
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 your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

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

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China
WindPower 中国风电

中国风电集团有限公司*
China WindPower Group Limited

(Incorporated in Bermuda with limited liability)
(Stock Code: 182)

MAJOR TRANSACTION
PURCHASE OF WIND POWER
ELECTRICITY GENERATION EQUIPMENT

A special general meeting (the “SGM”) of the Company will be held at 10:00 a.m. on 7 July 2010, Wednesday, at Unit 3901, Fast East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong.

A notice convening the SGM and a form of proxy for use by the Shareholders at the SGM are enclosed. Whether or not you intend to attend and vote at the SGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited, at 26/F, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong as soon as practicable but in any event not later than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Such form of proxy for use at the SGM is also published on the website of the Stock Exchange (www.hkexnews.hk). Completion and return of the form of proxy will not preclude you from attending and voting at the SGM or any adjourned meeting thereof should you so wish.

18 June 2010 — Second Circular

* for identification purpose only

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DEFINITIONS

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

“Company”	China WindPower Group Limited, a company incorporated in Bermuda with limited liability, the ordinary shares of which are listed on the main board of the Stock Exchange
“Contracts”	the Supplemental Phase 1 Contract (which supersedes the Phase 1 Contract) and the Phase 2 Contract
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Guazhou Project”	the wind farm project of the Group located at Guazhou (瓜州), Jiuquan (酒泉), Gansu province (甘肅省), the PRC
“Latest Practicable Date”	15 June 2010, the latest practicable date before the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MW”	Megawatt (1,000,000 watts), the commonly used unit of power in quantifying the electricity generation
“Phase 1 Contract”	the supply contract dated 2 February 2010 entered into between the Supplier and Gansu Guazhou Xiehe Wind Power Ltd., a wholly-owned subsidiary of the Company, for the supply of wind power electricity generation machinery and equipment to Gansu Guazhou Xiehe Wind Power Ltd. for the phase 1 development of the Gauzhou Project, which was superseded by the Supplemental Phase 1 Contract

DEFINITIONS

“Phase 2 Contract”	the supply contract dated 31 May 2010 entered into between the Supplier and Gansu Guazhou Xiehe Wind Power Ltd., a wholly-owned subsidiary of the Company, for the supply of wind power electricity generation machinery and equipment to Gansu Guazhou Xiehe Wind Power Ltd. for the phase 2 development of the Guazhou Project
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong
“SGM”	the special general meeting of the Company to be convened and held at Unit 3901, Far East Finance Center, 16 Harcourt Road, Admiralty, Hong Kong at 10:00 a.m. on 7 July 2010, Wednesday, for the Shareholders to consider and approve, if thought fit, among other things, the Contracts and the transactions contemplated thereunder or any adjournment thereof (as the case may be)
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Supplemental Phase 1 Contract”	the supply contract dated 31 May 2010 entered into between the Supplier and Gansu Guazhou Xiehe Wind Power Ltd., a wholly-owned subsidiary of the Company, for the supply of wind power electricity generation machinery and equipment to Gansu Guazhou Xiehe Wind Power Ltd. for the phase 1 development of the Guazhou Project which supersedes the Phase 1 Contract
“Supplier”	華銳風電科技(集團)股份有限公司
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD

China
WindPower 中国风电

中国风电集团有限公司*

China WindPower Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 182)

Executive Directors:

Mr. Liu Shunxing
(Chairman and Chief Executive Officer)
Mr. Ko Chun Shun, Johnson (Vice Chairman)
Mr. Wang Xun
Mr. Yang Zhifeng
Ms. Liu Jianhong
Mr. Yu Weizhou
Ms. Ko Wing Yan, Samantha
Mr. Chan Kam Kwan, Jason

Non-executive Directors:

Mr. Tsoi Tong Hoo, Tony

Independent non-executive Directors:

Dr. Zhou Dadi
Dr. Wong Yau Kar, David
Mr. Yap Fat Suan, Henry

Registered office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

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

Unit 3901
Far East Finance Center
16 Harcourt Road
Admiralty
Hong Kong

18 June 2010

To the Shareholders

Dear Sir or Madam,

**MAJOR TRANSACTION
PURCHASE OF WIND POWER
ELECTRICITY GENERATION EQUIPMENT**

INTRODUCTION

Reference is made to the announcement of the Company dated 3 February 2010 in relation to the purchase of wind power electricity generation equipment from the Supplier for the Group's phase 1 development of its wind farm project in Guazhou (瓜州), Jiuquan (酒泉), Gansu province (甘肃省), the PRC (the "Guazhou Project") pursuant to the Phase 1 Contract. The Phase 1 Contract was terminated pursuant to a termination agreement entered into between the Group and the Supplier on 31 May 2010.

* for identification purpose only

LETTER FROM THE BOARD

As set out in the announcement of the Company dated 31 May 2010, on 31 May 2010, the Group and the Supplier entered into the Supplemental Phase 1 Contract regarding the purchase of wind power electricity generation equipment from the Supplier for the Group's phase 1 development of the Guazhou Project.

On 31 May 2010, the Group entered into the Phase 2 Contract with the Supplier regarding the purchase of wind power electricity generation equipment from the Supplier for the Group's phase 2 development of the Guazhou Project.

The total consideration under the Supplemental Phase 1 Contract is RMB591,403,625 (equivalent to approximately HK\$674,200,000). The total consideration under the Phase 2 Contract is RMB589,605,181 (equivalent to approximately HK\$672,150,000).

The transactions under the Supplemental Phase 1 Contract and Phase 2 Contract, when aggregated, constitute a major transaction for the Company as the applicable percentage ratios in respect of the transactions exceed 25% but are less than 100% and thus is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

THE SUPPLEMENTAL PHASE 1 CONTRACT

Dates: 31 May 2010

Parties: the Supplier (華銳風電科技(集團)股份有限公司)
甘肅瓜州協合風力發電有限公司 (Gansu Guazhou Xiehe Wind Power Ltd.*), a wholly-owned subsidiary of the Company

Under the Supplemental Phase 1 Contract, the Group has agreed to buy from the Supplier machinery and equipment in relation to certain wind power electricity generation facilities for the Group's phase 1 development of the Guazhou Project with a capacity of 100MW.

Pursuant to the Phase 1 Contract (which was terminated by a termination agreement entered into between the Group and the Supplier on 31 May 2010), the consideration for the purchases in relation to the phase 1 development is RMB542,320,095 (equivalent to approximately HK\$618,245,000). Pursuant to the Supplemental Phase 1 Contract which supersedes the Phase 1 Contract, the consideration for the purchases in relation to the phase 1 development is amended to be RMB591,403,625 (equivalent to approximately HK\$674,200,000). The above consideration payable by the Group includes fees in relation to, inter alia, the purchase of machinery and equipment, the installation, maintenance and technical support services to be provided by the Supplier, tax payment and delivery and insurance costs.

* *for identification purpose only*

LETTER FROM THE BOARD

The Supplemental Phase 1 Contract was entered to amend, among others, the following major terms of the Phase 1 Contract: (i) the amendment on the consideration for the equipment purchases due to (a) the recent decrease in turbine prices after the entering into of the Phase 1 Contract and (b) purchase of additional tower tubes as stated in the Supplemental Phase 1 Contract; and (ii) extension of the warranty period in relation to the machinery and equipment from two years as stated in the Phase 1 Contract to three years as stated in the Supplemental Phase 1 Contract.

The Supplier shall deliver and install machinery and equipment of 100MW and the consideration shall be payable in cash by the Group to the Supplier by installment based on the stages of completion of the Supplemental Phase 1 Contract. According to the Supplemental Phase 1 Contract, delivery and installation of machinery and equipment have been scheduled to be carried out from July to October 2010 and the pre-examination of the machinery and equipment has been scheduled in December 2010.

According to the Supplemental Phase 1 Contract, the Supplier shall pay (i) 10% of the consideration (RMB59,140,362, equivalent to approximately HK\$67,420,000) within 15 days from the date of the Supplemental Phase 1 Contract as performance bond for any breach of the Supplier's obligations under the Supplemental Phase 1 Contract which shall be refunded to the Supplier within 30 days after the expiry of three-year warranty period (and upon completion of the final acceptance test).

THE PHASE 2 CONTRACT

Dates: 31 May 2010

Parties: the Supplier (華銳風電科技(集團)股份有限公司)
甘肅瓜州協合風力發電有限公司 (Gansu Guazhou Xiehe Wind Power Ltd.), a wholly-owned subsidiary of the Company

Under the Phase 2 Contract, the Group has agreed to buy from the Supplier machinery and equipment in relation to certain power electricity generation facilities for the Group's phase 2 development of the Guazhou Project with a capacity of 100MW.

The total consideration of the Phase 2 Contract amounts to RMB589,605,181 (equivalent to approximately HK\$672,150,000). The above consideration payable by the Group includes fees in relation to, inter alia, the purchase of machinery and equipment, the installation, maintenance and technical support services to be provided by the Supplier, tax payment and delivery and insurance costs.

LETTER FROM THE BOARD

The Supplier shall deliver and install machinery and equipment of 100MW and the consideration shall be payable in cash by the Group to the Supplier by installment based on the stages of completion of the Phase 2 Contract. According to the Phase 2 Contract, delivery and installation of machinery and equipment have been scheduled to be carried out from July to October 2010 and the pre-examination of the machinery and equipment has been scheduled in December 2010.

According to the Phase 2 Contract, the Supplier shall pay (i) 10% of the consideration (RMB58,960,518, equivalent to approximately HK\$67,215,000) within 15 days from the date of the Phase 2 Contract as performance bond for any breach of the Supplier's obligations under the Phase 2 Contract which shall be refunded to the Supplier within 30 days after the expiry of three-year warranty period (and upon completion of the final acceptance test).

THE SUPPLIER

The Supplier is a supplier of wind power machinery and equipment in the PRC. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Supplier and its ultimate beneficial owner are third parties independent of the Company and the connected persons of the Company.

REASONS FOR AND BENEFIT OF THE TRANSACTIONS

The Group is principally engaged in the wind power business and industry, investing in various wind farm projects and providing wind power engineering and construction services in the PRC.

The Group is building a wind power plant in Gauzhou, Jiuquan, Gansu province, the PRC. The purpose of the entering into of the Contracts is to purchase machinery and equipment necessary for the construction of wind power electricity generation facilities for the phase 1 and phase 2 developments of the Gauzhou Project which is in the Group's ordinary and usual course of business.

The Contracts were entered into after a tender organised by the Group in accordance with the applicable laws and requirements in the PRC. The Group considers that the overall terms offered by the Supplier under the Contracts represent the best offer made to the Group. The Group evaluated the terms of the Contracts based on, among other factors, the specifications and needs of the Group, the credentials and experience of the Supplier, the quality of the products to be supplied by the Supplier, the services agreed to be rendered by the Supplier, the products warranty provided by the Supplier and the terms offered

LETTER FROM THE BOARD

by other suppliers to the Group. The Directors (including the independent non-executive Directors) consider that the terms of the Contracts are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

As mentioned above, the Supplemental Phase 1 Contract was entered into to amend, among others, the consideration of the purchase and the relevant warranty period under the Phase 1 Contract. Accordingly, the Group and the Supplier entered into a termination agreement on 31 May 2010 to terminate the Phase 1 Contract.

FINANCIAL EFFECTS OF THE TRANSACTIONS ON THE GROUP

The purchases under the Contracts will be financed by internal resources of the Group and/or borrowings of the project company.

The sum of the purchases under the Contracts is HK\$1,181,008,806 (equivalent to approximately HK\$1,346.4 million) and upon the wind power electricity generation equipment purchased by the Group pursuant to the Contracts having been delivered to the Group, cost of the equipment will be included in the Group's consolidated balance sheet and classified under property, plant and equipment.

The purchases will result in an increase in the non-current assets of the Group and result in (i) a corresponding decrease in cash (if the purchases under the Contracts are wholly financed by internal resources of the Group) or (ii) a corresponding increase in the indebtedness of the Group (if the purchases under the Contracts are wholly financed by borrowings of the project company) or (iii) a decrease in cash and increase in the indebtedness of the Group (if the purchases under the Contracts are financed by a combination of internal resources of the Group and borrowings of the project company).

The equipment is necessary for the wind farm operations of the Group. The Guazhou Project is expected to enhance the earnings prospects of the Group.

FINANCIAL AND TRADING PROSPECTS OF THE GROUP

With global energy supply and environmental issues taking centre stage, renewable energy alternatives are drawing growing attention of governments worldwide. The PRC government has introduced various policies which are favourable to the development of alternative energy, including wind power, in the PRC. The Directors are optimistic about the prospects of the wind power business in the PRC and thus the Group's.

The Directors are of the view that wind power will be an important renewable energy source in the PRC for the foreseeable future, and consider that the wind power business will continue to create value and benefit the Shareholders.

LETTER FROM THE BOARD

Therefore, the Company will continue its focus and effort to develop the Group's wind power business and continue to explore potential investment and cooperation opportunities in the PRC.

IMPLICATIONS OF THE LISTING RULES

The transactions under the Supplemental Phase 1 Contract and Phase 2 Contract, when aggregated, constitutes a major transaction for the Company as the applicable percentage ratios in respect of the transactions exceed 25% but are less than 100% and thus is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, as at the Latest Practicable Date, the Supplier does not hold any Shares and no Shareholders or their associates have a material interest in the transactions contemplated under the Contracts. No Shareholder is required to abstain from voting on the resolution(s) in respect of the Contracts at the SGM.

None of the Directors have a material interest in the transactions contemplated under the Contracts and accordingly none of the Directors abstained from voting on the board resolution to approve the transactions contemplated under the Contracts.

SPECIAL GENERAL MEETING

The SGM shall be held at 10:00 a.m. on 7 July 2010, Wednesday, at Unit 3901, Fast East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong. The SGM will be held for the purpose of considering and, if thought fit, approving, among other things, the Contracts and the transactions contemplated thereunder. A notice convening the SGM and a form of proxy for use at the SGM are enclosed herewith. Whether or not you are able to attend the SGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the SGM. Completion and return of the form of proxy will not preclude you from attending and voting at the SGM or any adjourned meeting should you so desire.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the terms of the Contracts are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolution to be proposed at the SGM.

ADDITIONAL INFORMATION

Shareholders may refer to the website of the Stock Exchange (www.hkexnews.hk) for the financial statements of the Group. The Shareholders may refer to the financial statements of the Group for the nine months ended 31 December 2009 published on the above website on 15 April 2010 for the five year financial summary setting out a comparative table for the Group's financial statements for the nine months ended 31 December 2009 and the four years ended 31 March 2009 (page 124), the consolidated balance sheet of the Company as at 31 December 2009 (pages 40 to 41), being the latest published audited consolidated balance sheet of the Company and the notes to the consolidated financial statements for the nine months ended 31 December 2009 (pages 47 to 123).

Your attention is drawn to the information set out elsewhere in this circular and in the appendices to it.

Yours faithfully,
For and on behalf of
China WindPower Group Limited
Liu Shunxing
Chairman and Chief Executive Officer

INDEBTEDNESS**Borrowings**

As at the close of business on 30 April 2010, being the latest practicable date for the purpose of this statement of indebtedness, the Group had no outstanding borrowings.

Contingent liabilities and pledge of assets

1. As at the close of the business on 30 April 2010, the Group had, via its wholly-owned subsidiary, CWP Investment Ltd., entered into a joint venture agreement with a joint venture partner in the PRC.

CWP Investment Ltd. holds a 49% equity interest in a sino-foreign equity joint venture with limited liability in Inner Mongolia, the PRC, under the name of 二連浩特長風協合風能開發有限公司 (Erlianhaote Changfeng Century Concord Wind Power Exploiture Co., Ltd.*). Pursuant to a loan agreement dated 11 May 2009, Erlianhaote Changfeng Century Concord Wind Power Exploiture Co., Ltd. obtained a bank loan amounting to RMB73,000,000 from China Construction Bank. As at the close of the business on 30 April 2010, CWP Investment Ltd. had pledged its share of the equity interests in Erlianhaote Changfeng Century Concord Wind Power Exploiture Co., Ltd. as security for the bank loan.

2. As at the close of the business on 30 April 2010, the Group had, via its wholly-owned subsidiary, Century Concord Wind Power Investment Co., Ltd., entered into a joint venture agreement with a joint venture partner in the PRC.

Century Concord Wind Power Investment Co., Ltd. holds a 60% equity interest in a sino-foreign equity joint venture with limited liability in Liaoning Province, the PRC, under the name of 阜新巨龍湖風力發電有限公司 (Fuxin Julonghu Wind Power Co., Ltd.*). Pursuant to a loan agreement dated 16 September 2009, Fuxin Julonghu Wind Power Co., Ltd. obtained a bank loan amounting to RMB280,000,000 from China Construction Bank. Pursuant to the joint venture agreement entered into between Century Concord Wind Power Investment Co., Ltd. and the joint venture partner, Century Concord Wind Power Investment Co., Ltd. was required to pledge its share of the equity interests in Fuxin Julonghu Wind Power Co., Ltd. as security for the bank loan. As at the close of the business on 30 April 2010, Century Concord Wind Power Investment Co., Ltd. had pledged its share of the equity interests in Fuxin Julonghu Wind Power Co., Ltd. as security for the bank loan.

* for identification purpose only

3. As at the close of the business on 30 April 2010, the Group had, via its wholly-owned subsidiary, Century Concord Wind Power Investment Co., Ltd., entered into a joint venture agreement with a joint venture partner in the PRC.

Century Concord Wind Power Investment Co., Ltd. holds a 60% equity interest in a sino-foreign equity joint venture with limited liability in Liaoning Province, the PRC, under the name of 阜新聚合風力發電有限公司 (Fuxin Juhe Wind Power Co., Ltd.*). Pursuant to a loan agreement dated 2 March 2010, Fuxin Juhe Wind Power Co., Ltd. obtained a bank loan amounting to RMB244,365,000 from Industrial and Commercial Bank of China. Pursuant to the joint venture agreement entered into between Century Concord Wind Power Investment Co., Ltd. and the joint venture partner, Century Concord Wind Power Investment Co., Ltd. was required to pledge its share of the equity interests in Fuxin Juhe Wind Power Co., Ltd. as security for the bank loan. As at the close of the business on 30 April 2010, Century Concord Wind Power Investment Co., Ltd. had pledged its share of the equity interests in Fuxin Juhe Wind Power Co., Ltd. as security for the bank loan.

4. As at the close of business on 30 April 2010, the subsidiaries of the Company had available unutilised banking facilities of approximately RMB100,000,000 which were guaranteed by the Company.

Disclaimers

Save as aforesaid, and apart from intra-group liabilities, the Group did not have any other debt securities issued and outstanding, outstanding loan capital issued or agreed to be issued, loans or other indebtedness, bank overdrafts, liabilities under acceptances (other than normal trade bills), debentures, mortgages, charges, acceptance credits, hire purchase commitments, guarantees or other material contingent liabilities as at the close of business on 30 April 2010.

WORKING CAPITAL

The Directors, after due and careful consideration, are of the opinion that after taking into account the internal resources available to the Group and the available banking facilities, the Group has sufficient working capital for its requirements for at least the next twelve months from the date of this circular in the absence of unforeseeable circumstances.

* for identification purpose only

NO MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2009, being the date to which the latest published audited financial statements of the Group were made up.

1. 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.

2. DISCLOSURE OF INTERESTS

(i) Directors' and chief executives' interests and/or short positions in the Shares, underlying Shares and debentures of the Company or any associated corporation

As at the Latest Practicable Date, the following Directors had interests in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules, to be notified to the Company and the Stock Exchange:

(a) Long positions in the Shares:

Name of the Director	Number of Shares held and nature of interest				Approximate percentage of the total issued share capital (%)
	Personal	Family	Corporate	Total	
Ko Chun Shun, Johnson	—	—	2,000,000,000	2,000,000,000 ¹	27.47
Ko Wing Yan, Samantha	—	—	20,000,000	20,000,000 ²	0.27
Yap Fat Suan, Henry	200,000	—	—	200,000	0.003

Notes:

1. Mr. Ko Chun Shun, Johnson is deemed to be interested in 2,000,000,000 Shares held by Gain Alpha Finance Limited (“Gain Alpha”). Gain Alpha is wholly owned by Mr. Ko Chun Shun, Johnson.
2. Ms. Ko Wing Yan, Samantha is deemed to be interested in 20,000,000 Shares held by Pine Coral Limited (“Pine Coral”). Pine Coral is wholly owned by Ms. Ko Wing Yan, Samantha.

(b) Long positions in underlying Shares of shares options of the Company:

Name of Directors	Date of grant of share options	Exercise price per share <i>HK\$</i>	Number of share options outstanding
Liu Shunxing	1 April 2008	0.45	5,000,000
	6 April 2009	0.302	6,000,000
	4 January 2010	0.89	10,000,000
Ko Chun Shun, Johnson	6 April 2009	0.302	6,000,000
Wang Xun	1 April 2008	0.45	3,600,000
	6 April 2009	0.302	4,500,000
	4 January 2010	0.89	6,600,000
Yang Zhifeng	1 April 2008	0.45	3,600,000
	6 April 2009	0.302	4,500,000
	4 January 2010	0.89	6,600,000
Liu Jianhong	1 April 2008	0.45	3,600,000
	6 April 2009	0.302	4,500,000
	4 January 2010	0.89	6,600,000
Yu Weizhou	6 April 2009	0.302	2,000,000
	4 January 2010	0.89	6,600,000
Ko Wing Yan, Samantha	4 January 2010	0.89	3,000,000
Chan Kam Kwan, Jason	1 April 2008	0.45	1,000,000
	6 April 2009	0.302	1,200,000
	4 January 2010	0.89	1,000,000

Name of Directors	Date of grant of share options	Exercise price per share <i>HK\$</i>	Number of share options outstanding
Tsoi Tong Hoo, Tony	1 April 2008	0.45	1,200,000
	6 April 2009	0.302	3,000,000
	4 January 2010	0.89	800,000
Dr. Zhou Dadi	4 January 2010	0.89	1,000,000
Dr. Wong Yau Kar, David	1 April 2008	0.45	600,000
	6 April 2009	0.302	800,000
	4 January 2010	0.89	800,000
Yap Fat Suan, Henry	1 April 2008	0.45	600,000
	6 April 2009	0.302	800,000
	4 January 2010	0.89	800,000

These options were granted subject to the following vesting requirement:

On 1st anniversary of the date of grant	25%
On 2nd anniversary of the date of grant	25%
On 3rd anniversary of the date of grant	25%
On 4th anniversary of the date of grant	25%

The exercise period of these options shall be expired on the day before of 5th anniversary of the date of grant.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company had or was deemed to have any interest or short position in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have such provisions of the SFO); or (ii) were required to be entered in the register maintained by the Company pursuant to section 352 of the SFO; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as contained in the Listing Rules.

(ii) Directors' other interests

- (a) As at the Latest Practicable Date, none of the Directors (1) had any direct or indirect interest in any assets which have been acquired, disposed of by or leased to, or which are proposed to be acquired, disposed of by or leased to, the Company or any of its subsidiaries since 31 December 2009, the date to which the latest published audited financial statements of the Group were made up and (2) was materially interested in any contract or arrangement entered into by any member of the Company subsisting at the Latest Practicable Date which is significant in relation to the business of the Group.
- (b) As at the Latest Practicable Date, none of the Directors or their respective associates had any interest in any company or business which competes or may compete, directly or indirectly, with the businesses of the Group.

(iii) Substantial Shareholders

As at the Latest Practicable Date, so far as is known to, or can be ascertained after reasonable enquiry by the Directors or chief executive of the Company, the following persons, not being a Director or chief executive of the Company, had interests and/or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who are, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

- (a) Long positions in the Shares:

Name of shareholder	Number of Shares held	Approximate percentage of the total issued share capital (%)
China Wind Power Investment Limited (<i>Note</i>)	2,023,469,387	27.79%

Note:

China Wind Power Investment Limited is wholly-owned by New Energy International Limited, which in turn is a wholly-owned subsidiary of Concord International Investment Limited (“Concord International”). Four executive Directors, namely Mr. Liu Shunxing, Mr. Wang Xun, Mr. Yang Zhifeng and Ms. Liu Jianhong held as to 65.135% of the issued shares of Concord International.

- (b) As at the Latest Practicable Date, the following corporation (not being a member of the Group, a Director or the chief executive of the Company) was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at the general meetings of the following member of the Group:

Name of the joint ventures	Name of shareholder	Percentage of interest in the joint ventures
阜新巨龍湖風力發電有限公司 (Fuxin Julonghu Wind Power Co., Ltd.*)	遼寧能源投資(集團)有限公司 (“Liaoning Energy”)	40%
阜新千佛山風力發電有限公司 (Fuxin Qianfoshan Wind Power Co., Ltd.*)	Liaoning Energy	40%
阜新聚緣風力發電有限公司 (Fuxin Juyuan Wind Power Co., Ltd.*)	Liaoning Energy	40%
阜新聚合風力發電有限公司 (Fuxin Juhe Wind Power Co., Ltd.*)	Liaoning Energy	40%

Note: The above joint ventures have been established jointly by the Group and Liaoning Energy. The Group and Liaoning Energy hold 60% and 40% equity interests in each of the above joint ventures.

* for identification purpose only

Save as disclosed herein, as at the Latest Practicable Date, no person had any interests and/or short positions in the Shares or underlying Shares which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who are, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

3. MATERIAL CONTRACTS

The following contracts, including contracts not in the ordinary course of business, were entered into by the Group within the two years preceding the date of this circular and are or may be material:

- (a) On 6 February 2009, 協合風電投資有限公司 (Century Concord Wind Power Investment Co., Ltd.*, (“Century Concord”) a wholly-owned subsidiary of the Company) and Liaoning Energy entered into a joint venture agreement to jointly establish 阜新巨龍湖風力發電有限公司 (Fuxin Julonghu Wind Power Co., Ltd.*). The total investment in the joint venture shall be RMB498,836,000. The registered capital of the joint venture shall be RMB100 million, of which RMB60 million shall be contributed by Century Concord. Each of Century Concord and Liaoning Energy holds a 60% and 40% equity interest in the joint venture.
- (b) A sale and purchase agreement dated 5 March 2009 entered into by the Company and Mr. Ko Chun Shun, Johnson (a substantial Shareholder and the Vice Chairman of the Company) pursuant to which Mr. Ko acquired and the Company sold the entire issued share capital of China Windpower Group Limited (a wholly-owned subsidiary of the Company) for an aggregate consideration of HK\$34 million.
- (c) On 16 March 2009, the Company and China Wind Power Holdings Limited (“CWPH”, a wholly-owned subsidiary of the Company) entered into a sale and purchase agreement with CLP Power China (Northeast) Limited (“CLP”, a indirect wholly-owned subsidiary of CLP Holdings Limited) (and the Company being the guarantor to such sale and purchase agreement), pursuant to which CWPH shall dispose of its 50% equity interest in a company (the “CLP JV”) which indirectly owned a 49% interest in each of the two wind farm projects company in the PRC to CLP at a consideration of HK\$101,300,504 (subject to possible adjustment).

* for identification purpose only

- (d) On 16 March 2009, CWPH, CLP and the CLP JV entered into a shareholders agreement to set out the understanding reached between CWPH and CLP in respect of certain management and governance matters of the CLP JV and the respective rights and obligations of the two parties in the CLP JV.
- (e) On 10 April 2009, Century Concord and Liaoning Energy entered into a joint venture agreement to jointly establish 阜新千佛山風力發電有限公司 (Fuxin Qianfoshan Wind Power Co., Ltd.*). The total investment in the joint venture shall be RMB498,836,000. The registered capital of the joint venture shall be RMB100 million, of which RMB60 million shall be contributed by Century Concord. Each of Century Concord and Liaoning Energy holds a 60% and 40% equity interest in the joint venture.
- (f) The agreement entered into between the Company and 遼寧能源投資(集團) 有限責任公司 (“Liaoning Energy”) on 5 May 2009, in relation to, among other things, (i) the formation of 5 joint ventures (the “Joint Ventures”) between the parties pursuant to which the Group shall hold a 60% equity interest in each of the 2 Joint Ventures and a 25% equity interest in each of the other 3 Joint Ventures and each of the Joint Ventures shall have a registered capital of RMB100 million, (ii) guarantees which may be provided by Liaoning Energy in respect of the external borrowings of the Joint Ventures, counter indemnities which may be provided by the Group to Liaoning Energy with the pledge of the Group’s equity interests in the Joint Ventures to Liaoning Energy and (iii) the prospective provision of services by the Group (including wind power engineering, procurement and construction, manufacturing of wind tower tubes, wind power facilities design and maintenance services) to Liaoning Energy and its associates.
- (g) On 13 June 2009, Century Concord and 內蒙古錫林郭勒白音華煤電有限責任公司 (Inner Mongolia Xilingol League Baiyinhua Coal and Electric Co., Ltd.*) entered into an agreement to jointly establish a joint venture at Shenyang, Liaoning, the PRC to undertake wind farm projects in the PRC. The registered capital of the joint venture shall be RMB350 million, of which RMB171.5 million shall be contributed by Century Concord. Each of Century Concord and Inner Mongolia Xilingol League Baiyinhua Coal and Electric Co., Ltd. holds a 49% and 51% equity interest in the joint venture.
- (h) On 30 June 2009, the Company signed an exclusive agreement with Fuxin Municipal Government in Liaoning Province to develop wind power electricity projects with capacity of 500MW.

* for identification purpose only

- (i) On 10 July 2009, the Company entered into a memorandum of understanding with Baicheng Wind Power Development Steering Committee (白城市風電開發領導小組) pursuant to which the Company will be granted an exclusive right to develop wind power projects with capacity of 1,500MW in Baicheng, Jilin of the PRC.
- (j) The subscription agreement dated 16 July 2009 entered into between the Company and Gain Alpha Finance Limited under which Gain Alpha Finance Limited subscribed for and the Company issued 700,000,000 Shares at HK\$0.85 each. The net proceeds of such subscription were approximately HK\$579 million.
- (k) On 12 May 2009 and 31 August 2009, the Group entered into contracts with 東方電氣集團東方汽輪機有限公司 (Dongfang Electric Corporation Dongfang Turbine Co., Ltd.*) regarding the purchase of wind power electricity generation equipment for the Group's wind farm project at 巨龍湖, Zhangwu (彰武), Liaoning, the PRC at a consideration of RMB323,294,070.
- (l) On 31 August 2009, the Group entered into a contract with Dongfang Electric Corporation Dongfang Turbine Co., Ltd. regarding the purchase of wind power electricity generation equipment for the Group's wind farm project at Qianfoshan (千佛山), Zhangwu, Liaoning, the PRC at a consideration of RMB309,401,400.
- (m) On 31 August 2009, the Group entered into a contract with 新疆金風科技股份有限公司 (Xinjiang Goldwind Science & Technology Co., Ltd.*) regarding the purchase of wind power electricity generation equipment for the Group's wind farm project at Dongfanghong (東方紅), Zhangwu, Liaoning, the PRC at a consideration of RMB316,800,000.
- (n) Phase 1 Contract which was terminated by a termination agreement dated 31 May 2010.
- (o) On 9 April 2010, Century Concord entered into a joint venture agreement with 上海申華風電新能源有限公司 (Shanghai Shenhau Wind Power New Energy Co., Ltd.*) to establish a joint venture at Zhangwu (彰武) County, Fuxin, Liaoning province, the PRC with a registered capital of RMB96 million, of which RMB48.96 million shall be contributed by Century Concord. Each of Century Concord and Shanghai Shenhau Wind Power New Energy Co., Ltd. holds a 51% and 49% equity interest in the joint venture.

* for identification purpose only

- (p) On 19 April 2010, the Group entered into a contract with the Fuxin branch of Xinjiang Goldwind Science & Technology Co., Ltd. regarding the purchase of wind power electricity generation equipment for the Group's wind farm project at 平安地屯, Zhangwu (彰武), Fuxin, Liaoning province, the PRC at a consideration of RMB316,800,000.
- (q) On 19 April 2010, the Group entered into a contract with the Fuxin branch of Xinjiang Goldwind Science & Technology Co., Ltd. regarding the purchase of wind power electricity generation equipment for the Group's wind farm project at Wuchuan (武川), Huhehaote, Inner Mongolia Autonomous Region, the PRC at a consideration of RMB296,016,000.
- (r) The agreement entered into between the Company and Liaoning Energy on 18 May 2010, in relation to, among other things, (i) formation of 18 joint ventures (the "New Joint Ventures") between the parties pursuant to which the Group shall hold a 55% equity interest in each of the 9 New Joint Ventures and a 45% equity interest in each of the other 9 New Joint Ventures and each of New Joint Ventures shall have a registered capital of RMB100 million or RMB150 million, (ii) the possible grant of the guarantees by the Group in respect of the borrowings of the New Joint Ventures in favour of the financiers in proportion to the Group's equity interests in the New Joint Ventures and (iii) the guarantees which may be provided by Liaoning Energy in respect of the external borrowings of the New Joint Ventures and the counter indemnities which may be provided by the Group to Liaoning Energy with the pledge of the Group's equity interests in the New Joint Ventures to Liaoning Energy.
- (s) Supplemental Phase 1 Contract.
- (t) Phase 2 Contract.

4. LITIGATION

As at the Latest Practicable Date, neither the Company nor any member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance had known to the Directors to be pending or threatened by or against any member of the Group.

5. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with the Company or any member of the Group (excluding contracts expiring or determinable by the Group within one year without payment of compensation (other than statutory compensation)).

6. SECRETARY OF THE COMPANY

The secretary of the Company is Mr. Chan Kam Kwan, Jason. Mr. Chan is also an executive Director. Mr. Chan graduated from the University of British Columbia with a Bachelor of Commerce degree and is a member of the American Institute of Certified Public Accountants and has over 7 years' experience acting as company secretary for listed companies.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the Company's principal place of business in Hong Kong from the date of this circular up to and including the date of the SGM:

- (a) this circular;
- (b) Phase 1 Contract and the termination agreement dated 31 May 2010 to terminate the Phase 1 Contract;
- (c) Supplemental Phase 1 Contract;
- (d) Phase 2 Contract;
- (e) the Company's memorandum of association and bye-laws;
- (f) the material contracts referred to in the section headed "Material Contracts" to in this appendix;
- (g) the annual reports of the Company for the year ended 31 March 2008, the year ended 31 March 2009 and the nine months ended 31 December 2009 and the interim report of the Company for the six months ended 30 September 2009; and

- (h) a circular of the Company dated 18 June 2010 in relation to, among other things, formation of joint ventures between the Group and a joint venture partner, the possible grant of guarantees and counter-indemnities by the Group and the revision of annual caps of certain continuing connected transactions of the Company, which constitute major and connected transactions and continuing connected transactions of the Company under the Listing Rules.

8. MISCELLANEOUS

- The correspondence address of the Directors is at Unit 3901, 39/F, Far East Finance Center, 16 Harcourt Road, Admiralty, Hong Kong;
- The principal place of business in Hong Kong and correspondence address of the Company is at Unit 3901, 39/F, Far East Finance Center, 16 Harcourt Road, Admiralty, Hong Kong;
- The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda;
- The Hong Kong branch share registrar and transfer office of the Company is Tricor Tengis Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong; and
- The English texts of this circular and the accompanying form of proxy shall prevail over the Chinese texts.