



# J.I.C. TECHNOLOGY COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)  
(Stock Code: 987)

(proposed to be renamed to  
“Hong Kong Energy (Holdings) Limited  
香港新能源(控股)有限公司”)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 987)

(website : [www.hkenergy.com.hk](http://www.hkenergy.com.hk))

## (1) CO-INVESTMENT IN WINDFARM PROJECT AT LUNAOBAO, HEBEI (2) PROPOSED WINDFARM PROJECT AT SIZIWANG QI REGION, INNER MONGOLIA (3) JOINT VENTURE INVESTMENT IN CELLULOSIC ETHANOL PROJECT

The board of directors (the “Board”) of J.I.C. Technology Company Limited (“HKE”, together with its subsidiaries, “HKE Group”) is pleased to announce that HKE Group has recently made the following investment initiatives in alternative energy business:

- (1) On 18 April 2008, HKE Group entered into a framework agreement with a wholly-owned subsidiary of China Energy Conservation Investment Corporation to invest and develop a 100MW wind power project at Lunaobao, Zhangbei County, Hebei Province, the PRC (中國河北省張北縣綠腦包).
- (2) HKE Group has applied to the Development and Reform Commission of Siziwang Qi for a 50MW wind power project at Siziwang Qi, Wulanchabu City, Inner Mongolia Autonomous Region, the PRC (中國內蒙古自治區烏蘭察布市四子王旗).
- (3) On 17 April 2008, HKE Group and GeneHarbor (Hong Kong) Technologies Limited signed a technology transfer and co-operation agreement in respect of investment in the pilot cellulosic ethanol project.

### (1) CO-INVESTMENT IN WINDFARM PROJECT AT LUNAOBAO, HEBEI

On 18 April 2008, HKE Group through its wholly-owned subsidiary HKE (Da He) Holdings Limited (香港新能源(大河)控股有限公司) (“HKE Da He”) entered into a framework agreement with a wholly-owned subsidiary of 中國節能投資公司 (China Energy Conservation Investment Corporation) (“CECIC”) to invest and develop a 100MW wind power project at Lunaobao, Zhangbei County, Hebei Province, the PRC (中國河北省張北縣綠腦包). The planned total investment of this project is approximately RMB950.8 million (about HK\$1,052.9 million) and the registered capital is expected to be approximately RMB323.3 million (about HK\$358.0 million). HKE Da He and CECIC will contribute 30% and 70% of the registered capital of the project respectively.

The windfarm to be built under this project is strategically located on Bashang plateau of Zhangjiakou City (張家口壩上地區) with abundant wind resources available. Under the current development plan, the windfarm will have sixty-seven (67) 1,500-kilowatt wind turbines with an aggregate generating capacity of approximately 100.5 megawatts. If approved by the Development and Reform Commission of Hebei Province, construction of the project will commence in the second half of 2008 and it is expected that, by the end of 2010, the windfarm would be able to come into full operation.

Joint application will be made by both of HKE Da He and CECIC for the grant of franchise for this windfarm project. CECIC has obtained preliminary approval from the Development and Reform Commission to invest and develop this project.

Renewable energy sector investment is currently actively advocated by the PRC Government. The Renewal Energy Law of the PRC requires the state-owned power grid to give priority and pay premium rates for power generated by privately-owned companies using “clean” generating methods. The directors of HKE (the “Directors”) believe that the above investment will contribute to the future revenue and income growth of HKE Group.

Based on the proposed capital commitment on HKE Group, this proposed investment may constitute a notifiable transaction for HKE if it materialises. HKE will issue further announcement in accordance with the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) if formal agreement is entered into in respect of this project.

### (2) PROPOSED WINDFARM PROJECT AT SIZIWANG QI REGION, INNER MONGOLIA

港能新能源四子王旗風能有限公司, an indirect wholly-owned subsidiary of HKE, has applied to the Development and Reform Commission of Siziwang Qi for a 50MW wind power project at Siziwang Qi, Wulanchabu City, Inner Mongolia Autonomous Region, the PRC (中國內蒙古自治區烏蘭察布市四子王旗). The planned total investment and registered capital of this project are approximately RMB480.5 million (about HK\$532.1 million) and RMB163.4 million (about HK\$180.9 million) respectively.

Under the current development plan, the windfarm will have thirty-three (33) 1,500-kilowatt wind turbines with an aggregate generating capacity of approximately 49.5 megawatts. If approved by the Development and Reform Commission of Siziwang Qi, HKE Group will commence construction of the project in the second half of 2008 and it is expected that, by the end of 2009, the windfarm would be able to come into full operation.

The Inner Mongolia Autonomous Region is one of the regions in the PRC with the richest wind energy resources, and wind energy resources are most abundant in Siziwang Qi region. According to certain wind resources survey report, grade I rated wind energy is found in Siziwang Qi, meaning its average annual wind speed reaches over 8.0m/second at a height of 60-70 metres and its average annual full-loaded equivalent operation hours exceed 2,500.

As discussed above, renewable energy sector investment is currently actively advocated by the PRC Government. The participation in the aforesaid project can further strengthen HKE Group’s alternative energy sector investment and the Directors expect that the proposed investment will contribute to the future revenue and income growth of HKE Group.

(3) **JOINT VENTURE INVESTMENT IN CELLULOSIC ETHANOL PROJECT**

On 17 April 2008, HKE Group through its wholly-owned HKE (Biomass) Holdings Limited (香港新能源(生物質)控股有限公司) (“HKE Biomass”) and GeneHarbor (Hong Kong) Technologies Limited (基因港(香港)科技有限公司) (“GeneHarbor”) signed a technology transfer and co-operation agreement (“Cellulosic-Ethanol Technology Co-operation Agreement”) in respect of investment in the pilot cellulosic ethanol project using the technology (“Cellulosic Ethanol Technology”) developed by GeneHarbor.

Under the Cellulosic-Ethanol Technology Co-operation Agreement, a new joint venture company, Hong Kong (Biomass) Energy (BVI) Co., Limited (“HKE Biomass JV”) will be established in the British Virgin Islands. The parties will contribute cash and interests in the Cellulosic Ethanol Technology to HKE Biomass JV as shown below:

	<b>Shareholding percentage</b>	<b>In cash</b>	<b>Capital contribution In kind</b>
HKE Biomass	55%	HK\$5.775 million	55% interest in the Cellulosic Ethanol Technology
GeneHarbor	45%	HK\$4.725 million	45% interest in the Cellulosic Ethanol Technology

HKE Biomass will first acquire from GeneHarbor 55% interests in the Cellulosic Ethanol Technology at HK\$17.325 million as its capital contribution shown above.

The Cellulosic Ethanol Technology comprises advanced technology and production process developed by GeneHarbor to produce ethanol using cellulosic biomass as feedstock. It makes use of related cellulose-digesting enzymes sourced from GeneHarbor or its production factory. HKE Biomass JV will have proprietary interests in the Cellulosic Ethanol Technology including commercial exploitation rights and agency rights for the sale of the related enzymes applied in the production process of cellulosic ethanol in Greater China region described below. Cellulosic ethanol is a type of biofuel made from agricultural materials that have a lignocellulosic biomass, such as wood residues.

HKE Biomass JV plans to build a pilot cellulosic ethanol plant to undertake testing and implementation of the lab technology and production process in the Cellulosic Ethanol Technology. The results will be applied in external use and exploitation of such technology, with a view to full industrial production of cellulosic ethanol.

Under the Cellulosic-Ethanol Technology Co-operation Agreement, another technology service company (“TechServices Co”) owned as to 90% by HKE Biomass and 10% by GeneHarbor will be set up. The TechServices Co will be the sole and exclusive agent to undertake the use and commercial exploitation of the Cellulosic Ethanol Technology and sale and distribution of the related enzymes used in the production of cellulosic ethanol in the Greater China (including Taiwan, Hong Kong and Macau) and the South-East Asia. The detailed capital amount and commitments on the respective parties in this TechServices Co have not yet been finalized.

To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiry, GeneHarbor and its ultimate beneficial owner(s) are third parties independent of HKE and connected persons of HKE. Based on the capital commitment of HK\$23.1 million on the part of HKE Group for this project, this joint venture transaction will not be a notifiable nor a connected transaction for HKE under the Listing Rules.

As set out in the composite offer document dated 20 March 2008, HKE Group will be the principal vehicle in the area of alternative energy businesses. The above investment in biofuel sector marked one of the first steps made by HKE Group towards such objective.

By order of the board of  
**J.I.C. Technology Company Limited**  
(proposed to be renamed to  
**Hong Kong Energy (Holdings) Limited**)  
**Tsang Sai Chung, Kirk**  
Company Secretary

Hong Kong, 21 April 2008

*As at the date of this announcement, the Board comprises eight Directors of which Mr. Oei Kang, Eric, Mr. Chen Libo, Mr. Tsang Sai Chung, Kirk, Mr. Chan Kwok Fong, Joseph are executive Directors; Mr. Liu Zhixin is a non-executive Director; and Mr. Zhang Songyi, Mr. Tang Siu Kui, Ernest and Mr. Yu Hon To, David are independent non-executive Directors.*

“Please also refer to the published version of this announcement in South China Morning Post and The Standard.”