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FDG Electric Vehicles Limited
五龍電動車（集團）有限公司

(Provisional Liquidators Appointed)
(For Restructuring Purposes Only)
(Incorporated in Bermuda with limited liability)
(Stock Code: 729)



FDG Kinetic Limited
五龍動力有限公司

(Receivers and Managers Appointed)
(Incorporated in Bermuda with limited liability)
(Stock Code: 378)

**DELAY IN PUBLICATION OF ANNUAL RESULTS AND
DESPATCH OF ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2020
AND
FORMATION OF SPECIAL COMMITTEE OF
FDG KINETIC LIMITED**

This joint announcement is made by FDG Electric Vehicles Limited (provisional liquidators appointed) (for restructuring purposes only) (“**FDG EV**”) and FDG Kinetic Limited (receivers and managers appointed) (“**FDG Kinetic**”) pursuant to Rules 13.46 and 13.49 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

**DELAY IN PUBLICATION OF ANNUAL RESULTS AND DESPATCH OF ANNUAL
REPORT FOR THE YEAR ENDED 31 MARCH 2020**

Reference is made to the joint announcement of FDG EV and FDG Kinetic dated 31 May 2020 (the “**Announcement**”). The FDG EV Board and the FDG Kinetic Board wish to inform the Shareholders that there will be a delay in the release of the 2019/20 Annual Results and despatch of the 2019/20 Annual Report. Capitalised terms used in the Announcement shall have the same meaning in this joint announcement unless otherwise defined or the context otherwise required.

After the issue of the Announcement, the FDG EV Board and the FDG Kinetic Board have been using their respective best endeavours to obtain the required information from the relevant PRC subsidiaries (the “**Uncooperative Subsidiaries**”) to complete the Audit including, among others, (i) instructed lawyers to write to the respective legal representatives and persons in charge of the Uncooperative Subsidiaries demanding for the requisite information; and (ii) instructed PRC lawyers to take appropriate steps to remove and replace the legal representatives of the Uncooperative Subsidiaries.

Despite repeated requests, certain legal representatives and senior management of the Uncooperative Subsidiaries of each of FDG EV (namely, Mr. Cao, Miao Zhenguo, Xu Weidong and others) and FDG Kinetic (namely, Miao Zhenguo, Wu Fei and others) remained uncooperative with the FDG EV Board and/or the FDG Kinetic Board. As at the

date of this joint announcement, instead of providing the required information directly to FDG EV, a total of (i) 11 PRC subsidiaries of FDG EV had purportedly presented their accounting information for the year ended 31 March 2020 to the JPLs; (ii) 10 other PRC subsidiaries of FDG EV had purportedly presented their accounting information for the year ended 31 March 2020 to the JPLs and the auditors of FDG EV; and (iii) 1 PRC subsidiary of FDG EV had purportedly presented their accounting information for the year ended 31 March 2020 to the auditors of FDG EV. 6 PRC subsidiaries of FDG EV (one of which is FDG Kinetic (Chongqing) Lithium Ion Battery Materials Co., Ltd.* 五龍動力(重慶)鋰電材料有限公司, a subsidiary of FDG Kinetic) have not provided any requested information for completion of the Audit for the year ended 31 March 2020 to FDG EV and/or FDG Kinetic. Upon reviewing the limited information obtained, FDG EV, FDG Kinetic and their auditors received no and/or few positive response from the Uncooperative Subsidiaries after making follow-up enquiries. In addition, it is not possible to verify the authenticity, accuracy and completeness of the provided information. Given the above circumstances, coupled with the travel restrictions and the quarantine policies to combat the COVID-19, the auditors of FDG EV and FDG Kinetic are unable to complete the Audit in time for publication on or before 30 June 2020 and therefore the 2019/20 Annual Results will not be published on or before 30 June 2020.

Regarding the removal and replacement of the legal representatives of the Uncooperative Subsidiaries, due to the non-cooperation of the legal representatives and senior management of the Uncooperative Subsidiaries, particularly in the handover of the official company chops and relevant books and records, formal administrative procedures have yet to be completed.

The FDG EV Board and the FDG Kinetic Board, in consultation with the JPLs and the receivers of FDG Kinetic (if applicable), are exploring the commencement of legal proceedings against individual legal representative and senior management personnel who are refusing to cooperate with the relevant board of directors in order to protect the interest of the Shareholders and creditors of FDG EV and FDG Kinetic.

Pursuant to Rules 13.49(1) and 13.46(2)(a) of the Listing Rules, FDG EV and FDG Kinetic are required to publish the 2019/20 Annual Results on or before 30 June 2020, and to despatch the 2019/20 Annual Report to the Shareholders on or before 31 July 2020. The delay in publication of the 2019/20 Annual Results and the delay in despatch of the 2019/20 Annual Report constitute non-compliance of Rules 13.49(1) and 13.46(2)(a) of the Listing Rules, respectively.

Pursuant to Rule 13.49(1) of the Listing Rules, in case of such non-compliance, the shares of FDG EV and/or FDG Kinetic will be suspended from trading on the Stock Exchange from 2 July 2020.

Rule 13.49(3) of the Listing Rules provides that where an issuer is unable to issue its preliminary results, it must announce its results based on the financial results which have yet to be agreed with the auditors (so far as the information is available). The FDG EV Board and the FDG Kinetic Board, after reviewing the accounting information provided to them so far, have grave concern over the authenticity, accuracy and completeness of the accounting information and after due and careful consideration, are of the view that it would not be appropriate for FDG EV and FDG Kinetic to publish the unaudited management accounts for the year ended 31 March 2020.

FDG EV and FDG Kinetic will publish further announcement(s) in due course to inform the Shareholders of (i) the date of the meeting of FDG EV Board and the FDG Kinetic Board to consider and approve the 2019/20 Annual Results; (ii) the date of the release of the 2019/20 Annual Results; and (iii) the date of despatch of the 2019/20 Annual Report.

FORMATION OF SPECIAL COMMITTEE OF FDG KINETIC

The FDG Kinetic Board wishes to announce that a special committee (the “**FDG Kinetic Special Committee**”) comprising all of the directors of FDG Kinetic except Mr. Cao (an executive director of FDG Kinetic whose duties have been suspended by the FDG Kinetic Board since 19 March 2020) has been established on 17 June 2020 pursuant to a resolution of the FDG Kinetic Board passed on the same day. The FDG Kinetic Special Committee was empowered by the FDG Kinetic Board to exercise the powers, authorities and discretions and to carry out all actions regarding the associate(s) of Mr. Cao which are considered necessary relating to, among others, (i) failure to provide necessary assistance in obtaining the requisite information and records for completing the audit in relation to the final results of the FDG Kinetic Group for the year ended 31 March 2020 and (ii) failure to handover relevant official company chops and books and records as required to the FDG Kinetic Group in order to protect the interest of the shareholders and creditors of FDG Kinetic.

The FDG EV Board has also established a special committee comprising all of the directors of FDG EV except Mr. Cao on 5 June 2020, details of which are set out in the announcement of FDG EV dated 8 June 2020.

Shareholders and potential investors of FDG EV and FDG Kinetic should exercise caution when they deal or contemplate dealing in the shares of FDG EV and FDG Kinetic or other securities of FDG EV and FDG Kinetic.

On behalf of the Board
FDG Electric Vehicles Limited
(Provisional Liquidators Appointed)
(For Restructuring Purposes Only)
Lo Wing Yat
Chairman

On behalf of the Board
FDG Kinetic Limited
(Receivers and Managers Appointed)
Jaime Che
Chief Executive Officer

Hong Kong, 18 June 2020

As at the date of this joint announcement, the FDG EV Board comprises Mr. Jaime Che (Chief Executive Officer), Dr. Chen Yanping (Chief Technical Officer) and Mr. Cao Zhong (suspended) as executive directors; Mr. Lo Wing Yat (Chairman) and Mr. Huang Tan as non-executive directors; and Mr. Chan Yuk Tong, Mr. Fei Tai Hung and Mr. Tse Kam Fow as independent non-executive directors.

As at the date of this joint announcement, the FDG Kinetic Board comprises Mr. Jaime Che (Chief Executive Officer) and Mr. Cao Zhong (suspended) as executive directors; and Professor Sit Fung Shuen Victor (Chairman), Mr. Hung Chi Yuen Andrew and Mr. Toh Hock Ghim as independent non-executive directors.

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

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

Website of FDG EV: <http://www.fdgev.com>

Website of FDG Kinetic: <http://www.fdgkinetic.com>