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**CHINA SCIENCES  
CONSERVATIONAL POWER LIMITED  
中科環保電力有限公司**

*(Incorporated in Hong Kong with limited liability)*  
**(Stock Code: 351)**

**ANNOUNCEMENT  
(A) CHANGES IN BOARD COMPOSITION AND SENIOR  
MANAGEMENT  
AND  
(B) UPDATE ON STATUS OF THE COMPANY**

**(A) Changes in Board Composition and Senior Management**

The Board announces that the following changes in the Board composition have taken effect from 3 October, 2005:–

- (a) Mr. Hon Ming Kong is re-designated from Chairman and executive director of the Company to a non-executive director of the Company;
- (b) Mr. Chan Tat Chee and Mr. Chow Ho Tung, Anthony are re-designated from executive directors of the Company to non-executive directors of the Company;
- (c) Ms. Wong King King is elected as Chairman of the Company;
- (d) Mr. Liu Hongru, the current Honorary Chairman of the Company, is additionally appointed as non-executive director of the Company; and
- (e) Mr. Tian Yuchuan is appointed as executive director and chief executive officer of the Company.

The Board further announces that Ms. Helen Cheung resigned as the company secretary of the Company and is appointed as Assistant to Chairman of the Company and Mr. Tung Tat Chiu, Michael is appointed the company secretary of the Company, both with effect from 3 October, 2005.

The Board further announces that Mr. Tian Yuchuan and Mr. Tung Tat Chiu, Michael are appointed as authorised representatives of the Company with effect from 3 October, 2005.

**(B) Update on status of the Company**

The Board refers to (i) the Press Release published by the ICAC on 29 September, 2005 in relation to Alleged Matters and (ii) certain press reports subsequent to the Press Release on the Alleged Matters claiming that Messrs. Hon Ming Kong, Chan Tat Chee and Chow Ho Tung Anthony have been arrested.

The Board announces that it is seriously looking into the matter. Necessary actions (including but not limiting to the appointment of independent accountants to conduct a special review on the Company) will be taken as and when appropriate in due course.

Trading in the shares of the Company has been suspended with effect from 9:30 am on 29 September, 2005 and will remain to be suspended until further notice.

**CHANGES IN BOARD COMPOSITION**

The board of directors (the “Board”) of China Sciences Conservational Power Limited (the “Company”) announces the following changes in the composition of the Board and the senior management of the Company, which have taken effect from 3 October, 2005:

- (a) Mr. Hon Ming Kong is re-designated from Chairman and executive director of the Company to a non-executive director of the Company ;
- (b) Mr. Chan Tat Chee and Mr. Chow Ho Tung, Anthony are re-designated from executive directors of the Company to non-executive directors of the Company;
- (c) Ms. Wong King King is elected as Chairman of the Company;
- (d) Mr. Liu Hongru, the current Honorary Chairman of the Company, is additionally appointed as non-executive director of the Company; and
- (e) Mr. Tian Yuchuan is appointed as executive director and chief executive officer of the Company.

**INFORMATION RELATING TO RE-DESIGNATED DIRECTORS, NEWLY APPOINTED DIRECTORS AND CHIEF EXECUTIVE OFFICER**

**a. Brief biographies of re-designated directors:**

***Mr. Hon Ming Kong***

Mr. Hon Ming Kong, aged 37, was appointed as an executive director and Chairman of the Company effective from 20 September 2004 and 11 November 2004 respectively. Mr. Hon is an executive director of China Conservational Power Holdings Limited, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and engaged principally in the businesses of securities brokerage, waste incineration and processing in the PRC.

***Mr. Chan Tat Chee***

Mr. Chan Tat Chee, aged 58, was appointed as an executive director of the Company effective from 29 October 2003. He has over 29 years of experience in the garment industry and international trading. He also has experience in property investment and retail distribution in the PRC. He engages in the entertainment business and has arranged concerts and film productions in Hong Kong, the People’s Republic of China (the “PRC”) and throughout the World for Hong Kong artists.

***Mr. Chow Ho Tung, Anthony***

Mr. Chow Ho Tung, Anthony, aged 44, was appointed as an executive director of the Company on 10 February, 2004. Mr. Chow has over 20 years of experience in financial and business management. Before joining the Company, he held senior positions in several listed companies in Asia. Mr. Chow is a member of the American Institute of Certified Public Accountants, the Hong Kong Institute of Certified Public Accountants and Hong Kong Institute of Marketing.

**b. Brief biographies of newly appointed directors and chief executive officer:**

***Mr. Liu Hongru (Honorary Chairman and non-executive director)***

Mr. Liu Hongru, aged 74, was appointed as Honorary Chairman of the Company in July 2004. He holds an associate doctoral degree from the University of Moscow and has held senior positions at the People's Bank of China and The Agricultural Bank of China. From 1992 to 1995, he served as the Chairman of the China Securities and Regulatory Commission. Currently, Mr. Liu is a professor in the Graduate School, advisor for PhD students and Chairman of Academic Committee of the People's Bank of China; a part-time professor of Tsinghua University, Beijing University, Nankai University and Renmin University of China; a visiting professor of the City University of Hong Kong and the University of Hong Kong. Mr. Liu was awarded an honorary doctorate degree from the City University of Hong Kong in 1996.

***Mr. Tian Yuchuan (Executive director and chief executive officer)***

Mr. Tian Yuchuan, aged 41, is a vice president of the Company responsible for corporate finance and business development since July 2005. Mr. Tian is also a senior economist, graduated from Lester B. Pearson College of the Pacific in Canada in 1985 and graduated from Beijing Foreign Studies University with a Bachelor of Arts Degree in English Language and Literature. Prior to joining the Company, Mr. Tian had been a vice president and chief financial officer of Great Wall Technology Company Limited (Stock code: 0074 HK), a director of Shenzhen Kaifa Technology Company Limited (Shenzhen stock code: 000021 SZ), a director of Great Wall Broadband Network Services Co., Ltd. Mr. Tian had also been an executive director of CITIC Resources Holdings Co., Ltd. (Stock code: 1205 HK), deputy managing director of CITIC New Zealand Investments Ltd., director of CITIC USA Holdings Inc., director of CITIC Canada Inc., director and vice president of Citifor Inc., director of Citifor (Chile) Ltd., associate of investment banking of Credit Suisse First Boston (Hong Kong) Limited, member of preparatory committee of CITIC Securities Company Limited, vice president of Pacific Panorama Investments Ltd. in Canada, assistant to vice president, and project manager of Business Department of CITIC Group. Mr. Tian has over 19 years' experience in multi-national businesses, corporate management, international investments and corporate finance.

**c. Terms of Employment:**

Further announcement will be made in relation to the details of the terms of employment of Messrs. Hon Ming Kong, Chan Tat Chee, Chow Ho Tung, Anthony and Liu Hongru as non-executive directors and Mr. Tian Yuchuan as executive director of the Company in accordance with the Listing Rules.

**CHANGE OF COMPANY SECRETARY AND AUTHORISED REPRESENTATIVES**

The Board announces that Ms. Helen Cheung resigned as company secretary of the Company and is appointed as the Assistant to Chairman of the Company and Mr. Tung Tat Chiu, Michael has been appointed as the company secretary of the Company, both effective from 3 October 2005.

Mr. Tung is a practising solicitor in Hong Kong. He is an independent non-executive director and a non-executive director of two listed companies, whose shares are listed on the Main Board of the Stock Exchange. Mr. Tung is also the company secretary of four other listed companies in Hong Kong. Mr. Tung holds a Bachelor of Arts degree in law and accounting from the University of Manchester.

The Board further announces that Mr. Tian Yuchuan and Mr. Tung Tat Chiu, Michael are appointed as authorised representatives of the Company with effect from 3 October, 2005.

## **ICAC INVESTIGATION**

The Board refers to (i) the press release (“Press Release”) published by the Independent Commission Against Corruption (“ICAC”) on 29 September, 2005 in relation to the arrest of twenty-two individuals for alleged corruption over misappropriation of funds from listed companies (“Alleged Matters”) and (ii) certain press reports subsequent to the Press Release on the Alleged Matters claiming that Messrs. Hon Ming Kong, Chan Tat Chee and Chow Ho Tung Anthony have been arrested.

The Board announces that it is seriously looking into the matters. Necessary actions (including but not limiting to the appointment of independent accountants to conduct a special review on the Company) will be taken as and when appropriate in due course. The Company will keep its shareholders informed of the progress and further announcement will be made, if necessary.

## **GENERAL**

Trading in the shares of the Company has been suspended with effect from 9:30 am on 29 September, 2005 and will remain to be suspended until further notice.

By Order of the Board  
**Wong King King**  
*Chairman*

Hong Kong, 4 October, 2005

*As at the date of this announcement, the executive directors of the Company are Ms. Wong King King (Chairman), Mr. Hon Yik Kwong, and Mr. Tian Yuchuan (Chief Executive Officer), the non-executive directors of the Company are His Royal Highness Prince Idris Abdallah Al-Senussi, Mr. Chan Tat Chee, Mr. Chow Ho Tung, Anthony, Mr. Hon Ming Kong, Mr. Liu Hongru (Honorary Chairman), Mr. John Douglas Kuhns, Mr. Lo Wing Yat, Kelvin, Mr. Alan Grant Quasha and the independent non-executive directors of the Company are Mr. Cham Yiu Keung, Mr. Chan Chi Yuen and Mr. Cheng Kin Chow, Tony.*

Please also refer to the published version of this announcement in The Standard.