



**STRATEGIC FINANCIAL RELATIONS (CHINA) LIMITED**  
**縱橫財經公關顧問(中國)有限公司**

[For Immediate Release]



**TIANNENG POWER**  
**INTERNATIONAL LIMITED**  
**天能動力國際有限公司**

## **TIANNENG POWER FORGES STRATEGIC ALLIANCE WITH CHERY NEW ENERGY SPURS RAPID DEVELOPMENT OF NEW ENERGY ELECTRIC CARS IN CHINA**

(Hong Kong, 26 March 2010) – In a move that advances the take-up of renewable energy, **Tianneng Power International Limited** (“Tianneng Power” or the “Company”, stock code: 00819.HK), a leading new energy solutions provider in China, announced its strategic collaboration with Chery New Energy.

Tianneng Power and Chery New Energy will commence comprehensive cooperation in the high potential area of new energy electric cars. The scope of the collaboration encompasses technology related to new energy electric cars, marketing and after-sales service. The collaboration of Tianneng Power and Chery New Energy is a strong alliance formed by the leader in the new energy motive battery industry in China and a leading automobile brand in China, with the aim of spurring rapid development of renewable energy cars in China.

A signing ceremony and display of the said Chery New Energy electric car QQEV was held today at the Hong Kong Convention and Exhibition Centre. The showcased car is scheduled to commence mass production and expected to launch in the first half of 2010. The production volume in 2010 is expected to reach over 10,000. Chery New Energy holds strong confidence in the sales volume of QQEV and expects that it will exercise no less influence on the progress of renewable energy car, compared to the time when Chery QQ car was launched.

Pursuant to the agreement, Tianneng Power will develop motive batteries for Chery New Energy’s new energy electric cars and in return Chery New Energy promises to give priority to Tianneng Power’s products which will be adopted in Chery New Energy’s new energy cars.

~ more ~

In 2009, four of the motive battery products for high power new energy electric cars have passed the quality assurance tests conducted by the authoritative China Northern Vehicle Research Institute. Tianneng Power has started mass production of motive batteries for new energy electric vehicles in June 2009. As at 31 December 2009, turnover from the Company's motive battery for new energy electric cars amounted to approximately RMB13.3 million, accounting for 0.6% of the total turnover of the Company in 2009.

As a leading automobile brand in China, Chery set up a "Clean Energy Project Group" in 2001 and became a major player in the National "863" Program for automobile technological research and application. After nine years of technological development, it has conquered the technological difficulties and moved into renewable energy automobile applications. Chery New Energy's pure electric car has already received approval from government examination and testing authorities, and has passed a series of pre-sales testing.

**Mr. Zeng Lingpeng, President of Chery New Energy**, said, "Motive batteries are a critical component of electric cars and Chery has made progress in certain core components including motors, power managers as well as motor controllers. As the leading player in the motive battery market in China, Tianneng Power's expertise in motive battery technologies and its strong brand influence will definitely fulfill Chery New Energy's need in terms of motive batteries. I believe the long-term cooperation with Tianneng Power can further perfect and enhance our performance and technology in the area of new energy motive battery while promoting the further development of electric car industry."

**Mr. Zhang Tianren, Chairman of Tianneng Power**, said at the signing ceremony, "The collaboration is equally as meaning for Tianneng Power, and it is an important milestone for the Company. Our strategic partnership with Chery New Energy will lay a sound foundation for Tianneng Power to develop business in the new energy sector. The Company will seize the opportunity to boost the development of new energy motive batteries for electric cars. It will put more resources into R&D activities, and strive to become competitive in supplying motive batteries for electric cars in addition to motive batteries for electric bikes. Tianneng Power aims to enlarge its market share and become a leading green energy supplier in the world. This alliance also represents a major milestone in the development history of new energy motive batteries for electric cars. As striving to create a low carbon economy has become a mainstream trend around the world, we believe the era of electric transportation will soon arrive. Towards that end, Tianneng Power will work to the fullest extent possible."

Seeing the enormous potential of the new energy electric car, Tianneng Power, as the largest motive battery supplier in China, has leveraged its ample experience and technology base in conventional motive batteries and increased investment in research and development of motive batteries for electric cars. The Company has already signed strategic cooperative and sales agreements on the application and promotion of Tianneng Power new energy battery with renowned manufacturers in more than 10 countries including Chery, and a few dozen major manufacturers in countries such as Spain. The Company will also participate in the World Expo in Shanghai.

~ End ~

### **About Tianneng Power International Limited**

Tianneng Power is the largest electric vehicle motive battery supplier in China. The Company's motive battery products are sold under its brand name "TIANNENG". The Company was awarded "2008 Chinese Best Brand of Motive Battery" and "2009 Chinese New Energy Motive Battery Brand Leadership of the Year" by Frost & Sullivan, and "The Most Reliable Battery Brand for Electric Vehicles" and "Outstanding Contribution to the Promotion of Electric Vehicles Industry in China" by CCTV.com in 2010. To cope with the national policy of energy saving and developing low-carbon economy, the Company launched a renewable energy project in Shuyang County of Jiangsu Province in March 2008, to produce storage battery relating to solar and wind power for power plant and public lighting system, etc. The project has commenced production in June 2009 and is expected to reach designed capacity in 2012. In order to speed up the development of motive battery products for pure electric cars, the Company entered into various cooperation arrangements with certain car manufacturers. The Company also undertook the investment in the renewable energy and battery recycling business in Changxing Economic Development Zone of Zhejiang Province. The investment is expected to produce 6,000,000 KVAH motive batteries and recycle 150,000 metric tons of used lead-acid batteries by 2014 and 2012 respectively.

### **About Chery Automobile Co., Ltd.**

Established in 1997, Chery is one of the leading automobile manufacturers in China. It sells passenger cars, commercial cars, and mini cars under four brands, namely Chery, Riich, Rely and Karry. Currently, it annually produces 1,000,000 automobiles, 1,000,000 engines and 800,000 transmission sets. In 2009, Chery was named the top seller of local brands in China for nine consecutive years and it is also the largest passenger car exporter in China. In addition to China, Chery also targets the international automobile market, and will expand its coverage in Asia, Europe, Africa, South America and North America.

### **For press enquiries:**

#### **Strategic Financial Relations (China) Limited**

Ms. Nan Dong	Tel: (852) 2864 4811	Email: <a href="mailto:nan.dong@sprg.com.hk">nan.dong@sprg.com.hk</a>
Ms. Janice Au	Tel: (852) 2864 4874	Email: <a href="mailto:janice.au@sprg.com.hk">janice.au@sprg.com.hk</a>
Ms. Krista Chen	Tel: (852) 2864 4837	Email: <a href="mailto:krista.chen@sprg.com.hk">krista.chen@sprg.com.hk</a>
Ms. Tracy Wang	Tel: (852) 2864 4838	Email: <a href="mailto:tracy.wang@sprg.com.hk">tracy.wang@sprg.com.hk</a>
Fax: (852) 2527 1271		