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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)

RECEIPT OF LETTER OF DEMANDS FROM RELEVANT LOCAL ADMINISTRATIVE AUTHORITIES AND CONTINUED SUSPENSION OF TRADING

This announcement is made by China Evergrande New Energy Vehicle Group Limited (the “**Company**”) pursuant to Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”).

RECEIPT OF LETTER OF DEMANDS FROM RELEVANT LOCAL ADMINISTRATIVE AUTHORITIES

The Company hereby announces that Evergrande New Energy Automotive Investment Holdings Group Co. Ltd (“**Evergrande Automotive Holdings**” together with other subsidiaries of the Company, the “**Relevant Subsidiaries**”), a subsidiary of the Company, has received a letter (the “**Letter**”) issued by relevant local administrative authorities, the main contents of which are as follows:

I. Main contents of the Letter

The Relevant Subsidiaries have entered into a series of investment cooperation agreements (collectively, the “**Relevant Agreements**”) with relevant local administrative authorities since 29 April 2019.

Demands of the Letter

As the Company has failed to perform its contractual obligations in accordance with the relevant terms of the Relevant Agreements, the relevant local administrative authorities proposes to, in accordance with the provisions of the Civil Code of the People’s Republic of China and other PRC laws and regulations, demand that the Relevant Subsidiaries (1) terminate the Relevant

Agreements; (2) return the relevant local administrative authorities the incentives and subsidies granted in the aggregate amount of approximately RMB1.9 billion, with the Relevant Subsidiaries jointly and severally liable for the same (the “**Demands of the Letter**”).

Currently, the Relevant Subsidiaries intend to coordinate with the relevant local administrative authorities by letters.

II. Impact on the Company

The above Demands of the Letter, if ultimately implemented, could have a material adverse impact on the financial position and operations of the Company or each of the Relevant Subsidiaries.

The Company will perform its disclosure obligations in accordance with the Listing Rules in due course and request the Relevant Subsidiaries to actively communicate and appropriately deal with the matter in accordance with the guidelines in the Letter.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 10:56 a.m. on 17 May 2024, pending the release of inside information related to the Company. Trading in the shares of the Company will remain suspended until further notice.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

By Order of the Board
China Evergrande New Energy Vehicle Group Limited
SIU Shawn
Chairman

Hong Kong, 22 May 2024

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