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Pages: 1

CHINA NEW ENERGY POWER'S SHAREHOLDERS APPROVE DISPOSAL OF THE TIMBER BUSINESS OPERATIONS

At a special general meeting ("SGM") held today, shareholders of China New Energy Power Group Limited ("CNEP" or "the Company", stock code: 1041) together with its subsidiaries (the "Group") unanimously approved the disposal ("Disposal") of the entire interest and shareholder's loan of Wood Art International Corporation ("Wood Art"), allowing the Group to allocate its resources more effectively to focus on property development and the lithium and electric vehicle business.

"Today's voting results signify a vote of confidence from our shareholders in the Company's decision to focus on businesses with growth potential and improvement in the overall financial performance of the Group. The Group's long-term strategy is to concentrate on the development of properties held for sale and the development of lithium-ion battery and electric vehicles. The Group is currently involved in a property development project in Xi'an City, the PRC, which is planned to be developed into a residential and commercial area in five phases. The project is expected to provide positive contributions to the operation of the Group in the long run," said Mr Zhang Xi, Joint Chairman of CNEP.

The Group announced the proposed acquisition of the entire issued share capital of Lithium Energy Group Ltd in February 2011. The acquisition of Lithium Energy Group Ltd will allow the Group to tap into the high-growth new energy vehicle sector, which is supported by the Twelfth Five-Year Plan.

Wood Art has been suffering losses for many years and the performance of the Group's timber business has not been promising. In view of this, the Group has decided to realise its investment in the Wood Art Group so as to prevent the Group from incurring further loss by disposing the timber business.

About China New Energy Power Group Limited (former name Fulbond Holdings Limited)

Listed on the main board of The Stock Exchange of Hong Kong Limited in 1996, the Company has been seeking to expand its business scope with strategic investment in segments with high-growth potential in recent years. In mid-2011, the Company acquired Lithium Energy Group Ltd, which has operation bases in Tangshan, Changchun and Zhuhai. In August 2011, the Company changed its name to China New Energy Power Group Limited to reflect its new future business direction and business strategies in the development of lithium-ion battery and electric vehicles.

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