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FDG Electric Vehicles Limited
五龍電動車(集團)有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 729)



CIAM Group Limited
事安集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 378)

FURTHER JOINT ANNOUNCEMENT IN RESPECT OF DISCLOSEABLE TRANSACTION

Reference is made to the joint announcement (the “**Joint Announcement**”) of FDG Electric Vehicles Limited (“**FDG**”) and CIAM Group Limited (“**CGL**”) dated 5 September 2015 in relation to, among other things, a discloseable transaction of both companies. Unless otherwise specified, capitalized terms used herein shall have the same meanings as those defined in the Joint Announcement.

FDG and CGL would like to provide further details on the representation and undertaking given by each Vendor as set out in the section headed “Guarantees” in the Joint Announcement as follows:-

Pursuant to the Sale and Purchase Agreement, each Vendor jointly and severally represents and undertakes to the Purchaser that, for a term of one (1) year starting from the Completion Date unless it ends earlier according to the Sale and Purchase Agreement, the two existing production lines of the PRC Subsidiary (the “**Production Lines**”) will reach certain benchmarks, including the production yield of the cathode material, raw materials input, electricity usage and production personnel required (the “**Benchmarks**”), for each of the production scenarios of (i) 100 tons to 150 tons of cathode materials per month; and (ii) 150 tons to 200 tons of cathode materials per month (collectively, the “**Test Ranges**”), based on certain specified assumptions.

In the event that the Production Lines fail to achieve the Benchmarks at the Test Ranges, the Vendors shall indemnify the Purchaser in cash and such amount shall be calculated by a prescribed comprehensive formula which involves the calculation of, among other things, (i) the actual cost of any excess amount of each of the raw materials, electricity and/or production personnel inputted by and above the quantities as set out in the Benchmarks; (ii) the actual shortfall of tons of cathode materials produced measured against the Benchmarks; and (iii) the effect on the revenue generated by the Production Lines due to the factors including the differences of the yield ratio of cathode materials produced by the Production Lines, raw materials input, electricity usage and production personnel required measured against the Benchmarks.

* For identification purpose only

By Order of the Board
FDG Electric Vehicles Limited

Jaime Che
Executive Director

By Order of the Board
CIAM Group Limited

Jaime Che
Executive Director

Hong Kong, 8 September 2015

As at the date of this joint announcement, the FDG Board comprises Mr. Cao Zhong (chairman and chief executive officer), Mr. Miao Zhenguo (deputy chairman), Dr. Chen Yanping (chief operating officer), Mr. Lo Wing Yat and Mr. Jaime Che (vice president) as executive directors; Professor Chen Guohua as non-executive director; and Mr. Chan Yuk Tong, Mr. Fei Tai Hung and Mr. Tse Kam Fow as independent non-executive directors.

As at the date of this joint announcement, the CGL Board comprises Mr. Dou Jianzhong (chairman), Mr. Cao Zhong (executive vice-chairman), Mr. Lo Wing Yat (executive vice-chairman and chief executive officer), Mr. Miao Zhenguo (executive director), Mr. Jaime Che (executive director), Dr. Chen Yanping (non-executive director), Mr. Hung Chi Yuen Andrew (independent non-executive director), Mr. Sit Fung Shuen Victor (independent non-executive director) and Mr. Toh Hock Ghim (independent non-executive director).

Website of FDG: <http://www.fdgev.com>

Website of CGL: <http://www.ciamgroup.com>