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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **China New Energy Power Group Limited** (the “Company”), you should at once hand this circular, together with the accompanying form of proxy, to the purchaser or transferee or to the bank, stockbroker or other registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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CHINA NEW ENERGY POWER GROUP LIMITED

中國新能源動力集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1041)

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong, on Wednesday, 28 May 2014 at 11:00 a.m. is set out on pages 13 to 18 of this circular.

A proxy form for use at the annual general meeting is enclosed with this circular. Whether or not you intend to attend the meeting or any adjournment thereof, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return the same to the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the annual general meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish.

23 April 2014

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Accompanying: Form of proxy for AGM

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong at 11:00 a.m. on Wednesday, 28 May 2014, notice of which is set out on pages 13 to 18 of this circular
“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Bye-Laws”	the bye-laws of the Company
“Company”	China New Energy Power Group Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“Extended Mandate”	a general mandate to add the aggregate number of Shares repurchased by the Company under the Repurchase Mandate to the Issue Mandate, subject to a maximum of 10% of the issued share capital of the Company as at the date of passing of the ordinary resolution granting such mandate
“General Mandates”	the Issue Mandate, the Repurchase Mandate and the Extended Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the general mandate proposed to be granted to the Directors at the AGM to exercise the power of the Company to allot, issue and deal with new Shares up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the ordinary resolution granting such mandate

DEFINITIONS

“Latest Practicable Date”	14 April 2014, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notice”	the notice convening the AGM as set out on pages 13 to 18 of this circular
“PRC”	the People’s Republic of China
“Repurchase Mandate”	the general mandate proposed to be granted to the Directors at the AGM to exercise the power of the Company to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the ordinary resolution granting such mandate
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of US\$0.001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary” or “Subsidiaries”	company(ies) which is/are for the time being subsidiary(ies) (within the meaning of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) of the Company
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

LETTER FROM THE BOARD



CHINA NEW ENERGY POWER GROUP LIMITED

中國新能源動力集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1041)

Executive Directors:

Ip Cheng Kuong (*Chairman*)
Yeung Kwok Yu
Chiu Kong
Kwan Kam Hung, Jimmy
Chen Guang Lin
Wu Zhuo Tong

Independent non-executive Directors:

Ma Yin Fan
Leung Hoi Ying
Yu Pan
Lee Ming Tung

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place of
business in Hong Kong:*

Unit 2807, 28/F., The Center
99 Queen's Road Central
Central, Hong Kong

23 April 2014

To the Shareholders,

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS,
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

At the last annual general meeting of the Company held on 30 May 2013, general mandates were given to the Directors to exercise the powers of the Company to issue Shares and to repurchase Shares. Such mandates will lapse at the conclusion of the AGM. Ordinary resolutions will therefore be proposed at the AGM for the granting of general mandates to the Directors to issue Shares and to repurchase Shares.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with the relevant information regarding the resolutions to be proposed at the AGM, including the proposed grant of the General Mandates and the proposed re-election of the retiring Directors.

2. ISSUE MANDATE

At the AGM, ordinary resolutions will be proposed to grant to the Directors a general and unconditional mandate to exercise the powers of the Company (i) to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing of the relevant resolution at the AGM; and (ii) to add the aggregate number of Shares repurchased by the Company under the Repurchase Mandate to the Issue Mandate, subject to a maximum of 10% of the issued share capital of the Company as at the date of passing of the relevant resolution. As at the Latest Practicable Date, a total of 2,761,073,250 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company from the Latest Practicable Date to the date of the AGM, the Company will be allowed under the Issue Mandate to issue a maximum of 552,214,650 Shares.

3. REPURCHASE MANDATE

An ordinary resolution will be proposed at the AGM to grant to the Directors a general and unconditional mandate to exercise all powers of the Company to repurchase, on the Stock Exchange, or on any other stock exchange on which the Shares may be listed, Shares not exceeding 10% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing of the relevant resolution at the AGM.

Under the Listing Rules, the Company is required to give to the Shareholders all information which is reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the resolution in respect of the Repurchase Mandate at the AGM. An explanatory statement for such purpose is set out in Appendix I to this circular.

4. PROPOSED RE-ELECTION OF DIRECTORS

Pursuant to the Bye-Laws, Mr. Ip Cheng Kuong, Mr. Chen Guang Lin, Ms. Ma Yin Fan and Mr. Leung Hoi Ying will retire as Directors and, being eligible, will offer themselves for re-election in accordance with the Bye-Laws at the AGM. Particulars of their biographical details are set out in Appendix II to this circular.

5. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

LETTER FROM THE BOARD

6. AGM

A notice convening the AGM is set out on pages 13 to 18 of this circular.

Enclosed with this circular is a proxy form for use at the AGM. Whether or not you intend to attend the AGM or any adjournment thereof, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish. In the event that a shareholder having lodged a proxy form attends the AGM, his/her proxy form will be deemed to be revoked.

7. VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except for purely procedural or administrative matters. The Chairman of the AGM will therefore put each of the resolutions to be proposed at the AGM to be voted by way of a poll pursuant to Bye-law 66 of the Bye-Laws. The Company will then announce the results of the poll in the manner stipulated under Rule 13.39(5) of the Listing Rules.

To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, none of the Shareholders is required to abstain from voting on any resolutions to be approved at the AGM.

8. RECOMMENDATION

The Directors believe that the proposed grant of the General Mandates and the proposed re-election of the retiring Directors are in the best interests of the Company and its Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of the resolutions to be proposed at the AGM referred to above and as set out in the Notice.

9. FURTHER INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
For and on behalf of the Board
Ip Cheng Kuong
Chairman

The following is the explanatory statement required to be sent to Shareholders under Rule 10.06(1)(b) of the Listing Rules to provide requisite information for Shareholders to make an informed decision on whether to vote for or against the resolution to approve the Repurchase Mandate.

I. Share capital

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,761,073,250 Shares. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date up to the date of passing of the relevant resolution at the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 276,107,325 Shares, representing 10% of the issued share capital of the Company as at the date of passing of the relevant resolution at the AGM.

II. Reasons for repurchases

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders as a whole. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per Share and will only be made when the Directors believe that such repurchase will benefit the Company and its Shareholders as a whole.

III. Funding of repurchases

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Bye-Laws, the Listing Rules and the applicable laws of Bermuda. A listed company may not repurchase its own shares on the Main Board of the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. It is envisaged that the funds required for any repurchase under the Repurchase Mandate would be derived from those funds of the Company which are legally permitted to be utilised in this connection.

There might be a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts of the Company for the year ended 31 December 2013 in the event that the repurchase of Shares under the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

IV. Shares repurchases made by the company

The Company had not repurchased any of its Shares (whether on the Stock Exchange or otherwise) in the last six months preceding the Latest Practicable Date.

V. Share prices

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the twelve months up to the Latest Practicable Date were as follows:

Month	Price per share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2013		
April	0.1310	0.1180
May	0.1640	0.1120
June	0.1350	0.1150
July	0.1370	0.1180
August	0.1460	0.1160
September	0.1350	0.1180
October	0.2900	0.1160
November	0.2110	0.1480
December	0.1980	0.1700
2014		
January	0.1820	0.1500
February	0.1710	0.1450
March	0.1650	0.1380
April (up to the Latest Practicable Date)	0.1570	0.1410

VI. Undertaking and disclosure of interests

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Bermuda.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, has any present intention to sell any Shares to the Company if the Repurchase Mandate is approved by the Shareholders.

No connected person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company and no such person has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

VII. Takeovers Code

If as a result of repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (as interpreted according to the Takeovers Code), depending on the level of the increase of the Shareholder's interest, could obtain or consolidate control of the Company and thereby become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge of the Directors, the following Shareholders were interested in 5% or more of the issued Shares as recorded in the register of interests in shares and short position of the Company under Section 336(1) of Part XV of the SFO:

Name of Shareholder	Nature of interest	Number of Shares held	Approximate percentage of shareholding as at the Latest Practicable Date (Note 1)	Approximate percentage of shareholding if the Company exercises in full its power to repurchase Shares (Note 1)
So Chi Ming	Beneficial owner	250,000,000	9.05%	10.06%
Ng Leung Ho	Beneficial owner	150,000,000	5.43%	6.04%

Note:

- (1) The percentages were calculated based on the Company's issued share capital of 2,761,073,250 Shares as at the Latest Practicable Date and on the assumptions that there is no other change in the issued share capital of the Company and that none of the conversion rights attached to the outstanding convertible notes issued by the Company are exercised prior to the AGM.

In the event that the Directors shall exercise in full the power to repurchase Shares in accordance with the Repurchase Mandate and assuming there is no other change in the issued share capital of the Company before the date of the AGM, the interest of the above substantial Shareholders would be increased to the approximate percentage as shown in the last column above.

The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases under the Repurchase Mandate. The Company will not repurchase Shares to such extent as to result in the amount of Shares held by the public being reduced to less than 25% of the total share capital of the Company.

APPENDIX II PARTICULARS OF DIRECTORS PROPOSED FOR RE-ELECTION

The biographical details of the Directors eligible for re-election at the AGM are set out below:

- (i) **Mr. Ip Cheng Kuong** (“**Mr. Ip**”), aged 74, an executive Director, is the chairman of the Company. Mr. Ip joined us in June 2011. Mr. Ip graduated from PLA Military Engineering Institute in Harbin and is a spationautics expert in Chinese aerospace industry. Mr. Ip is the founder of 六合天融(北京)環保科技有限公司 (an affiliate of China Energy Conservation and Environment Protection Group, which is a state owned enterprise in the PRC), and currently serves as its vice chairman. He is concurrently the beneficial controlling shareholder and the chairman of Liuhe EPES Group. Mr. Ip is also the beneficial controlling shareholder and the chairman of Global Zone International Limited, a company which holds 2.69% equity interest in the Company.

As at the Latest Practicable Date, Mr. Ip was deemed to be interested in 74,280,000 Shares held by Global Zone International Limited, representing approximately 2.69% of the entire issued capital of the Company. Mr. Ip and his spouse, Ms. Chang Zhijun, own 51% and 49% interests of Global Zone International Limited, respectively. Save as disclosed above, Mr. Ip did not (a) hold any other position with the Company or other members of the Group; (b) have any interest or short position in any Shares, underlying Shares or debentures of the Company and its associated corporations which fall to be disclosed under Part XV of the SFO; (c) have any relationship with any other Directors, senior management or substantial or controlling Shareholders of the Company; and (d) hold any other directorship in any Hong Kong or overseas listed public companies in the last three years. Mr. Ip has entered into a service contract with the Company for a term of three years commencing from 29 June 2011 and shall determine upon expiry subject to renewal by mutual agreement between the Company and Mr. Ip prior thereto and in compliance with the Listing Rules. Mr. Ip’s directorship with the Company is also subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-Laws. Mr. Ip is entitled to receive an annual remuneration of HK\$600,000. His emoluments are determined with reference to his duties and responsibilities within the Group and the prevailing market conditions.

Save as disclosed above, Mr. Ip is not aware of any other matters that need to be brought to the attention of the holders of securities of the Company nor is there any information to be disclosed by the Company pursuant to any of the requirements under rule 13.51(2) of the Listing Rules.

APPENDIX II PARTICULARS OF DIRECTORS PROPOSED FOR RE-ELECTION

- (ii) **Mr. Chen Guang Lin** (“**Mr. Chen**”), aged 42, an executive Director, is a director of certain subsidiaries of the Group. Mr. Chen joined us in March 2011. Mr. Chen has extensive experience in operating and managing enterprises in the PRC. In addition, Mr. Chen has acquainted himself with matters such as administration, management and tax issues in PRC enterprises. He is also familiar with the operation, management and operating environments in the PRC.

As at the Latest Practicable Date and save as disclosed above, Mr. Chen did not (a) hold any other position with the Company or other members of the Group; (b) have any interest or short position in any Shares, underlying Shares or debentures of the Company and its associated corporations which fall to be disclosed under Part XV of the SFO; (c) have any relationship with any other Directors, senior management or substantial or controlling Shareholders of the Company; and (d) hold any other directorship in any Hong Kong or overseas listed public companies in the last three years. Mr. Chen has entered into a service contract with the Company for a term of three years commencing from 1 December 2011 and shall determine upon expiry subject to renewal by mutual agreement between the Company and Mr. Chen prior thereto and in compliance with the Listing Rules. Mr. Chen’s directorship with the Company is also subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-Laws. Mr. Chen is entitled to receive an annual remuneration of HK\$650,000. His emoluments are determined with reference to his duties and responsibilities within the Group and the prevailing market conditions.

Save as disclosed above, Mr. Chen is not aware of any other matters that need to be brought to the attention of the holders of securities of the Company nor is there any information to be disclosed by the Company pursuant to any of the requirements under rule 13.51(2) of the Listing Rules.

APPENDIX II PARTICULARS OF DIRECTORS PROPOSED FOR RE-ELECTION

- (iii) **Ms. Ma Yin Fan** (“**Ms. Ma**”) aged 50, an independent non-executive Director, is the chairlady of the audit committee and the remuneration committee of the Company. Ms. Ma joined us in August 2009. She obtained a bachelor’s degree with honours in accountancy at Middlesex University in the United Kingdom. She also holds an MBA and Master in Professional Accounting degree from Heriot-Watt University in the United Kingdom and Hong Kong Polytechnic University, respectively. Ms. Ma is a CPA (Practising) in Hong Kong and has been working in the auditing, accounting and taxation for more than 20 years. She is the principal of Messrs. Ma Yin Fan & Company CPAs. Ms. Ma is a fellow member of each of the Hong Kong Institute of Certified Public Accountants, Taxation Institute of Hong Kong, Association of Chartered Certified Accountants, Hong Kong Institute of Chartered Secretaries and Institute of Chartered Secretaries and Administrators. She is also an associate member of the Institute of Chartered Accountant in the England and Wales and a Certified Tax Advisor in Hong Kong. Ms. Ma is currently an independent non-executive director of China Strategic Holdings Limited (“China Strategic”), CST Mining Group Limited and G-Resources Group Limited (“G-Resources”), companies whose shares are listed on the main board of the Stock Exchange.

As at the Latest Practicable Date and save as disclosed above, Ms. Ma did not (a) hold any other position with the Company or other members of the Group; (b) have any interest or short position in any Shares, underlying Shares or debentures of the Company and its associated corporations which fall to be disclosed under Part XV of the SFO; (c) have any relationship with any other Directors, senior management or substantial or controlling Shareholders of the Company; and (d) hold any other directorship in any Hong Kong or overseas listed public companies in the last three years. Ms. Ma has entered into a service contract with the Company for a term of two years commencing from 1 April 2014 and shall determine upon expiry subject to renewal by mutual agreement between the Company and Ms. Ma prior thereto and in compliance with the Listing Rules. Ms Ma’s directorship with the Company is also subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-Laws. Ms. Ma is entitled to receive an annual remuneration of HK\$180,000. Her emoluments are determined with reference to her duties and responsibilities within the Group and the prevailing market conditions.

Based on the confirmation of independence received from Ms. Ma, she is considered as independent pursuant to Rule 3.13 of the Listing Rules and therefore is recommended to be re-elected at the AGM.

Save as disclosed above, Ms. Ma is not aware of any other matters that need to be brought to the attention of the holders of securities of the Company nor is there any information to be disclosed by the Company pursuant to any of the requirements under rule 13.51(2) of the Listing Rules.

APPENDIX II PARTICULARS OF DIRECTORS PROPOSED FOR RE-ELECTION

- (iv) **Mr. Leung Hoi Ying** (“**Mr. Leung**”), aged 63, an independent non-executive Director, is the chairman of the nomination committee and a member of the audit committee and the remuneration committee of the Company. Mr. Leung joined us in August 2009. He graduated from Guangdong Foreign Trade School in PRC. He has over 30 years of experience in the international trading and business development. Mr. Leung is currently an independent non-executive director of China Strategic and G-Resources, companies whose shares are listed on the main board of the Stock Exchange.

As at the Latest Practicable Date and save as disclosed above, Mr. Leung did not (a) hold any other position with the Company or other members of the Group; (b) have any interest or short position in any Shares, underlying Shares or debentures of the Company and its associated corporations which fall to be disclosed under Part XV of the SFO; (c) have any relationship with any other Directors, senior management or substantial or controlling Shareholders of the Company; and (d) hold any other directorship in any Hong Kong or overseas listed public companies in the last three years. Mr. Leung has entered into a service contract with the Company for a term of two years commencing from 1 April 2014 and shall determine upon expiry subject to renewal by mutual agreement between the Company and Mr. Leung prior thereto and in compliance with the Listing Rules. Mr. Leung’s directorship with the Company is also subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-Laws. Mr. Leung is entitled to receive an annual remuneration of HK\$100,000. His emoluments are determined with reference to his duties and responsibilities within the Group and the prevailing market conditions.

Based on the confirmation of independence received from Mr. Leung, he is considered as independent pursuant to Rule 3.13 of the Listing Rules and therefore is recommended to be re-elected at the AGM.

Save as disclosed above, Mr. Leung is not aware of any other matters that need to be brought to the attention of the holders of securities of the Company nor is there any information to be disclosed by the Company pursuant to any of the requirements under rule 13.51(2) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



CHINA NEW ENERGY POWER GROUP LIMITED

中國新能源動力集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1041)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of China New Energy Power Group Limited (the “Company”) will be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong at 11:00 a.m. on Wednesday, 28 May 2014 for the following purposes:

As Ordinary Businesses

1. To receive and consider the audited consolidated financial statements and the reports of the directors of the Company (individually, a “Director” and collectively, the “Directors”) and the auditor of the Company for the year ended 31 December 2013;
2. To re-elect Mr. Ip Cheng Kuong as executive Director;
3. To re-elect Mr. Chen Guang Lin as executive Director;
4. To re-elect Ms. Ma Yin Fan as independent non-executive Director;
5. To re-elect Mr. Leung Hoi Ying as independent non-executive Director;
6. To authorise the board of Directors (the “Board”) to fix the remuneration of the Directors;
7. To re-appoint Messrs. Deloitte Touche Tohmatsu as auditor and to authorise the Board to fix its remuneration;

NOTICE OF ANNUAL GENERAL MEETING

As Special Businesses

8. To consider and, if thought fit, to pass, with or without modification, the following resolution which will be proposed as ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares of US\$0.001 each in the share capital of the Company (the “Shares”) or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements and options (including bonds, warrants, debentures and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisations given to the Directors and shall authorise the Directors during the Relevant Period (as defined below) to make or grant offers, agreements and options (including bonds, warrants, debentures and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require the exercise of such powers at any time during or after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined in paragraph (f) below);
 - (ii) an exercise of rights of subscription or conversion under terms of any warrants issued by the Company or any securities which are convertible into Shares;
 - (iii) an exercise of the subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries or such other persons eligible to participate in any such scheme(s) or arrangement of Shares or rights to acquire Shares;

NOTICE OF ANNUAL GENERAL MEETING

(iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company (the “Bye-Laws”);

(v) a specific authority granted by the shareholders of the Company in general meeting,

shall not exceed 20 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution and the said approval shall be limited accordingly;

(d) subject to the passing of each of the paragraphs (a), (b) and (c) of this Resolution, any prior approvals of the kind referred to in paragraphs (a), (b) and (c) of this Resolution which had been granted to the Directors and which are still in effect be and are hereby revoked;

(e) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiry of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable laws of Bermuda to be held; or

(iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the Shareholders in general meeting; and

(f) “Rights Issue” means an offer of Shares or other equity securities of the Company open for a period fixed by the Directors to the holders of Shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of, any recognised regulatory body or any stock exchange in any territory outside Hong Kong applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

9. To consider and, if thought fit, to pass, with or without modification, the following resolution which will be proposed as ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to repurchase Shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and regulations of Hong Kong, Bermuda, the Bye-Laws and the requirements of the Listing Rules or rules of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) of this Resolution during the Relevant Period (as defined below) shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution and the said approval shall be limited accordingly;
- (c) any prior approvals of the kind referred to in paragraphs (a) and (b) of this Resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (d) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiry of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable laws of Bermuda to be held; or
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the Shareholders in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

10. To consider and, if thought fit, to pass, with or without modification, the following resolution which will be proposed as ordinary resolution:

“**THAT** subject to the passing of Resolutions No. 8 and No. 9 set out in the notice convening this meeting, the general mandate granted to the Directors to allot, issue and deal with additional shares pursuant to the Resolution No. 8 as set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to the Resolution No. 9 as set out in the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10 per cent of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the said Resolution.”

By Order of the Board
China New Energy Power Group Limited
Ip Cheng Kuong
Chairman

Hong Kong, 23 April 2014

*Head office and principal place of
business in Hong Kong:*

Unit 2807, 28/F., The Center,
99 Queen's Road Central,
Central, Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A member of the Company entitled to attend and vote at the AGM convened by the notice of AGM is entitled to appoint one proxy or more proxies (if the member holds two or more Shares) to attend and vote instead of him at the AGM. A proxy need not be a member of the Company.
2. To be valid, a form of proxy together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for the holding of the AGM.
3. In the case of joint holders of any Share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such Share as if he were solely entitled thereto; but if more than one of such joint holders are present at the meeting personally or by proxy, then one of the said persons so present whose name stands first on the register of members of the Company in respect of such Share shall alone be entitled to vote in respect thereof.
4. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM in person if you so wish. In the event that you attend the AGM, the form of proxy will be deemed to be revoked.
5. The register of members will be closed and no transfer of shares will be effected during the period from Monday, 26 May 2014 to Wednesday, 28 May 2014, both days inclusive, for determining the members' eligibility to attend and vote at the AGM of the Company to be held on Wednesday, 28 May 2014.
6. In order to qualify for attending and voting at the forthcoming AGM of the Company to be held on Wednesday, 28 May 2014, unregistered holders of shares of the Company should ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Friday, 23 May 2014.
7. An explanatory statement containing further details regarding Resolution 9 above is set out in Appendix I to the circular of which this notice of AGM forms part (the "Circular").
8. Particulars of the retiring Directors are set out in Appendix II to the Circular.
9. A form of proxy for use in connection with the AGM is published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.cnepl.com).