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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)

SUPPLEMENTAL AND CLARIFICATION ANNOUNCEMENT DISCLOSEABLE TRANSACTION DISPOSAL OF 75% EQUITY INTEREST IN DAOXIAN CENTURY CONCORD AND DAOXIAN JINGTANG AND PROVISION OF GUARANTEES

Reference is made to the announcement of the Company dated 22 April 2019 (the “**Announcement**”) in relation to the disposal of 75% equity interest in Daoxian Century Concord and Daoxian Jingtang and provision of guarantees. Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement unless the context otherwise requires.

SUPPLEMENTAL INFORMATION TO THE ANNOUNCEMENT

The Board would like to provide additional information in relation to the Disposal as follows:

Basis of Determining the Consideration for the Disposal

In the Announcement, it was stated that the consideration for the transfer of 75% equity interest in each of Daoxian Century Concord and Daoxian Jingtang was determined after arm’s length negotiations between the relevant parties taking into account, among other things, the prevailing market value of 75% equity interest in Daoxian Century Concord and Daoxian Jingtang. The Company would like to state further that despite the fact that no valuation was conducted by external valuer for the subject assets under the Disposal, the Company approached 4 to 5 potential purchasers for the Disposal, among which, RECO (Concord) proposed the highest price for acquiring 75% equity interest in each of Daoxian Century Concord and Daoxian Jingtang. In addition, the Board made reference to recent disposal of similar size in the market as detailed below:

* *For identification purposes only*

Company name	Date of announcement	Consideration (approximate)	Scale	Net assets of the subject matters (approximate)	Price-to-book ratio
China Ruifeng Renewable Energy Holdings Limited (Stock code: 527)	7 November 2018	HK\$195,360,000	49.8MW	RMB165,000,000	1.18
The Company	22 April 2019	RMB226,308,000	72MW	RMB165,115,000	1.37

The Company is of the view that the considerations for disposal of 75% equity interest in each of Daoxian Century Concord and Daoxian Jingtang are in line with the prevailing market price level.

After taking into account the aforesaid factors, the Board is of the view that the considerations of the Disposal as arrived at after arm's length negotiations between the Company and RECO (Concord) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Financial information of Suzhou RECO

In the Announcement, it was stated that Suzhou RECO is a limited liability company established in the PRC and a wholly-owned subsidiary of Yongzhou Jiepai Concord as at the date of the Announcement. The Company would like to state further that Suzhou RECO is a limited liability company newly established in the PRC as required by the equity investment fund for the Disposal. As such, no information relating to Suzhou RECO's net profit/loss (both before and after taxation) for the previous two financial years was provided in the Announcement. In addition, Suzhou RECO itself has no assets/businesses/subsidiaries other than Daoxian Century Concord and Daoxian Jingtang, both before and after the transfer of 75% equity interest in each of Daoxian Century Concord and Daoxian Jingtang.

CLARIFICATION

Furthermore, the Company would like to clarify that the last paragraph under the sub-section headed "*Financial Information of Daoxian Jingtang*" on page 12 of the Announcement shall be read as follows (with amendments underlined):

"The total assets, total liabilities of Daoxian Jingtang as at 31 December 2018 and net assets of Daoxian Jingtang as at 31 March 2019 were approximately RMB373,988,000, RMB281,074,000 and RMB100,134,000, respectively."

The Board confirms that the abovementioned supplemental information and clarifications do not affect other information contained in the Announcement. Save as disclosed above, all other information in the Announcement shall remain unchanged.

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

Hong Kong, 3 May 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 Dr. Shang Li (all of above are executive Directors), Mr. Wang Feng (who is an 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).