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中國動力
China Dynamics

China Dynamics (Holdings) Limited

中國動力(控股)有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 476)

EXTENSION OF LONG STOP DATE OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

Reference is made to the announcements of China Dynamics (Holdings) Limited (the “Company”) dated 13 November 2018 and 19 November 2018 in relation to the proposed placing of new shares under general mandate (the “Announcements”). Unless otherwise defined, capitalised terms used herein shall have the respective meanings as those defined in the Announcements.

EXTENSION OF LONG STOP DATE AND PRICE DETERMINATION DATE

As additional time is required for fulfilment of the conditions precedent set out in the Placing Agreement dated 13 November 2018 and the Supplemental Placing Agreement dated 19 November 2018 (the “First Supplemental Placing Agreement”), the Company and the Placing Agent, after arm’s length negotiation, have entered into a supplemental placing agreement (the “Second Supplemental Placing Agreement”) on 5 December 2018 (after trading hours). Details of the Second Supplemental Placing Agreement are as follow:

- (i) The long stop date of the Placing Agreement is extended from 5 December 2018 to 21 December 2018 (or such later date as may be agreed between the parties); and
- (ii) The Price Determination Date expect to be not later than 21 December 2018 (or such later date as may be agreed between the parties).

The Directors consider that the terms of the Second Supplemental Placing Agreement are on normal commercial terms and fair and reasonable and in the interests of the Company and the Shareholders as a whole.

PLACING PRICE

The maximum Placing Price of HK\$0.14 per Placing Share represents:

- (i) a premium of approximately 18.64% to the closing price of HK\$0.118 per Share as quoted on the Stock Exchange on 5 December 2018, being the date of the Second Supplemental Placing Agreement; and
- (ii) a premium of approximately 19.66% to the average closing price of approximately HK\$0.117 per Share as quoted on the Stock Exchange for the last five consecutive trading days of the Shares prior to the date of the Second Supplemental Placing Agreement.

The minimum Placing Price of HK\$0.10 per Placing Share represents:

- (iii) a discount of approximately 15.25% to the closing price of HK\$0.118 per Share as quoted on the Stock Exchange on 5 December 2018, being the date of the Second Supplemental Placing Agreement; and
- (iv) a discount of approximately 14.53% to the average closing price of approximately HK\$0.117 per Share as quoted on the Stock Exchange for the last five consecutive trading days of the Shares prior to the date of the Second Supplemental Placing Agreement.

The Placing Price will be determined by Price Determination Agreement on the Price Determination Date.

Save for the aforesaid amendment under the Second Supplemental Placing Agreement, there is no other change to the Placing Agreement and all other terms and conditions of the Placing Agreement shall continue to remain in full force and effect.

Shareholders and potential investors should note that the Placing is subject to conditions precedents under the Placing Agreement to be fulfilled. As the Placing may or may not proceed, shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

By order of the Board
China Dynamics (Holdings) Limited
Cheung Ngan
Chairman

Hong Kong, 5 December 2018

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Cheung Ngan and Ms. Chan Hoi Ying, one non-executive Director, namely Mr. Zhou Jin Kai, and three independent non-executive Directors, namely Mr. Chan Francis Ping Kuen, Mr. Hu Guang and Dato' Tan Yee Boon.