
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 securities in China WindPower Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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PROPOSED SHARE PREMIUM CANCELLATION AND NOTICE OF SPECIAL GENERAL MEETING

A notice of the Special General Meeting to be held at Unit 3901, 39/F, Far East Finance Center, 16 Harcourt Road, Admiralty, Hong Kong on 10 November 2011, Thursday at 10:00 a.m. is set out on pages 6 to 7 of this circular. A form of proxy for use by the Shareholders at the Special General Meeting is enclosed. If you intend to attend the Special General Meeting in person, please complete the form of proxy enclosed in accordance with the instructions printed thereon and return it to the branch share registrars of the Company, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable but in any event not less than 48 hours before the time appointed for holding the Special General Meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Special General Meeting should you so wish.

* for identification purposes only

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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 Group. 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, the following expressions shall have the following meanings unless the context indicates otherwise:

“Accumulated Losses”	the audited balance in the accumulated losses account of the Company as at 31 December 2010 of approximately HK\$380,777,000
“Board”	the board of Directors
“Companies Act”	the Companies Act 1981 of Bermuda (as amended from time to time)
“Company”	China WindPower Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Directors”	the directors of the Company
“Effective Date”	the date on which the Proposed Share Premium Cancellation shall become effective, being the next business day immediately following the date of the SGM at which the relevant special resolution approving the Proposed Share Premium Cancellation will be considered by the Shareholders
“Group”	the Company and its subsidiaries
“Latest Practicable Date”	10 October 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing of the Listing of Securities on the Stock Exchange

DEFINITIONS

“Proposed Share Premium Cancellation”	the proposed cancellation of the Share Premium Account and the Accumulated Losses that the entire amount standing to the credit of the Share Premium Account will be cancelled and part of the credit arising therefrom will be utilised to eliminate the balance of the Accumulated Losses with the balance to be transferred to the Contributed Surplus Account
“SGM”	a special general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Proposed Share Premium Cancellation by the Shareholders
“Share Premium Account”	the share premium account of the Company
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region

LETTER FROM THE BOARD



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

Mr. Zhou Zhizhong

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, *JP*

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

12 October 2011

To the Shareholders

Dear Sir/Madam,

PROPOSED SHARE PREMIUM CANCELLATION AND NOTICE OF SPECIAL GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolution to be proposed at the Special General Meeting in relation to the Proposed Capital Organisation so as to enable you to make decisions on whether to vote for or against the resolution.

* *for identification purposes only*

LETTER FROM THE BOARD

PROPOSED SHARE PREMIUM CANCELLATION

The Board intends to put forward the Proposed Share Premium Cancellation for approval by the Shareholders at the SGM, under which the entire amount standing to the credit of the Share Premium Account will be cancelled and the amount will be transferred to the Contributed Surplus Account and part of it will be utilised to eliminate the balance of the Accumulated Losses.

Effects of the Proposed Share Premium Cancellation

As at 31 December 2010, the amount standing to the credit of the Share Premium Account and the Accumulated Losses of the Company were approximately HK\$2,977,754,000 and approximately HK\$380,777,000 respectively, as shown in the audited financial statements of the Company for the year ended 31 December 2010. It is proposed that, subject to the conditions set out in the section headed “Conditions for the Proposed Share Premium Cancellation”, the entire amount standing to the credit of the Share Premium Account as at the Effective Date will be cancelled and the amount will be transferred to the Contributed Surplus Account and part of it will be utilised to eliminate the balance of the Accumulated Losses.

Other than the expenses incurred by the Company in relation to the Proposed Share Premium Cancellation, the Board considers the implementation of the Proposed Share Premium Cancellation will not, of itself, have material adverse effect on the underlying assets, liabilities, business operations, management or financial position of the Company or affect the proportionate interests of the Shareholders.

Reasons for the Proposed Share Premium Cancellation

The Company has audited Accumulated Losses of approximately HK\$380,777,000 as at 31 December 2010. The Board is of the view that the Proposed Share Premium Cancellation will (i) allow the Company to eliminate the Accumulated Losses arising from the Group’s past operations, thus enable a better appreciation of the financial position of the Group and its current businesses; and (ii) bring the Company to a position that might permit the payment of dividends if and when the Company’s financial position allows and the Board considers appropriate in the future, although there is no guarantee that dividend(s) will be declared or paid upon the Proposed Share Premium Cancellation becoming effective or at any time in the future. The Board considers that the Proposed Share Premium Cancellation is in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Conditions for the Proposed Share Premium Cancellation

The Proposed Share Premium Cancellation is conditional upon:

- (1) the passing of a special resolution by the Shareholders to approve the Proposed Share Premium Cancellation at the SGM; and
- (2) compliance with Section 46(2) of the Companies Act, including (a) publication of a notice of the Proposed Share Premium Cancellation in an appointed newspaper in Bermuda on a date not more than thirty days and not less than fifteen days before the Effective Date; and (b) the Board being satisfied that on the Effective Date, there are no reasonable grounds for believing the Company is, or after the Proposed Share Premium Cancellation would be, unable to pay its liabilities as they become due.

Expected Effective Date of the Proposed Share Premium Cancellation

Assuming the above conditions are fulfilled, it is expected that the Proposed Share Premium Cancellation will become effective on the next business day immediately following the date of passing the relevant special resolution approving the Proposed Share Premium Cancellation.

RECOMMENDATION

The Directors consider that the proposed resolution in the Special General Meeting are in the best interests of the Company and the Shareholders as a whole and, accordingly, the Directors recommend all Shareholders to vote in favour of the resolution to be proposed at the Special General Meeting in relation to the Proposed Share Premium Cancellation.

A form of proxy for use by the Shareholders at the Special General Meeting is enclosed. Whether or not you intend to attend and vote at the Special General Meeting in person, you are requested to complete the form of proxy enclosed in accordance with the instructions printed thereon and return it to the branch share registrars of the Company, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, as soon as practicable but in any event not less than 48 hours before the time appointed for holding the Special General Meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Special General Meeting should you so wish.

Yours faithfully,

By Order of the Board

CHINA WINDPOWER GROUP LIMITED

Liu Shunxing

Chairman and Chief Executive Officer

NOTICE OF SPECIAL GENERAL MEETING



中国风电集团有限公司*

China WindPower Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 182)

NOTICE IS HEREBY GIVEN that the special general meeting of CHINA WINDPOWER GROUP LIMITED (the “Company”) will be held at Unit 3901, 39/F, Far East Finance Center, 16 Harcourt Road, Admiralty, Hong Kong on 10 November 2011, Thursday at 10:00 a.m. to consider and, if thought fit, pass with or without modifications, the following resolution of the Company:

SPECIAL RESOLUTION

(1) **“THAT:**

- (a) the entire amount of approximately HK\$2,977,754,000 standing to the credit of the share premium account of the Company as at the business day immediately following the date of the special general meeting convened by this notice be cancelled;
- (b) the credit which will arise as a result of the cancellation of the entire amount of approximately HK\$2,977,754,000 standing to the credit to the share premium account to be effected pursuant to paragraph (a) of this resolution above be transferred to the contributed surplus account of the Company and then applied to eliminate the entire balance in the Company’s accumulated loss of approximately HK\$380,777,000 account as at 31 December 2010 on a dollar for dollar basis and the directors of the Company (the “**Directors**”) be and are hereby authorised to apply such surplus (if any) in such manner as may be permitted by the bye-laws of the Company;

* for identification purposes only

NOTICE OF SPECIAL GENERAL MEETING

- (c) the Directors be and are hereby generally and unconditionally authorised to prepare and execute all documents and to do all things they consider necessary, expedient and appropriate to effect and implement any of the foregoing.”

By Order of the Board
Chan Kam Kwan, Jason
Company Secretary

Hong Kong, 12 October 2011

Notes:

1. Any shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
2. In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed must be deposited at the branch share registrars of the Company, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the meeting.
3. As at the date hereof, the board of directors of the Company comprises Mr. Liu Shunxing, Mr. Ko Chun Shun, Johnson, Mr. Wang Xun, Mr. Yang Zhifeng, Ms. Liu Jianhong, Mr. Yu Weizhou, Mr. Zhou Zhizhong, Ms. Ko Wing Yan, Samantha and Mr. Chan Kam Kwan, Jason (who are executive directors), Mr. Tsoi Tong Hoo, Tony (who is non-executive director), and Dr. Zhou Dadi, Dr. Wong Yau Kar, David JP and Mr. Yap Fat Suan (who are independent non-executive directors).