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## **Concord New Energy Group Limited**

**協合新能源集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 182)**

### **DISCLOSEABLE TRANSACTION FINANCE LEASE ARRANGEMENTS**

The Board is pleased to announce that after trading hour on 4 September 2023:

1. the Lessee and the Financier agreed on the Finance Lease Arrangement A by way of entering into the Finance Lease Agreement A, pursuant to which the Financier shall purchase the Equipment from the Lessee at a purchase price of approximately RMB104.18 million for the purposes of leasing the Equipment back to the Lessee for the Lease Period A in consideration of the Lessee paying to the Financier the quarterly Lease Payments;
2. the Contractor, the Lessee and the Financier agreed on the Finance Lease Arrangement B by way of entering into the following agreements:
  - (a) the Lessee, the Financier and the Contractor entered into the Rights Transfer Agreement B, pursuant to which the Contractor shall construct the Auxiliary Facilities B at a construction price of approximately RMB159.36 million for the Financier for the purposes of leasing the Auxiliary Facilities B from the Financier to the Lessee; and
  - (b) the Lessee and the Financier entered into the Finance Lease Agreement B, pursuant to which the Lessee shall lease the Auxiliary Facilities B from the Financier during the Lease Period B in consideration of the Lessee paying to the Financier the quarterly Lease Payments; and
3. the Lessee and the Financier agreed on the Finance Lease Arrangement C by way of entering into the Finance Lease Agreement C, pursuant to which the Financier shall purchase the Auxiliary Facilities C from the Lessee at a purchase price of RMB320 million for the purposes of leasing the Auxiliary Facilities C back to the Lessee for the Lease Period C in consideration of the Lessee paying to the Financier the quarterly Lease Payments.

The Total Purchase Price under the Finance Lease Arrangements amounts to approximately RMB583.54 million.

### **LISTING RULES IMPLICATIONS**

As the highest Applicable Percentage Ratio for the Finance Lease Arrangements collectively exceeds 5% but is less than 25%, the Finance Lease Arrangements collectively constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules, and are thus subject to the notification and publication requirements under Chapter 14 of the Listing Rules.

The Board is pleased to announce that after trading hour on 4 September 2023, the Contractor, the Lessee and the Financier agreed on the Finance Lease Arrangements by way of entering into the following agreements respectively. Details of the Finance Lease Arrangements are set out below.

### **FINANCE LEASE ARRANGEMENT A**

#### **Finance Lease Agreement A**

Date: 4 September 2023

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 acquired by the Financier from the Lessee and then leased back to the Lessee from the Financier.

Purchase price and completion: The Purchase Price A payable by the Financier to the Lessee for the acquisition of the Equipment shall be approximately RMB104.18 million, which was determined after arm's length negotiation between the Lessee and the Financier with reference to the market value of the Equipment and the amount of financing needs required by the Group under the Finance Lease Arrangement A. As at the date of this announcement, the Equipment has not been acquired by the Lessee.

The Purchase Price A shall be paid by 6-month acceptance bill in two instalments. The first instalment of the Purchase Price A shall be an amount not exceeding RMB60 million payable after the fulfilment of the following conditions (the “**First Instalment Conditions A**”):

- (a) all the agreements contemplated under the July Finance Lease Arrangement and the Finance Lease Arrangements (including the Security Documents) having been entered into and becoming effective, and all the relevant procedures for them having been completed;
- (b) there being no breaches of the agreements under the Finance Lease Arrangement A, the July Finance Lease Arrangement, or the Security Documents by the parties thereto (other than the Financier), and there being no material adverse change to the financial position of the parties thereto (other than the Financier);
- (c) there being no material changes to the industry in which the Lessee operates; and there being no material adverse change to, nor any negative public opinion and information in respect of the Lessee, and its affiliated companies, ultimate controller(s) and shareholder(s);
- (d) there being no material change to the overall economic situation, fiscal, taxation and financial policies, or government regulatory measures on the financial industry, and the financial industry situation in the PRC since the signing of the Finance Lease Agreement A, and the financing cost not having increased significantly;
- (e) the Lessee having provided to the Financier supporting documents confirming that the Lessee having received not less than RMB80 million of own funding;
- (f) the Financier having received (i) certain governmental approvals and certificates, and the land acquisition agreement relating to certain parts of the land used by the Power Plant, (ii) the official power grid connection approval for the Power Plant, and (iii) the report of a supervisory company confirming that the construction of the Power Plant meeting certain specified milestone; and
- (g) all other documents or relevant procedures as required by the Financier or the Finance Lease Agreement A having been provided to the Financier or completed.

It is expected that the first instalment of the Purchase Price A will be paid around end of January 2024. If the First Instalment Conditions A are not fulfilled on or before 20 December 2023, the Financier shall have the right to terminate the Finance Lease Arrangement A without any liability to the Lessee.

The second instalment of the Purchase Price A shall be an amount not exceeding the Purchase Price A (after aggregating with the first instalment of the Purchase Price A) payable after the fulfilment of the following conditions (the “**Second Instalment Conditions A**”):

- (a) the First Instalment Conditions A continue to be fulfilled;
- (b) the Financier having received (i) the report of a supervisory company confirming that the Power Plant being full-capacity grid-connected, and (ii) the land acquisition agreement for all the land used by the Power Plant;
- (c) the Financier having obtained supporting documents from the Lessee confirming that the Lessee having received not less than RMB100 million of own funding; and
- (d) all other documents or relevant procedures as required by the Financier or the Finance Lease Agreement A having been provided to the Financier or completed.

It is expected that the second instalment of the Purchase Price A will be paid around end of June 2024.

Lease Period: The 19-year period in which the Lessee shall lease the Equipment from the Financier commencing from the date of the payment of each instalment of the Purchase Price A by the Financier.

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

The applicable interest rate is a floating interest rate equal to the relevant over-5-year LPR plus 0.52%. The relevant over-5-year LPR for the first quarterly Lease Payment is the LPR announced on 20 April 2023, being 4.3%, which gives rise to an applicable interest rate of 4.82% for the first quarterly Lease Payment. The applicable interest rate will be adjusted annually on 1 January, which will, after adjustment, equal to the then over-5-year LPR announced in the month before the relevant 1 January plus 0.52%. Assuming the applicable interest rate being 4.82% throughout the Lease Period A, the total Lease Payments would be approximately RMB158.24 million. 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.

Security documents: As security for the due performance of all the Lessee's obligations under the Finance Lease Agreement A, the Company and certain wholly-owned subsidiaries of the Company (namely Heilongjiang Heting and Century Concord Wind Power) (collectively the "Covenantors"), and the Lease shall, in favour of the Financier, execute the security documents consisting of (i) the guarantees given by the Company and Century Concord Wind Power; (ii) the pledge given by Heilongjiang Heting for the entire equity interest in the Lessee owned by it; (iii) the pledge given by the Lessee in respect of the electricity income arising from the operation of the Power Plant; and (iv) the mortgages given by the Lessee in respect of the Auxiliary Facilities B, the Auxiliary Facilities C, and the land and buildings owned by the Lessee. The Finance Lease Agreement A and the said security documents have no material adverse effect on the operation and management of the Group's businesses.

Security deposit: An amount of RMB2.08 million, being 2% of the Purchase Price A, shall be paid by the Lessee to the Financier as deposit to secure the due performance of the Lessee's payment obligations under the Finance Lease Agreement A, which shall be paid within 5 business days before the payment of the first instalment of the Purchase Price A.

Handling fee: Nil

Buyback option: Upon the expiry of the Lease Period A, the Lessee has the option to buy back the Equipment from the Financier at a consideration of RMB10,000.

## **FINANCE LEASE ARRANGEMENT B**

### **Rights Transfer Agreement B**

Date: 4 September 2023

- Parties:
- (i) the Financier as the purchaser;
  - (ii) the Contractor as the contractor for the construction of the Auxiliary Facilities B for the Financier (in the Lessee's stead); and
  - (iii) the Lessee as the original purchaser of the Auxiliary Facilities B under the Main Contracting Agreement.

Subject asset: The Auxiliary Facilities B which shall be purchased by the Financier from the Contractor by way of transferring to the Financier the relevant rights and obligations of the Lessee (as original purchaser of the Auxiliary Facilities B) under the Main Contracting Agreement for the purposes of the Financier leasing the Auxiliary Facilities B to the Lessee.

Purchase price and completion: The Purchase Price B payable by the Financier to the Contractor for the purchase of the Auxiliary Facilities B shall be approximately RMB159.36 million, which was determined after arm's length negotiation between the Contractor, the Lessee and the Financier with reference to the total sub-contracting price for the construction of the Auxiliary Facilities B and the amount of financing needs required by the Group under the Finance Lease Arrangement B. The Purchase Price B equals to the total sub-contracting price for the construction of the Auxiliary Facilities B under the Main Contracting Agreement plus the management costs of the Group attributable to the Auxiliary Facilities B. The total sub-contract price for the construction of the Auxiliary Facilities B was determined based on the Group's experience in hiring sub-contractors accumulated in past years and through reviewing the quotations submitted by potential sub-contractors, who are all independent third parties. As at the date of this announcement, the construction of the Auxiliary Facilities B have not yet been started.

The Purchase Price B shall be paid in two instalments. The first instalment of the Purchase Price B shall be an amount not exceeding RMB50 million payable after the fulfilment of the following conditions (the "**First Instalment Conditions B**"):

- (a) all the agreements contemplated under the July Finance Lease Arrangement and the Finance Lease Arrangements (including the Security Documents) having been entered into and becoming effective, and all the relevant procedures for them having been completed;

- (b) there being no breaches of the agreements under the Finance Lease Arrangement B, the July Finance Lease Arrangement, or the Security Documents by the parties thereto (other than the Financier), and there being no material adverse change to the financial position of the parties thereto (other than the Financier);
- (c) there being no material changes to the industry in which the Lessee operates; and there being no material adverse changes or negative public opinion and information in respect of the Contractor, the Lessee, and their respective affiliated companies, actual controllers and shareholders;
- (d) there being no material change to the overall economic situation, fiscal, taxation and financial policies, or government regulatory measures on the financial industry, and the financial industry situation in the PRC since the date of the Rights Transfer Agreement B, and the financing cost not having increased significantly;
- (e) the Lessee having provided to the Financier supporting documents confirming that the Lessee having received not less than RMB80 million of own funding;
- (f) the Financier having received (i) certain governmental approvals and certificates, and the land acquisition agreement relating to certain parts of the land used by the Power Plant, (ii) the official power grid connection approval for the Power Plant, and (iii) the report of a supervisory company confirming that the construction of the Power Plant meeting certain specified milestone; and
- (g) all other documents or relevant procedures as required by the Financier or the Rights Transfer Agreement B having been provided to the Financier or completed.

It is expected that the first instalment of the Purchase Price B will be paid around end of January 2024. If the First Instalment Conditions B are not fulfilled on or before 20 December 2023, the Financier shall have the right to terminate the Finance Lease Agreement B without any liability to the Lessee.

The second instalment of the Purchase Price B shall be an amount not exceeding the Purchase Price B (after aggregating with the first instalment of the Purchase Price B) payable after the fulfilment of the following conditions:

- (a) the First Instalment Conditions B continue to be fulfilled;
- (b) the Second Instalment Conditions A continue to be fulfilled; and

- (c) all other documents or relevant procedures as required by the Financier or the Rights Transfer Agreement B having been provided to the Financier or completed.

It is expected that the second instalment of the Purchase Price B will be paid around end of June 2024.

### **Finance Lease Agreement B**

- Date: 4 September 2023
- Parties: (i) the Financier as the lessor; and  
(ii) the Lessee as the lessee.
- Subject asset: The Auxiliary Facilities B, which shall be leased from the Financier by the Lessee.
- Lease Period: The 19-year period in which the Lessee shall lease the Auxiliary Facilities B from the Financier commencing from the date of the payment of each instalment of the Purchase Price B by the Financier.
- Lease payments and interest rate: The Lessee shall pay quarterly Lease Payments to the Financier during the Lease Period B. The total Lease Payments represents the Purchase Price B plus interest attributable to each instalment of the Purchase Price B under the Finance Lease Arrangement B to be determined based on the following applicable interest rate.

The applicable interest rate is a floating interest rate equal to the relevant over-5-year LPR minus 0.1%. The relevant over-5-year LPR for the first quarterly Lease Payment is the LPR announced on 20 January 2023, being 4.3%, which gives rise to an applicable interest rate of 4.2% for the first quarterly Lease Payment. The applicable interest rate will be adjusted annually on 1 January, which will, after adjustment, equal to the then over-5-year LPR announced in the month before the relevant 1 January minus 0.1%. Assuming the applicable interest rate being 4.2% throughout the Lease Period B, the total Lease Payments would be approximately RMB232.99 million. 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 auxiliary facilities finance lease.

Security documents: As security for the due performance of all the Lessee's obligations under the Finance Lease Agreement B, the Lessee and the Covenantors shall, in favour of the Financier, execute the Security Documents. The Finance Lease Agreement B and the Security Documents have no material adverse effect on the operation and management of the Group's businesses.

Security deposit: An amount of approximately RMB3.19 million, being 2% of the Purchase Price B, shall be paid by the Lessee to the Financier as deposit to secure the due performance of the Lessee's payment obligations under the Finance Lease Agreement B, which shall be paid within 5 business days before the payment of the first instalment of the Purchase Price B.

Handling fee: Nil

Buyback option: Upon the expiry of the Lease Period B, the Lessee has the option to buy back the Auxiliary Facilities B from the Financier at a consideration of RMB10,000.

## **FINANCE LEASE ARRANGEMENT C**

### **Finance Lease Agreement C**

Date: 4 September 2023

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

Subject asset: The Auxiliary Facilities C, which shall be acquired by the Financier from the Lessee and then leased back to the Lessee from the Financier.

Purchase price: The Purchase Price C payable by the Financier to the Lessee for the acquisition of the Auxiliary Facilities C shall be RMB320 million, which was determined after arm's length negotiation between the Lessee and the Financier with reference to the total sub-contracting price for the construction of the Auxiliary Facilities C and the amount of financing needs required by the Group under the Finance Lease Arrangement C. The Purchase Price C equals to the total sub-contracting price for the construction of the Auxiliary Facilities C plus the management costs of the Group attributable to the Auxiliary Facilities C. The total sub-contract price for the construction of the Auxiliary Facilities C was determined based on the Group's experience in hiring sub-contractors accumulated in past years and through reviewing the quotations submitted by potential sub-contractors, who are all independent third parties. As at the date of this announcement, the construction of the Auxiliary Facilities C have not yet been started.

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

- (a) all the agreements contemplated under the July Finance Lease Arrangement and the Finance Lease Arrangements (including the Security Documents) having been entered into and becoming effective, and all the relevant procedures for them having been completed;
- (b) there being no breaches of the agreements under the Finance Lease Arrangement C or the Security Documents by the parties thereto (other than the Financier), and there being no material adverse change to the financial position of the parties thereto (other than the Financier);
- (c) there being no material changes to the industry in which the Lessee operates; and there being no material adverse changes or negative public opinion and information in respect of the Lessee and its affiliated companies, actual controller(s) and shareholder(s);
- (d) there being no material change to the overall economic situation, fiscal, taxation and financial policies, or government regulatory measures on the financial industry, and the financial industry situation in the PRC since the signing of the Finance Lease Agreement C, and the financing cost not having increased significantly;
- (e) the Second Instalment Conditions A continue to be fulfilled;
- (f) the Financier having obtained a valuation report issued by a valuation institute acceptable to the Financier, the result of which is acceptable to the Financier; and
- (g) all other documents or relevant procedures as required by the Financier or the Finance Lease Agreement C having been provided to the Financier or completed.

It is expected that the Purchase Price C will be paid around end of July 2024. If the above conditions precedent for the payment of the Purchase Price C are not fulfilled on or before 20 December 2023, the Financier shall have the right to terminate the Finance Lease Agreement C without any liability to the Lessee.

Lease Period: The 19-year period in which the Lessee shall lease the Auxiliary Facilities C from the Financier commencing from the date of payment of the Purchase Price C.

Lease payments and interest rate: The Lessee shall pay quarterly Lease Payments to the Financier during the Lease Period C. The total Lease Payments represents the Purchase Price C paid by the Financier for the acquisition of the Auxiliary Facilities C plus interest attributable to the Finance Lease Arrangement C to be determined based on the following applicable interest rate.

The applicable interest rate is a floating interest rate equal to the relevant over-5-year LPR plus 0.43%. The relevant over-5-year LPR for the first quarterly Lease Payment is the LPR announced on 20 January 2023, being 4.3%, which gives rise to an applicable interest rate of 4.73% for the first quarterly Lease Payment. The applicable interest rate will be adjusted annually on 1 January, which will, after adjustment, equal to the then over-5-year LPR announced in the month before the relevant 1 January plus 0.43%. Assuming the applicable interest rate being 4.73% throughout the Lease Period C, the total Lease Payments would be approximately RMB482.94 million. 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 auxiliary facilities finance lease.

Security documents: As security for the due performance of all the Lessee's obligations under the Finance Lease Agreement C, the Lessee and the Covenantors shall, in favour of the Financier, execute the Security Documents. The Finance Lease Agreement C and the Security Documents have no material adverse effect on the operation and management of the Group's business.

Security deposit: An amount of RMB6.4 million, being 2% of the Purchase Price C, shall be paid by the Lessee to the Financier as deposit to secure the due performance of the Lessee's payment obligations under the Finance Lease Agreement C, which shall be paid within 5 business days before the payment of the first instalment of the Purchase Price C.

Handling fee: Nil.

Buyback option: Upon the expiry of the Lease Period C, the Lessee has the option to buy back the Auxiliary Facilities C from the Financier at a consideration of RMB10,000.

## **PREVIOUS FINANCE LEASE ARRANGEMENTS**

On 27 July 2023, the Lessee entered into a finance lease arrangement with the Financier (the "**July Finance Lease Arrangement**"), pursuant to which the Financier shall purchase certain equipment of the Power Plant at a purchase price of RMB240 million from Guangdong Chengying New Energy Equipment Co., Ltd.\* (廣東承營新能源設備有限公司) (being an independent third party) for the purposes of leasing such equipment to the Lessee for a lease period of 19 years in consideration of the Lessee paying to the Financier quarterly lease payments to be determined with reference to an

applicable interest rate for that finance lease arrangement, which is a floating interest rate equal to the over-5-year LPR announced on 20 January 2023 (being 4.3%) plus 0.08%, resulting in an applicable interest rate of 4.38%. Assuming the applicable interest rate being 4.38% throughout such lease period, the total lease payments would be approximately RMB357.08 million. Upon the expiry of such lease period, the Lease has the option to buy such equipment at RMB10,000. The principal terms of the July Finance Lease Arrangement are materially the same as the Finance Lease Arrangements.

In February 2023, a subsidiary of the Group, namely Suzhou Deren Wind Power Co., Ltd.\* (宿州德仁風力發電有限公司), entered into two finance lease arrangements with the Financier, details of which are set out in the announcement of the Company dated 13 February 2023.

## **REASONS FOR AND BENEFIT OF THE FINANCE LEASE ARRANGEMENTS**

The entering into the Finance Lease Arrangements 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, buildings and auxiliary facilities as required for its operations. 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 Shareholders as a whole. According to the Hong Kong Financial Reporting Standards, the transactions under the Previous Finance Lease Arrangements and the Finance Lease Arrangements will not give rise to any disposal gain or loss to be recorded by the Group.

## **INTENDED USE OF PROCEEDS**

The Company will generate a total net disposal proceeds of approximately RMB583.54 million under the Finance Lease Arrangements, 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, and construction of wind and photovoltaic power plants.

## **INFORMATION OF THE PARTIES TO THE FINANCE LEASE AGREEMENTS**

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.

The Contractor is a wholly-owned subsidiary of the Company and is principally engaged in power project engineering, procurement and construction of renewable energy power station in PRC.

The Financier is principally engaged in the business of finance leasing. Insofar as the Company is aware, the shareholders of the Financier are the group companies of China Huaneng Group Co., Ltd. (中國華能集團有限公司) (“China Huaneng Group Ltd.”) (namely as to 39% in the Financier owned by Huaneng Capital Services Co., Ltd.\* (華能資本服務有限公司), as to 21% in the Financier owned by China Huaneng Group (Hong Kong) Co., Ltd.\* (中國華能集團香港有限公司), as to 20% in the Financier owned by Huaneng Power International, Inc. (華能國際電力股份有限公司) (a Hong Kong listed company with stock code: 00902), as to 10% in the Financier owned by Huaneng Lancang River Hydropower Inc.\* (華能瀾滄江水電股份有限公司) (a Shanghai listed company with stock code: 600025) through its wholly owned subsidiary Huaneng Lancang River Upstream Hydropower Co., Ltd.\* (華能瀾滄江上游水電有限公司), as to approximately 5.56% in the Financier owned by Huaneng Renewables Corporation Limited\* (華能新能源股份有限公司) and as to approximately 4.44% in the Financier owned by Huaneng Renewables (Hong Kong) Co., Ltd.\* (華能新能源(香港)有限公司), and China Huaneng Group Ltd. is a central state-owned enterprise, which is controlled by the State-owned Assets Supervision and Administration Commission of the State Council of the PRC.

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 Arrangements collectively exceeds 5% but is less than 25%, the Finance Lease Arrangements collectively constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules, and are thus subject to the notification and publication requirements under Chapter 14 of the Listing Rules. The highest Applicable Percentage Ratio for the July Finance Lease Arrangement is less than 5%. As the Previous Finance Lease Arrangements were entered into within a 12-month period before the date of the Finance Lease Agreements, the Aggregated Transactions shall be aggregated under Chapter 14 of the Listing Rules resulting in a highest Applicable Percentage Ratio exceeding 5% but less than 25%. Hence, the Finance Lease Arrangements are not required to be reclassified by aggregating with the Previous Finance Lease Arrangements.

## **DEFINITIONS**

In this announcement, the following expressions shall have the following meanings unless the context otherwise requires:

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| “Aggregated Transactions”  | the transactions contemplated under the Previous Finance Lease Arrangements and the Finance Lease Arrangements; |
| “Applicable Percentage Ratio”,<br>“connected person” and<br>“subsidiary” | have the meanings ascribed to them under the Listing Rules;   |

“Auxiliary Facilities B”	certain auxiliary facilities of the Power Plant (including booster station and comprehensive building);
“Auxiliary Facilities C”	certain auxiliary facilities of the Power Plant (including turbine foundation, box transformer foundation, roads and external line tower foundation);
“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 ordinary shares of which are listed on the Main Board of the Stock Exchange;
“Contractor”	Jilin Concord Power Engineering Co., Ltd.* (吉林協合電力工程有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company;
“Covenantors”	as defined in the paragraph headed “Finance Lease Arrangement A - Security documents” of this announcement, which are the covenantors executing the Security Documents;
“Director(s)”	the director(s) of the Company;
“Equipment”	certain wind power equipment of the Power Plant (including turbine units, box type substation equipment and towers, step-up substation equipment, and control and protection equipment);
“Finance Lease Agreement A”	the finance lease agreement dated 4 September 2023 between the Lessee and the Financier for the purchase of the Equipment by the Financier from the Lessee and the leasing of the Equipment back to the Lessee from the Financier;
“Finance Lease Agreement B”	the finance lease agreement dated 4 September 2023 between the Lessee and the Financier for the leasing of the Auxiliary Facilities B back to the Lessee from the Financier;

“Finance Lease Agreement C”	the finance lease agreement dated 4 September 2023 between the Lessee and the Financier for the acquisition of the Auxiliary Facilities C by the Financier from the Lessee and the leasing of the Auxiliary Facilities C back to the Lessee from the Financier;
“Finance Lease Agreements”	the Finance Lease Agreement A, the Finance Lease Agreement B and the Finance Lease Agreement C, and a “Finance Lease Agreement” means any one of them;
“Finance Lease Arrangement A”	the transactions contemplated under the Finance Lease Agreement A;
“Finance Lease Arrangement B”	the transactions contemplated under the Rights Transfer Agreement B and the Finance Lease Agreement B;
“Finance Lease Arrangement C”	the transactions contemplated under the Finance Lease Agreement C;
“Finance Lease Arrangements”	the Finance Lease Arrangement A, the Finance Lease Arrangement B and the Finance Lease Arrangement C, and a “Finance Lease Arrangement” means any of them;
“Financier”	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;
“Group”	the Company and its subsidiaries;
“Heilongjiang Heting”	Heilongjiang Heting New Energy Technology Co., Ltd.* (黑龍江合霆新能源技術有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Lease Payment(s)”	the quarterly lease payment(s) payable by the Lessee to the Financier under the Finance Lease Agreements during the Lease Period A, the Lease Period B or the Lease Period C for the leasing of the Equipment, the Auxiliary Facilities B or the Auxiliary Facilities C respectively;
“Lease Period A”	a period of 19 years, in which the Lessee shall lease the Equipment from the Financier;

“Lease Period B”	a period of 19 years, in which the Lessee shall lease the Auxiliary Facilities B from the Financier;
“Lease Period C”	a period of 19 years, in which the Lessee shall lease the Auxiliary Facilities C from the Financier;
“Lessee”	Harbin Juting New Energy Co., Ltd.* (哈爾濱市聚霆新能源有限公司), 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;
“Main Contracting Agreement”	the main contracting agreement dated 21 October 2022 between the Contractor and the Lessee for the construction of the Auxiliary Facilities B by the Contractor for the Lessee;
“MW”	megawatt;
“Power Plant”	the 100MW wind power plant project operated by the Lessee in Harbin City, Heilongjiang Province, the PRC (中國黑龍江省哈爾濱市);
“PRC”	the People’s Republic of China, which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“Previous Finance Lease Arrangements”	the previous finance lease arrangements between the Financier and the Lessee, details of which are set out in the paragraph headed “Previous Finance Lease Arrangements” in this announcement;
“Purchase Price A”	the purchase price payable to the Lessee by the Financier for the acquisition of the Equipment;
“Purchase Price B”	the construction price payable to the Contractor by the Financier for the construction of the Auxiliary Facilities B;
“Purchase Price C”	the purchase price payable to the Lessee by the Financier for the acquisition of the Auxiliary Facilities C;

“Rights Transfer Agreement B”	the rights transfer agreement dated 4 September 2023 between the Lessee, the Financier and the Contractor for the construction of the Auxiliary Facilities B by the Contractor for the Financier (in the Lessee’s stead);
“RMB”	Renminbi, the lawful currency of the PRC;
“Security Documents”	as defined in the paragraph headed “Finance Lease Arrangement A - Security documents” of this announcement, which are the securities documents executed by the Covenantors as security for the due performance of the Lessee’s obligation under the Finance Lease Agreements;
“Shareholder(s)”	holder(s) of the shares of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Total Purchase Price”	the Purchase Price A, the Purchase Price B and the Purchase Price C; and
“%”	per cent.

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

Hong Kong, 4 September 2023

*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, Mr. Zhai Feng and Ms. Shang Jia (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, Mr. Zhang Zhong, and Ms. Li Yongli (who are independent non-executive Directors).*

*\* For identification purposes only*