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Concord New Energy Group Limited
(incorporated in Bermuda with limited liability)
(Stock Code: 182)

**DISCLOSEABLE TRANSACTION
CONTRACT REGARDING PURCHASE OF
WIND POWER ELECTRICITY GENERATION EQUIPMENT**

The board of Directors is pleased to announce that on 23 August 2016, the Group and the Supplier entered into the Purchase Contract regarding the purchase of wind power electricity generation equipment amounting to a total consideration of RMB201,344,000 (equivalent to approximately HK\$233,559,040) by the Group from the Supplier for the wind farm project of the Group in Hebei province (河北省), the PRC. The Supplier is an Independent Third Party.

As an applicable percentage ratio in respect of the transaction exceeds 5% but all applicable percentage ratios are otherwise less than 25%, the transaction under the Purchase Contract constitutes a discloseable transaction for the Company and thus is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. None of the Directors and their associates have any material interest in the Purchase Contract.

BACKGROUND

The board of Directors is pleased to announce that on 23 August 2016, the Group and the Supplier entered into the Purchase Contract regarding the purchase of wind power electricity generation equipment amounting to a total consideration of RMB201,344,000 (equivalent to approximately HK\$233,559,040) by the Group from the Supplier for the wind farm project of the Group in Hebei province (河北省), the PRC. The Supplier is an Independent Third Party.

PURCHASE CONTRACT

The Principal Terms of the Purchase Contract are summarised as follows:

Date : 23 August 2016

Parties: : Haotai New Energy Equipment Ltd. * (浩泰新能源裝備有限公司), a wholly owned subsidiary of the Company, the buyer

Envision Energy (Jiangsu) Co., Ltd.* (遠景能源(江蘇)有限公司), an Independent Third Party, the Supplier

Consideration : RMB201,344,000 (equivalent to approximately HK\$233,559,040)

Under the Purchase Contract, the Group has agreed to buy from the Supplier 22 sets of wind power generation facilities of 2,200KW each for the wind farm project of the Group in Hebei province (河北省), the PRC including turbines, electricity generation systems, control systems hardware and software, etc.

The amount of the above consideration payable by the Group is on normal commercial terms and is agreed after arm's length negotiation with reference to the market unit price and quantity of each machinery, equipment or forming part of the wind power electricity generation equipment to be supplied as set out in Purchase Contract.

The amount of consideration also includes fees in relation to, inter alia, technical support services to be provided by the Supplier, tax payment, delivery and insurance costs.

According to the Purchase Contract, the Supplier shall pay to the Group 10% of the above consideration within 15 days from the effective date of the Purchase Contract as performance bond (the "Performance Bond") for any breach of its obligations under the Purchase Contract, which shall be refunded to the Supplier within 30 days after completion of the pre-examination of the relevant wind power electricity generation equipment. The payment of consideration to be made by the Group by instalment will be based on the stages of completion of the Purchase Contract. The consideration will be payable in cash or by way of issuing acceptance bill of exchange.

The Supplier will provide a warranty period of 5 years in respect of the wind power electricity generation equipment supplied.

** for identification purpose only*

THE SUPPLIER

The Supplier is a supplier of wind power machinery and equipment in the PRC.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Supplier and its ultimate beneficial owner(s) are third parties independent of the Company and the connected persons of the Company.

REASONS FOR AND BENEFIT OF THE TRANSACTION

The Company is principally engaged in (i) investing in various wind and solar power projects and (ii) offering professional technical services and integrated solution to the wind and solar power generation projects.

It is in the ordinary and usual course of business of the Group to build wind power plants in the PRC, including, among other projects, the subject projects in Hebei, the PRC. The purchases of the machinery and equipment from the Supplier under the Purchase Contract represent part of the Group's ordinary investments in its wind power projects.

The Purchase Contract was entered into after the Group's tender process. The Group evaluated the terms of the contract based on, among other factors, the specifications and needs of the Group, the credentials and experience of the Supplier, the quality of the products to be supplied by the Supplier, the services agreed to be rendered by the Supplier, the products warranty provided by the Supplier and the terms offered by other suppliers to the Group.

The Directors (including the independent non-executive Directors) consider that the overall terms offered by the Supplier under the Purchase Contract are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

The purchases under the Purchase Contract will be financed by internal resources of the Group and/ or borrowings.

IMPLICATIONS OF THE LISTING RULES

As an applicable percentage ratio in respect of the transaction exceeds 5% but all applicable percentage ratios are otherwise less than 25%, the transaction under the Purchase Contract constitutes a discloseable transaction for the Company and thus is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. None of the Directors and their associates have any material interest in the Purchase Contract.

DEFINITIONS

“associates”	has the meaning ascribed to it by the Listing Rules
“Company”	Concord New Energy Group Limited, 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
“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 PRC
“Independent Third Party”	any person/entity who/which is a third party independent of the Company and the connected persons of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“KW”	Kilowatt (1,000 watts), the commonly used unit of power in quantifying the electricity generation
“percentage ratio(s)”	the percentage ratio(s) as defined in Chapter 14 of the Listing Rules
“PRC”	The People’s Republic of China
“Purchase Contract”	the wind farm machinery and equipment Purchase Contract entered into between Haotai New Energy Equipment Ltd. * (浩泰新能源裝備有限公司), a wholly owned subsidiary of the Company and the Supplier dated 23 August 2016
“RMB”	Renminbi, the lawful currency of the PRC
“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

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“Supplier” Envision Energy (Jiangsu) Co., Ltd.* (遠景能源(江蘇)有限公司), a limited liability company incorporated in the PRC

“subsidiary” has the meaning ascribed to it by the Listing Rules

The translation of RMB into HK\$ is based on the exchange rate of RMB1.00 to HK\$1.16, and are provided for information purposes only.

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

Hong Kong, 23 August 2016

As at the date of this announcement, the Board comprises Mr. Liu Shunxing (Chairman), Mr. Yang Zhifeng and Ms. Liu Jianhong (who are Co-Vice Chairpersons), Mr. Yu Weizhou (Chief Executive Officer), Mr. Gui Kai (who is executive Director), Mr. Gao Fuchun (who is non-executive Director) and Dr. Wong Yau Kar, David, BBS, JP, Mr. Yap Fat Suan, Dr. Shang Li and Ms. Huang Jian (who are independent non-executive Directors).

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