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## **China Titans Energy Technology Group Co., Limited**

**中國泰坦能源技術集團有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 2188)**

### **VOLUNTARY ANNOUNCEMENT**

### **FORMATION OF JOINT VENTURE**

This is a voluntary announcement made by the Company.

The Board is pleased to announce that on 13 March 2015, Zhuhai Yilian, a wholly-owned subsidiary of the Company, entered into the Cooperation Agreement with Zhuhai Urban Construction, pursuant to which Zhuhai Yilian and Zhuhai Urban Construction agreed to form the JV Company to be principally engaged in the new energy vehicles related business in Zhuhai, the PRC, scope of which comprises (subject to confirmation by AIC) the planning, design, investment and construction, engineering services, operating services and other value-added services in relation to charging facilities of new energy vehicles and the sale and lease, and operations and repairs of new energy vehicles (including second-hand vehicles). Pursuant to the Cooperation Agreement, the registered capital of the JV Company will be RMB10,000,000. Each of Zhuhai Yilian and Zhuhai Urban Construction will contribute RMB5,100,000 and RMB4,900,000, representing 51% and 49% of the registered capital of the JV Company respectively.

### **THE COOPERATION AGREEMENT**

The Board is pleased to announce that on 13 March 2015, Zhuhai Yilian entered into the Cooperation Agreement with Zhuhai Urban Construction, pursuant to which Zhuhai Yilian and Zhuhai Urban Construction agreed to form the JV Company, the details of which are summarised as follows:

Date : 13 March 2015

Parties : (1) Zhuhai Yilian; and  
(2) Zhuhai Urban Construction

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Zhuhai Urban Construction and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Contribution : The registered capital of the JV Company will be RMB10,000,000. Each of Zhuhai Yilian and Zhuhai Urban Construction will contribute RMB5,100,000 and RMB4,900,000, representing 51% and 49% of the registered capital of the JV Company respectively. Contribution of the registered capital will be made by the JV Parties by stages, subject to the business development needs of the JV Company.

## **BUSINESS SCOPE OF THE JV COMPANY**

It is intended that the scope of business of the JV Company comprises (subject to confirmation by AIC) the planning, design, investment and construction, engineering services, operating services and other value-added services in relation to charging facilities of new energy vehicles and the sale and lease, and operations and repairs of new energy vehicles (including second-hand vehicles).

Pursuant to the Cooperation Agreement, (1) Zhuhai Yilian will be responsible for provision of products and accessories of high quality and the necessary technical support, and the transfer of the authorised dealership of certain new energy vehicles from Zhuhai Yilian to the JV Company; and (2) Zhuhai Urban Construction will be responsible for obtaining resources for operation including road parking spaces, car parks and experience centres, etc. It will be also responsible for coordinating with government departments in which the JV Company operates for creating a favourable environment for business operation of the JV Company.

## **REASONS FOR AND BENEFITS OF THE FORMATION OF THE JV COMPANY**

The demand for new energy vehicles in the PRC has been increasing. It is expected that the market for new energy vehicles in the PRC will continue to develop. In its operations, the JV Company will make full use of the advantages provided by Zhuhai Yilian (in terms of technical capabilities and service quality possessed in new energy vehicles and the charging facilities) and Zhuhai Urban Construction (in terms of resources and administrative capabilities) to tap the market of new energy vehicles in Zhuhai, the PRC, and to provide quality and efficient solutions for new energy vehicles promotion in the area.

The Directors (including the independent non-executive Directors) consider that the Cooperation Agreement and the transaction contemplated thereunder have been made on normal commercial terms and that such terms are fair and reasonable and in the interests of the Company and its shareholders as a whole.

The capital contribution to the JV Company by Zhuhai Yilian will be funded by the Group's internal resources.

## **GENERAL**

The Group is principally engaged in the research and development, production and sale of electrical direct current (DC) products, charging equipment for electric vehicles, power grid monitoring and management products, wind and solar power generation balancing control products and plug-in switch system products. At the same time, the Group is exploring development in the planning, design, investment and construction, engineering services, operating services and other value-added services in relation to charging facilities of new energy vehicles.

Zhuhai Urban Construction is a company incorporated in the PRC and a non wholly-owned subsidiary of Zhuhai Urban Construction Group. Zhuhai Urban Construction Group is a state-owned enterprise established in the PRC and invested and owned by the State-owned Assets Supervision and Administration Commission of the State Council of the PRC of the Zhuhai Municipal People's Government. Zhuhai Urban Construction principally carries out hardware and software research and development, design, sale, installation and construction, maintenance of smart systems, computer integration systems and automobile leasing and related systems.

## **DEFINITIONS**

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“AIC”	Zhuhai Administration for Industry & Commerce of the PRC
“Board”	the board of Directors
“Company”	China Titans Energy Technology Group Co., Limited (中國泰坦能源技術集團有限公司*), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock code: 2188)
“connected persons”	has the meaning ascribed thereto in the Listing Rules
“Cooperation Agreement”	the agreement entered into between the Zhuhai Yilian and Zhuhai Urban Construction on 13 March 2015 in relation to the formation of the JV Company
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“JV Company”	a company to be incorporated in the PRC pursuant to the Cooperation Agreement
“JV Parties”	Zhuhai Yilian and Zhuhai Urban Construction
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, for the purposes of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Zhuhai Urban Construction”	Zhuhai Urban Construction Smart Technology Co., Ltd* (珠海城建智能科技有限公司), a company incorporated in the PRC and a non wholly-owned subsidiary of Zhuhai Urban Construction Group
“Zhuhai Urban Construction Group”	Zhuhai Urban Construction Group Co., Ltd* (珠海城市建設集團有限公司), a stated-owned enterprise established in the PRC and invested and owned by the State-owned Assets Supervision and Administration Commission of the State Council of the PRC of the Zhuhai Municipal People’s Government
“Zhuhai Yilian”	Zhuhai Yilian New Energy Vehicle Co., Ltd* (珠海驛聯新能源汽車有限公司), a wholly-owned subsidiary of the Company
“%”	per cent

By Order of the Board  
**China Titans Energy Technology Group Co., Limited**  
**Li Xin Qing**  
*Chairman*

Hong Kong, 13 March 2015

*As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Li Xin Qing and Mr. An Wei; and three independent non-executive Directors, namely Mr. Li Wan Jun, Mr. Yu Zhuo Ping and Mr. Zhang Bo.*

*\* For identification purpose only*