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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

**(1) CHANGES IN BOARD COMPOSITION
AND SENIOR MANAGEMENT
AND
(2) CHANGES IN REMUNERATION COMMITTEE,
AUDIT COMMITTEE, AND SPECIAL COMMITTEE**

Changes in Board Composition and Senior Management

The Board announces that the following changes in the Board composition have taken effect from 10 March 2006:–

- (a) Ms. Wong King King resigned as the Chairman and executive director of the Company;
- (b) Mr. Tian Yuchuan resigned as Chief Executive Officer and executive director of the Company;
- (c) Messrs. Liu Hongru and Lo Wing Yat, Kelvin resigned as non-executive directors of the Company;
- (d) Messrs. Henry Lai Hin Wing and Peter Chan Kin Sang resigned as independent non-executive directors of the Company;
- (e) Mr. Tse On Kin was appointed as the Chairman and executive director of the Company;
- (f) Mr. Ping Kim was appointed as executive director of the Company; and
- (g) Messrs. Zhang Xi and Tai Sik Fung George were appointed as independent non-executive directors of the Company.

The Board also announces that Mr. Tung Tat Chiu, Michael resigned as the company secretary of the Company and Ms. Ho Pui Man has been appointed as the company secretary of the Company with effect from 10 March 2006.

The Board further announces that Mr. Tian Yuchuan and Mr. Tung Tat Chiu, Michael resigned as the authorized representatives of the Company and Mr. Tse On Kin and Ms. Ho Pui Man have been appointed as authorized representatives of the Company with effect from 10 March 2006.

Changes in Remuneration Committee, Audit Committee and Special Committee

As a result of change of Board composition, members of the (i) remuneration committee, (ii) audit committee and (iii) special committee of the Company have been changed to (i) Messrs. Tse On Kin, Zhang Xi and Tai Sik Fung George; (ii) Messrs. Chan Chi Yuen, Zhang Xi and Tai Sik Fung George; and (iii) Messrs. Zhang Xi and Tai Sik Fung George respectively.

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.

(1) CHANGES IN BOARD COMPOSITION

Reference is made to the announcements of the Company dated 4 October 2005, 20 October 2005, 26 October 2005 and 30 December 2005 (collectively, the “Announcements”). Terms used in this announcement shall have the same meaning as those defined in the Announcements.

The board of directors of the Company (the “Board”) announces the following changes in the composition of the Board, which have taken effect from 10 March 2006:

- (a) Ms. Wong King King resigned as the Chairman and executive director of the Company due to personal reasons;
- (b) Mr. Tian Yuchuan resigned as Chief Executive Officer and executive director of the Company due to personal reasons;
- (c) Messrs. Liu Hongru and Lo Wing Yat, Kelvin resigned as non-executive directors of the Company due to personal reasons;
- (d) Messrs. Henry Lai Hin Wing and Peter Chan Kin Sang resigned as independent non-executive directors of the Company due to personal reasons;
- (e) Mr. Tse On Kin was appointed as the Chairman and executive director of the Company;
- (f) Mr. Ping Kim was appointed as executive director of the Company; and
- (g) Messrs. Zhang Xi and Tai Sik Fung George were appointed as independent non-executive directors of the Company.

Each of the resignation of Messrs. Wong King King, Tian Yuchuan, Liu Hongru, Lo Wing Yat, Kelvin, Henry Lai Hin Wing and Peter Chan Kin Sang has been approved by the Board and each of Messrs. Wong King King, Tian Yuchuan, Liu Hongru, Lo Wing Yat, Kelvin, Henry Lai Hin Wing and Peter Chan Kin Sang has confirmed that he/she has no disagreement with the Board and there are no matters that need to be brought to the attention of the holders of securities of the Company in relation to his/her resignation.

The Board takes this opportunity to thank Messrs. Wong King King, Tian Yuchuan, Liu Hongru, Lo Wing Yat, Kelvin, Henry Lai Hin Wing and Peter Chan Kin Sang for their valuable contributions to the Company during their tenures of office and welcome Messrs. Tse On Kin, Ping Kim, Zhang Xi and Tai Sik Fung George to join the Company.

(2) INFORMATION RELATING TO THE NEWLY APPOINTED DIRECTORS

(a) Brief Biographies

The brief biographies of Messrs. Tse On Kin, Ping Kim, Zhang Xi and Tai Sik Fung George are as follows:

Mr. Tse On Kin

Mr. Tse On Kin, aged 44, has over 18 years of experience in corporate planning, operation and human resources and new markets development. Mr. Tse has a Bachelor Degree in Public Policy and Administration from York University in Canada. He is currently the Managing Director of Mexan Limited, a company listed on the Stock Exchange and the Vice Chairman and Chief Executive Officer of Great Wall Cybertech Limited, a company listed on the Stock Exchange.

Mr. Ping Kim

Mr. Ping Kim, aged 52, has over 25 years of experience in business development and financial planning in energy field. Having graduated from 北京職工大學, Mr. Ping has been living in and has engaged in trading business in Hong Kong since 1990.

Mr. Ping has been the chairman of the board of directors of Energy Development International (Holdings) Limited since October 2003 and he has been the chairman of the board of directors of T.Y. Lin International Development (Holding) Limited since November 2003. He has also been the director of Energy & Resources Development Fund of China Company Limited since 2003. He was a director of United China International Enterprises Group Limited, a company listed in the Toronto from January 2003 to January 2006.

Mr. Zhang Xi

Mr. Zhang Xi, aged 37, has over 5 years of experience in the financial sector. Mr. Zhang graduated with a bachelor degree in science (electrical engineering) from Shanghai Jiao Tong University in July 1991. Mr. Zhang has obtained an International Master of Business Administration (Finance) from York University in Canada in September 1998. He is currently a CFA charter-holder. Mr. Zhang was an investment analyst of Worldsec International Limited from 2000 to 2002 and he has been an investment analyst of UOB Kay Hian (Hong Kong) Limited since 2002. Mr. Zhang did not hold directorship in any listed public companies in the last three years.

Mr. Tai Sik Fung George

Mr. Tai Sik Fung George, aged 55, has over 30 years of experience in Hong Kong, PRC and overseas property markets, especially in the industrial property market. He had been employed by several Hong Kong listed companies to manage certain property development projects. Mr. Tai had also been invited to be column writer on some press and real estate magazine.

(b) Terms of Appointment

The Company does not have any service contract with each of the Messrs. Tse On Kin and Ping Kim and they have no fixed term of service with the Company. The Company will enter into letter of appointment or service contract with each of Messrs. Zhang Xi and Tai Sik Fung George and the initial length of service of each of Messrs. Zhang Xi and Tai Sik Fung George with the Company will be one year. Each of Messrs. Tse On Kin, Ping Kim, Zhang Xi and Tai Sik Fung George will hold the office of a director until the next annual general meeting of the Company and will retire at that general meeting, but will become eligible for re-election in accordance with the Articles of Association of the Company. The emolument of each of the directors will be determined by the Board with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market condition.

(c) Confirmation from Newly Appointed Directors of the Company

In compliance with Rule 13.51(2) of the Listing Rules, Mr. Tse On Kin has confirmed to the Board that he is currently the Vice Chairman and Chief Executive Officer of Great Wall Cybertech Limited, a company listed on the Stock Exchange, which is put into provisional liquidation. Save as aforesaid, Mr. Tse On Kin has confirmed to the Board that:

- (i) he has not previously held any positions with the Company or any of its subsidiaries;
- (ii) he is not interested in or deemed to be interested in any shares or underlying shares of the Company pursuant to Part XV of the SFO as at the date of this announcement;
- (iii) he does not have any relationship with any director, senior management or substantial or controlling shareholder of the Company; and
- (iv) neither he has been a party or a subject matter nor has he been convicted, sentenced, adjudged, disqualified or refused admission, as the case may be, in respect of those matters as mentioned under Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

In compliance with Rule 13.51(2) of the Listing Rules, each of Messrs. Ping Kim, Zhang Xi and Tai Sik Fung George has confirmed to the Board that:

- (i) each of them has not previously held any positions with the Company or any of its subsidiaries;
- (ii) each of them is not interested in or deemed to be interested in any shares or underlying shares of the Company pursuant to Part XV of the SFO as at the date of this announcement;

- (iii) each of them does not have any relationship with any director, senior management or substantial or controlling shareholder of the Company; and
- (iv) neither anyone of them has been a party or a subject matter nor has each of them been convicted, sentenced, adjudged, disqualified or refused admission, as the case may be, in respect of those matters as mentioned under Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

Save as disclosed above, each of Messrs. Tse On Kin, Ping Kim, Zhang Xi and Tai Sik Fung George is not aware of any other information which is required to be brought to the attention of the holders of securities of the Company as a result of their appointment as directors of the Company.

(3) CHANGES IN REMUNERATION COMMITTEE, AUDIT COMMITTEE AND SPECIAL COMMITTEE

Prior to the above change of board composition, members of the remuneration committee, audit committee and special committee of the Company comprised Messrs. Wong King King, Henry Lai Hin Wing and Peter Chan Kin Sang. As a result of the above change of Board composition, the Board has resolved to change the composition of the remuneration committee, audit committee and special committee as follows:–

*Members of the
Remuneration Committee*

Mr. Tse On Kin
Mr. Zhang Xi
Mr. Tai Sik Fung George

*Member of the
Audit Committee*

Mr. Chan Chi Yuen
Mr. Zhang Xi
Mr. Tai Sik Fung George

Members of the Special Committee

Mr. Zhang Xi
Mr. Tai Sik Fung George

(4) CHANGE OF COMPANY SECRETARY AND AUTHORISED REPRESENTATIVES

The Board also announces that Mr. Tung Tat Chiu, Michael resigned as the company secretary of the Company and Ms. Ho Pui Man has been appointed as the company secretary of the Company with effect from 10 March, 2006.

The Board further announces that Mr. Tian Yuchuan and Mr. Tung Tat Chiu, Michael resigned as the authorized representatives of the Company and Mr. Tse On Kin and Ms. Ho Pui Man have been appointed as authorized representatives of the Company with effect from 10 March 2006.

(5) 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
Tse On Kin
Chairman

Hong Kong, 13 March, 2006

As at the date of this announcement, the executive directors of the Company are Mr. Tse On Kin (Chairman), Mr. Ping Kim, and the non-executive directors of the Company are His Royal Highness Prince Idris Abdallah Al-Senussi, Mr. John Douglas Kuhns and Mr. Alan Grant Quasha and the independent non-executive directors of the Company are Mr. Chan Chi Yuen, Mr. Zhang Xi and Mr. Tai Sik Fung George.

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