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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)

INSIDE INFORMATION
UPDATES ON PROCEEDINGS AND
RECOGNITION OF THE NEW JOINT AND SEVERAL
PROVISIONAL LIQUIDATORS IN HONG KONG

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 31 October 2019, 1 November 2019, 13 November 2019, 17 February 2020, 4 March 2020, 9 March 2020, 10 March 2020, 12 March 2020, 13 March 2020, 19 March 2020, 20 March 2020, 19 June 2020, 6 July 2020, 21 September 2020 and 7 October 2020; and (ii) the joint announcements of the Company and FDG Kinetic Limited (Receivers and Managers Appointed) dated 17 April 2020, 24 April 2020, 14 May 2020, 31 May 2020, 18 June 2020, 27 July 2020 and 11 August 2020 (the “**Announcements**”). Unless otherwise defined, terms used herein shall have the same meanings as defined in the Announcements.

DISCONTINUANCE OF ACTION AGAINST DIRECTORS

With reference to the announcement dated 19 June 2020, the Company and one of its subsidiaries had on 19 June 2020 filed a writ of summons with the High Court of Hong Kong (“**Hong Kong Court**”) (HCA 1021/2020) against Mr. Cao Zong (“**Mr. Cao**”), Mr. Miao Zhenguo and Mr. Xu Weidong. Upon seeking legal advice, the Company and its subsidiary filed a notice of discontinuance with the Hong Kong Court on 5 October 2020 to discontinue the action.

UPDATE ON PROCEEDINGS IN RELATION TO THE SHANXI PLACING

With reference to the announcements dated 10 March 2020 and 13 March 2020, the then board of directors of the Company had filed a writ of summons against, among others, Mr. Cao, Jingang Group Investment Limited (“**Jingang**”) and Mr. Zhao Jinhong (“**Mr. Zhao**”) (the sole shareholder and director of Jingang at the time of the issuance of the writ of summons) with the Hong Kong Court (HCA 276/2020) on 11 March 2020 in relation to the Shanxi Placing. On 9 July 2020, Mr. Cao filed his defence and counterclaim against the Company, whereas Mr. Zhao filed his defence and Jingang filed its defence and counterclaim on 5 August 2020. Upon seeking legal advice, (i) the Company entered into a consent summons with Jingang and Mr. Zhao on 26 November 2020 for an order, *inter alia*, that the Company’s claims against Jingang and Mr. Zhao, and Jingang’s counterclaim against the Company be withdrawn. The Hong Kong Court granted an order in terms of the said consent summons on 2 December 2020; and (ii) the Company entered into a consent summons with Mr. Cao on 1 December 2020 for an order, *inter alia*, that the Company’s claim against Mr. Cao, and Mr. Cao’s counterclaim against the Company be withdrawn. The Hong Kong Court granted an order in terms of the said consent summons on 2 December 2020.

UPDATE ON PROCEEDINGS INITIATED BY VMS INVESTMENT GROUP LIMITED (“VMS”)

VMS filed a Writ of Summons indorsed with a Statement of Claim with the Hong Kong Court (HCA 369/2020) on 19 March 2020 against the Company for repayment of a principal sum of HK\$30,000,000.00 and the interest accrued thereon pursuant to an agreement entered and/or a promissory note made in March 2018. Upon seeking legal advice, the Company entered into a consent summons with VMS on 3 September 2020 for an order, *inter alia*, that a judgment be entered against the Company for the said sum, and that the judgment shall not be enforced or otherwise executed without further leave from the Hong Kong Court and notice given to the Company. The Hong Kong Court granted an order in terms of the said consent summons on 22 September 2020 and the judgment was entered on the same date.

UPDATE ON PROCEEDINGS INITIATED BY JINGANG

With reference to the announcement dated 6 July 2020, the Company was served with the Writ of Summons indorsed with a Statement of Claim filed with the Hong Kong Court (HCA 562/2020) by Jingang against, among others, the former directors of the Company, Fortune Team, the Company and FDG Strategic. Pursuant to the two orders of the Hong Kong Court both dated 23 October 2020, the Statement of Claim (as amended) against the former directors of the Company and Fortune Team was ordered to be struck out on the basis that Jingang had no *locus standi* to bring or continue the proceedings and that the claims against the former directors of the Company and Fortune Team be dismissed.

On 10 November 2020, the Company received a notice of appeal to judge in chambers filed by Jingang to the Hong Kong Court dated 4 November 2020, pursuant to which Jingang sought to, *inter alia*, appeal against the orders dated 23 October 2020 to strike out the Statement of Claim (as amended) on the basis that the strike-out was resulted from a mistaken concession at the hearing held on 23 October 2020. The appeal has been scheduled to be heard on 8 April 2021.

Further announcement will be made by the Company to update shareholders and potential investors of the Company on the status of the proceedings.

RECOGNITION OF THE NEW JOINT AND SEVERAL PROVISIONAL LIQUIDATORS IN HONG KONG

It was announced in the announcement dated 21 September 2020 that the Letter of Request was issued by the Bermuda Court to the Hong Kong Court on 17 September 2020 (Bermuda time) to recognise the new JSPLs in Hong Kong. The relevant hearing was heard on 3 November 2020 and pursuant to the direction of the Judge in the hearing, a revised draft order for the recognition of the New JSPLs in Hong Kong was filed with the Hong Kong Court on 4 November 2020.

On 5 November 2020, the Judge made an order (the “**Recognition Order**”), *inter alia*, that the appointment of the New JSPLs be recognised by the Hong Kong Court and the New JSPLs do have and may exercise in Hong Kong the powers set out in the Recognition Order.

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, 15 December 2020

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.

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