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FDG Electric Vehicles Limited

五龍電動車（集團）有限公司

(Provisional Liquidators Appointed)

(Incorporated in Bermuda with limited liability)

(Stock Code: 729)

QUARTERLY UPDATE ON RESUMPTION PROGRESS

This announcement is made by FDG Electric Vehicles Limited (Provisional Liquidators Appointed) (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09 and 13.25(1) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

References are made to (i) the announcements of the Company dated 3 July 2020, 10 August 2020, 11 August 2020, 19 August 2020, 25 August 2020, 27 August 2020, 31 August 2020, 16 September 2020, 7 October 2020, 29 October 2020, 25 November 2020, 7 December 2020, 15 December 2020, 24 December 2020, 28 January 2021 and 8 February 2021; (ii) the announcements of FDG Kinetic Limited (Receivers and Managers Appointed) (“**FDG Kinetic**”) dated 29 December 2020, 16 March 2021, 17 March 2021, 31 March 2021, 6 April 2021 and 9 April 2021; and (iii) the joint announcements of the Company and FDG Kinetic dated 17 April 2020, 24 April 2020, 14 May 2020, 27 July 2020, 10 August 2020, and 11 August 2020 (the “**Announcements**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcements.

This announcement provides a quarterly update on the business operations of the Group and the Company’s progress in fulfilling the resumption conditions.

BUSINESS OPERATIONS

The Group is principally engaged in (i) the research, development, manufacture and sales of electrical vehicles; (ii) the development, manufacture and sales of lithium-ion battery products; (iii) the provision of leasing services of electric vehicles; (iv) the research and development, manufacture and sales of cathode materials for nickel-cobalt-manganese (NCM) lithium-ion batteries; and (iv) direct investments.

The New JSPLs had been in progress of obtaining the controls of the subsidiaries of the Company by, among others, changing the board of directors and authorised representatives of the subsidiaries, and preserving and collating the books and records of the Group.

UPDATE ON MATTERS RELATED TO FDG KINETIC

On 23 February 2021, Sinopoly Strategic Investment Limited (“**Sinopoly**”), a wholly owned subsidiary of the Company and a registered shareholder of FDG Kinetic, issued a notice of nomination (the “**Notice of Nomination**”) to FDG Kinetic proposing four candidates (the “**Candidates**”) to stand for election as directors of FDG Kinetic at its annual general meeting originally scheduled to be held on 17 March 2021 (“**FDG Kinetic AGM**”). On 8 March 2021, FDG Kinetic wrote to Sinopoly notifying that the election and appointment of the Candidates should not be included as an agenda in the FDG Kinetic AGM. On 12 March 2021 (Bermuda Time), Sinopoly filed a petition to the Bermuda Court for an order requiring FDG Kinetic to, among others, announce the Notice of Nomination, and to include in the business of the FDG Kinetic AGM to appoint and vote on the Candidates to fill the vacancies arising from the retirement of the directors of FDG Kinetic pursuant to the Bye-laws of FDG Kinetic.

At the hearing held on 15 March 2021 (Bermuda Time), the Bermuda Court ordered, among other things, that the FDG Kinetic AGM be adjourned until further order of the Bermuda Court, and the matter be adjourned to 30 March 2021 (Bermuda Time). The adjourned hearing was further adjourned to 1 April 2021 (Bermuda Time). On 1 April 2021 (Bermuda Time), the Bermuda Court made an order (the “**Bermuda Court Order**”) directing, among other things, FDG Kinetic to publish a supplemental announcement on or before 4:30 pm on 7 April 2021 stating, among others, (i) the FDG Kinetic AGM adjourned pursuant to the order dated 15 March 2021 shall be reconvened on a date no later than 30 April 2021 (the “**Adjourned FDG Kinetic AGM**”); (ii) to include in the business in the Adjourned FDG Kinetic AGM to nominate, appoint and vote on the persons, including the Candidates, to fill the three vacancies arising from the retirement of three of the directors of FDG Kinetic pursuant to bye-laws 87 and 88 of the bye-laws of FDG Kinetic; and (iii) the biographic details of the Candidates. In compliance with the Bermuda Court Order, FDG Kinetic published the supplemental announcements on 6 April 2021 in respect of the Bermuda Court Order and 9 April 2021 in respect of the date and venue of the Adjourned FDG Kinetic AGM.

UPDATE ON BANKRUPTCY PROCEEDINGS AGAINST HANGZHOU CHANGJIANG

Reference is made to the announcements of the Company dated 25 August 2020, 27 August 2020, 31 August 2020 and 16 September 2020 in relation to the bankruptcy proceedings against Hangzhou Changjiang.

The Administrators issued a public announcement on 21 January 2021 with regard to the recruitment of investors and the reorganisation process timeline. The recruitment deadline was enlisted to be 31 March 2021. As at the date of this announcement, the New JPLs have not received any further updates on the restructuring proposal from the Administrators.

The New JSPLs will closely monitor the situation and further announcement(s) will be made if and when appropriate.

UPDATE ON BANKRUPTCY PROCEEDINGS AGAINST JASMIN

Reference is made to the announcement of the Company dated 24 December 2020 in relation to the bankruptcy proceedings against Jasmin.

The first creditors' meeting of Jasmin was held on 5 March 2021, it was not reported in the first creditors' meeting with regard to the potential restructuring plan for Jasmin.

The New JSPLs will monitor the situation and make further announcement(s) if and when appropriate.

UPDATE ON PROCEEDINGS INITIATED BY JINGANG

With reference to the announcement of the Company dated 15 December 2020, the Company received a notice of appeal filed by Jingang to the Hong Kong Court dated 4 November 2020 (the **"Appeal"**).

On 26 March 2021, Jingang took out a summons for leave to withdraw the concessions made by Jingang in the hearing held on 23 October 2020 (the **"Summons"**).

The Appeal and the Summons was heard on 8 April 2021, the Hong Kong Court ordered that both the Appeal and the Summons be dismissed.

RESUMPTION GUIDANCE AND LISTING STATUS OF THE COMPANY

With reference to the announcements of the Company dated 10 August 2020 and 25 November 2020, the Company received the letters from the Stock Exchange on 7 August 2020 and 24 November 2020 in which the Stock Exchange sets out the resumption guidance for the Company (the **"Resumption Guidance"**):

- (a) to have the winding up petition against the Company withdrawn or dismissed and the appointment of any liquidators (provisional or not) discharged;
- (b) to publish all outstanding financial results required by the Listing Rules and address any audit modifications;
- (c) to inform the market of all material information for Shareholders and investors to appraise the Company's position; and
- (d) to demonstrate the Company's compliance with Rule 13.24 of the Listing Rules.

The Stock Exchange further indicated that it may modify or supplement the Resumption Guidance that have been given and/or give further guidance if the Company's situation changes.

Under Rule 6.01A(1) of the Listing Rules, the Stock Exchange may cancel the listing of any securities that have been suspended from trading for a continuous period of 18 months. In the case of the Company, the 18-month period shall expire on 1 January 2022. If the Company fails to

remedy the issues causing the trading suspension, fully comply with the Listing Rules to the Stock Exchange's satisfaction and resume trading in the shares of the Company by 1 January 2022, the Listing Division of the Stock Exchange will recommend the Listing Committee of the Stock Exchange to proceed with the cancellation of the Company's listing. Under Rules 6.01 and 6.10 of the Listing Rules, the Stock Exchange also has the right to impose a shorter specific remedial period, where appropriate.

UPDATE ON RESUMPTION PROGRESS

The New JSPLs contacted various parties regarding the possibility of restructuring the Group and the New JSPLs has received preliminary proposals from potential investors on the restructuring of the Group. The New JSPLs have had discussions with the potential investors but no formal restructuring proposal or formal agreement has been entered into by the Company as at the date of this announcement. Further announcements will be made by the Company in compliance with the Listing Rules when the Company enters into agreements relating to the restructuring of the Group.

Given the limitation in respect of the resources available to the Group, there will be a delay in the publication of the financial results of the Group (i) for the 2019/20 Annual Results and the 2019/20 Annual Report; and (ii) for the 2020 Interim Results and the 2020 Interim Report. Further announcement(s) will be made by the Company as and when appropriate to inform the Shareholders in relation to the release and publication of the 2019/20 Annual Results, the 2019/20 Annual Report, the 2020 Interim Results and the 2020 Interim Report.

CONTINUED SUSPENSION OF TRADING IN THE SHARES

Trading in the shares of the Company has been suspended since 9:00 a.m. on 2 July 2020 and will continue to be suspended until further notice. Holders of the shares and other securities of the Company and potential investors are advised to exercise caution when dealing in the shares and other securities of the Company.

For and on behalf of
FDG Electric Vehicles Limited
(Provisional Liquidators Appointed)
Wing Sze Tiffany WONG
YEUNG Mei Lee
Mathew Conner Clingerman
Joint and Several Provisional Liquidators
Acting as agents without personal liability

Hong Kong, 13 April 2021

As at the date of this announcement, the board of directors of the Company has been terminated and the New JSPLs will nominate new members of the board of directors as soon as practicable.