

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



潤東汽車

China Rundong Auto Group Limited

中國潤東汽車集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1365)

**INSIDE INFORMATION
BANKRUPTCY AND RESTRUCTURING APPLICATION
AGAINST A PRC SUBSIDIARY OF THE COMPANY**

This announcement is made by China Rundong Auto Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09 and 13.25(1)(b) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

On 24 August 2020, the Company was notified that an application for bankruptcy and restructuring (“**Bankruptcy and Restructuring Application**”) against Rundong Automobile Group Co., Ltd. (“**Rundong Automobile**”) was filed with the Intermediate People’s Court of Xuzhou City, Jiangsu Province in the People’s Republic of China (the “**PRC**”) by a creditor on 20 August 2020. Rundong Automobile is a wholly-owned subsidiary of the Company which holds the majority of the operations/operational subsidiaries of the Company in the PRC.

The Bankruptcy and Restructuring Application was filed against on the ground that Rundong Automobile is unable to repay the relevant creditor an outstanding debt in the amount of RMB1,659,072.62 and accrued interest. The relevant creditor claimed that the above outstanding amount has been overdue for payment by Rundong Automobile since 19 July 2019.

The Company is seeking legal advice from its PRC legal advisor and will take practicable steps to it.

The Company will issue further announcement(s) as and when appropriate on any major developments in relation to the Bankruptcy and Restructuring Application.

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
China Rundong Auto Group Limited
Yang Peng
Chairman

Shanghai, the PRC, 24 August 2020

As at the date of this announcement, the executive director of the Company is Mr. Yang Peng; and the independent non-executive directors are Mr. Mei Jianping, Mr. Lee Conway Kong Wai, Mr. Xiao Zhengsan and Mr. Li Xin.