

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 30 October 2015, Zhuhai Yilian, a wholly-owned subsidiary of the Company, entered into the JV Agreement with Broad-Ocean Motor and Autoway Guangdong, pursuant to which Zhuhai Yilian, Broad-Ocean Motor and Autoway Guangdong agreed to form the JV Company to be principally engaged in the businesses of, among others, procurement, installation, sale, leasing of vehicle charging systems and equipment; vehicle charging services; repairing services for electric vehicle charging systems, equipment and accessories. Pursuant to the JV Agreement, the registered capital of the JV Company will be RMB50,000,000. Each of Zhuhai Yilian, Broad-Ocean Motor and Autoway Guangdong will contribute RMB17,500,000, RMB27,500,000 and RMB5,000,000, representing 35%, 55% and 10% of the registered capital of the JV Company respectively.

THE JV AGREEMENT

The Board is pleased to announce that on 30 October 2015, Zhuhai Yilian, a wholly-owned subsidiary of the Company, entered into the JV Agreement with Broad-Ocean Motor and Autoway Guangdong, pursuant to which Zhuhai Yilian, Broad-Ocean Motor and Autoway Guangdong agreed to form the JV Company to be principally engaged in the businesses of, among others, procurement, installation, sale, leasing of vehicle charging systems and equipment; vehicle charging services; repairing services for electric vehicle charging systems, equipment and accessories. The details of the JV Agreement are summarised as follows:

Date : 30 October 2015

Parties : (1) Zhuhai Yilian;

(2) Broad-Ocean Motor; and

(3) Autoway Guangdong.

As at the date of this announcement, Broad-Ocean Motor is indirectly holding 84,096,000 shares of the Company, representing approximately 9.09% of the issued share capital of the Company. Broad-Ocean Motor is also beneficially interested in the convertible notes of the Company in the principal amount of not more than HK\$100,000,000. Upon full conversion of the convertible notes at the initial conversion price, a maximum of 84,033,613 shares of the Company, representing approximately 9.08% of the issued share capital of the Company as at the date of this announcement will be issued. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save for the aforesaid, each of Broad-Ocean Motor and Autoway Guangdong and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

Contribution : The registered capital of the JV Company will be RMB50,000,000. Each of Zhuhai Yilian, Broad-Ocean Motor and Autoway Guangdong will contribute RMB17,500,000, RMB27,500,000 and RMB5,000,000, representing 35%, 55% and 10% of the registered capital of the JV Company respectively. Contribution of the registered capital will be in the following manner:

(i) the first RMB10,000,000: to be contributed by the JV Parties on pro rata basis based on the respective shareholding in the JV Company within one month after the completion of the relevant AIC procedures or as further agreed by the JV Parties; and

- (ii) the remaining amount: to be contributed by the JV Parties by stages, subject to further agreement(s) amongst the JV Parties.

BUSINESS SCOPE OF THE JV COMPANY

It is intended that the scope of businesses of the JV Company includes procurement, installation, sale, leasing of vehicle charging systems and equipment; vehicle charging services; repairing services for electric vehicle charging systems, equipment and accessories; Internet information services; Internet technology development; development of Internet of Things technologies; design and construction for intelligent engineering; and systems integration. The finalized business scope will be subject to the scope as shown on the registration approval from the AIC.

At the initial stage, the JV Company intends to focus on the investment and construction of the charging facilities and promote the new energy vehicles and related services in the Zhongshan city area.

It is expected that the JV Company will become one of the associates of the Group upon its establishment.

REASONS FOR AND BENEFITS OF THE FORMATION OF THE JV COMPANY

The manufacture of new energy vehicles and the construction of charging facilities have entered into a rapid growth stage in the PRC. The JV Company, through this cooperation, will make full use of the advantages provided by Zhuhai Yilian (in terms of technical capabilities and service quality possessed in the charging facilities of new energy vehicles), Broad-Ocean Motor (in terms of the strong business presence and experience in Zhongshan city area) and Autoway Guangdong (in terms of its capabilities in construction and installation of charging facilities) to be jointly engaged in the promotion of new energy vehicles and the construction of charging facilities network. The Company believes that the JV Parties will complement with each other to tap the market of new energy vehicles charging facilities in the PRC, and in particular, Zhongshan city area, as soon as possible.

The Directors (including the independent non-executive Directors) consider that this cooperation will be beneficial to the Group's strategy of building up an operating network for its charging facilities nationwide. The JV Agreement and the transaction contemplated thereunder have been made on normal commercial terms which 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. It is expected that the JV Company will be one of the associates of the Group upon its establishment.

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 and plug-in switch system products. At the same time, the Group is also undertaking the planning, design, investment and construction, engineering services, operating services and other value-added services in relation to charging facilities of new energy vehicles.

Broad-Ocean Motor is a company listed on the Shenzhen Stock Exchange (stock code: 002249). Located in Zhongshan, Guangdong Province, the PRC, Broad-Ocean Motor is a supplier of electric machines which is committed to providing its customers with safe, environment-friendly and efficient solutions for motor driving system.

Autoway Guangdong is a company established in the PRC. It is principally engaged in the businesses of, among others, sales of electrical equipment and materials; (i) professional intelligent engineering, (ii) electricity transmission and distribution engineering, (iii) urban and road lighting engineering, and (iv) electrical and mechanical equipment installation engineering; subcontracting services; design and installation of cable television network engineering; and design, construction and repairing of security technology systems.

DEFINITIONS

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

“AIC”	The Administration for Industry & Commerce of the PRC
“Autoway Guangdong”	廣東安和威電力建設有限公司 (Autoway Guangdong Electric Power Construction Co., Ltd.*), a company established in the PRC and one of the JV Parties
“Board”	the board of Directors
“Broad-Ocean Motor”	中山大洋電機股份有限公司 (Zhongshan Broad-Ocean Motor Co., Ltd.), a company listed on the Shenzhen Stock Exchange (stock code: 002249) and one of the JV Parties
“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
“Directors”	the directors of the Company

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“JV Agreement”	the agreement entered into amongst the JV Parties on 30 October 2015 in relation to the formation of the JV Company
“JV Company”	a company to be incorporated in the PRC pursuant to the JV Agreement
“JV Parties”	collectively, Zhuhai Yilian, Broad-Ocean Motor and Autoway Guangdong
“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 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 and one of the JV Parties
“%”	per cent

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

Hong Kong, 30 October 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. Zhang Bo, and Mr. Pang Zhan.

* *For identification purpose only*