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**CLARIFICATION OF CERTAIN INFORMATION CONTAINED
IN A MEDIA REPORT
AND
RESUMPTION OF TRADING**

Reference is made to the announcement of Tianneng Power International Limited (the "Company", together with its subsidiaries, collectively the "Group") on Tuesday, 26 April 2016.

THE GROUP'S RESPONSES TO A FALSE ARTICLE

Recently the board of directors of the Company (the "Board") noted that there was a false media report titled "Do Tianneng Power's surprising results have enough power?" (the "Article"), which had caused unusual fluctuations in the price of the Company's shares. The Group strongly condemns the illegal behaviors attempting to defame the Company intentionally and causing financial losses to investors. The Group has already reported to the relevant authorities and will firmly safeguard the legitimate interests of the Group and its shareholders.

The Company hereby clarifies the false information in the Article as follows:

I. INDUSTRY DEVELOPMENT OVERVIEW

1. The Board is of the view that new energy vehicles continued to record rapid growth. According to the Ministry of Industry and Information Technology of the PRC, sales volume of new energy vehicles in the PRC in 2015 was 330,000 units, and its ownership exceeded 1 million units. Under the 13th Five-Year Plan, the target is to reach an ownership of 5 million units by 2020. The Group attaches great importance to scientific and technological innovations in the field of lithium batteries, and currently has a research and development team comprising approximately 350 members which provides certain domestic new energy vehicle manufacturers with industry chain solutions for materials, battery cores, system integration and battery pack areas. On 6 April 2016, Tianneng's lithium batteries were included in the third list for the Standard Conditions for the Automobile Power Battery Industry (汽車動力蓄電池行業規範條件) issued by the Ministry of Industry and Information Technology of the PRC.
2. The mini electric car industry continued to grow fast. According to a research report issued by Ipsos on the PRC electric vehicle industry in April 2016 (the "Ipsos Report"), the market ownership of mini electric cars in the PRC reached 1.08 million units in 2015, which is expected to further grow to 6.23 million units by 2020, representing a compound annual growth rate of 42%.
3. The Board is of the view that the PRC electric bicycle industry has been recording relatively stable sustainable development. According to the Ipsos Report, the market ownership of electric two-wheelers in the PRC reached 130 million units in 2015, which is expected to further grow to 140 million units by 2020, resulting in a compound annual growth rate of 4% for the demand for replacing batteries.

II. OPERATION OF THE COMPANY

1. As a result of the rapid growth in the RPC electric vehicle market, the Group achieved sales of approximately RMB17.8 billion in 2015, and all major business segments recorded significant growth. Compared to sales in 2014, sales of lithium batteries surged by 209%; sales of mini electric car motive batteries boosted by 83%; sales of electric tricycle motive batteries rose by 32%; sales of electric bicycle motive batteries increased by 16%; and sales of resources recycling business grew by 29%.
2. Centering on improving economic performance, in 2015, the Group implemented the independent operation entity management system across its production facilities, which had considerably lowered its manufacturing costs, selling expenses, finance cost and administrative expenses, thereby achieving better economic performance.

3. Accounts and bills receivable and payable for 2015 were within a reasonable range.

(1) Accounts receivable:

The turnover days in 2015 were 11 days, remaining at the same level as in 2014.

(2) Accounts payable:

The turnover days in 2015 were 24 days, 2 days longer than 22 days in 2014, mainly caused by stronger bargaining power.

(3) In order to reduce financial costs, in 2015 the Group pledged the bills received to banks, which then issued new bills to upstream suppliers to increase gains from wealth management arising from the timing difference between the issuance of original bills and the issuance of new bills. As a result of such business operation, the Group's pledged bills receivable as at 31 December 2015 were RMB1,170 million, and the bills payable issued arising from the bills receivable pledged were RMB1,588 million.

The Group firmly believes that strong fundamentals determine the price trend of shares in the long term. The Group is committed to providing shareholders with strong performance.

In the future, the Group will continue to adhere to its general principle of seeking progress while maintaining stability by focusing on quality and efficiency as well as taking the innovative reform as its driving force. It will work around the main directions of upgrade of traditional industries and increase of production volume of emerging industries, speed up the implementation of its development strategy for 2020, and accelerate its development towards an international new energy group with leading position in the industry, respect from the community and employees' satisfaction.

The Board has noted the recent substantial fluctuations in the trading price of the shares of the Company. Having made all reasonable enquires under the relevant circumstances, the Board confirms that other than the Article, it is not aware of any reason causing such fluctuations in the trading price, or any inside information notifiable to avoid false market for the securities of the Company, or any inside information discloseable under Part XIVA of the Securities and Futures Ordinance.

RESUMPTION OF TRADING

At the request of the Company, trading of the shares of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) has been suspended with effect from 11:28 a.m. on Tuesday, 26 April 2016, pending the publication of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the shares of the Company with effect from 1:00 p.m. on Wednesday, 27 April 2016.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board

TIANNENG POWER INTERNATIONAL LIMITED

ZHANG Tianren

Chairman

Hong Kong, 27 April 2016

As at the date of this announcement, the executive directors of the Company are Mr. ZHANG Tianren, Mr. ZHANG Aogen, Mr. CHEN Minru, Mr. ZHANG Kaihong, Mr. SHI Borong and Mr. ZHOU Jianzhong; the independent non-executive directors of the Company are Mr. GUO Konghui, Mr. HUANG Dongliang and Mr. WU Feng.