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FDG Electric Vehicles Limited
五龍電動車(集團)有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 729)

ANNOUNCEMENT OF
(1) PROPOSED SUBSCRIPTION OF NEW SHARES BY
STAR MERCURY INVESTMENTS LTD.,
A WHOLLY-OWNED SUBSIDIARY OF CITIC LIMITED,
UNDER SPECIFIC MANDATE
(2) PROPOSED CONVERSION OF CONVERTIBLE BONDS
(3) WHITEWASH WAIVER
AND
(4) POLL RESULTS OF THE SGM HELD ON 19 FEBRUARY 2016

Reference is made to the circular (the “**Circular**”) and notice of the SGM (“**Notice of SGM**”) of the Company both dated 29 January 2016 in relation to, among other things, the Subscription, Conversion and Whitewash Waiver. Capitalized terms used herein have the same meanings as ascribed to them in the Circular.

POLL RESULTS OF THE SGM

The Board is pleased to announce that on 19 February 2016, the SGM was held and all the resolutions set out at the Notice of SGM were passed by the Independent Shareholders by way of poll, details of which are as follows:

ORDINARY RESOLUTIONS		For	Against	Total number of votes
		Votes (%)	Votes (%)	
1.	<p>Subject to and conditional upon the passing of resolution numbered 2 set out in the SGM Notice,</p> <p>a) to approve the Subscription Agreement and all transactions contemplated thereunder and authorise any one Director to do all such things and take all such actions as he may consider necessary or desirable to implement and/or give effect to the Subscription Agreement and all transactions contemplated thereunder; and</p> <p>b) to approve, subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited approving the listing of, and granting permission to deal in the 1,000,000,000 new Shares under the Subscription Agreement, the allotment and issue of the 1,000,000,000 new Shares under the Subscription Agreement and authorise any one Director to do all such things and take all such actions as he may consider necessary or desirable to implement and/or give effect to any of the matters relating to or incidental to the allotment and issue of the 1,000,000,000 new Shares under the Subscription Agreement.</p>	2,525,701,834 (100.0000%)	0 (0.0000%)	2,525,701,834
2.	To approve, subject to and conditional upon the passing of resolution numbered 1 set out in the SGM Notice, the Whitewash Waiver granted or to be granted by the Executive and authorise any one Director to do all such things and take all such actions as he may consider necessary or desirable to implement and/or give effect to any of the matters relating to or incidental to the Whitewash Waiver.	2,495,872,459 (98.8190%)	29,829,375 (1.1810%)	2,525,701,834

As more than 50% of the votes were cast in favour of each of the ordinary resolutions proposed at the SGM, all of the resolutions were duly passed as ordinary resolutions of the Company by way of poll.

Union Registrars Limited, the Company's Hong Kong branch share registrar and transfer office, was appointed as the scrutineer for vote-taking at the SGM.

As at the date of the SGM, the Company has 19,370,089,984 Shares in issue.

As stated in the Circular, Mr. Cao, Mr. Miao, Dr. Chen, Mr. Che, the Subscriber, CIAM, Mr. Lo and Silvanus Enterprises and their respective Close Associates, and other Shareholders with a material interest in and those who were involved in or interested in the Subscription, Conversion and/or the Whitewash Waiver would be required to abstain from voting on the resolutions approving the issue of new Shares pursuant to the Subscription and Whitewash Waiver at the SGM and each of them had abstained from voting at the SGM. Their respective shareholdings as at the Latest Practicable Date and as at the date of the SGM were as follows:

	<i>Shares</i>	<i>%</i>
The Subscriber	–	–
CIAM (a)	448,780,000	2.32%
Mr. Lo (b)	–	–
Mr. Cao (c)	2,311,059,998	11.93%
Mr. Miao (d)	1,970,551,043	10.17%
Dr. Chen (e)	950,625,000	4.91%
Mr. Che (f)	92,695,000	0.48%
Total of the Concert Party Group	<u>5,773,711,041</u>	<u>29.81%</u>

Notes:

- (a) CIAM holds 448,780,000 Shares.
- (b) Mr. Lo does not hold any Shares as at the Latest Practicable Date and as at the date of the SGM.
- (c) Mr. Cao holds 2,311,059,998 Shares through Long Hing International Limited, his wholly-owned investment holding company.
- (d) Mr. Miao holds 1,806,301,043 Shares through Union Ever Holdings Limited and 164,250,000 Shares through Infinity Wealth International Limited, both of which are his wholly-owned investment holding companies.
- (e) Captain Century Limited, a company 60%-owned by Dr. Chen and 40%-owned by Ms. Zhang Lu, his Close Relative, holds 658,125,000 Shares. Designer Touch Limited, a company wholly-owned by Mr. Chen Cheng, another Close Relative of Dr. Chen, holds a further 292,500,000 Shares.
- (f) Mr. Che holds 1,000,000 Shares. Ms. Chong Sok Un, Mr. Che's Close Relative holds a further 91,695,000 Shares.

Except as disclosed above, no other Shareholders were required to abstain from voting at the SGM and no Shareholders have stated any intention in the Circular to vote against any of the resolutions at the SGM. The total number of Shares entitling the Independent Shareholders to attend and vote on the resolutions proposed at the SGM was 13,596,378,943 Shares.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) as at the date of the SGM, (ii) immediately after the allotment and issue of the new Shares under the Subscription, and (iii) immediately after the allotment and issue of the new Shares under the Subscription and the Conversion, is as set out below (assuming no other changes in the issued share capital and shareholding structure of the Company):

	As at the date of the SGM		Immediately after issue under the Subscription		Immediately after issue under the Subscription and the Conversion	
	Shares	%	Shares	%	Shares	%
The Subscriber	–	–	1,000,000,000	4.91%	1,000,000,000	4.55%
CIAM (a)	448,780,000	2.32%	448,780,000	2.20%	1,474,896,124	6.72%
Mr. Lo (b)	–	–	–	–	6,579,000	0.03%
Mr. Cao (c)	2,311,059,998	11.93%	2,311,059,998	11.35%	2,657,859,998	12.10%
Mr. Miao (d)	1,970,551,043	10.17%	1,970,551,043	9.67%	1,970,551,043	8.97%
Dr. Chen (e)	950,625,000	4.91%	950,625,000	4.67%	950,625,000	4.33%
Mr. Che (f)	92,695,000	0.48%	92,695,000	0.46%	306,691,000	1.40%
The Concert Party Group	5,773,711,041	29.81%	6,773,711,041	33.25%	8,367,202,165	38.10%
Other non-public						
Shareholders (g)	1,752,583,158	9.05%	1,752,583,158	8.60%	1,752,583,158	7.98%
Public Shareholders (h)	<u>11,843,795,785</u>	<u>61.14%</u>	<u>11,843,795,785</u>	<u>58.14%</u>	<u>11,843,795,785</u>	<u>53.92%</u>
Total	<u>19,370,089,984</u>	<u>100.00%</u>	<u>20,370,089,984</u>	<u>100.00%</u>	<u>21,963,581,108</u>	<u>100.00%</u>

- (a) CIAM holds 448,780,000 Shares. CIAM and Right Precious (CIAM's wholly-owned subsidiary) also hold Convertible Bonds which will be converted into 3,128,000 and 1,022,988,124 Conversion Shares respectively upon the Conversion.
- (b) Mr. Lo does not hold any Shares as at the date of the SGM. Mr. Lo holds Convertible Bonds which will be converted into 6,579,000 Conversion Shares upon the Conversion. He is also interested in 42,800,000 share options of the Company.
- (c) Mr. Cao holds 2,311,059,998 Shares through Long Hing International Limited, his wholly-owned investment holding company. Mr. Cao and Champion Rise (his other wholly-owned investment holding company) also hold Convertible Bonds which will be converted into 6,800,000 and 340,000,000 Conversion Shares respectively upon the Conversion. In addition, he is interested in 10,000,000 share options of the Company.
- (d) Mr. Miao holds 1,806,301,043 Shares through Union Ever Holdings Limited and 164,250,000 Shares through Infinity Wealth International Limited, both of which are his wholly-owned investment holding companies. He is also interested in 15,000,000 share options of the Company.
- (e) Captain Century Limited, a company 60%-owned by Dr. Chen and 40%-owned by Ms. Zhang Lu, his Close Relative, holds 658,125,000 Shares. Designer Touch Limited, a company wholly-owned by Mr. Chen Cheng, another Close Relative of Dr. Chen, holds a further 292,500,000 Shares. Dr. Chen is also interested in 12,000,000 share options of the Company.

- (f) Mr. Che holds 1,000,000 Shares and is also interested in 16,000,000 share options of the Company. Ms. Chong Sok Un, Mr. Che's Close Relative holds a further 91,695,000 Shares. Silvanus Enterprises, a company wholly-owned by such Close Relative, also holds Convertible Bonds which will be converted into 213,996,000 Conversion Shares upon the Conversion.
- (g) Other non-public Shareholders comprise subsidiary-level directors and chief executive officers of the Group and their associates which are under the Listing Rules considered as connected persons of the Company and therefore not counted as members of the public.
- (h) The number of Shares held by public Shareholders has been calculated to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries.
- (i) Ignore rounding errors.

GRANT OF THE WHITEWASH WAIVER

The Executive has granted the Whitewash Waiver to the Whitewash Applicants on 18 February 2016, subject to (i) the Subscription being approved by Independent Shareholders at the SGM by way of poll; and (ii) unless the Executive gives prior consent, no acquisition or disposal of voting rights of the Company being made by the Whitewash Applicants and parties acting in concert with any of them between the date of the Suspension Announcement (i.e. 10 December 2015) and the date of completion of the Subscription. Accordingly, the Whitewash Applicants will not be required to make a general offer for all the Shares and convertible securities not already owned or agreed to be acquired by them or persons acting in concert with any of them.

Shareholders and investors should note that the transactions herein described are subject to conditions precedent which may or may not be satisfied.

By Order of the Board
FDG Electric Vehicles Limited
Jaime Che
Executive Director

Hong Kong, 19 February 2016

As at the date of this announcement, the Board comprises Mr. Cao Zhong (Chairman and Chief Executive Officer), Mr. Miao Zhenguo (Deputy Chairman), Dr. Chen Yanping (Chief Operating Officer), Mr. Lo Wing Yat and Mr. Jaime Che (Vice President) as executive directors; and Mr. Chan Yuk Tong, Mr. Fei Tai Hung and Mr. Tse Kam Fow as independent non-executive directors.

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Subscriber and CITIC Limited) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than that expressed by the directors of the Subscriber and CITIC Pacific Limited) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.

As at the date of this announcement, the directors of the Subscriber are Mr. Vernon Francis Moore and Mr. Kwok Ka Wa.

The directors of the Subscriber jointly and severally accept full responsibility for the accuracy of the information relating to the Subscriber contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed by them in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.

As at the date of this announcement, the directors of CITIC Pacific Limited are Mr. Zhang Jijing (Chairman), Mr. Vernon Francis Moore, Mr. Liu Jifu, Mr. Zeng Chen, Mr. Kwok Man Leung, Mr. Fei Yiping, Mr. Luan Zhenjun, Mr. Yu Yapeng, Mr. Liu Yong, Mr. Li Yajun and Ms. Chen Meng.

The directors of CITIC Pacific Limited, of which the Subscriber is a wholly-owned subsidiary, jointly and severally accept full responsibility for the accuracy of the information relating to the Subscriber and CITIC Limited contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed by them in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.

Website of the Company: <http://www.fdgev.com>