



中國動力
China Dynamics

CHINA DYNAMICS ENTERS INTO STRATEGIC COOPERATION AGREEMENT WITH CHONGQING LIANGJIAN

To Jointly Develop and Promote Integration of Their Respective Competitive Advantages in Electric Vehicle Technology as the “HK eBus” Project Tender Fulfilled

(Hong Kong, 1 April 2015) – **China Dynamics (Holdings) Limited** (“China Dynamics” or the “Group”) (Stock Code: 476), a company proactively expanding its business into the new energy industry, has submitted Permanent Magnet Synchronized Motor System and Power Battery System for electric buses under the “HK eBus” project tender. As a consequence of the submission, a strategic cooperation agreement with Chongqing Liangjian has been put on the fast track.

China Dynamics announced that its indirect wholly-owned subsidiary, Chongqing Sinocop New Energy Motor Technology Company Limited (“Chongqing Sinocop”) and its indirect non-wholly owned subsidiary, Chongqing Suitong Industrial Company Limited (“Chongqing Suitong”) have entered into a Strategic Cooperation Agreement with Chongqing Liangjian New Area Innovation Venture Investment and Development Company Limited (“Chongqing Liangjian”) in March 2015. The Cooperation period is to remain in effect until December 31, 2025.

Under the Strategic Cooperation Agreement, the parties, including Chongqing Sinocop, Chongqing Suitong and Chongqing Liangjian are to jointly develop and promote the integrated application of their respective competitive advantages in electric vehicle technology. The area of cooperation includes but is not limited to developing and manufacturing mid-sized and large-sized electric buses; developing hybrid batteries; forming a joint working group specializing in new energy vehicles in order to obtain international certification for these co-developed vehicles; and building up a research center for the development of new products.

Chongqing Suitong is principally engaged in manufacturing buses, and marketing and selling the components of vehicles. It has obtained permission from relevant PRC government authorities in August 2014 to apply for a production license of specialized vehicles. It has also obtained qualification to extend the specialized vehicles production license to include new energy buses.

Mr. Cheung Ngan, Chairman of China Dynamics, said, “We believe that the submission is a highly significant development for the strategic cooperation agreement with Chongqing Liangjian.

“We believe that the Strategic Cooperation Agreement will enhance the Company’s competitive strength and optimize the research and development capabilities through the establishment of a research and development platform with Chongqing Liangjian. Thus, the Group can prepare to meet the market challenges and capture the growing demand from customers with its high quality electric vehicles.”

“Looking ahead, as electric vehicles have gradually penetrated into the PRC with the support of government policy as a result of rising public concern about vehicle emissions, the outlook for profitability for the PRC electric vehicle industry in the future is favourable.”

– The End –

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.

About Chongqing Liangjian New Area Innovation Venture Investment and Development Company Limited

Chongqing Liangjian is a state-owned company established in Chongqing which is mainly engaged in research and development of (i) innovative and advanced technology for new energy vehicle; and (ii) intelligent technology. Its location, Liangjian New Area, is an area designated to develop emerging industries with preferential policy issued by the PRC government from time to time. Since the establishment of Chongqing Liangjian, well-recognised scientists in automotive industry from Europe joined and took the lead in the research team of Chongqing Liangjian to develop the core technology of new energy vehicle including its components and parts.

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