

23 June 2020

China New Energy Limited
(the "Company" or "CNE")

Hong Kong Listing Update

The Board of CNE (AIM: CNEL), the AIM quoted engineering and technology solutions provider to the bioenergy sector, is pleased to provide the following update in respect of its application for listing on the Main Board of The Stock Exchange of Hong Kong Limited ("HKEx") ("Admission") and withdrawal from trading of its securities on AIM ("Cancellation").

The Company and its advisers continue to progress its application for Admission and are in a late stage of the process. Accordingly, the Company is targeting a proposed Admission date of on or around 15 July 2020. The Company emphasises that, at this stage, there is no certainty of Admission which remains subject to the formal approval of HKEx.

The Company is required to inform shareholders of the date of Cancellation at least 10 business days prior to the date. Based on the current timetable, which may be subject to change, the Company anticipates that, in the event that the application for Admission is successful, the last trading day on AIM will be Tuesday, 14 July 2020 with Admission and Cancellation occurring at 07:30 a.m. on Wednesday, 15 July 2020. This date may be subject to delay and the Company will update shareholders with any revisions to this timetable as early as possible.

As part of the process of transferring the Company's listing to HKEx, the Company will move its share register to Hong Kong which requires all shareholders to be sent new share certificates. In order to trade the Company's shares on HKEx after Admission, shareholders will need to deposit these new share certificates with an appropriate broker who can trade shares on HKEx.

To assist shareholders to be able to trade shares on HKEx as early as possible following Admission, the Company, Computershare Hong Kong Investor Services Limited ("Computershare HK") Computershare Investor Services plc ("Computershare UK"), the Company's current registrar, have put in place a mechanism to allow shareholders to request that their new share certificates are dispatched earlier than Cancellation. The Company will dispatch new share certificates on two occasions and registered shareholders can elect to participate in the earlier round. The first record date will be 30 June 2020 ("First Record Date") and the second record date will be the last day of trading of the share on AIM, currently expected to be 14 July 2020 ("Second Record Date").

To request the early dispatch of new share certificates, shareholders who hold their shares in their own name will need to complete and return an election form ("Election Form") together with their share certificate to Computershare UK to be received prior to the First Record Date. Shareholders who wish to continue to trade their shares on AIM until Cancellation and wish to have their new share certificates sent to an address other than the registered address should return the Election Form to Computershare UK to be received prior to the Second Record Date. There is no requirement to return an Election Form. In the event a registered shareholder does not return an Election Form, or that an Election Form is invalid, new share certificates will be dispatched by Computershare HK shortly after Cancellation to the registered address of the shareholder in the normal course.

Shareholders should note that the new share certificates will be sent to the address of the registered shareholder, which may be a nominee or broker and it is only the registered shareholder that can validly complete an Election Form. It is recommended that any beneficial shareholder who is seeking to expedite the receipt of their new share certificate should contact their broker immediately to make any necessary arrangements.

Shareholders should be aware that there can be no certainty of Admission at this stage.

Further details of the Election Form can be found below and on the Company's website.

Election Form

Shareholders who hold shares in their own name and who wish to complete an Election Form must return it to the Company's registrar (Katy Fry, Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol, BS13 8AE) together with their share certificates identifying the relevant record date and preference from four (4) options in respect of the transfer of their ordinary shares in the Company following Cancellation and Admission.

The options are:

1. Request the new share certificates in respect of shares held by a shareholder to be sent to his/her/its stockbroker in Hong Kong via his/her/its current stockbroker in the United Kingdom.
2. Request the new share certificates in respect of shares held by a shareholder to be sent to his/her/its new stockbroker in the United Kingdom.
3. Request the new share certificates in respect of shares held by a shareholder be sent to a stockbroker in Hong Kong.
4. Request the new share certificates in respect of shares held by a shareholder to be sent to such shareholder directly.

As a result of the implementation of the First Record Date, any shareholders who have returned an Election Form and who would like their preference to be actioned from the First Record Date will need to resubmit an Election Form.

The Election Form can be downloaded from the Company website at: <http://chinanewenergy.co.uk/uploads/soft/191002/1-191002233914.pdf>

A copy of the Company's application proof of its prospectus can be downloaded from the following link and shareholders are advised to read the sections relating to Admission and Cancellation for further details:

HKEX News website:

<https://www1.hkexnews.hk/app/sehk/2020/101641/documents/sehk20032702630.pdf>

Dispatch of New Share Certificates

The Company will despatch to shareholders, or to an elected destination, new share certificates for those shareholders on the principal register on 30 June 2020, being the First Record Date, who have validly submitted an Election Form, specifying the First Record Date, and returned their share certificates to be received by Computershare before the First Record Date. The new share certificates will not become valid until Admission has become unconditional in all respects. CREST shareholders who are interested in the earlier dispatch of share certificates need to speak to their broker as soon as possible to make the necessary arrangements.

Shareholder that wish to be in a position to trade shares on HKEx from the first day of the Admission, should Admission be successful, are encouraged to start the process of opening an account with a broker that can trade on HKEx, to the extent that their existing broker is unable to do so, as soon as possible. Shareholders should, in the first instance, speak to their existing brokers.

There is no requirement to return an Election Form. Shareholders who do not validly submit an Election Form prior to the First Record Date will be issued new share certificates according to their holdings on the principal register on the 14 July 2020, the Second Record Date, being the last day of trading prior to Cancellation. This

process is expected to take approximately two weeks but may take longer. Shareholders are reminded that share certificates will be dispatched in the name of the registered holder only.

In the event that Admission does not proceed following the First Record Date, Computershare UK will return to shareholders any share certificates sent to it.

Shareholders should be aware that, as there can be no certainty of Admission at this stage, if they request the dispatch of new share certificates from the First Record Date and Admission is not approved or does not proceed, there will likely be a delay for shareholders to be able to resume trading of the Company's securities on AIM.

Hong Kong Broker

The Company is responding to requests from shareholders for information on how they may continue to trade the Company's shares in the event of Admission and Cancellation. A shareholder will require an account with a broker who is authorised to trade shares on HKEx. The Company notes that some UK brokers have international trading divisions that are authorised to trade on HKEx and it recommends that shareholders speak to their existing broker in the first instance as soon as possible.

For shareholders who require an authorised HKEx broker, the Company has identified Silverbricks Securities Company Limited ("Silverbricks") in Hong Kong which will open brokerage accounts for shareholders and facilitate continued trading. There is no minimum shareholding required. Shareholders will need to complete Silverbricks' account application form and supply requisite supporting identification documentation ("KYC") in compliance with Hong Kong securities law.

The Silverbricks' application form and KYC forms are available for download from the Company's website: <http://chinanewenergy.co.uk/uploads/soft/200615/1-2006151R250.docx>

The Company advises that any reference above to third party brokers is for information only and it is not making any recommendations or providing any investment advice to shareholders who are recommended to seek their own financial advice immediately from their stockbroker, solicitor, accountant or other independent adviser authorised under the Financial Services and Markets Act 2000.

Commenting on the Company's application for Admission, Mr Yu, Chairman, said, "This is an important step in the continued growth of the Company which, if successful, is expected to increase shareholder value and provide access to capital to enable the Company to expand to its full potential. HKEx better reflects our largest sales region and it is expected that regional investors will better understand the Company's long-term vision and investment potential."

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

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Disclaimer

The information contained in this announcement is not an invitation to invest in shares or other securities, or any other products or services or otherwise deal in these or enter into a contract with Silverbricks or any other brokers. The information provided should not be relied upon in connection with any investment decision. Shareholders should always seek appropriate professional advice in such circumstances.