
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Xincheng China Power Holdings Limited, you should at once hand this circular with the accompanying form(s) of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale was effected for transmission to the purchaser(s) or transferee(s).

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POWER XINCHEN

新 晨 动 力

XINCHEN CHINA POWER HOLDINGS LIMITED

新 晨 中 國 動 力 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1148)

**(1) NOTICE OF ANNUAL GENERAL MEETING,
(2) RE-ELECTION OF DIRECTORS
AND
(3) GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES**

A notice convening an annual general meeting of Xincheng China Power Holdings Limited to be held at Pheasant Room & Jasmine Room, 1st Floor, Mandarin Oriental, Hong Kong, 5 Connaught Road Central, Hong Kong on Monday, 3 June 2019 at 9:00 a.m. is set out on pages 15 to 19 of this circular. Whether or not you are able to attend the annual general meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the office of the branch share registrar of Xincheng China Power Holdings Limited 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 but in any event not less than 48 hours before the time appointed for the holding of the meeting (i.e. not later than 9:00 a.m. (Hong Kong time) on Saturday, 1 June 2019) or any adjourned meeting thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjourned meeting thereof (as the case may be) if you so wish and in such event, the form of proxy will be deemed to be revoked.

18 April 2019

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.

DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Pheasant Room & Jasmine Room, 1st Floor, Mandarin Oriental, Hong Kong, 5 Connaught Road Central, Hong Kong on Monday, 3 June 2019 at 9:00 a.m.;
“Articles of Association”	the amended and restated articles of association of the Company, as amended from time to time;
“associate(s)”	has the meaning ascribed thereto in the Listing Rules;
“Board”	the board of Directors;
“Company”	Xinchen China Power Holdings Limited (新晨中國動力控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, whose securities are listed on the Stock Exchange;
“controlling shareholder(s)”	has the meaning ascribed thereto in the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Extension Mandate”	a general and unconditional mandate to the Directors to extend the Issue Mandate by an amount representing the total number of Shares repurchased under the Repurchase 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;

DEFINITIONS

“Issue Mandate”	the general and unconditional mandate to be granted to the Directors at the Annual General Meeting to exercise all the powers of the Company to allot, issue and otherwise deal with new Shares not exceeding 20% of the total number of Shares in issue as at the date of passing of the resolution approving such mandate;
“Latest Practicable Date”	12 April 2019, the latest practicable date prior to the bulk printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	The People’s Republic of China which, for the sole purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan;
“Repurchase Mandate”	the general and unconditional mandate to be granted to the Directors at the Annual General Meeting to repurchase Shares on the Stock Exchange up to 10% of the total number of Shares in issue as at the date of passing of the resolution approving such mandate;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	share(s) with a par value of HK\$0.01 each in the capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary”	has the meaning ascribed thereto in the Listing Rules;
“substantial shareholder(s)”	has the meaning ascribed thereto in the Listing Rules;
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers; and
“%”	per cent.

LETTER FROM THE BOARD

POWER XINCHEN

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XINCHEN CHINA POWER HOLDINGS LIMITED

新晨中國動力控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1148)

Executive Directors:

Mr. Wu Xiao An

(also known as Mr. Ng Siu On) *(Chairman)*

Mr. Wang Yunxian *(Chief Executive Officer)*

Non-executive Directors:

Mr. Liu Tongfu

Mr. Yang Ming

Independent non-executive Directors:

Mr. Chi Guohua

Mr. Wang Jun

Mr. Huang Haibo

Mr. Wang Songlin

Registered office:

Clifton House

75 Fort Street

PO Box 1350

Grand Cayman KY1-1108

Cayman Islands

*Head office and principal place
of business:*

Suites 1602-05

Chater House

8 Connaught Road Central

Hong Kong

18 April 2019

To all Shareholders

Dear Sir/Madam,

**(1) NOTICE OF ANNUAL GENERAL MEETING,
(2) RE-ELECTION OF DIRECTORS
AND
(3) GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES**

INTRODUCTION

The purpose of this circular is to give you notice of the Annual General Meeting and to provide you with information on certain matters to be dealt with at the Annual General Meeting. They are: (i) re-election of Directors; and (ii) grant of the Repurchase Mandate, the Issue Mandate and the Extension Mandate.

LETTER FROM THE BOARD

PROPOSED RE-ELECTION OF DIRECTORS

Pursuant to article 108 of the Articles of Association, at each annual general meeting of the Company, one-third of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest to one-third but not greater than one-third (or in such other manner of rotation as may be required by the Listing Rules), shall retire from office by rotation. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election.

Code provision A.4.2 of the Corporate Governance Code set out in Appendix 14 to the Listing Rules stipulates that every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Of the eight existing Directors, Mr. Liu Tongfu, Mr. Wang Jun and Mr. Huang Haibo, being the longest in office, are subject to retirement by rotation pursuant to article 108 of the Articles of Association and code provision A.4.2 of the Corporate Governance Code set out in Appendix 14 to the Listing Rules and will retire at the Annual General Meeting. Each of Mr. Liu Tongfu, Mr. Wang Jun and Mr. Huang Haibo, being eligible, will offer himself for re-election and the Board has recommended them for re-election at the Annual General Meeting.

Brief biography, as at the Latest Practicable Date, of each of Mr. Liu Tongfu, Mr. Wang Jun and Mr. Huang Haibo proposed to be re-elected at the Annual General Meeting is set out in Appendix I to this circular.

The procedure for nominating candidate(s) by the Shareholders to stand for election as a Director at general meeting of the Company has been published on the website of the Company (www.xinchenpower.com). The Company will issue an announcement or a supplemental circular to inform the Shareholders of the details of additional candidate(s) proposed for election if a valid nomination proposal together with the requisite information and documents are received after the printing of this circular.

PROPOSED GRANT OF REPURCHASE MANDATE, ISSUE MANDATE AND EXTENSION MANDATE

At the annual general meeting of the Company held on 21 June 2018, ordinary resolutions were passed, among other things, to grant the general mandates to the Directors (i) to repurchase Shares not exceeding 10% of the total number of Shares in issue as at 21 June 2018; and (ii) to allot, issue and otherwise deal with new Shares not exceeding 20% of the total number of Shares in issue as at 21 June 2018 and the number of Shares (up to a maximum of 10% of the total number of Shares in issue pursuant to the mandate granted under (i) above) repurchased by the Company.

These general mandates will lapse at the conclusion of the Annual General Meeting.

LETTER FROM THE BOARD

The Repurchase Mandate

At the Annual General Meeting, an ordinary resolution will be proposed in respect of the granting to the Directors the Repurchase Mandate, in the terms set out in the notice of the Annual General Meeting, to exercise the powers of the Company to repurchase its own securities on the Stock Exchange at any time during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the date upon which such authority is revoked or varied by the Shareholders at a general meeting of the Company; and (iii) the date by which the next annual general meeting of the Company is required to be held by laws or the Articles of Association. The number of Shares to be purchased pursuant to the Repurchase Mandate shall not exceed 10% of the total number of Shares in issue as at the date of passing of the relevant resolution.

An explanatory statement to provide relevant information in respect of the Repurchase Mandate is set out in Appendix II to this circular.

The Issue Mandate

In order to ensure flexibility and give discretion to the Directors, an ordinary resolution will also be proposed at the Annual General Meeting to renew the general mandate granted to the Directors to allot, issue and deal with new Shares not exceeding 20% of the total number of Shares in issue as at the date of passing of the relevant resolution. The Issue Mandate shall remain in force until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the date upon which such authority is revoked or varied by the Shareholders at a general meeting of the Company; and (iii) the date by which the next annual general meeting of the Company is required to be held by laws or the Articles of Association.

The Extension Mandate

In addition, an ordinary resolution regarding the Extension Mandate will be proposed at the Annual General Meeting providing that any Shares repurchased under the Repurchase Mandate (up to a maximum of 10% of the total number of Shares in issue as at the date of the grant of the Repurchase Mandate) will be added to the total number of Shares which may be allotted and issued under the Issue Mandate.

LETTER FROM THE BOARD

ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

A notice convening the Annual General Meeting to be held at Pheasant Room & Jasmine Room, 1st Floor, Mandarin Oriental, Hong Kong, 5 Connaught Road Central, Hong Kong on Monday, 3 June 2019 at 9:00 a.m. is set out on pages 15 to 19 of this circular.

Form of proxy for use at the Annual General Meeting is enclosed herewith and such form of proxy is also published on the website of the Stock Exchange (www.hkexnews.hk).

In accordance with the requirements of the Listing Rules, the resolutions to be put forward at the Annual General Meeting will be voted on by the Shareholders by way of poll except that the Chairman of the meeting may, in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

Whether or not the Shareholders intend to attend the Annual General Meeting, they are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the office of 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 as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting (i.e. not later than 9:00 a.m. (Hong Kong time) on Saturday, 1 June 2019) or any adjourned meeting thereof (as the case may be). Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the Annual General Meeting or any adjourned meeting thereof (as the case may be) if they so wish and in such event, the form of proxy will be deemed to be revoked.

RECOMMENDATIONS

The Board considers that the re-election of Directors and the granting of the Repurchase Mandate, the Issue Mandate and the Extension Mandate are in the interests of the Company and the Shareholders as a whole, and therefore recommends the Shareholders to vote in favour of all of the resolutions to be proposed at the Annual General Meeting.

ADDITIONAL INFORMATION

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

Yours faithfully,
For and on behalf of the Board
Xinchen China Power Holdings Limited
Wu Xiao An
(also known as Ng Siu On)
Chairman

APPENDIX I BIOGRAPHIES OF DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

The following are the biographies of the Directors proposed to be re-elected at the Annual General Meeting:

Mr. Liu Tongfu

Mr. Liu Tongfu (劉同富), aged 54, was appointed as a non-executive Director on 12 September 2016. Mr. Liu has been serving as director, executive vice president, member of the standing committee of the Communist Party of China and general manager of Zhonghua business unit of Huachen Automotive Group Holdings Company Limited (“**Huachen**”) since November 2018. From July to November 2018, he was the director, executive vice president and member of the standing committee of the Communist Party of China of Huachen. From March 2016 to July 2018, he was the director, executive vice president, member of the standing committee of the Communist Party of China and vice general manager of auto business unit of Huachen. From February to March 2016, he was the director, executive vice president and member of the standing committee of the Communist Party of China of Huachen. From December 2015 to February 2016, he was the vice president and member of the standing committee of the Communist Party of China of Huachen. From June 2011 to December 2015, he served as the vice president and member of the leading party group of Huachen. From February 2008 to June 2011, he acted as president assistant of Huachen. From December 2006 to February 2008, he acted as the vice general manager of Dahua Group Co., Ltd (大化集團有限責任公司). From August 1990 to December 2006, he held various positions in Dalian Heavy Industries Co., Ltd (大連重工集團有限公司), including assistant to general manager, head of development and planning department, and director of party office. Mr. Liu graduated from Department of Materials Engineering in Jilin College of Engineering (吉林工學院) with a major in metallic material in July 1986 and obtained a master’s degree in Metal Material and Heat Treatment from Department of Materials in Dalian University of Technology (大連理工大學) in August 1990. In July 1998, he was qualified as a senior engineer by the Personnel Department of Liaoning Province (遼寧省人事廳).

Save as stated herein, Mr. Liu does not hold any position in any member of the Group or hold any directorship in any listed public companies in the last three years.

Save as stated herein, Mr. Liu does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Liu was not interested or deemed to be interested in any Shares or underlying Shares pursuant to Part XV of the SFO.

APPENDIX I BIOGRAPHIES OF DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

Mr. Liu entered into a letter of appointment with the Company dated 12 September 2016 for a term of three years commencing from 12 September 2016 for his appointment as a non-executive Director, which is subject to the retirement by rotation requirements under the Articles of Association. Details of Mr. Liu's emoluments for the year ended 31 December 2018 are set out in note 12 to the audited consolidated financial statements in the annual report of the Company for the year ended 31 December 2018.

Save as disclosed herein, in relation to Mr. Liu's re-election as a Director, there is no other matters that need to be brought to the attention of the Shareholders nor is there any other information to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules.

Mr. Wang Jun

Mr. Wang Jun (王隽), aged 57, was appointed as an independent non-executive Director on 24 April 2012. He has over 28 years of experience in the legal field, especially in corporate compliance operation, risk control, corporate law, litigation and arbitration. Since February 2009, Mr. Wang has been practising law at the Beijing Office of Dacheng Law Offices (北京大成律師事務所). From April 2000 to February 2009, he practised law at the Beijing Jian Yuan Law Offices (北京市建元律師事務所). From September 1987 to March 2000, he was employed by China University of Petroleum (中國石油大學) as a teacher. From September 1983 to September 1985, he served as the cadre of the Railway Transport High Court (鐵路運輸高級法院). Mr. Wang obtained a postgraduate degree in economic law in July 1987 and a bachelor's degree in law from the department of law in July 1983, both from the China University of Political Science and Law (中國政法大學).

Save as stated herein, Mr. Wang does not hold any position in any member of the Group or hold any directorship in any listed public companies in the last three years.

Save as stated herein, Mr. Wang does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Wang was not interested or deemed to be interested in any Shares or underlying Shares pursuant to Part XV of the SFO.

APPENDIX I BIOGRAPHIES OF DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

Mr. Wang entered into a letter of appointment with the Company dated 13 March 2019 for a term of three years commencing from 13 March 2019 for his appointment as an independent non-executive Director, which is subject to the retirement by rotation requirements under the Articles of Association. Pursuant to the letter of appointment, Mr. Wang's emoluments will be determined by the Board with reference to his qualifications, experience, duties and responsibilities in the Group. Details of Mr. Wang's emoluments for the year ended 31 December 2018 are set out in note 12 to the audited consolidated financial statements in the annual report of the Company for the year ended 31 December 2018.

Mr. Wang has met the independence guidelines set out in Rules 3.13 of the Listing Rules and has provided his annual confirmation of independence to the Company pursuant thereto.

Save as disclosed herein, in relation to Mr. Wang's re-election as a Director, there is no other matters that need to be brought to the attention of the Shareholders nor is there any other information to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules.

Mr. Huang Haibo

Mr. Huang Haibo (黃海波), aged 64, was appointed as a Director on 30 November 2011, and designated as an independent non-executive Director on 24 April 2012. He has spent over 34 years researching and applying his expertise in automotives technology. Since September 1983, Mr. Huang has been serving as the teaching assistant, lecturer, associate professor and professor in the Department of Automotive Engineering of Sichuan University of Science and Technology (四川工業學院) (renamed as the Transport and Automotives Engineering School in Xihua University (西華大學) in 2003). From 2003 to 2012, he served as the dean in the Transport and Automotive Engineering School in Xihua University. From July 2008 to August 2013, Mr. Huang served as an independent non-executive director of Hunan Jiangnan Red Arrow Co. Ltd. (湖南江南紅箭股份有限公司), a company listed on the Shenzhen Stock Exchange. He was the chairman of the Sichuan Xihua Vehicle Authentication Institution (四川西華機動車司法鑒定所) from August 2005 to November 2018 and a member of National Technical Committee on Operating Safe Technology and Testing Equipment of Motor Vehicles and of Standardization Administration of China (全國機動車運行安全技術檢測設備標準化技術委員會) from 2008 to 2018. Since December 2018, Mr. Huang is the supervisor of Sichuan Xihua Jiaotong Forensics Center (四川西華交通司法鑒定中心). He received a master's degree in Beijing Institute of Agricultural Mechanization (北京農業機械化學院) in December 1983 and a doctorate degree in Engineering in Sichuan University (四川大學) in December 2004.

**APPENDIX I BIOGRAPHIES OF DIRECTORS PROPOSED TO BE
RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Save as stated herein, Mr. Huang does not hold any position in any member of the Group or hold any directorship in any listed public companies in the last three years.

Save as stated herein, Mr. Huang does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Huang was not interested or deemed to be interested in any Shares or underlying Shares pursuant to Part XV of the SFO.

Mr. Huang entered into a letter of appointment with the Company dated 13 March 2019 for a term of three years commencing from 13 March 2019 for his appointment as an independent non-executive Director, which is subject to the retirement by rotation requirements under the Articles of Association. Pursuant to the letter of appointment, Mr. Huang's emoluments will be determined by the Board with reference to his qualifications, experience, duties and responsibilities in the Group. Details of Mr. Huang's emoluments for the year ended 31 December 2018 are set out in note 12 to the audited consolidated financial statements in the annual report of the Company for the year ended 31 December 2018.

Mr. Huang has met the independence guidelines set out in Rules 3.13 of the Listing Rules and has provided his annual confirmation of independence to the Company pursuant thereto.

Save as disclosed herein, in relation to Mr. Huang's re-election as a Director, there is no other matters that need to be brought to the attention of the Shareholders nor is there any other information to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules.

APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide information to you with regard to the Repurchase Mandate to be proposed at the Annual General Meeting.

THE LISTING RULES

The Listing Rules contain provisions regulating the repurchase by companies whose primary listings are on the Stock Exchange. The following is a summary of certain provisions of the Listing Rules relating to repurchase of securities:

Shareholders' Approval

The Listing Rules provide that all proposed repurchases of securities by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of shareholders, either by way of general mandate or by specific approval of a particular transaction.

Source of Funds

Repurchases must be funded out of funds legally available for such purpose in accordance with the Company's memorandum of association and Articles of Association and the applicable laws and regulations of the Cayman Islands. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time. Repurchase will be made out of funds of the Company legally permitted to be utilised in this connection, including profits of the Company or out of proceeds of a fresh issue of Shares made for the purpose of the repurchase or, if authorised by the Articles of Association and subject to the provisions of the Companies Law of the Cayman Islands (as amended), out of the capital and, in the case of any premium payable on the repurchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company before or at the time the Shares are repurchased or, if authorised by the Articles of Association and subject to the provisions of the Companies Law of the Cayman Islands (as amended), out of the capital of the Company.

APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

REASONS FOR REPURCHASES

Although the Directors have no present intention of repurchasing any securities of the Company, they believe that the flexibility afforded by the Repurchase Mandate would be beneficial to the Company and the Shareholders. Repurchases will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangement at the time, lead to an enhancement of the net asset value of the Company and its assets and/or its earnings per Share.

FUNDING OF REPURCHASES

Repurchases of Shares will be funded out of funds legally available for the purchase in accordance with the Company's memorandum of association and Articles of Association and the applicable laws of the Cayman Islands.

On the basis of the financial position of the Company as disclosed in the audited consolidated financial statements contained in the annual report of the Company for the year ended 31 December 2018, there might be an adverse effect on the working capital requirements or gearing levels of the Company in the event that the Repurchase Mandate is exercised in full at any time. However, the Directors do not propose to exercise the Repurchase Mandate to such an 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.

The exercise in full of the Repurchase Mandate, on the basis of 1,282,211,794 Shares in issue as at the Latest Practicable Date (assuming that no Shares are issued or repurchased during the period from the Latest Practicable Date up to the date of the Annual General Meeting) would result in up to 128,221,179 Shares being repurchased by the Company during the period in which the Repurchase Mandate remains in force.

GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquires, any of their close associates (as defined in the Listing Rules), have any present intention, if the Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company.

APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the memorandum of association and the Articles of Association.

If as a result of a repurchase, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code and, if such increase results in a change of control, may in certain circumstances give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Brilliance Investment Holdings Limited ("**Brilliance Investment**") was interested in 400,000,000 Shares, Xinhua Investment Holdings Limited ("**Xinhua Investment**") was interested in 400,000,000 Shares and Lead In Management Limited ("**Lead In**"), a party acting in concert (within the meaning of the Takeovers Code) with Brilliance Investment and Xinhua Investment under the Takeovers Code, was interested in 33,993,385 Shares, representing approximately 31.20%, 31.20% and 2.65% of the issued share capital of the Company respectively. Based on such shareholdings, in the event that the Directors exercise in full the power to repurchase Shares pursuant to the Repurchase Mandate, the shareholdings of Brilliance Investment, Xinhua Investment and Lead In would increase to approximately 34.66%, 34.66% and 2.95% of the issued share capital of the Company respectively. The Directors consider that such increase would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors however have no present intention to exercise the Repurchase Mandate to such extent as would result in any mandatory offer. The Directors do not consider to exercise the Repurchase Mandate to such an extent that would reduce the issued share capital of the Company in public hands to less than 25% (or the relevant prescribed minimum percentage required by the Stock Exchange).

No core connected person (as defined in the Listing Rules), including a director, chief executive or substantial shareholder of the Company or its subsidiaries or an associate of any of them has notified the Company that he/it has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

SHARE PRICES

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

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2018		
April	1.00	0.84
May	0.95	0.83
June	0.86	0.67
July	0.83	0.70
August	0.82	0.70
September	0.82	0.69
October	0.71	0.48
November	0.66	0.49
December	0.52	0.43
2019		
January	0.45	0.41
February	0.50	0.41
March	0.48	0.42
April (up to the Latest Practicable Date)	0.46	0.43

SECURITIES PURCHASES MADE BY THE COMPANY

The Company has not purchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

NOTICE OF ANNUAL GENERAL MEETING

POWER XINCHEN

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XINCHEN CHINA POWER HOLDINGS LIMITED

新晨中國動力控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1148)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of Xinchen China Power Holdings Limited (the “**Company**”) will be held at Pheasant Room & Jasmine Room, 1st Floor, Mandarin Oriental, Hong Kong, 5 Connaught Road Central, Hong Kong on Monday, 3 June 2019 at 9:00 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive and consider the audited consolidated financial statements and the reports of directors and auditors of the Company for the year ended 31 December 2018.
2. To re-elect directors of the Company (each as a separate resolution):
 - (A) To re-elect Mr. Liu Tongfu as non-executive director.
 - (B) To re-elect Mr. Wang Jun as independent non-executive director.
 - (C) To re-elect Mr. Huang Haibo as independent non-executive director.
 - (D) To authorise the board of directors to fix the remuneration of the directors.
3. To appoint Deloitte Touche Tohmatsu as auditors and to authorise the board of directors to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

4. As special business, to consider and, if thought fit, pass, with or without modification, the following resolutions as ordinary resolutions:

(A) **“THAT:**

- (a) subject to paragraph (c) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined below) of all powers of the Company to allot, issue or deal with additional shares in the share capital of the Company or securities convertible into such shares or options, warrants or similar rights to subscribe for any shares or convertible securities and to make or grant offers, agreements, and options which might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined), (ii) the exercise of the subscription rights or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company and from time to time outstanding, (iii) the exercise of any option granted under the share 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 and/or other eligible participants as stipulated in such share option scheme or similar arrangement of shares or rights to acquire shares of the Company, or (iv) any scrip dividend or similar arrangement providing for the allotment of shares of the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time, shall not exceed 20 per cent. of the total number of shares of the Company in issue as at the date of passing of this resolution and the said approval be limited accordingly; and

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- (d) for the purpose of this resolution:

“Relevant Period” means the period from passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws of the Cayman Islands to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

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

- (B) **“THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined below) of all powers of the Company to purchase its own shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other exchange on which the securities of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose (“**Recognised Stock Exchange**”), subject to and in accordance with all applicable laws and regulations of the Cayman Islands, the articles of association of the Company and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or any other Recognised Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;

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(b) the number of shares of the Company which may be purchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent. of the total number of shares of the Company in issue as at the date of passing of this resolution and the said approval be limited accordingly; and

(c) for the purpose of this resolution:

“Relevant Period” means the period from passing of this resolution until whichever is the earlier of:

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

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws of the Cayman Islands to be held; and

(iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

(C) “**THAT** subject to the passing of resolutions numbered 4(A) and 4(B), the number of shares of the Company which are purchased by the Company pursuant to the authority granted to the directors of the Company mentioned in resolution numbered 4(B) shall be added to the number of shares of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to resolution numbered 4(A) above, provided that such amount shall not exceed 10 per cent. of the total number of shares of the Company in issue as at the date of passing of this resolution.”

By order of the board of directors
Xinchen China Power Holdings Limited
Ngai Ka Yan
Company Secretary

Hong Kong, 18 April 2019

NOTICE OF ANNUAL GENERAL MEETING

Registered office:

Clifton House
75 Fort Street
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

Head office and principal place of business:

Suites 1602-05
Chater House
8 Connaught Road Central
Hong Kong

Notes:

1. A shareholder entitled to attend and vote at the above meeting may appoint one or more than one proxies to attend and to vote on a poll in his stead. On a poll, votes may be given either personally (or in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy. A proxy need not be a shareholder of the Company.
2. Where there are joint registered 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, that 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.
3. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be delivered to the Company's branch share registrar 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 holding the meeting (i.e. not later than 9:00 a.m. (Hong Kong time) on Saturday, 1 June 2019) or any adjournment thereof.
4. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting if shareholders so wish and in such event, the form of proxy will be deemed revoked.
5. The Hong Kong branch register of members of the Company will be closed from Tuesday, 28 May 2019 to Monday, 3 June 2019, both days inclusive, during which period no transfer of shares will be registered. Only shareholders of the Company whose names appear on the register of members of the Company on Tuesday, 28 May 2019 or their proxies or duly authorised corporate representatives are entitled to attend the meeting. In order to qualify for attending the meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 27 May 2019.