



## CHINA DYNAMICS ENTERS INTO INVESTMENT FRAMEWORK AGREEMENT WITH A CHONGQING-BASED BUS MANUFACTURER

(Hong Kong, 18 November 2014) – **China Dynamics (Holdings) Limited** (“China Dynamics” or the “Group”) (Stock Code: 476), a company proactively expanding its business into the new energy industry, announced that Chongqing Sinocop New Energy Vehicle Technology Company Limited (“Chongqing Sinocop”), an indirect wholly-owned subsidiary of the Group, entered into the Investment Framework Agreement to acquire 70% equity interest in Chongqing Suitong Industrial Company Limited (“Chongqing Suitong”).

Chongqing Suitong is principally engaged in manufacturing buses, and marketing and selling the components of vehicles. Obtaining relevant confirmation from PRC government authorities on 6 August 2014, Chongqing Suitong was allowed to apply for a production license of specialized vehicles covering minivans, garbage lorries, etc. It is also qualified to extend the specialized vehicles production license to include new energy buses.

Pursuant to the Agreement, it has been conditionally agreed that Chongqing Sinocop shall make a capital injection of RMB20 million to Chongqing Suitong in cash and acquire 20% of the enlarged equity interest of that company for a consideration of RMB8 million in cash. The total consideration of the Investment is RMB28 million. Upon Completion, the Group’s equity interest in Chongqing Suitong will increase to 70%.

**Mr. Cheung Ngan, Chairman of China Dynamics**, said, “This investment marks an important stepping stone for the Group to develop in the new energy industry in the PRC. With the production base in Wulong where it is classified as one of The National Civilized Transportation Industry Units, promoting usage of environmentally-friendly vehicles is one of the focuses and regional policies of the city. The local government of Wulong has expressed their interests and prioritized support to the production of electric vehicles by Chongqing Suitong, through the creation of dedicated electric public buses route as and when the Chongqing Suitong’s electric buses are available. It is expected that the first lot of electric buses would be 30 units and currently, Wulong has around 450 public buses of different size.”

“Looking ahead, leveraging our clear development strategy and solid business foundation, we have confidence that we can achieve breakthroughs in our existing businesses, capturing more fresh business opportunities so as to enhance our return on investment in the electric buses market.”

**About China Dynamics (Holdings) Limited (SEHK: 476)**

China Dynamics (476) is a provider of new energy vehicles and technology integrated solutions. It owns a leading proprietary core technology for lithium polymer solid batteries and permanent magnet synchronous motors with an integrated controller system. In February 2014, the Group has secured a tender from the Hong Kong Productivity Council for the design, fabrication and supply of permanent magnet synchronised motor systems and battery-powered systems for the first-ever locally branded electric buses in Hong Kong.

**For press enquiries**

Strategic Financial Relations Limited

Vicky Lee                      Tel: 2864 4834                      Email : [vicky.lee@sprg.com.hk](mailto:vicky.lee@sprg.com.hk)

Angela Ng                      Tel: 2864 4855                      Email : [angela.ng@sprg.com.hk](mailto:angela.ng@sprg.com.hk)

Charmaine Chung              Tel: 2114 4953                      Email : [charmaine.chung@sprg.com.hk](mailto:charmaine.chung@sprg.com.hk)

Fax: 2527 1196

Website: [www.sprg.com.hk](http://www.sprg.com.hk)