

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.



OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made pursuant to Rule 13.10B of the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited*.

The board of directors (the “**Board**”) of Xinjiang Goldwind Science & Technology Co., Ltd. (the “**Company**”) hereby enclose the announcement entitled the “*Announcement Retarding the Proposal on Shareholders’ Return Plan for the Three Years of 2018-2020*” which has been published by the Company on the website of the Shenzhen Stock Exchange for your reference.

By order of the Board
Xinjiang Goldwind Science & Technology Co., Ltd.
Ma Jinru
Company Secretary

Beijing, 23 March 2018

As at the date of this announcement, the Company’s executive directors are Mr. Wu Gang, Mr. Wang Haibo and Mr. Cao Zhigang; non-executive directors are Mr. Zhao Guoqing, Mr. Feng Wei and Mr. Gao Jianjun; and the independent non-executive directors are Mr. Yang Xiaosheng, Mr. Luo Zhenbang, and Dr. Tin Yau Kelvin Wong.

** For identification purpose only*

Proposal on Shareholders' Return Plan for the Three Years of 2018-2020

1. Principles of the Plan

The Plan was formulated in accordance with relevant laws, regulations and provisions regarding profit distribution in the Articles of Association. This Plan places great importance on a fair return on shareholders' investment, as well as taking into consideration the sustainable development of the Company and the continuity and stability of the profit distribution policy of the Company.

2. Factors Considered in Formulating the Plan

The Plan aims to establish a sustainable and stable system of investment return to the shareholders after having taken full considerations of factors including the Company's current and future profitability, cash flow, current development stage, funding requirements of project investment, bank credit, debt financing conditions, the Company's operations and development, cost of social funds and financing market environment.

3. Shareholders' Return Plan For The Three Years of 2018 to 2020

Over the three years of 2018 to 2020, the Company shall distribute dividends in cash, shares or a combination of cash and shares. And the Company shall take cash distribution as a preferable way of profit distribution.

Conditional upon the Company being profitable and cash flow being able to satisfy the continuing operation and sustainable development of the Company, the Company shall actively distribute cash dividends and value the importance of shareholders return.

Over the three years of 2018 to 2020, when proposing distribution of dividends, the Board shall take into account, the features of the industries where the Company operates, its development stage, business model, profit level and whether it has any significant capital expenditure plans and formulate profits distribution proposals in accordance with the provisions set out below and procedures provided in the Articles of Association:

- (1) If the Company is at the mature stage of development and has no significant capital expenditure plan, the proportion of cash dividends shall be at least 80% in the profit distribution;
- (2) If the Company is at the mature stage of development and has a significant capital expenditure plan, the proportion of cash dividends shall be at least 40% in the profit distribution;
- (3) If the Company is at the growing stage and has a significant capital expenditure plan, the proportion of cash dividends shall be at least 30% in the profit distribution. If it is difficult to determine the Company's stage of development

while it has a significant capital expenditure plan, the profit distribution may be dealt with pursuant to the rules applied in the previous distribution.

If the operation of the Company is healthy, and the Board of the Company believes the scale of share capital does not match the operation scale of the Company and dividend payment in shares will be in the interests of all shareholders of the Company, the Company may propose to distribute dividends in shares.

4. Resolution, Supervision and Disclosure Procedures

- (1) The Board shall formulate the preliminary profit distribution plans and obtain the independent opinions expressed by the independent non-executive directors before submitting to the shareholders' general meeting for consideration and approval. Opinions of shareholders (especially minority shareholders) and the independent non-executive directors shall be heard and considered during the process of deciding the profit distribution plans at the shareholders' general meeting. The Company shall take the initiative to communicate with shareholders, in particular minority shareholders through various channels, including investor interactive platform, investor hotline, email and etc. The Company shall provide feedback on questions from minority shareholders in a timely manner.

The independent non-executive directors may collect opinions from minority shareholders for formulating and putting forward a profit distribution proposal to the Board of the Company for consideration.

- (2) In the event that the Company's annual results are profitable and yet the Board does not propose a cash dividends distribution plan, the Board shall, in the Company's periodical reports, provide detailed explanations for not proposing distribution of cash dividends, proposed use and plan for such funds retained by the Company. Independent non-executive directors shall issue independent opinions on such explanations and shall be disclosed to the public. In the event that there are misappropriations of funds by shareholders, the Company shall withhold the cash dividends for which such shareholders are entitled in order to repay the misappropriated funds.
- (3) The Company shall disclose in details the formulation and implementation of the dividend distribution policy in its periodic reports including compliance with the Articles of Association or resolutions of the shareholders' general meeting, accuracy and clarity of dividend distribution plan, compliance with relevant decision-making procedures requirements, performance and contributions of the independent directors, whether or not minority shareholders' opinions have been fully taken into consideration and whether or not the legal rights of minority shareholders have been fully protected.

5. Revision Mechanism for the Return Plan

In the event that the profit distribution policy and shareholders' return plan require change based on the Company's production and operations plan, investment plans, development strategy and other factors, the Company shall, with an aim of protecting

the interests of shareholders, discuss in details with minority shareholders and provide reasons for such change, and the Board shall propose resolutions to the shareholders' general meeting on the bases that opinions of minority shareholders have been fully heard and the independent non-executive directors' independent opinions have been obtained. The Company shall provide an online voting platform for the shareholders. The Company shall also discuss in details in its periodic reports on whether the revised or changed plans are in compliance with regulations and procedure requirements and transparent.

6. **The Board has the authority to interpret the plan, and the plan shall become effective as of the date of approval of the shareholders at the general meeting.**

The Board
Xinjiang Goldwind Science & Technology Co., Ltd.
23 March 2018