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POWER XINCHEN

新 晨 動 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)

VOLUNTARY ANNOUNCEMENT

**APPLICATION SUBMITTED TO THE SHENZHEN STOCK EXCHANGE
IN RELATION TO THE PROPOSED PUBLIC ISSUE OF
CORPORATE BONDS IN THE PRC**

This announcement is made by Xincheng China Power Holdings Limited (the “**Company**”) on a voluntary basis.

The board of directors of the Company (the “**Board**”) is pleased to announce that pursuant to the requirements of the Measures for the Administration of the Offering and Trading of Corporate Bonds issued by the China Securities Regulatory Commission and the Corporate Bonds Listing Rules of the Shenzhen Stock Exchange issued by the Shenzhen Stock Exchange, Mianyang Xincheng Engine Co., Ltd.* (綿陽新晨動力機械有限公司) (“**Mianyang Xincheng**”), a company incorporated in the People’s Republic of China (the “**PRC**”) and an indirect wholly-owned subsidiary of the Company, has published the application documents (the “**Application**”) in relation to the proposed public issue of corporate bonds in the aggregate principal amount not exceeding RMB1,000,000,000 (the “**Corporate Bonds**”) in multiple tranches at appropriate time(s) in the future to qualified investors in the PRC (which include certain financial information of the Company and its subsidiaries) on the website of the Shenzhen Stock Exchange (<http://www.szse.cn/>) on 24 May 2017.

Subject to approval of the Application being granted by the China Securities Regulatory Commission, Mianyang Xincheng intends to issue the first tranche of the Corporate Bonds (the “**First Tranche Corporate Bonds**”) in a principal amount not exceeding RMB500,000,000. Mianyang Xincheng intends to use the net proceeds from the issuance of the First Tranche Corporate Bonds, after deducting the related fees and expenses, to repay the debts and/or replenish the working capital of Mianyang Xincheng.

The Corporate Bonds are proposed to be listed on the Shenzhen Stock Exchange. Ping An Securities Company, Ltd. will act as the lead underwriter. Dagong Global Credit Rating Co., Ltd* (大公國際資信評估有限公司), a credit rating agency, has issued “AA” rating towards Mianyang Xincheng and “AA” rating towards the Corporate Bonds.

The Company will make further announcement(s) as and when appropriate in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Company wishes to emphasise that the Application and the proposed issue of the Corporate Bonds may or may not proceed and are subject to the satisfaction of certain conditions precedent, including obtaining all necessary approvals and consents for the issuance of the Corporate Bonds under PRC laws. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

By the order of the Board
Xincheng China Power Holdings Limited
Wu Xiao An
(also known as Ng Siu On)
Chairman

Hong Kong, 25 May 2017

As at the date of this announcement, the Board comprises two executive directors, Mr. Wu Xiao An (also known as Mr. Ng Siu On) (Chairman) and Mr. Wang Yunxian (Chief Executive Officer); two non-executive directors, Mr. Liu Tongfu and Mr. Yang Ming; and four independent non-executive directors, Mr. Chi Guohua, Mr. Wang Jun, Mr. Huang Haibo and Mr. Wang Songlin.

* *for identification purposes only*