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Xiezhong International Holdings Limited

協眾國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3663)

STRATEGIC COOPERATION FRAMEWORK AGREEMENT

The Board is pleased to announce that on 16 November 2015, Xiezhong Nanjing, has entered into the Strategic Cooperation Framework Agreement with Jasmin International Auto in relation to the strategic cooperation between the Parties on the development of new-energy automobile.

The Strategic Cooperation Framework Agreement merely provides a framework of cooperation between the Parties. The terms of cooperation contemplated under the Strategic Cooperation Framework Agreement are subject to the terms of any definitive agreements which the Parties may subsequently enter into from time to time.

Accordingly, Shareholders and/or investors should note that the matters contemplated under the Strategic Cooperation Framework Agreement may or may not materialize as described or at all, and should exercise caution when dealing in the Shares.

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MAJOR TERMS OF THE STRATEGIC COOPERATION FRAMEWORK AGREEMENT

The Strategic Cooperation Framework Agreement contemplates that the Parties' strategic cooperation intention to develop new-energy automobile, including but not limited to research and development, and manufacturing of HVAC systems for new-energy automobile and provision of related supporting services.

Pursuant to the Strategic Cooperation Framework Agreement, Xiezhong Nanjing will concurrently develop and provide related supporting services for the HVAC systems of new-energy automobile of Jasmin International Auto, give priority to provide it with comprehensive services such as inspection and verification, and supply it with high-quality HVAC systems products. Jasmin International Auto will give priority in considering using products and services provided by Xiezhong Nanjing under the comparable terms.

INFORMATION OF THE GROUP

The Group is principally engaged in the development, production and sales of automotive HVAC systems and a range of automotive HVAC components, and provision of technical testing and related services. The new-energy automobile business expands rapidly in the PRC, and the Group attaches great importance to the development of HVAC systems for new-energy automobile. The Group has been endeavoring to gradually become one of the leading suppliers of HVAC systems for new-energy automobile in the PRC, our customers of which currently include, among others, Beijing New-energy Automobile and Hebei Yujie. According to the analysis on production and sales figures in June 2015 from China Passenger Car Association, sales of the pure electric new-energy automobile of Beijing New-energy Automobile in the first half of 2015 represented approximately 20% of total sales of the pure electric new-energy automobile in the PRC.

BACKGROUND INFORMATION OF JASMIN INTERNATIONAL AUTO

Jasmin International Auto is a subsidiary of FDG Electric Vehicles and specializes in design and research and development of electric automobile manufactured by FDG Electric Vehicles. FDG Electric Vehicles is a company listed on the Main Board of the Stock Exchange (stock code: 729), which is principally engaged in research and development, manufacturing and sales of new-energy automobile.

To the best of the directors' knowledge, information and belief, having made all reasonable enquiries, Jasmin International Auto and its shareholders and directors are Independent Third Parties.

LISTING RULES IMPLICATIONS

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If and to the extent that any transaction under the Strategic Cooperation Framework Agreement constitutes a connected and/or notifiable transaction of the Company under the Listing Rules, the Company will make such further announcement(s) as and when appropriate in compliance with the Listing Rules.

DEFINITIONS

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

“Beijing Automotive Group”	北京汽車集團有限公司 (Beijing Automotive Group Co., Ltd.*) and its subsidiaries
“Beijing New-energy Automobile”	北京新能源汽车股份有限公司 (Beijing New-energy Automobile Co., Ltd.*), a subsidiary of Beijing Automotive Group
“Board”	the board of Directors
“Company”	Xiezhong International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“FDG Electric Vehicles”	FDG Electric Vehicles Limited and its subsidiaries
“Group”	the Company and its subsidiaries
“Hebei Yujie”	河北禦捷車業有限公司 (Hebei Yujie Automobile Co., Ltd.*)
“Independent Third Party(ies)”	a person or persons or a company or companies which, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquires, is not or are not our connected person(s) within the meaning ascribed under the Listing Rules
“Jasmin International Auto”	簡式國際汽車設計(北京)有限公司 (Jasmin International Auto R&D (Beijing) Co., Ltd*)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Parties”	collectively, Xiezhong Nanjing and Jasmin International Auto
“PRC”	the People’s Republic of China
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Strategic Cooperation Framework Agreement” the Strategic Cooperation Framework Agreement entered into between Jasmin International Auto and Xiezhong Nanjing on 16 November 2015

“Xiezhong Nanjing” 南京協眾汽車空調集團有限公司 (Nanjing Xiezhong Auto Airconditioner (Group) Co., Ltd.*), an indirect wholly owned subsidiary of the Company

By order of the Board
Xiezhong International Holdings Limited
Chen Cunyou
Chairman

Hong Kong, 16 November 2015

As at the date of this announcement, the Board comprises two executive directors, namely Mr. Chen Cunyou and Mr. Ge Hongbing; five non-executive directors, namely Mr. Han Yonggui, Mr. Li Xuejun, Mr. Zhu Zhenghua, Mr. Chen Hao and Mr. Huang Yugang; and four independent non-executive directors, namely Mr. Lau Ying Kit, Mr. Cheung Man Sang, Mr. Zhang Shulin and Mr. Lin Lei.

* *For identification purposes only*