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CHINA EVERGRANDE NEW ENERGY VEHICLE GROUP LIMITED

中國恒大新能源汽車集團有限公司

(a company incorporated in Hong Kong with limited liability)

(Stock code: 708)

**PLACING OF EXISTING SHARES AND
TOP-UP SUBSCRIPTION OF
NEW SHARES UNDER THE GENERAL MANDATE**

Placing Agents



INTRODUCTION

The Company is pleased to announce that, on 15 September 2020, it has entered into top-up placing arrangements to introduce well-known international investors including Tencent Holdings Limited, Sequoia Capital, Yunfeng Fund and Didi Chuxing, raising approximately HK\$4 billion.

THE PLACING AGREEMENT

On 15 September 2020 (before trading hours), the Company, the Placing Shareholder and the Placing Agents entered into the Placing Agreement, pursuant to which the Placing Shareholder has conditionally agreed to appoint the Placing Agents, and each of the Placing Agents has conditionally agreed to, severally and not jointly and severally, act as agent of the Placing Shareholder to procure Placees to purchase the Placing Shares on the terms and subject to the conditions of the Placing Agreement.

On the same day (before trading hours), the Company and the Placing Shareholder entered into the Subscription Letter, pursuant to which the Placing Shareholder has conditionally agreed to subscribe for, and the Company has conditionally agreed to issue to the Placing Shareholder, the Subscription Shares (being equivalent to the number of Placing Shares sold by the Placing Shareholder pursuant to the Placing) at the Subscription Price (being the same as the Placing Price), in each case upon the terms and subject to the conditions of the Subscription Letter.

Each of the Placing and the Subscription is conditional on certain conditions set out below under the paragraph headed “Conditions of the Placing” and “Conditions of the Subscription” in this announcement respectively.

The Placing Agents shall place the Placing Shares to not less than six Placees, all of whom/which are independent professional, institutional and/or other individual investors. Immediately after completion of the Placing, it is expected that none of the Placees will become a substantial shareholder of the Company.

The number of the Subscription Shares represents: (a) approximately 2.04% of the total number of Shares in issue as at the date of this announcement; and (b) approximately 2.00% of the enlarged total number of Shares in issue upon completion of the Subscription (assuming there will be no change to the total number of Shares in issue from the date of this announcement to the date of completion of the Subscription other than the issue by the Company of the Subscription Shares).

GENERAL MANDATE TO ISSUE THE SUBSCRIPTION SHARES

The Subscription Shares will be allotted and issued under the General Mandate to allot, issue and deal 1,728,000,000 new Shares (i.e. up to 20% of the issued share capital of the Company as at the date of the AGM). As at the date of this announcement, the maximum number of new Shares that can be allotted and issued under the General Mandate is 1,728,000,000 new Shares. As at the date of this announcement, no portion of the General Mandate has been utilized, and the Company has not allotted and issued any Shares pursuant to the General mandate; and therefore the General Mandate is sufficient for the allotment and issue of the Subscription Shares.

The issue of the Subscription Shares is not subject to the approval by the Shareholders.

USE OF PROCEEDS

The gross proceeds and net proceeds (after deducting all costs and expenses incurred by the Placing Shareholder and to be reimbursed by the Company, and other expenses incurred by the Company) from the Placing and the Subscription are expected to be approximately HK\$3,999,537,000 and approximately HK\$3,984,941,340, respectively. It is intended that the net proceeds received by the Company from the Subscription will be utilized for general corporate purposes of the Group.

The completion of the Subscription is subject to satisfaction of the conditions precedent set out in the Placing Agreement. As the completion of the Placing and the Subscription may or may not take place, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares.

THE PLACING AGREEMENT

On 15 September 2020 (before trading hours), the Company, the Placing Shareholder and the Placing Agents entered into the Placing Agreement. The principal terms of the Placing Agreement are summarized as follows:

Date

15 September 2020 (before trading hours)

Parties

- (i) the Company;
- (ii) the Placing Shareholder; and
- (iii) the Placing Agents.

The Placing Shareholder

As at the date of this announcement, the Placing Shareholder holds an aggregate of 6,479,500,000 Shares, including the Placing Shares, representing approximately 74.99% of the total number of Shares in issue as at the date of this announcement.

The Placing Agents

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the Placing Agents and its respective ultimate beneficial owner(s) is: (a) independent of, and not connected with, the Placing Shareholder, the Company and their respective associates and connected persons; and (b) independent of, and not acting in concert with, the Placing Shareholder, their respective associates and persons acting in concert with the Placing Shareholder.

Details of the Placing and the Subscription are set out below.

THE PLACING

Number of Placing Shares

The Placing Shareholder has agreed to appoint the Placing Agents, and each of the Placing Agents has agreed to, severally and not jointly and severally, act as agent of the Placing Shareholder to procure Placees to purchase the Placing Shares on the terms and subject to the conditions of the Placing Agreement.

Each Placing Agent (being Haitong and Huatai) shall use its best effort to place the Placing Shares according to the equal allocation of 50% in the case of Haitong, and 50% in the case of Huatai.

The total number of the Placing Shares, being 176,580,000 Shares, represents: (a) approximately 2.04% of the total number of Shares in issue as at the date of this announcement; and (b) approximately 2.00% of the enlarged total number of Shares in issue upon the completion of the Subscription (assuming there will be no change to the total number of Shares in issue from the date of this announcement to the completion of the Subscription other than the issue by the Company of the Subscription Shares).

Placees

The Placing Agents shall place the Placing Shares to not less than six Placees, all of whom/which are independent professional, institutional and/or other individual investors. The Placees include, amongst others, entities of Tencent Holdings Limited, Sequoia Capital, Yunfeng Capital and Didi Chuxing. Immediately after completion of the Placing, it is expected that none of the Placees will become a substantial shareholder of the Company.

The Placing Agents will determine matters in relation to the Placing (other than the Placing Price) including the identity of the Placees and the number of any Placing Shares each Placee will acquire, provided that the Placing Agents will:

- (a) comply with the requirements of the Listing Rules and the Placing Agreement; and
- (b) use reasonable efforts to procure that the Placees are institutional or other professional investors who are (and whose ultimate beneficial owners are): (i) independent of and not acting in concert with the Placing Shareholder (or any person acting in concert with it) and (ii) independent of and not connected with, the Placing Shareholder, the Company, the Directors, substantial shareholders (as defined in the Listing Rules), and chief executive of each member within the Group and their respective associates.

Placing Price

The Placing Price represents:

- (a) a discount of approximately 19.96% to the closing price of HK\$28.30 per Share as quoted on the Stock Exchange on 14 September 2020, being the Last Trading Day; and
- (b) a discount of approximately 17.99% to the average closing price of HK\$27.62 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the Last Trading Day.

The Placing Price of HK\$22.65 per Placing Share was determined after arm's length negotiations between the Company, the Placing Shareholder and the Placing Agents with reference to the prevailing market price of the Shares on the Stock Exchange and the general market conditions. The Directors (including the independent non-executive Directors save for Mr. Chau Shing Yim David) consider that the Placing Price and the terms and conditions of the Placing Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Rights and Ranking of the Placing Shares

The Placing Shares will be sold free from all liens, charges and encumbrances and together with all rights attaching to them as at the date of the Placing Agreement, including the right to receive all dividends and other distributions declared, made or paid on or after the date of the Placing Agreement.

The Placing Shares will, when fully paid, rank *pari passu* in all respects with, all of the other Shares of the same class in issue or to be issued by the Company on or prior to the date of completion of the Placing.

Placing Period

Subject to the terms and conditions of the Placing Agreement, the Placing Agents will offer, as agent of the Placing Shareholder, the Placing Shares at the Placing Price (together with the applicable fees in relation thereto) during the Placing Period.

Conditions of the Placing

The obligation on the Placing Agents to proceed with the Placing Completion is conditional on, among others, (a) the Subscription Letter having been entered into by the Placing Shareholder and the Company; (b) the Placing Agents having received (i) certificate(s) confirming the accuracy of the representations and warranties given by the Placing Shareholder and the Company and performance of all necessary obligations under the Placing Agreement and (ii) customary legal opinion; and (c) the Placing Agents not having terminated the Placing Agreement. If any of the conditions set out above are not fulfilled, or not waived by the Placing Agents by Placing Completion, the Placing Agreement and the respective obligations of the Placing Agents, the Placing Shareholder and the Company thereunder will cease and terminate.

Completion of the Placing

The Placing Completion shall take place on the Placing Completion Date.

Lock-Up Undertakings

Pursuant to the Placing Agreement, the Placing Shareholder has undertaken to the Placing Agents that for a period commencing on the date of the Placing Agreement until the expiry of ninety (90) days from the completion of the Subscription, it will not and will procure that none of its Affiliates will (without the prior written approval of the Placing Agents or save as otherwise permitted in the Placing Agreement) (a) offer, lend, pledge, charge, issue, sell, mortgage, assign or grant or agree to grant any option, right or warrant to purchase or subscribe for, lend or otherwise transfer or dispose of, either directly or indirectly, conditionally or unconditionally, any of the share capital or other securities of the Company or any interest therein (including any securities that are convertible into or exchangeable for, or that represent the right to receive any such capital or securities or any interest therein); (b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such share capital or securities or any interest therein; (c) enter into any transaction with the same economic effect as any aforesaid transactions); or (d) agree, or contract to, or announce that the Company shall, undertake any aforesaid transaction). For the avoidance of doubt, the above undertaking does not restrict the Placing Shareholder or its Affiliates from purchasing any Shares.

Pursuant to the Placing Agreement, the Company has undertaken to the Placing Agents that for a period commencing on the date of the Placing Agreement until the expiry of ninety (90) days after the Placing Completion Date, except for the Subscription Shares and save (a) pursuant to (i) the exercise of conversion, exchange or subscription rights under the warrants, options, rights or securities of the Company which are in issue or outstanding as at the date of the Placing Agreement; (ii) any agreements or arrangements which are in existing as at the date of the Placing Agreement and which have been disclosed by way of a formal announcement uploaded on the official website of the Stock Exchange; or (b) for any securities or rights issued or granted to shareholders of the Company by way of bonus or under any scrip dividend or similar arrangement providing for the allotment of securities in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company at the time; and (c) for any option or share issued or granted to eligible participants in accordance with any share option scheme of the Group, the Company will not, and will procure that no member of the Group will, (without the prior written approval of the Placing Agents), (1) issue any Shares or issue or grant any options, warrants, rights or securities convertible into or exchangeable for Shares or carrying rights to subscribe for Shares or interest in Shares or (2) agree (conditionally or unconditionally) to enter into or effect any such transaction with the same economic effect as any of the transaction described in (1) above or announce any intention to enter into or effect any transaction described in (1) or (2) above, in each case at a price per Share which is less than the Placing Price.

Termination

The Placing Agents may terminate the Placing Agreement without liability to the other parties by giving notice in writing to the Placing Shareholder if at any time prior to 9:30 a.m. of the Placing Completion Date:

- (a) there develops, occurs or comes into force:
 - (i) any new law or regulation or any change in existing laws or regulations which in the reasonable opinion of the Placing Agents has or is likely to have a material adverse effect on the business or financial condition of the Company and/or of the Group; or
 - (ii) any significant change (whether or not permanent) in local, national or international economic, financial, political or military conditions which in the reasonable opinion of the Placing Agents is likely to prejudice the success of the Placing; or
 - (iii) any significant change (whether or not permanent) in local, national or international market conditions which in the reasonable opinion of the Placing Agents is likely to prejudice the success of the Placing; or
 - (iv) a general moratorium, restriction, disruption or suspension on trading in shares or securities generally on the Stock Exchange declared by a relevant authority at any time prior to Placing Completion which would in the opinion of the Placing Agents prejudice the success of the Placing; or
- (b) any breach in a material respect of any of the warranties comes to the knowledge of the Placing Agents or there has been a breach in a material respect by the Placing Shareholder or the Company of any other provision of the Placing Agreement or the terms of the Subscription Letter; or
- (c) there is any material adverse change in the business or in the financial or trading position of the Company or the Group which in the reasonable opinion of the Placing Agents is likely to prejudice the success of the Placing; or
- (d) any suspension of dealings in the Shares for a period of more than two trading days of the Stock Exchange (other than in connection with the Placing), or any cancellation of the listing of the Shares, on the Stock Exchange; or
- (e) any outbreak or escalation of hostilities or act of terrorism involving Hong Kong or the PRC or the declaration by Hong Kong or the PRC of a national emergency or war or other calamity or crisis which, in the aggregate opinion of the Placing Agents, is or would be materially adverse to the success of the Placing, or makes it impracticable to proceed therewith.

In the event that the Placing Agents terminate the Placing Agreement in accordance with its terms, all obligations of each of the parties under the Placing Agreement shall cease and determine and no party shall have any claim against any other party in respect of any matter arising out of or in connection

with the Placing Agreement, except for, amongst others: (a) any antecedent breach of any obligation under the Placing Agreement; and (b) liabilities in relation to the payment of fees, commission, expenses and indemnity pursuant to the terms of the Placing Agreement.

THE SUBSCRIPTION

On 15 September 2020 (before trading hours), the Company and the Placing Shareholder entered into the Subscription Letter, the principal terms of which are summarized as follows.

Subscription Shares

Under the Subscription Letter, the Placing Shareholder has agreed to subscribe for, and the Company has agreed to issue to the Placing Shareholder, the Subscription Shares (being equivalent to the number of Placing Shares sold by the Placing Shareholder pursuant to the Placing) at the Subscription Price (being the same as the Placing Price), in each case upon the terms and subject to the conditions of the Subscription Letter.

The number of the Subscription Shares represents:

- (a) approximately 2.04% of the total number of Shares in issue as at the date of this announcement; and
- (b) approximately 2.00% of the enlarged total number of Shares in issue upon completion of the Subscription (assuming there will be no change to the total number of Shares in issue from the date of this announcement to the date of completion of the Subscription other than the issue by the Company of the Subscription Shares).

Rights and Ranking of the Subscription Shares

The Subscription Shares shall, when fully paid, rank *pari passu* in all respects with the other Shares in issue or to be issued by the Company on or prior to the date of completion of the Subscription including the rights to all dividends and other distributions declared, made or paid at any time after the date of allotment.

General Mandate to Issue the Subscription Shares

The issue of the Subscription Shares is not subject to the approval by the Shareholders. The Subscription Shares will be allotted and issued under the General Mandate to allot, issue and deal 1,728,000,000 new Shares (i.e. up to 20% of the issued share capital of the Company as at the date of the AGM). As at the date of this announcement, the maximum number of new Shares that can be allotted and issued under the General Mandate is 1,728,000,000 new Shares. As at the date of this announcement, no portion of the General Mandate has been utilized, and the Company has not allotted and issued any Shares pursuant to the General mandate; and therefore the General Mandate is sufficient for the allotment and issue of the Subscription Shares.

The Subscription Price

The Subscription Price is the same as the Placing Price. The Subscription Price was determined after arm's length negotiations between the Company, the Placing Shareholder and the Placing Agents with reference to the prevailing market price of the Shares on the Stock Exchange and the general market conditions. The Directors (including the independent non-executive Directors save for Mr. Chau Shing Yim David) consider that the Placing Price and the terms and conditions of the Placing Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Conditions of the Subscription

Completion of the Subscription is conditional upon: (a) completion of the Placing; and (b) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, all the Subscription Shares. None of the above conditions are waivable by either the Company or the Placing Shareholder.

Application will be made by the Company to the Listing Committee for the listing of, and the permission to deal in, the Subscription Shares.

Completion of the Subscription

Completion of the Subscription shall take place at a time to be agreed between the Company and the Placing Shareholder (but within 48 hours following the receipt of confirmation of fulfilment of the conditions set out in the sub-section headed "*Conditions of the Subscription*" in this announcement) and in any event no later than 29 September 2020.

Under Rule 14A.92(4) of the Listing Rules, the Subscription must be completed no later than a date falling fourteen (14) days after the date of the Placing Agreement. If the Subscription is to be completed thereafter, it will constitute a connected transaction under the Listing Rules and require compliance with all the relevant requirements under Chapter 14A of the Listing Rules, including but not limited to the issue of a separate announcement and approval by the independent Shareholders (being Shareholders other than the Placing Shareholder, their respective ultimate beneficial owners and their respective associates).

REASONS FOR THE PLACING AND THE SUBSCRIPTION AND USE OF PROCEEDS

The gross proceeds and net proceeds (after deducting all costs and expenses incurred by the Placing Shareholder and to be reimbursed by the Company, and other expenses incurred by the Company) from the Placing and the Subscription are expected to be approximately HK\$3,999,537,000 and approximately HK\$3,984,941,340, respectively. The net Subscription Price, after deducting such fees, costs and expenses, will be approximately HK\$22.57 per Subscription Share. It is intended that the net proceeds received by the Company from the Subscription will be utilized for general corporate purposes of the Group.

The Directors have considered various options of raising funds. Having reviewed the terms and conditions to the Placing and the Subscription, the Board considers that it is in the interests of the Company to raise equity funding through the Placing and the Subscription so as to broaden its shareholder base, strengthen the capital base and enhance the financial position and net assets base of the Group for its long-term development and growth.

The Directors are of the view that the terms of the Placing Agreement and Subscription Letter are fair and reasonable, and consider that the Placing and the Subscription will strengthen the Group's financial position, widen the Company's Shareholder base and is in the interests of the Company and the Shareholders as a whole.

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fund raising activities in the past twelve (12) months immediately prior to the date of this announcement.

The Directors confirm that, immediately after completion of the Placing and the Subscription, the public float of the Company will be no less than 25% of the Company's issued share capital as enlarged by the Subscription (assuming there is no change in the issued share capital of the Company from the date of this announcement to the date of the Subscription save for the issue of the Subscription Shares).

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the Placing Shareholder holds an aggregate of 6,479,500,000 Shares, including the Placing Shares, representing approximately 74.99% of the total number of Shares in issue as at the date of this announcement. Upon the completion of the Placing, the Placing Shareholder will hold an aggregate of 6,302,920,000 Shares (representing approximately 72.95% of the total number of Shares in issue upon the completion of the Placing assuming there will be no change to the total number of Shares in issue from the date of this announcement to the completion of the Placing). Upon the completion of the Subscription, the Placing Shareholder will hold an aggregate of 6,479,500,000 Shares (representing approximately 73.50% of the enlarged total number of Shares in issue upon the completion of the Subscription assuming there will be no change to the total number of Shares in issue from the date of this announcement to the completion of the Subscription other than the issue by the Company of the Subscription Shares).

Assuming that the maximum number of the Placing Shares, being 176,580,000 Shares, are placed under the Placing Agreement and that there will be no change to the total number of Shares in issue from the date of this announcement to the date of completion of the Subscription other than the issue by the Company of the Subscription Shares, the shareholdings in the Company (a) as at the date of this announcement; (b) immediately after the completion of the Placing but before the completion of the Subscription; and (c) immediately after the completions of the Placing and the Subscription are and will be as follows:

	As at the date of this announcement		Immediately after the completion of the Placing but before the completion of the Subscription		Immediately after the completion of the Placing and the Subscription	
	<i>No. of Shares</i>	<i>Approximate %^{Note 1}</i>	<i>No. of Shares</i>	<i>Approximate %^{Note 1}</i>	<i>No. of Shares</i>	<i>Approximate %^{Note 1}</i>
The Placing Shareholder ^{Note 2}	6,479,500,000	74.99	6,302,920,000	72.95	6,479,500,000	73.50
Acelin Global Limited ^{Note 2}	50,000	0.00	50,000	0.00	50,000	0.00
Liu Yongzhuo, a Director	195,000	0.00	195,000	0.00	195,000	0.00
Public Shareholders						
The Placees	—	—	176,580,000	2.04	176,580,000	2.00
Other public Shareholders	<u>2,160,255,000</u>	<u>25.01</u>	<u>2,160,255,000</u>	<u>25.01</u>	<u>2,160,255,000</u>	<u>24.50</u>
Total	<u><u>8,640,000,000</u></u>	<u><u>100.00</u></u>	<u><u>8,640,000,000</u></u>	<u><u>100.00</u></u>	<u><u>8,816,580,000</u></u>	<u><u>100.00</u></u>

Notes:

1. The percentage figures have been rounded up to the nearest second decimal place to achieve a total of 100%.
2. As at the date of this announcement, China Evergrande Group, whose shares are listed on the Main Board of the Stock Exchange of Hong Kong Limited (stock code: 3333), indirectly through its wholly-owned subsidiaries held an aggregate of 6,479,550,000 Shares, which comprised of (i) 6,479,500,000 Shares held by the Placing Shareholder and (ii) 50,000 Shares held by Acelin Global Limited.

INFORMATION ON THE COMPANY, THE GROUP AND THE PLACING SHAREHOLDER

The Company and the Group

The Company is a company incorporated in Hong Kong with limited liability. The Group is principally engaged in technology research and development, production and sales of new energy vehicles, as well as health management businesses such as the “Internet+” community health management, international hospitals, and elderly care and rehabilitation.

As Mr. Chau Shing Yim, David, an independent non-executive Director of the Company, is also an independent non-executive director of China Evergrande Group, the Company considers that Mr. Chau Shing Yim, David is deemed to have material interests in the Placing Agreement and the transactions contemplated thereunder (including the Placing and the Subscription). Therefore, Mr. Chau Shing Yim, David has abstained from voting on the relevant resolutions of the Board. Save as disclosed above,

none of the other Directors have material interests in the Placing Agreement and the transactions contemplated thereunder (including the Placing and the Subscription), nor has any other Director abstained from voting on the relevant resolutions of the Board.

The Placing Shareholder

The Placing Shareholder is a company incorporated in British Virgin Islands with limited liability and the controlling shareholder of the Company, which directly holds 6,479,500,000 Shares, representing approximately 74.99% of the issued Shares as at the date of this announcement.

The completion of the Subscription is subject to satisfaction of the conditions precedent set out in the Placing Agreement. As the completion of the Placing and the Subscription may or may not take place, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares.

TERMS AND DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions shall have the following meanings:

“acting in concert”	has the meaning ascribed to it under the Takeovers Code;
“Affiliate”	of a person means any other person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, such person where the term “ control ” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise;
“AGM”	the annual general meeting of the Company held on 26 June 2020;
“associate”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of directors of the Company;
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited;
“China Evergrande Group”	China Evergrande Group, a company incorporated in the Cayman Islands with limited liability and the controlling shareholder of the Company, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 3333);

“Company”	China Evergrande New Energy Vehicle Group Limited (formerly known as Evergrande Health Industry Group Limited), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange (stock code: 708);
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“General Mandate”	the general mandate granted by the Shareholders to the Board at the AGM to allot, issue or otherwise deal with new Shares not exceeding 20% of the number of Shares in issue as at the date of passing the relevant resolution;
“Haitong”	Haitong International Securities Company Limited, a registered institution under the SFO to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO;
“Hong Kong”	Hong Kong Special Administrative Special Region of the People’s Republic of China;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Huatai”	Huatai Financial Holdings (Hong Kong) Limited, a registered institution under the SFO to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 6 (advising on corporate finance), and Type 9 (asset management) regulated activities under the SFO;
“Last Trading Date”	14 September 2020, being the last trading day prior to the signing of the Placing Agreement;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Placee(s)”	any professional, institutional and other individual investor(s) whom any Placing Agent has procured to purchase any of the Placing Shares pursuant to its obligations under the Placing Agreement;

“Placing”	the placing to the Places procured by the Placing Agent of the Placing Shares on the terms and subject to the conditions set out in the Placing Agreement;
“Placing Agents”	Haitong and Huatai, each acting as a placing agent for the Placing under the Placing Agreement and a third party independent of and not connected with the Company and its connected persons;
“Placing Agreement”	the placing agreement dated 15 September 2020 entered into between the Company, the Placing Shareholder and the Placing Agents in respect of the Placing and the Subscription;
“Placing Completion”	the completion of the Placing;
“Placing Completion Date”	17 September 2020 or such other time and/or date as the Placing Agents and the Placing Shareholder will agree on which Placing Completion will take place;
“Placing Period”	the period from the execution of the Placing Agreement up to the Placing Completion Date, unless terminated earlier pursuant to the terms of the Placing Agreement;
“Placing Price”	HK\$22.65 per Placing Share, as determined in accordance with the terms of the Placing Agreement;
“Placing Shareholder”	Evergrande Health Industry Holdings Limited, the controlling shareholder of the Company, which directly holds 6,479,500,000 Shares, representing approximately 74.99% of the issued Shares as at the date of this announcement;
“Placing Shares”	176,580,000 Shares beneficially owned by the Placing Shareholder and to be placed pursuant to the Placing Agreement;
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) for the time being in force;
“Share(s)”	the ordinary share(s) of the Company;
“Shareholder(s)”	the shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“Subscription”	the subscription of the Subscription Shares by the Placing Shareholder at the Subscription Price on the terms and subject to the conditions of the Subscription Letter;
“Subscription Letter”	the subscription letter dated 15 September 2020 entered into between the Company and the Placing Shareholder, pursuant to which and conditional upon completion of the Placing and satisfaction of the other conditions set out in therein, the Placing Shareholder will subscribe for 176,580,000 new Shares on the terms set out in therein;
“Subscription Price”	the price per Subscription Share payable by the Placing Shareholder, which price shall be the same as the Placing Price (being HK\$22.65 per Subscription Share);
“Subscription Shares”	up to 176,580,000 new Shares to be issued to the Placing Shareholder (equivalent to the number of the Placing Shares actually sold by the Placing Shareholder under the Placing) by the Company under the Subscription;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers for the time being in force; and
“%”	per cent.

By Order of the Board
China Evergrande New Energy Vehicle Group Limited
Shi Shouming
Chairman

Hong Kong, 15 September 2020

As at the date of this announcement, the executive Directors of the Company are Mr. SHI Shouming, Mr. LIU Yongzhuo and Mr. QIN Liyong; and the independent non-executive Directors of the Company are Mr. CHAU Shing Yim David, Mr. GUO Jianwen and Mr. XIE Wu.