



China Dynamics and PHINERGY Limited Termination of the Term Sheet

(3 June 2016, Hong Kong) **China Dynamics (Holdings) Limited** (“**China Dynamics**” or the “**Group**”) (Stock Code: 476) announced that in relation to the Term Sheet the Group’s wholly owned subsidiary China Dynamics New Energy Technology (International) Company Limited (“**CDNET**”) has entered into with PHINERGY Limited, the New Energy System Company, on 3 August 2015, in which the two parties were to form a Joint Venture Company for the sale of energy systems of electric vehicles, due to the failure in entering into the Demo Project agreement, the Term Sheet has been terminated on 31 May 2016 and the two parties have been mutually released from their respective rights and obligations under the Term Sheet.

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

China Dynamics (476) is an integrated solutions provider of new energy vehicles and technology. It principally engages in the provision of “Total Solution” for new energy vehicles with new batteries, motors, and electronic control systems. The Group has developed the unique lithium polymer solid state batteries with high energy density, which was affirmed by the market as the successful winner in the tender to provide electricity supply system for the electric buses under the “Hong Kong Brand” electric bus project (“e-Bus”) organized by the Hong Kong Productivity Council in 2014. The R&D of the e-Bus project was completed, and the products are now under commercialization. The Group has been granted with the “New Energy Vehicles Production License”, which enables the sale of its new energy vehicles in the PRC.

This press release is released by **PR ASIA Consultants Limited**, on behalf of **China Dynamics (Holdings) Limited**.

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