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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)

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that all the conditions precedent set out in the Placing Agreement have been fulfilled and the Placing was completed on 6 May 2019.

Reference is made to the announcements of China Dynamics (Holdings) Limited (the “**Company**”) dated 10 April 2019 and 30 April 2019 (the “**Announcements**”) in relation to, amongst other matters, the Placing under the General Mandate. Capitalised terms used in this announcement shall have the same meanings as defined in the Announcements unless otherwise stated.

Completion of the Placing

The Board is pleased to announce that all the conditions precedent set out in the Placing Agreement have been fulfilled and the Placing was completed on 6 May 2019 in accordance with the terms and conditions of the Placing Agreement. An aggregate of 670,000,000 Placing Shares, representing approximately 9.73% of the issued share capital of the Company as at the date of this announcement immediately after completion of the Placing, have been placed to not fewer than six Placees, at the Placing Price of HK\$0.11 per Placing Share. The net proceeds from the Placing (after deducting the commission payable to the Placing Agent and other related expenses incurred in the Placing) are approximately HK\$70.6 million. The Company intends to use the net proceeds from the Placing for the general working capital purpose and the development of electric vehicle in the PRC.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, (i) the Placees and whose respective ultimate beneficial owner(s) are third parties independent of and not connected with the Company and its connected persons, and (ii) none of the Placees and their respective associates becomes a substantial shareholder (as defined in the Listing Rules) of the Company upon Completion.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company immediately before and after completion of the Placing, are as follows:

Shareholders	Shareholding immediately before completion of the Placing		Shareholding immediately after completion of the Placing	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Mr. Cheung Ngan (Note 1)	498,038,559	8.01	498,038,559	7.23
Entrust Limited (Note 2)	469,313,910	7.55	469,313,910	6.82
Mr. Zhou Jin Kai (Note 3)	339,280,000	5.46	339,280,000	4.93
HK Guoxin Investment Group Limited (Note 4)	740,000,000	11.90	740,000,000	10.75
Public Shareholders				
Placees	--	--	670,000,000	9.73
Other public Shareholders	4,169,414,331	67.08	4,169,414,331	60.54
Total	6,216,046,800	100.00	6,886,046,800	100.00

Note:

- Mr. Cheung Ngan is the chairman and executive director of the Company. The Shares of 397,120,000 is held by Mr. Cheung Ngan. The Shares of 100,918,559 is held by Faith Profit Holding Limited. Mr. Cheung Ngan held 100% interest in Faith Profit Holding Limited. Accordingly, Mr. Cheung Ngan was deemed to be interested in the Shares.
- Entrust Limited is controlled as to 34% by Mr. Chan Tok Yu, 25% by Ms. Chan Hoi Ying, 25% by Mr. Chan Hin Yeung and 16% by Ms. Siu Kwan. Ms. Chan Hoi Ying is the executive director of the Company. Mr. Chan Tok Yu is aged under 18 and his interest is held by Ms. Siu Kwan as a trustee. Accordingly, Mr. Chan Tok Yu and Ms. Siu Kwan are deemed to be interested in the shares.

3. Mr. Zhou Jin Kai is the non-executive director of the Company.
4. The Shares of 740,000,000 is held by HK Guoxin Investment Group Limited, which was wholly owned by Mr. Li Feng Mao. Accordingly, Mr. Li Feng Mao is deemed to be interested in the shares.

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

Hong Kong, 6 May 2019

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.