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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)

MAJOR TRANSACTION

DISPOSAL OF 35% EQUITY INTEREST IN BEIJING HUA SHANG

The Board would like to announce that on 30 March 2015 (after trading hours), Zhuhai Titans, an indirect wholly-owned subsidiary of the Company, entered into the Disposal Agreement with Beijing Wei Ye, pursuant to which Zhuhai Titans agreed to sell and Beijing Wei Ye agreed to purchase the Interest for the consideration of RMB25,430,000 (equivalent to approximately HK\$32,118,090).

As one or more of the applicable percentage ratios (calculated in accordance with Rule 14.07 of the Listing Rules) in respect of the Disposal are more than 25% but less than 75%, the Disposal constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to reporting, announcement and Shareholders' approval requirements under the Listing Rules.

In accordance with Rule 14.44 of the Listing Rules, the Company has received a written approval given by a closely allied group of Shareholders comprising Genius Mind Enterprises Limited, Great Passion International Limited, Honor Boom Investments Limited and Rich Talent Management Limited (holding 197,724,457 Shares, 197,884,457 Shares, 82,458,117 Shares and 7,985,418 Shares respectively, and together holding 486,052,449 Shares, representing approximately 57.90% of the issued share capital of the Company in total as of the date of this announcement) in lieu of holding a general meeting to approve the Disposal and the transactions contemplated under the Disposal Agreement. Accordingly, no extraordinary general meeting will be convened by the Company for the purpose of approving the Disposal and the transactions contemplated thereunder.

A circular containing further information in relation to the Disposal and other information as required by the Listing Rules is expected to be despatched to the Shareholders on or before 23 April 2015 for information purposes.

MAJOR TRANSACTION

The Board would like to announce that on 30 March 2015 (after trading hours), Zhuhai Titans, an indirect wholly-owned subsidiary of the Company, entered into the Disposal Agreement with Beijing Wei Ye, pursuant to which Zhuhai Titans agreed to sell and Beijing Wei Ye agreed to purchase the Interest for the consideration of RMB25,430,000 (equivalent to approximately HK\$32,118,090).

Principal terms of the Disposal Agreement are summarized as follows:

Date

30 March 2015 (after trading hours)

Parties

Vendor : Zhuhai Titans
Purchaser : Beijing Wei Ye

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, other than its 65% equity interest in Beijing Hua Shang, Beijing Wei Ye and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Assets to be disposed of

Zhuhai Titans agreed to sell, and Beijing Wei Ye agreed to purchase, the Interest for a total consideration of RMB25,430,000 (equivalent to approximately HK\$32,118,090).

According to a valuation report prepared by an independent valuer, the book value of the Interest as at 28 February 2015 was RMB23,998,000 (equivalent to approximately HK\$30,309,474), whereas the fair value of the Interest as of 28 February 2015 was RMB25,509,000 (equivalent to approximately HK\$32,217,867).

Based on the audited financial statements of Beijing Hua Shang for the financial year ended 31 December 2014, the net profits before and after taxation of the Interest (being 35% of Beijing Hua Shang's net profits before and after taxation) for the two years ended 31 December 2013 and 2014 are set out below:

	For the year ended 31 December 2013	For the year ended 31 December 2014
	<i>RMB</i>	<i>RMB</i>
Net profit before taxation	8,835,164.76	5,145,961.17
	(equivalent to approximately HK\$11,158,813)	(equivalent to approximately HK\$6,499,349)
Net profit after taxation	7,478,073.98	4,369,500.36
	(equivalent to approximately HK\$9,444,807)	(equivalent to approximately HK\$5,518,679)

Consideration and Completion

The consideration of RMB25,430,000 (equivalent to approximately HK\$32,118,090) shall be paid by Beijing Wei Ye to Zhuhai Titans's designated bank account within 10 days after the signing of the Disposal Agreement.

The consideration was arrived at after arm's length negotiations between Zhuhai Titans and Beijing Wei Ye on normal commercial terms with reference to the valuation report on the fair value of Beijing Hua Shang as of 28 February 2015, prepared by an independent valuer.

Following the receipt of the consideration, Zhuhai Titans will be obligated to assist Beijing Wei Ye in the relevant AIC filing procedures for completion of the Disposal. In case Zhuhai Titans declines to assist in such procedures, Beijing Wei Ye can request for the return of the consideration in full and seek additional compensation including economic loss and interests from Zhuhai Titans.

Other major terms of the Disposal Agreement

Beijing Wei Ye will bear the fees incurred to be paid to professional parties (including but not limited to auditors, valuer and legal advisers) in connection with the Disposal. Each of Zhuhai Titans and Beijing Wei Ye will bear their own fees arising from their respective disclosure obligations and shareholders' approval procedure (if required).

Following the completion of the Disposal, Beijing Hua Shang will cease to be accounted for as the Company's associated company and its financial results will no longer be consolidated into the Group's financial statements.

INFORMATION ON BEIJING HUA SHANG

Before completion of the Disposal, each of Zhuhai Titans and Beijing Wei Ye owns respectively 35% and 65% equity interest in Beijing Hua Shang.

Beijing Hua Shang is principally engaged in (a) production and processing of charging equipment of electric vehicles, wind and solar streets lights, online monitoring facilities for power quality, solar power inverters and high-frequency switching power facilities; (b) technical development and sales (excluding retailing) of machinery and equipment, fast charging equipment, equipment for smart charging stations with AC power supply, power quality testing equipment, electronic products, solar equipment; (c) design of adjustment platform and monitoring device for integrated smart charging stations; (d) professional contracting; (e) rental of electric vehicle charging equipment, solar power equipment, online monitoring facilities for power quality, solar power inverters, high-frequency switching power facilities; and (f) repairs and maintenance of machinery and equipment (excluding agricultural machinery).

INFORMATION ON THE COMPANY AND ZHUHAI TITANS

The Company is a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange. The principal business of the Company is investment holding.

Zhuhai Titans is a company incorporated in the PRC and an indirect wholly-owned subsidiary of the Company.

The Group, including Zhuhai Titans, is principally engaged in 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.

INFORMATION ON BEIJING WEI YE

The principal business activities of Beijing Wei Ye include: asset management, investment management, project investment, investment consultancy, real estate development and sales of commodity housing, information consultancy for real estate, corporate management consultancy, culture and art exchange activities organization (except performances and activities relating to chess and cards), corporate image planning, exhibition contracting, conferencing services, market survey, marketing planning, technical development and transfer, technical services, catering management and equipment leasing.

Beijing Wei Ye is a collectively-owned enterprise and administratively belongs to State Grid Beijing Electric Power Company (國網北京電力公司), acting as an investment and operation platform for State Grid Beijing Electric Power Company.

REASONS FOR AND BENEFITS OF THE DISPOSAL

Following the spirit of the national policy of reforming of collectively-owned enterprises related to the PRC government, the acquisition of the Interest by Beijing Wei Ye is for its implementation of the investment requirements laid down by the said policy. The Disposal will satisfy the corporate restructure work being undertaken by State Grid Beijing Electric Power Company. In addition, the withdrawal from Beijing Hua Shang at a suitable timing by the Group will provide more flexible financial resources for the Group to further its investment and construction of new energy vehicle charging facilities, the Group's current area of focus.

As a result of the Disposal, the Group is expected to recognize a gain of approximately RMB5,780,000 (equivalent to approximately HK\$7,300,140) which is calculated on the basis of the difference between the consideration of the Disposal and the Group's total cost of investment in the Interest. The Group intends to use the net proceeds of the Disposal for supplementing the operating capital of the Group.

The Directors (including the independent non-executive Directors) are of the view that the Disposal will enhance the liquidity of the Group and provide capital for any future investment opportunities of the Group, and the terms thereunder are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

REQUIREMENTS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios (calculated in accordance with Rule 14.07 of the Listing Rules) in respect of the Disposal are more than 25% but less than 75%, the Disposal constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to reporting, announcement and Shareholders' approval requirements under the Listing Rules.

In accordance with Rule 14.44 of the Listing Rules, the Company has received a written approval given by a closely allied group of Shareholders comprising Genius Mind Enterprises Limited, Great Passion International Limited, Honor Boom Investments Limited and Rich Talent Management Limited (holding 197,724,457 Shares, 197,884,457 Shares, 82,458,117 Shares and 7,985,418 Shares respectively, and together holding 486,052,449 Shares, representing approximately 57.90% of the issued share capital of the Company in total as of the date of this announcement) in lieu of holding a general meeting to approve the Disposal and the transactions contemplated

under the Disposal Agreement. Accordingly, no extraordinary general meeting will be convened by the Company for the purpose of approving the Disposal and the transactions contemplated thereunder.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the Disposal and the transactions contemplated under the Disposal Agreement. As such, if the Company were to convene the said general meeting for approval of the Disposal, no shareholder would be required to abstain from voting.

A circular containing further information about the Disposal and other information as required by the Listing Rules is expected to be despatched to the Shareholders on or before 23 April 2015 for information purposes.

STRATEGIC COOPERATION AGREEMENT BETWEEN ZHUHAI TITANS AND BEIJING HUA SHANG

In order to maintain the cordial business relation between Zhuhai Titans and Beijing Hua Shang in the future, Zhuhai Titans and Beijing Hua Shang signed a strategic cooperation agreement on 30 March 2015 (after trading hours), pursuant to which Zhuhai Titans and Beijing Hua Shang agreed to cooperate in the following areas, subject to other legally binding cooperation agreement(s) to be entered into in the future:

- (a) cooperation in procurement: Zhuhai Titans and Beijing Hua Shang agreed to accord priority to procure the other party's products or facilities under the same conditions;
- (b) cooperation in market development: Zhuhai Titans and Beijing Hua Shang agreed to coordinate resources for market development; and
- (c) cooperation in projects: Zhuhai Titans and Beijing Hua Shang agreed to cooperate in the synergistic development of charging facility operation products.

Zhuhai Titans and Beijing Hua Shang also agreed to establish a mechanism for regular meetings, information sharing and discussions.

DEFINITIONS

In this announcement, unless the context otherwise requires, the terms used therein shall have the following meanings:

“AIC”	Administration for Industry & Commerce of the PRC
“associates”	has the meaning ascribed thereto under the Listing Rules
“Beijing Hua Shang”	Beijing Hua Shang Clear New Energy Technology Co., Ltd.* (北京華商三優新能源科技有限公司), a company established in the PRC with, prior to completion of the Disposal, 65% of its interest beneficially held by Beijing Wei Ye and the remaining 35% beneficially held by Zhuhai Titans, of which principal businesses include, among others, the promotion and sales of charging equipment for electric vehicles
“Beijing Wei Ye”	Beijing Hua Shang Wei Ye Assets Management Co., Ltd.* (北京華商偉業資產管理有限公司), a company established in 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 issued Shares of which are listed on the Main Board of the Stock Exchange (Stock code: 2188)
“connected persons”	has the meaning ascribed thereto under the Listing Rules
“Directors”	the directors of the Company
“Disposal”	the disposal of the Interest to be carried out under the terms and conditions of the Disposal Agreement
“Disposal Agreement”	the sale and purchase agreement relating to the Disposal entered into between Zhuhai Titans and Beijing Wei Ye on 30 March 2015
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Interest”	35% equity interest in Beijing Hua Shang owned by Zhuhai Titans prior to completion of the Disposal
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shares”	ordinary shares of HK\$0.01 each in the issued share capital of the Company
“Shareholders”	the holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Zhuhai Titans”	Zhuhai Titans Power Electronics Group Co., Ltd.* (珠海泰坦電力電子集團有限公司), a company incorporated in the PRC with limited liability and is an indirect 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, 30 March 2015

For the purpose of this announcement, translations of RMB into HK\$ or vice versa have been calculated by using an exchange rate of RMB1.00 equal to HK\$1.2630. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were, may have been or will be exchanged at such rate or any other rates or at all.

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 purposes only*