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Press release



CHINA DYNAMICS COMPLETED 50% SHARE ACQUISITION OF CHONGQING-BASED BUS MANUFACTURER AND SECURES NEW ORDER FOR 800 ELECTRIC BUSES IN CHINA

(Hong Kong, 23 December 2014) - **China Dynamics (Holdings) Limited** (“China Dynamics” or the “Group”) (Stock Code: 476), a company proactively expanding its business into the new energy industry today announced that the transaction related to the acquisition of 50% equity interest in Chongqing Suitong Industrial Company Limited (“the target company”) was completed. The Group also appointed 4 out of 5 members to the board of the target company.

Furthermore, the Group also announced that the target company secured new order to produce 800 electric buses. The 800 electric buses order will be completed in batches, and the first batch of completion will be 30 buses. This also coincides with the delivery of the Group’s Hong Kong pure electric buses which are expected to begin road trails.

Given that there is an increasing demand for production of the ebus driven by the promotion policy of the Hong Kong and China government for new energy vehicles, China Dynamics is uniquely placed with their long-range, all terrain buses to help the governments meet and deliver on their policies of greener transportation to combat growing pollution issues in major cities. Furthermore, acquiring the factory enables China Dynamics to have the flexibility to significantly boosting production capacity to match orders growth in 2015.

Mr. Cheung Ngan, Chairman of China Dynamics, said, “This transaction marks a significant milestone in the development of China Dynamics. It is a game changing moment for the Group as it sets us firmly on the right path. We strive to reach the objective of transforming our business which is to diversify away from a purely mining business. This acquisition and subsequent ebus orders prove that our business model has moved beyond the theoretical and into operation. We will very shortly be seeing our business in cities such as Hong Kong and Chongqing. With this acquisition, we are now ready for the Group’s next phase of business development and exciting growth.”

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

China Dynamics (Holdings) Limited and its subsidiaries (the “Group”) is an integrated new battery solutions provider with leading-edge proprietary technology for lithium-ion polymer solid batteries, developing high-tech products and applications that people use every day. In February 2014, the Group has secured the first electric bus project from the Hong Kong Productivity Council and is responsible for the design, supply and manufacturing of permanent magnet synchronous motor and motive storage battery systems.

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