THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about this circular or as to the action to be taken, you should consult a stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Sun.King Power Electronics Group Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

Sun.King Power Electronics Group Limited
賽晶電力電子集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 580)

DECLARATION OF FINAL DIVIDEND, GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES, RE-ELECTION OF RETIRING DIRECTORS, PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of Sun.King Power Electronics Group Limited to be held at Meeting Room VIII, Crowne Plaza Beijing International Airport, 60 Fuqian 1 Street, Tianzhu, Shunyi District, Beijing, People's Republic of China on Thursday, 3 May 2018 at 10:00 a.m. is set out on pages 17 to 22 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk. Whether or not you intend to attend the annual general meeting, you are required to complete the form of proxy in accordance with the instructions printed thereon and deliver it and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, to the Hong Kong branch share registrar of Sun.King Power Electronics Group Limited, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a shareholder from attending and voting in person at the annual general meeting and in such event, the form of proxy shall be deemed to be revoked.

21 March 2018

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

"Annual General Meeting"	the annual general meeting of the Company to be held at Meeting Room VIII, Crowne Plaza Beijing International Airport, 60 Fuqian 1 Street, Tianzhu, Shunyi District, Beijing, PRC on Thursday, 3 May 2018 at 10:00 a.m. or any adjournment thereof
"Articles of Association"	the articles of association of the Company, as amended from time to time
"Board"	the board of Directors
"Companies Law"	the Companies Law, Cap 22 (Law 3 of 1961 as consolidated and revised) of the Cayman Islands
"Company"	Sun.King Power Electronics Group Limited (賽晶電力電子集團有限公司), an exempted company incorporated with limited liability under the laws of the Cayman Islands, the issued shares of which are listed on the main board of the Stock Exchange
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Issue Mandate"	a general mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and/or deal with Shares not exceeding 20% of the number of the issued shares of the Company as at the date of passing the relevant resolution granting such general mandate
"Latest Practicable Date"	15 March 2018, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Notice of Annual General Meeting"	the notice convening the Annual General Meeting as set out on pages 17 to 22 of this circular

"PRC"	the People's Republic of China, and for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Repurchase Mandate"	a general mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10% of the number of the issued shares of the Company as at the date of passing the relevant resolution granting such general mandate
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) of nominal value of HK$0.1 each in the share capital of the Company
"Share Option(s)"	the share option(s) granted or to be granted under the Share Option Scheme
"Share Option Scheme"	the share option scheme of the Company adopted 23 September 2010
"Shareholder(s)"	the holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Substantial Shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Takeovers Code"	The Codes on Takeovers and Mergers and Share Buy-backs
"%"	per cent.

Sun.King Power Electronics Group Limited
賽晶電力電子集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 580)

Executive Directors:
Mr. Xiang Jie
Mr. Gong Renyuan
Mr. Yue Zhoumin

Non-executive Directors:
Mr. Yan Fuquan
Mr. Zhu Ming
Ms. Zhang Ling

Independent non-executive Directors:
Mr. Chen Shimin
Mr. Zhang Xuejun
Mr. Leung Ming Shu
Mr. Zhao Hang

Registered office:
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Headquarters:
Building 9-A
KongGangRongHuiYuan
Yuhua Road
Tianzhu Airport Industrial Zone B
Shunyi District
Beijing
PRC

Principal place of business in Hong Kong:
36th Floor, Tower Two, Times Square
1 Matheson Street
Causeway Bay
Hong Kong

21 March 2018

To the Shareholders

Dear Sir or Madam,

**DECLARATION OF FINAL DIVIDEND,
GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
OF THE COMPANY
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to give you further information in relation to, inter alia, the following proposals to be put forward at the Annual General Meeting: (a) the declaration of final dividend; (b) the grant to the Directors of the Issue Mandate and the Repurchase Mandate; (c) the re-election of the retiring Directors; and (d) proposed amendments to the Articles of Association.

DECLARATION OF FINAL DIVIDEND OUT OF THE SHARE PREMIUM ACCOUNT AND CLOSURE OF REGISTER OF MEMBERS

The Board has recommended the payment of a final dividend of HK3 cents per Share for the year ended 31 December 2017 out of the share premium account of the Company. Conditional upon the passing of ordinary resolution numbered 2 by the Shareholders at the Annual General Meeting, the register of members of the Company will be closed from Friday, 1 June 2018 to Tuesday, 5 June 2018, both dates inclusive, during which period no transfer of Shares will be registered and the final dividend is expected to be paid on or around Friday, 15 June 2018 to the Shareholders whose names appear on the register of members of the Company at the close of business on Tuesday, 5 June 2018.

Under section 34(2) of the Companies Law, the share premium account may be applied by a company in paying dividends to members provided that no dividend may be paid to members out of the share premium account unless, immediately following the date on which the dividend is proposed to be paid, the company shall be able to pay its debts as they fall due in the ordinary course of business. The Board confirms that with respect to payment of the final dividends out of share premium account, the Company will be able to pay its debts as they fall due in the ordinary course of business immediately following the date on which the final dividend is proposed to be paid.

The final dividends are intended to be paid out entirely of the share premium account pursuant to article 134 of the Articles of Association and in accordance with the Companies Law. As at 31 December 2017, based on the audited consolidated financial statements of the Company, the amount standing to the credit of the share premium account was RMB682,175,000. The Board proposed to use an amount of RMB48,507,060 standing to the credit of the share premium account for the payment of the final dividends. Following such payment there will be a remaining balance of RMB633,667,940 standing to the credit of the share premium account.

Reasons for the payment of final dividends out of the share premium account

The Board considers it unnecessary to maintain the share premium account at its current level. The Directors consider that the declaration and proposed payment of the final dividends out of the share premium account is in the interests of the Company and its Shareholders as a whole.

Effect of the payment of final dividends out of the share premium account

The payment of the final dividends out of the share premium account does not involve any reduction in the authorised or issued share capital of the Company nor does it involve any reduction in the nominal value of the Shares or result in any change in the trading arrangements in respect of the Shares.

The payment of the final dividends out of share premium account will not affect the underlying business, operations or management of the Company or the proportionate interests of the Shareholders, other than related expenses incurred which are immaterial.

Save as the aforesaid expenses, the Directors consider that the payment of final dividends out of share premium account will not have a material adverse effect on the financial position of the Company.

The payment of the final dividends out of the share premium account is conditional upon, inter alia, the following being fulfilled:

(a) the passing of an ordinary resolution by the Shareholders to approve the payment of the final dividends out of the share premium account; and

(b) the Directors being satisfied that there are no reasonable grounds for believing that the Company is, and immediately after the final dividends are paid will be, unable to pay its liabilities as they become due in the ordinary course of business.

In order to establish the identity of the Shareholders who are entitled to the proposed final dividend, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. on Thursday, 31 May 2018.

ISSUE MANDATE

In order to ensure flexibility and give discretion to the Directors in the event that it becomes desirable for the Company to issue any new Share, ordinary resolution numbered 5(a) will be proposed at the Annual General Meeting to grant the Issue Mandate to the Directors to exercise the powers of the Company to allot, issue and deal with the additional Shares up to 20% of the number of the issued shares of the Company as at the date of passing the resolution in relation to the Issue Mandate. As at the Latest Practicable Date, the issued share capital of the Company comprised 1,616,902,000 Shares. Subject to the passing of ordinary resolution numbered 5(a) and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Directors will be authorised to allot and issue a maximum of 323,380,400 Shares under the Issue Mandate.

In addition, subject to a separate approval of ordinary resolution numbered 5(c), the number of Shares purchased by the Company under ordinary resolution numbered 5(b) will also be added to extend the 20% limit of the Issue Mandate as mentioned in ordinary resolution numbered 5(a) provided that such additional amount shall not exceed 10% of the number of the shares of the Company in issue as at the date of passing the resolutions in relation to the Issue Mandate and the Repurchase Mandate. The Directors have no immediate plans to issue any new Shares pursuant to the Issue Mandate.

REPURCHASE MANDATE

An ordinary resolution will be proposed at the Annual General Meeting to approve the grant of the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10% of the number of the issued shares of the Company as at the date of passing the resolution in relation to the Repurchase Mandate.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the Repurchase Mandate is set out in Appendix II to this circular. The explanatory statement contains all reasonably necessary information to enable the Shareholders to make an informed decision as to whether to vote for or against the relevant resolution at the Annual General Meeting.

RE-ELECTION OF RETIRING DIRECTORS

In accordance with articles 83(3) and 84(1) of the Articles of Association, Mr. Xiang Jie, Mr. Gong Renyuan, Mr. Yan Fuquan, Mr. Zhu Ming, Ms. Zhang Ling and Mr. Zhao Hang will retire by rotation and be eligible to offer themselves for re-election as the Directors at the Annual General Meeting.

Details of the above retiring Directors who are subject to re-election at the Annual General Meeting are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING

Set out from pages 17 to 22 of this circular is the Notice of Annual General Meeting containing, inter alia, the resolutions in relation to approving the declaration of final dividend, granting the Directors the Issue Mandate and the Repurchase Mandate, approving the re-election of the retiring Directors and the proposed amendments to the Articles of Association.

PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Under the existing article 134 of the Articles of Association, with the sanction of an ordinary resolution dividends may be declared and paid out of share premium account or any other fund or account which can be authorised for this purpose in accordance with the Companies Law. Further, under the existing article 136 of the Articles of Association, the Board may from time to time pay to the Shareholders such interim dividends as appear to the Board to be justified by the profits of the Company. In order to allow flexibility to the

Board in declaring and paying interim dividends out of the share premium account of the Company, the Board considers it is in the interest of the Company and the Shareholders as a whole to amend the Articles of Association in the following manner:

(a) by removing the name "Sun.King Power Electronics Group Limited" whether it appears and replacing it with the name "Sun.King Power Electronics Group Limited 賽晶電力電子集團有限公司";

(b) by deleting the words "With the sanction of an ordinary resolution dividends" at the beginning of the second sentence in the existing article 134 and replacing therewith the word "Dividends";

(c) by deleting the words "as appear to the Board to be justified by the profits of the Company" in the second line of the existing article 136; and

(d) by inserting the words ", or in the case of an interim dividend the Board may pass a resolution from time to time," immediately after the words "ordinary resolution" in the second line of the existing article 144.

Pursuant to the Articles of Association, any amendment thereto requires a special resolution of Shareholders at a general meeting. The special resolutions to amend the existing articles 134, 136 and 144 of the Articles of Association are set out in the Notice of Annual General Meeting.

FORM OF PROXY

A form of proxy for use at the Annual General Meeting is enclosed herewith. Such form of proxy is also published on the website of the Stock Exchange at www.hkexnews.hk. Whether or not you intend to attend the Annual General Meeting, you are required to complete the form of proxy in accordance with the instructions printed thereon and deliver it to the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof at which the person named in the form of proxy proposes to vote. Delivery of the form of proxy shall not preclude a Shareholder from attending and voting in person at the Annual General Meeting and in such event, the form of proxy shall be deemed to be revoked.

VOTING

Pursuant to Rule 13.39(4) of the Listing Rules and article 66 of the Articles of Association, a resolution put to the vote of a general meeting is to be decided by way of a poll.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative, shall have one vote for every fully paid Share of which he/she/it is the holder. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she/it uses in the same way.

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.

RECOMMENDATION

The Directors consider that the proposed resolutions for approving the declaration of final dividend, granting the Directors the Issue Mandate and the Repurchase Mandate, approving the re-election of the retiring Directors and the proposed amendments to the Articles of Association are in the interests of the Company and the Shareholders as a whole. The Directors (including the independent non-executive Directors) therefore recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully
By order of the Board
Sun.King Power Electronics Group Limited
Xiang Jie
Chairman

The following are the particulars of the Directors proposed to be re-elected at the Annual General Meeting.

Save as disclosed herein:

(a) none of the following Directors had any interest in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date;

(b) none of the following Directors held any other position with the Company or any other member of the Group, nor has any directorship in other listed companies in the past three years from the Latest Practicable Date;

(c) none of the following Directors had any relationship with any other Director, senior management personnel, Substantial Shareholders or controlling shareholders (as defined in the Listing Rules) of the Company at the Latest Practicable Date; and

(d) there was no other matter relating to the following Directors which needed to be brought to the attention of the Shareholders and there was no other information relating to the following Directors which was required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

Mr. Xiang Jie

Mr. Xiang Jie, aged 44, is the founder, the chairman of the Board and an executive Director. Mr. Xiang is primarily responsible for the overall corporate strategy, planning and business development of the Group. After graduating from Shanghai Maritime University(上海海事大學)in the PRC in international shipping management in 1995, Mr. Xiang obtained a master's degree in business administration from Maastricht School of Management in the Netherlands in 1999. Mr. Xiang has over 10 years of experience in the trading and power electronic sectors.

Mr. Xiang entered into a supplemental service agreement with the Company dated 1 June 2015 for a term of three years commencing on 1 June 2015 and subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. Mr. Xiang is entitled to receive an annual remuneration of RMB750,000 and annual allowance of HK$100,000. The amount of emoluments is determined by the Board with reference to his experience, duties, responsibilities and the Company's policy.

As at the Latest Practicable Date, among the 376,532,347 Shares (including the 20,000,000 Shares which may be allotted and issued upon the exercise of the Share Options) in which Mr. Xiang was interested, 38,204,000 Shares were directly held by Mr. Xiang and the remaining 338,328,347 Shares were directly held by Max Vision Holdings Limited. As at the Latest Practicable Date, Max Vision Holdings Limited was wholly owned by Jiekun Limited, which was wholly owned by BNP Paribas Corporate Services Pte Ltd.. As at the

Latest Practicable Date, BNP Paribas Corporate Services Pte Ltd. was wholly owned by BNP Paribas Singapore Trust Corporation Limited, which was the trustee of a private trust of which Mr. Xiang was the settlor and his family members were the beneficiaries.

As at the Latest Practicable Date, Mr. Xiang was also interested in 20,000,000 Shares which may be issued upon the exercise of the Share Options.

Mr. Gong Renyuan

Mr. Gong Renyuan, aged 47, is an executive Director, the president of the Group and the chief executive officer of the Company. Mr. Gong joined the Group in 2002, primarily responsible for overseeing the overall business of the Group, including devising and implementing business and development strategies and targets. Before joining the Group, Mr. Gong has accumulated over 8 years of experience in business operations. In 1993, Mr. Gong completed the programme in business English（外貿英語專科）organised by the Beijing University of Technology（北京工業大學）in the PRC. Mr. Gong is the spouse of Ms. Ren Jie, a member of the senior management of the Company.

Mr. Gong entered into a supplemental service agreement with the Company dated 1 June 2016 for a term of three years commencing on 1 June 2016 and subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. Mr. Gong is entitled to receive an annual remuneration of RMB600,000 and annual allowance of HK$100,000. The amount of emoluments is determined by the Board with reference to his experience, duties, responsibilities and the Company's policy.

As at the Latest Practicable Date, among the 19,360,000 Shares (including the 12,400,000 shares which may be allotted and issued upon the exercise of the Share Options) in which Mr. Gong was interested, 15,060,000 Shares were held by Mr. Gong and the remaining 4,300,000 Shares were held by Ms. Ren, the spouse of Mr. Gong. Mr. Gong Renyuan was deemed under the SFO to be interested in the 4,300,000 shares held by Ms. Ren.

As at the Latest Practicable Date, among the 12,400,000 Shares which may be issued upon the exercise of the Share Options, 10,750,000 Shares represented the Shares which may be issued upon the exercise of the Share Options granted to Mr. Gong and the remaining 1,650,000 Shares represented the Shares which may be issued upon the exercise of the Share Options granted to Ms. Ren. Mr. Gong was deemed under the SFO to be interested in the 1,650,000 Shares which may be issued upon the exercise of the Share Options granted to Ms. Ren.

Mr. Yan Fuquan

Mr. Yan Fuquan, aged 55, joined the Group in October 2017 as a non-executive Director and the deputy chairman of the Board. Mr. Yan graduated from Jilin University as a PhD research student(博士研究生)in theoretical economics in June 2010. From July 1984 to February 2001, Mr. Yan worked for 衡陽紡機廠 in which he assumed the positions of the deputy director of the chief accountant(總會計師辦公室副主任), the head of the finance department (財務處處長), the chief accountant(總會計師)and the factory manager (廠長) successively. From February 2001 to March 2005, Mr. Yan worked for 中國紡織機械(集團)有限公司 as the head of the finance department(財務部部長). Mr. Yan was an executive director of Jingwei Textile Machinery Company Limited(經緯紡織機械股份有限公司), a company delisted from the Stock Exchange on 28 December 2015. From July 2003, Mr. Yan has worked for China Hi-Tech Group Corporation(中國恒天集團有限公司)in which he assumed the positions of the head of the finance department(財務部部長), the deputy chief accountant(副總會計師) and the chief accountant(總會計師)successively. Mr. Yan is currently the chief accountant(總會計師)of China Hi-Tech Group Corporation(中國恒天集團有限公司), the chairman of the board(董事長) and the general manager (總經理) of China Hi-Tech Holding Company Limited(中國恒天控股有限公司), the chairman of the board(董事長)of 恒天投資管理有限公司 and a director of 北京市文化科技融資租賃股份有限公司.

Mr. Yan executed an appointment letter dated 12 October 2017 for a term of three years commencing from the date of appointment and may be terminated in accordance with the terms of the appointment letter. Mr. Yan will not receive any remuneration.

Mr. Zhu Ming

Mr. Zhu Ming, aged 40, joined the Group as a non-executive Director in October 2017. Mr. Zhu received a master's degree in accounting from the Dongbei University of Finance & Economic in December 2008. Mr. Zhu is currently the chief financial officer(財務總監)of China Hi-Tech Holding Company Limited(中國恒天控股有限公司). From February 2009 to October 2015, Mr. Zhu worked for China Hi-Tech Group Corporation(中國恒天集團有限公司) in which he assumed the position of supervisor of the finance department (財務部主管)and the manager of the finance department(財務部經理)successively.

Mr. Zhu executed an appointment letter dated 12 October 2017 for a term of three years commencing from the date of appointment and may be terminated in accordance with the terms of the appointment letter. Mr. Zhu will not receive any remuneration.

Ms. Zhang Ling

Ms. Zhang Ling, aged 49, joined the Group as a non-executive Director in December 2017. Ms. Zhang is the managing director(董事總經理)of China Reform Venture Capital Investment Management (Shenzhen) Ltd. (國新風險投資管理(深圳)有限公司). Ms. Zhang obtained her Bachelor's degree in Precision instrument(精密儀器系)from Tianjin University in 1991 and her master's degree from Guanghua School of Management of Peking University in 2000. Ms. Zhang previously worked for Beijing Capital Group Co., Ltd.(北京首都創業集團有限公司)and China Cinda Asset Management Co., Ltd.(中國信達資產管理股份有限公司) and was responsible for merger restructuring (併購重組)and corporate realignment

(企業改制). Ms. Zhang also previously worked for Essence Securities Co., Ltd.(安信證券股份有限公司)and Huarong Securities Co., Ltd.(華容證券股份有限公司)and was responsible for the merger financing(併購重組)business, and presided over the completion of large-scale enterprise asset restructuring and integration of the industrial chain, merger of listed companies, reverse takeover and other projects. Ms. Zhang was a director of Tongling Nonferrous Metals Group Holdings Co., Ltd.(銅陵有色金屬集團控股有限公司).

Ms. Zhang executed an appointment letter dated 4 December 2017 for a term of three years commencing from the date of appointment and may be terminated in accordance with the terms of the appointment letter. Ms. Zhang will not receive any remuneration.

Mr. Zhao Hang

Mr. Zhao Hang, aged 63, joined the Group as an independent non-executive Director in December 2017. Mr. Zhao is a research-grade senior engineer and obtained his bachelor degree in engineering from Jilin University of Technology, the PRC (中國吉林工業大學)in July 1982. In October 2003, Mr. Zhao obtained a degree in executive master of business administration from China Europe International Business School (中歐國際工商學院). After his graduation from Jilin University of Technology, the PRC in 1982, Mr. Zhao joined the Transportation Engineering Institute of the Chinese People's Liberation Army (中國人民解放軍運輸工程學院) as an instructor until October 1987. After that, he was emplyed by the China Automotive Technology & Research Centre (中國汽車技術研究中心), and had since then until November 2015 held various positions therewith including the centre deputy chairman, centre deputy secretary of the party committee and centre secretary of the party committee and centre chairman. Among the awards and recognitions he has received in the past, Mr. Zhao was conferred with the title of Young Technology Specialist in the Machinery Industry in the PRC (中國機械工業青年科技專家) in 1995 and received the 2004 China Automobile Manufacturing Outstanding Technology Talent Award (2004年中國汽車工業優秀人才獎). Mr. Zhao has been an independent non-executive director of Sinotruk (Hong Kong) Limited (a company listed on the Stock Exchange, stock code: 3808) since 11 April 2016 and a director of Zhejiang Wanfeng Auto Wheel Co., Ltd. (a company listed on the Shenzhen Stock Exchange, stock code: 002085.SZ) since 29 November 2013. Mr. Zhao is also a doctoral tutor at Wuhan University of Technology, the PRC (中國武漢理工大學), and an instructor and adjunct professor at Tongji University, the PRC (中國同濟大學), Jilin University, the PRC(中國吉林大學), Jiangsu University, the PRC(中國江蘇大學)and Chongqing Jiaotong University, the PRC (中國重慶交通大學) (which is previously known as Chongqing Vocational College of Transportation (重慶交通學院)). In addition, Mr. Zhao was the deputy chairman and chief secretary of the China Automobile Human Resources Association (中國汽車人力資源協會), the deputy chairman of the China Association of Automobile Manufacturers (中國汽車工業協會), the vice-president of the China Association of Automobile Manufacturers(中國汽車工業協會), the deputy chairman of the China Intelligent Transportation Systems Association(中國智能交通協會), the council member of the China Machinery Industry Federation(中國機械工業聯合會), a member of the steering committee of the National 863 Electric Vehicle Key Project(國家863電動汽車重大專項領導小組), a member of the steering committee of the National Clean Energy Automotive Action (國家清潔汽車行動領導小組) and a member of the steering committee of the Tianjin Clean Energy Automotive Action (天津市清潔汽車行動領導小組).

Mr. Zhao executed an appointment letter dated 4 December 2017 for a term of three years commencing from the date of appointment and may be terminated in accordance with the terms of the appointment letter. Mr. Zhao will be entitled to an annual allowance of HK$180,000, which was recommended by the remuneration committee of the Board with reference to his experience, duties and responsibilities and the prevailing market conditions and determined by the Board.

The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,616,902,000 Shares with nominal value of HK$0.1 each. Subject to passing the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Directors will be authorised to repurchase a maximum of 161,690,200 Shares, which represent 10% of the number of the issued shares of the Company as at the date of passing the resolution in relation to the Repurchase Mandate, during the period ending on the earliest of (a) the conclusion of the next annual general meeting of the Company unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law to be held; or (c) the date on which such authority is revoked or varied by ordinary resolution of the Shareholders in general meeting.

REASONS AND FUNDING OF REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek the Repurchase Mandate from the Shareholders to enable the Directors to repurchase the Shares. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

Repurchases of the Shares will be financed out of funds legally available for the purpose of and in accordance with the Articles of Association, the Companies Law and the Listing Rules, such as the Company's available cash flow or working capital facilities. The Companies Law provides that the amount of capital repaid in connection with a repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of the Shares made for the purpose of the repurchase or out of capital subject to and in accordance with the Companies Law. The amount of premium payable on repurchase may only be paid out of either the profits of the Company or out of the share premium account before or at the time the Shares are repurchased in the manner provided for in the Companies Law.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company and the Shareholders as a whole. The Directors consider that if the Repurchase Mandate is to be exercised in full at the current prevailing market value, there may be an adverse impact on the working capital or gearing position of the Company as compared to the position disclosed in the audited consolidated financial statements of the Company as at 31 December 2017, being the date on which the latest published audited consolidated financial statements of the Company were made up. The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

None of the Directors and to the best of the knowledge of the Directors having made all reasonable enquiries, none of the close associates (as defined under the Listing Rules) of the Directors, have a present intention to sell any Shares to the Company, if the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

No core connected persons (as defined under the Listing Rules) have notified the Company that they have a present intention to sell any Share to the Company or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (as defined under the Takeovers Code), depending on the level of increase in the Shareholder's interests, could obtain or consolidate control of the Company and become obliged to make a mandatory general offer in accordance with Rule 26 of the Takeovers Code. Saved as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Repurchase Mandate.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Mr. Xiang Jie was interested in 356,532,347 Shares, representing approximately 22.05% of the total issued Shares. As at the Latest Practicable Date, among the 356,532,347 Shares, 18,204,000 Shares were directly held by Mr. Xiang Jie and the remaining 338,328,347 Shares were directly held by Max Vision Holdings Limited. As at the Latest Practicable Date, Max Vision Holdings Limited was wholly owned by Jiekun Limited, which was wholly owned by BNP Paribas Corporate Services Pte Ltd. As at the Latest Practicable Date, BNP Paribas Corporate Services Pte Ltd. was wholly owned by BNP Paribas Singapore Trust Corporation Limited, which was the trustee of a private trust of which Mr. Xiang Jie was the settlor and his family members were the beneficiaries. In the event that the Directors exercise the Repurchase Mandate in full and excluding the Shares which may be issued to Mr. Xiang Jie upon the exercise of the Share Options granted or to be granted to him, Mr. Xiang Jie's interests in the Shares will be increased to approximately 24.50% of the total issued Shares and such increase would not give rise to an obligation to make a mandatory general offer in accordance with Rule 26 of the Takeovers Code. The Directors have no present intention to repurchase the Shares to the extent it will trigger the obligation under the Takeovers Code. The Directors are not aware of any other consequences which would arise under the Takeovers Code as a result of any purchase by the Company of the Shares.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if such repurchase would result in less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital of a company be held by the public. The Directors do not propose to repurchase the Shares which would result in less than the prescribed minimum percentage of the Shares be held by the public.

SHARE REPURCHASE MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, the Company purchased 11,844,000 Shares at an aggregates purchase price before expenses of HK$20,381,120 on the Stock Exchange. Details of the purchase of such Shares were as follows:

Month of Purchase	Number of Shares purchases	Price per Share		Aggregate purchase price
		Highest	Lowest	
		(HK$)	*(HK$)*	*(HK$)*
November 2017	516,000	1.60	1.56	815,900
December 2017	9,910,000	1.87	1.56	17,353,300
February 2018	1,418,000	1.59	1.55	2,211,920

SHARE PRICES

The following table shows the highest and lowest prices at which the Shares had been traded on the Stock Exchange during the 12 months preceding the Latest Practicable Date:

Month	Highest prices	Lowest prices
	HK$	*HK$*
2017		
March	1.99	1.62
April	1.82	1.70
May	1.81	1.68
June	1.95	1.69
July	1.93	1.72
August	1.79	1.64
September	1.96	1.64
October	1.92	1.70
November	1.85	1.50
December	1.89	1.54
2018		
January	1.81	1.60
February	1.69	1.48
March (up to the Latest Practicable Date)	1.79	1.62

Sun.King Power Electronics Group Limited
賽晶電力電子集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 580)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the "**Annual General Meeting**") of Sun.King Power Electronics Group Limited (the "**Company**") will be held at Meeting Room VIII, Crowne Plaza Beijing International Airport, 60 Fuqian 1 Street, Tianzhu, Shunyi District, Beijing, People's Republic of China on Thursday, 3 May 2018 at 10:00 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive and adopt the audited consolidated financial statements of the Company and the reports of directors and auditors for the year ended 31 December 2017.

2. To declare a final dividend of HK3 cents per share of the Company (the "**Share(s)**") for the year ended 31 December 2017 out of the share premium account of the Company.

3. (a) To re-elect the following retiring directors of the Company (the "**Directors**"):

   (i) Mr. Xiang Jie;

   (ii) Mr. Gong Reyuan;

   (iii) Mr. Yan Fuquan;

   (iv) Mr. Zhu Ming;

   (v) Ms. Zhang Ling; and

   (vi) Mr. Zhao Hang.

   (b) To authorise the board of Directors to fix the remuneration of the Directors.

4. To re-appoint Ernst & Young as the auditors of the Company, and authorise the board of Directors to fix their remuneration.

5. To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

   (a) "**That:**

      (i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional Shares in the capital of the Company or securities convertible into Shares, or options, warrants or similar rights to subscribe for Shares or such convertible securities of the Company and to make or grant offers, agreements and/ or options (including bonds, warrants and debentures convertible into the Shares) which may require the exercise of such powers be and is hereby generally and unconditionally approved;

      (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;

      (iii) the number of the Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors during the Relevant Period (as hereinafter defined) pursuant to paragraph (i) above, otherwise than pursuant to (A) a Rights Issue (as hereinafter defined); or (B) the grant or exercise of any share option under the share option scheme of the Company or any other option, scheme or similar arrangements for the time being adopted for the grant or issue to the directors, officers and/or employees of the Company and/or any of its subsidiaries of the Shares or rights to acquire the Shares; or (C) any scrip dividend or similar arrangements providing for the allotment of the Shares in lieu of the whole or part of a dividend on the Shares in accordance with the articles of association of the Company (the "**Articles of Association**"); or (D) any issue of the Shares upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into the Shares, shall not exceed 20% of the total number of the issued Shares as at the date of passing this resolution and the approval shall be limited accordingly;

(iv) for the purpose of this resolution:–

(A) "**Relevant Period**" means the period from the passing of this resolution until whichever is the earliest of:–

(1) the conclusion of the next annual general meeting of the Company unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;

(2) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law to be held; and

(3) the date on which such authority is revoked or varied by ordinary resolution of the shareholders of the Company (the "**Shareholders**") in general meeting; and

(B) "**Rights Issue**" means an offer of the Shares in the capital of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for the Shares open for a period fixed by the Directors to holders of the Shares in the capital of the Company whose names appear on the register of shareholders on a fixed record date in proportion to their holdings of the Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or, having regard to any restrictions or obligations under the laws or requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company)."

(b) "**That**:

(i) subject to paragraph (ii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase the Shares on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") or any other stock exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission and the Stock Exchange under The Codes on Takeovers and Mergers and Share Buy-backs and, subject to and in accordance with all applicable laws and the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby generally and unconditionally approved;

(ii) the number of the Shares, which may be repurchased pursuant to the approval in paragraph (i) above, shall not exceed 10% of the total number of the issued Shares as at the date of passing of this resolution and the approval shall be limited accordingly;

(iii) subject to the passing of each of the paragraphs (i) and (ii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) and (ii) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and

(iv) for the purpose of this resolution:–

"**Relevant Period**" means the period from the passing of this resolution until whichever is the earliest of:–

(A) the conclusion of the next annual general meeting of the Company unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;

(B) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law to be held; and

(C) the date on which such authority is revoked or varied by ordinary resolution of the Shareholders in general meeting."

(c) "**That** conditional upon ordinary resolutions numbered 5(a) and 5(b) set out in this notice being passed, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with additional Shares and to make or grant offers, agreements and options which may require the exercise of such powers pursuant to ordinary resolution numbered 5(a) set out in this notice be and is hereby extended by the addition to the total number of the issued Shares which may be allotted by the Directors pursuant to such general mandate the number of the issued Shares of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution numbered 5(b) set out in this notice, provided that such amount shall not exceed 10% of the total number of the issued Shares as at the date of passing of the resolutions."

SPECIAL RESOLUTIONS

6. (a) **That** the Articles of Association be amended in the following manner:

(i) by removing the name "Sun.King Power Electronics Group Limited" wherever it appears and replacing it with the name "Sun.King Power Electronics Group Limited 賽晶電力電子集團有限公司";

(ii) by deleting the words "With the sanction of an ordinary resolution dividends" at the beginning of the second sentence in the existing article 134 and replacing therewith the word "Dividends";

(iii) by deleting the words "as appear to the Board to be justified by the profits of the Company" in the second line of the existing article 136; and

(iv) by inserting the words ", or in the case of an interim dividend the Board may pass a resolution from time to time," immediately after the words "ordinary resolution" in the second line of the existing article 144.

(b) **That** the Articles of Association in the form produced to the Annual General Meeting and signed by the chairman of the Annual General Meeting for identification purposes which consolidating all of the proposed amendments referred to in special resolution 6(a) above be and are hereby adopted as the amended and restated Articles of Association in substitution for and to the exclusion of all the existing Articles of Association with immediate effect.

By order of the board of Directors
Sun.King Power Electronics Group Limited
Xiang Jie
Chairman

Hong Kong, 21 March 2018

Registered office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

Headquarters:
Building 9-A
KongGangRongHuiYuan
Yuhua Road
Tianzhu Airport Industrial
Zone B
Shunyi District
Beijing
People's Republic of China

Principal place of business in Hong Kong:
36th Floor, Tower Two
Times Square
1 Matheson Street
Causeway Bay
Hong Kong

Notes:

1. Any Shareholder entitled to attend and vote at the Annual General Meeting shall be entitled to appoint another person as his/her/its proxy to attend and vote instead of him/her/it. A proxy need not be a Shareholder.

2. Where there are joint holders of any Share any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she/it were solely entitled thereto, but if more than one of such joint holders be present at the Annual General Meeting the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

3. The form of proxy and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for the holding the Annual General Meeting or any adjournment thereof at which the person named in the form of proxy proposes to vote. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting thereof (as the case may be) should you so wish and in such event, the form of proxy will be deemed to have been revoked.

4. The register of members of the Company will be closed from Friday, 27 April 2018 to Thursday, 3 May 2018, both dates inclusive, during which period no transfer of Shares will be registered. In order to establish the identity of the Shareholders who are entitled to attend and vote at the Annual General Meeting, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Thursday, 26 April 2018.

5. The board of directors of the Company has recommended the payment of a final dividend of HK3 cents per Share for the year ended 31 December 2017. Conditional upon the passing of ordinary resolution numbered 2 by the Shareholders at the Annual General Meeting, the register of members of the Company will be closed from Friday, 1 June 2018 to Tuesday, 5 June 2018, both dates inclusive, during which period no transfer of Shares will be registered and the final dividend is expected to be paid on or around Friday, 15 June 2018 to the Shareholders whose names appear on the register of members of the Company at the close of business on Tuesday, 5 June 2018. In order to establish the identity of the Shareholders who are entitled to the proposed final dividend, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on Thursday, 31 May 2018.

6. The form of proxy for the use at the Annual General Meeting is enclosed herewith.

As at the date of this notice, the executive Directors are Mr. Xiang Jie, Mr. Gong Renyuan and Mr. Yue Zhoumin; the non-executive Directors are Mr. Yau Fuquan, Mr. Zhu Ming and Ms. Zhang Ling; and the independent non-executive Directors are Mr. Chen Shimin, Mr. Zhang Xuejun, Mr. Leung Ming Shu and Mr. Zhao Hang.