

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 VEHICLE COMPONENTS TECHNOLOGY HOLDINGS LIMITED

中國車輛零部件科技控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1269)

MEMORANDUM OF UNDERSTANDING IN RELATION TO POSSIBLE ACQUISITION OF SHENZHEN CAS BLUE SKY INVESTMENT LIMITED

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board is pleased to announce that on 24 April 2015, the Company and the Vendor entered into a memorandum of understanding in respect of the acquisition of 100% equity interest of the Target Company. The Target Company is a new energy projects investment company established in the PRC, and is principally engaged in photo thermal, photovoltaics and wind power project development and operation, as well as undertaking project investment, cooperation, development and operation.

The Possible Acquisition is conditional upon the fulfillment of certain conditions as set out in paragraph “Conditions precedent”, and therefore may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

THE MOU

The Board is pleased to announce that on 24 April 2015, the Company and the Vendor entered into a memorandum of understanding in respect of the acquisition of 100% equity interest of the Target Company. To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Vendor is an Independent Third Party.

Target Company

The Target Company is a new energy projects investment company established in the PRC, and is principally engaged in photo thermal, photovoltaics and wind power project development and operation, as well as undertaking project investment, cooperation, development and operation. As at the date of this announcement, the Vendor owns 100% equity interest of the Target Company.

Consideration

Pursuant to the MOU, the consideration of the Possible Acquisition is to be determined with reference to (i) the management performance of the Target Company for the first three financial years following completion of the acquisition as provided by the Vendor; (ii) the business prospect of the Target Company; and/or (iii) valuation of the Target Company by an independent financial adviser or valuer. The consideration of the Possible Acquisition shall be satisfied by any or a combination of cash payment and issue of convertible bonds carrying the rights to convert into new shares of the Company. The amount and mode of payment of the consideration once agreed will be reflected in a formal sale and purchase agreement regarding the Possible Acquisition.

Conditions precedent

Completion of the Possible Acquisition is conditional upon the fulfilment or waiver of conditions precedent including, among other things, (a) the Company has completed the necessary due diligence; and (b) the obtain of the necessary approvals and permits by the Company in compliance with the Listing Rules and other applicable laws and regulations.

Other terms

The MOU shall remain in effect for a term of 40 Business Days from the date of the MOU. The Vendor has agreed that he shall only undergo due diligence on the Target Company with the Company and undertaken that he shall not undergo due diligence on the Target Company with any other party during the Term.

If no formal agreement in relation to the Possible Acquisition is entered into between the Vendor and the Company within the Term, the MOU shall be terminated and cease to have effect.

Save for the terms in relation to confidentiality, term, exclusivity and governing laws contained in MOU, the MOU is not legally binding or enforceable.

REASONS AND BENEFITS FOR THE POSSIBLE ACQUISITION

The Board considers that, by acquiring the Target Company, the Group will be able to achieve diversified industrial investment and enrich its income stream. The acquisition of the Target Company will also promote shareholder value and enhance return to shareholders of the Company. The Possible Acquisition is therefore considered in the interest of the Company and its shareholders as a whole.

GENERAL

The Possible Acquisition is conditional upon the fulfillment of certain conditions as set out in paragraph “Conditions precedent” above, and therefore may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

DEFINITIONS

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

“Board”	the board of Directors
“Business Day(s)”	business day(s) (excluding Saturday, Sunday and public holidays of the PRC)
“Company”	China Vehicle Components Technology Holdings Limited (中國車輛零部件科技控股有限公司), a company incorporated in the Cayman Islands with limited liability whose shares are listed and traded on the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Independent Third Party”	a third party independent of the Company and its connected persons and not a connected person of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOU”	a memorandum of understanding entered into between the Company and the Vendor on 24 April 2015 in relation to the Possible Acquisition
“Possible Acquisition”	the possible acquisition of the Target Company by the Company from the Vendor as set out in the MOU
“PRC”	the People’s Republic of China
“SFO”	Securities & Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Target Company”	深圳中科藍天投資有限公司 (Shenzhen CAS Blue Sky Investment Limited*), a company established in the PRC with limited liability and more particularly described in the paragraph headed “Target Company” of this announcement
“Term”	the term of 40 Business Days commencing from the date of the MOU
“Vendor”	an individual who is an Independent Third Party, being the vendor of the 100% equity interest of the Target Company
“%”	per cent

By order of the Board
China Vehicle Components Technology Holdings Limited
Wilson Sea
Chairman

Hong Kong, 24 April 2015

As at the date of this announcement, the Board comprises six executive Directors, namely Mr. Wilson Sea, Mr. Zhao Zhijun, Mr. Yan Haiting, Mr. Wang Wenbo, Ms. Yang Weixia and Mr. Wang Ping; and four independent non-executive Directors, namely Mr. Chu Kin Wang, Peleus, Mr. Li Zhiqiang, Mr. Zhang Jinhua and Ms. Shi Hongmei.

* *For identification purpose only*