Connected New Shares Grant; and (iii) a notice of the SGM to the Shareholders, will be despatched to the Shareholders on or before 29 April 2019.

References are made to the announcements of the Company dated 15 June 2015 and 29 June 2017 in relation to the adoption of the Scheme and the amendments to certain provisions in the Scheme.

## **GRANT OF AWARDS UNDER THE SCHEME**

On 2 April 2019, the Board resolved to grant 113,000,000 New Awarded Shares to not less than 30 Selected Persons under the Scheme, subject to acceptance of the relevant Selected Persons.

Among the 113,000,000 New Awarded Shares:

- (i) 55,600,000 Connected New Awarded Shares will be granted to 12 Connected Grantees who are either Directors or chief executive of the Company, or directors of subsidiaries of the Company by way of allotment and issue of the Connected New Awarded Shares pursuant to the Specific Mandate; and
- (ii) 57,400,000 Non-connected New Awarded Shares will be granted to not less than 18 Non-connected Grantees who are senior management of the Group and other selected persons by way of allotment and issue of the Non-connected New Awarded Shares pursuant to the Specific Mandate.

## Awards to the Connected Grantees

The Awards to the Connected Grantees will be satisfied by the allotment and issue of the Connected New Awarded Shares which shall be held on trust by the Trustee before the vesting of the Awards. The allotment and issue of such Connected New Awarded Shares to the Connected Grantees will constitute connected transactions on the part of the Company and will be subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Connected New Awarded Shares were awarded to the following Connected Grantees:

<b>Name of Connected Grantees</b>	<b>Relationship with the Group</b>	<b>Number of Connected New Awarded Shares to be granted</b>	<b>Approximate percentage of the total number of issued Shares as at the date of this announcement (%)</b>
Mr. Yu Weizhou	Executive Director and Chief Executive Officer	10,000,000	0.12
Mr. Niu Wenhui	Executive Director	8,000,000	0.09
Mr. Gui Kai	Executive Director	8,000,000	0.09
Dr. Shang Li	Executive Director	8,000,000	0.09
Mr. Yap Fat Suan, Henry	Independent Non-executive Director	1,800,000	0.02
Dr. Jesse Zhixi Fang	Independent Non-executive Director	1,800,000	0.02
Ms. Huang Jian	Independent Non-executive Director	1,800,000	0.02
Mr. Zhang Zhong	Independent Non-executive Director	1,800,000	0.02
Mr. Jiang Yingjiu	Director of subsidiary(ies)	4,000,000	0.05

<b>Name of Connected Grantees</b>	<b>Relationship with the Group</b>	<b>Number of Connected New Awarded Shares to be granted</b>	<b>Approximate percentage of the total number of issued Shares as at the date of this announcement (%)</b>
Mr. Wang Xigang	Director of subsidiary(ies)	4,000,000	0.05
Ms. Yang Xiaohong	Director of subsidiary(ies)	4,000,000	0.05
Mr. Ren Guangjin	Director of subsidiary(ies)	2,400,000	0.03

The grant of the Connected New Awarded Shares to each of the Connected Grantees has been approved by the Board (including the independent non-executive Directors), except for the Directors who are also Connected Grantees and abstained from voting on the Board resolution approving the grant of Connected New Awarded Shares to himself/herself.

#### **Awards to the Non-connected Grantees**

57,400,000 Non-connected New Awarded Shares were awarded to not less than 18 Non-connected Grantees, who are senior management of the Group and other selected persons who have contributed to the development and sustainable growth of the Group. The Awards will be satisfied by the allotment and issue of Non-connected New Awarded Shares which shall be held on trust by the Trustee before the vesting of the Awards. The allotment and issue of the Non-connected New Awarded Shares shall be subject to, among others, the approval by the Shareholders at the SGM. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Non-connected Grantees are third parties independent of the Company and connected persons of the Company.

## Details of the Awards under the New Shares Grant

Date of grant : 2 April 2019

Number of New Awarded Shares granted and number of Grantees : 113,000,000 New Awarded Shares, comprising (i) 55,600,000 Connected New Awarded Shares to be allotted and issued to 12 Connected Grantees; and (ii) 57,400,000 Non-connected New Awarded Shares to be allotted and issued to not less than 18 Non-connected Grantees, to be allotted and issued to the Trustee and held on trust by the Trustee for the Connected Grantees and the Non-connected Grantees before the vesting of the Awards, subject to the black-out restrictions for Directors under the Listing Rules and/or other restrictions under any applicable laws, rules and regulations.

The New Awarded Shares to be allotted and issued by the Company to the Grantees represent approximately 1.33% of the total number of Shares in issue at the date of this announcement and approximately 1.31% of the total number of Shares in issue as enlarged by the issue and allotment of the New Awarded Shares. The New Awarded Shares will rank equally with the Shares in issue on the date of their allotment and issue. Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the New Awarded Shares.

Issue price of the New Awarded Shares : At par value of HK\$0.01 each

Market value of the New Awarded Shares : Based on the closing price of the Shares as at the date of this announcement, as quoted on the Stock Exchange of HK\$0.405 per Share, the market values of 55,600,000 Connected New Awarded Shares and 57,400,000 Non-connected New Awarded Shares are approximately HK\$22,518,000 and HK\$23,247,000, respectively.

Market price of the Shares : The closing price of the Shares as at the date of this announcement as quoted on the Stock Exchange is HK\$0.405 per Share.

The average closing price of the Shares for the five consecutive trading days immediately preceding the date of this announcement as quoted on the Stock Exchange was HK\$0.401 per Share.

- Nominal value of the New Awarded Shares : HK\$1,130,000
- Funds to be raised : The Selected Persons are not required to pay any consideration for the grant of New Awarded Shares. No fund will be raised by the Company as a result of the allotment and issue of the New Awarded Shares.
- Vesting : Subject to the acceptance by each of the Grantees and the black-out restrictions for Directors under the Listing Rules and/or other restrictions under any applicable laws, rules and regulations, the New Awarded Shares shall be vested on the following date as follows:

<b>Vesting year</b>	<b>Vesting date</b>	<b>Percentage of the New Awarded Shares to be vested</b>
2020	15 February 2020 (or in the event that 15 February 2020 is not a Business Day, the first Business Day thereafter).	25%
2021	15 February 2021 (or in the event that 15 February 2021 is not a Business Day, the first Business Day thereafter).	25%
2022	15 February 2022 (or in the event that 15 February 2022 is not a Business Day, the first Business Day thereafter).	25%
2023	15 February 2023 (or in the event that 15 February 2023 is not a Business Day, the first Business Day thereafter).	25%

## **Conditions**

The allotment and issue of the Connected New Awarded Shares shall be subject to: (i) the approval by the Independent Shareholders at the SGM in respect of the Specific Mandate for the allotment and issue of the Connected New Awarded Shares; and (ii) the Listing Committee of the Stock Exchange having granted the listing of and permission to deal in the Connected New Awarded Shares which may be allotted and issued by the Company.

The allotment and issue of the Non-connected New Awarded Shares shall be subject to: (i) the approval by the Shareholders at the SGM in respect of the Specific Mandate for the allotment and issue of the Non-connected New Awarded Shares; and (ii) the Listing Committee of the Stock Exchange having granted the listing of and permission to deal in the Non-connected New Awarded Shares which may be allotted and issued by the Company.

## **REASONS FOR AND BENEFITS IN THE GRANT OF THE AWARDS UNDER THE SCHEME**

The Scheme was adopted by the Board on 15 June 2015 to (i) recognize the contributions of the employees of the Group; (ii) provide additional incentives in order to retain the employees of the Group to continue to work for the Group; and (iii) attract suitable personnel for further development of the Group.

The Directors believe that the future success of the Group is closely tied to the commitment and efforts of the Selected Persons who are selected to be the Grantees, and the Awards were made to them in recognition of their past contribution to the development and business performance of the Group and as an incentive for their continuing commitment and contribution towards the sustainable growth of the Group.

The Directors are of the view that the terms of the New Shares Grant are fair and reasonable and in the interests of the Company and its Shareholders as a whole. The Directors who are the relevant Connected Grantees have abstained from voting on the board resolutions to approve the grant of the Connected New Awarded Shares to himself/herself.

## **INFORMATION OF THE GROUP**

The Company is a limited liability company incorporated in Bermuda and is a 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 solution to the wind and solar power generation projects.

## LISTING RULES IMPLICATIONS

As the Connected Grantees are either Directors or directors of certain subsidiaries of the Company and are connected persons of the Company, the allotment and issue of the Connected New Awarded Shares to those 12 Connected Grantees constitutes connected transactions on the part of the Company and will be subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. Specific Mandate will also be sought from the Shareholders for allotment and issue of the Non-connected New Awarded Shares to the Non-connected Grantees.

Pursuant to Rule 13.39(6)(c) of the Listing Rules, in the event that all independent non-executive directors of an issuer have a material interest in the relevant transaction or arrangement, no independent board committee can be formed. As all of the independent non-executive Directors are Connected Grantees, the Company is of the view that each of the independent non-executive Directors is regarded as having a material interest in the issue of the New Awarded Shares under the Scheme. Accordingly, no independent board committee has been formed. The Independent Financial Advisor has been appointed by the Company to advise the Independent Shareholders in this regard.

The SGM will be held to consider and, if thought fit, passing the ordinary resolutions to approve, among other matters, the Specific Mandate for the allotment and issue of the New Awarded Shares. As at the date of this announcement, the Connected Grantees and their associates hold 34,430,000 Shares in aggregate (representing approximately 0.4% of the number of Shares in issue) and are required to abstain from voting on the resolutions to be proposed at the SGM. Save as the aforesaid, no other Shareholder is required to abstain from voting on the resolutions relating to the Specific Mandate for the allotment and issue of the New Awarded Shares at the SGM.

A circular containing, among other matters, (i) information regarding the New Awarded Shares and the proposed Specific Mandate for the allotment and issue of the New Awarded Shares; (ii) a letter of advice from the Independent Financial Adviser to the Independent Shareholders in respect of the Connected New Shares Grant; and (iii) a notice of the SGM to the Shareholders, will be despatched to the Shareholders on or before 29 April 2019.

Details of the Connected New Awarded Shares will be disclosed in the Company's published annual report and accounts in accordance with Rule 14A.49 of the Listing Rules.

## DEFINITIONS

“Award”	an award of Awarded Shares to a Selected Person pursuant to the Scheme
“Awarded Shares”	the Shares awarded to a Selected Person pursuant to an Award
“Board”	the board of Directors
“Business Day”	any day (other than Saturday or Sunday) on which the Stock Exchange is open for the business of dealing in securities and banking institutions in Hong Kong are open generally for normal banking business
“Company”	Concord New Energy Group Limited, a company incorporated in Bermuda with limited liability, and the Shares of which are listed on the Stock Exchange
“Connected Grantees”	the 12 Selected Persons who are either Directors or chief executive of the Company, or directors of subsidiaries of the Company, being connected persons of the Company
“Connected New Awarded Shares”	the 55,600,000 New Awarded Shares awarded to the Connected Grantees
“Connected New Shares Grant”	the conditional Awards with Connected New Awarded Shares granted to the Connected Grantees
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Directors”	the directors of the Company
“Grantees”	the Selected Persons who are chosen by the Board to be the grantees of the New Awarded Shares, including the Connected Grantees and the Non-connected Grantees
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Financial Adviser”	Somerley Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Independent Shareholders”	the Shareholders who are independent of, and not connected with, the Connected Grantees and their respective associates and are not required to abstain from voting at the SGM
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Awarded Shares:	an aggregate of 113,000,000 Awarded Shares awarded to the Grantees, comprising 55,600,000 Connected New Awarded Shares and 57,400,000 Non-connected New Awarded Shares
“New Shares Grant”	collectively, the Connected New Shares Grant and the Non-connected New Shares Grant
“Non-connected Grantees”	not less than 18 Selected Persons who are senior management of the Group and other selected persons, not being connected persons of the Company
“Non-connected New Awarded Shares”	the 57,400,000 New Awarded Shares awarded to the Non-connected Grantees
“Non-connected New Shares Grant”	the conditional Awards with Non-connected New Awarded Shares granted to the Non-connected Grantees
“Selected Person(s)”	employee(s) of the Group and other persons selected by the Board for participation in the Scheme
“Scheme”	the share award scheme adopted by the Company on 15 June 2015 (as amended on 29 June 2017)
“SGM”	the special general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the grant of the Specific Mandate for the New Awarded Shares
“Shares”	ordinary share(s) of HK\$0.01 each in the share capital of the Company

“Specific Mandate”	the specific mandate to be obtained from the Shareholders at the SGM for the allotment and issuance of the New Awarded Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trust”	the trust constituting the Trust Deed
“Trust Deed”	the trust deed entered into between the Company and the Trustee on 15 June 2015 for the administration of the Scheme
“Trustee”	Acheson Limited, a company incorporated in Hong Kong with limited liability which is independent and not connected with the Company
“US\$”	United States dollar(s), the lawful currency of the United States of America
“Vesting Date”	the date as determined from time by time by the Board, on which an Award (or part thereof) is to vest in the relevant Selected Person pursuant to the terms of the Scheme
“%”	per cent.

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

Hong Kong, 2 April 2019

*As at the date of this announcement, the Board comprises Mr. Liu Shunxing (Chairman), Ms. Liu Jianhong (Vice Chairperson), Mr. Yu Weizhou (Chief Executive Officer), Mr. Niu Wenhui, Mr. Gui Kai and Mr. Shang Li (all of above are also 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).*