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)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

ANNUAL RESULTS

The Board (the "**Board**") of directors (the "**Directors**") of China Evergrande New Energy Vehicle Group Limited is pleased to present the audited annual results of the Company and its subsidiaries for the year ended 31 December 2025 (the "**Reporting Period**") together with the comparative figures stated in this announcement for reference.

FINANCIAL HIGHLIGHTS

1. As at 31 December 2025, the Group had total assets of approximately RMB205 million and total liabilities of approximately RMB32,918 million, of which borrowings comprised approximately RMB16,838 million and trade and other payables comprised approximately RMB16,080 million.

2. During the Reporting Period, the Group reported a revenue of approximately RMB13 million and a gross profit of approximately RMB4 million, a net loss of approximately RMB891 million, as compared to a net profit of approximately RMB6,267 million in the previous year.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Notes	**31 December 2025** ***RMB'000***	31 December 2024 *RMB'000*
Revenue	3	**13,011**	53,308
Cost of sales		**(9,472)**	(46,934)
Gross profit		**3,539**	6,374
Other income, net		**–**	11,375
Other gains/(losses), net		**231,206**	(899,134)
Selling and marketing costs		**(56)**	(42,198)
Administrative expenses		**(72,816)**	(783,915)
Net impairment losses on financial assets		**–**	(1,306,139)
Gain on disposal of subsidiaries		**–**	11,497,542
Net impairment losses on property, plant and equipment, intangible assets and right-of-use assets		**(35,852)**	(747,235)
Operating profit		**126,021**	7,736,670
Finance income		**–**	1,868
Finance costs		**(1,017,104)**	(1,476,993)
Finance costs, net		**(1,017,104)**	(1,475,125)
Fair value (losses)/gains on financial assets at fair value through profit or loss		**(60)**	5,525
(Loss)/profit before income tax		**(891,143)**	6,267,070
Income tax expense	4	**–**	(78)
(Loss)/profit for the year		**(891,143)**	6,266,992

	Notes	**31 December 2025 RMB'000**	31 December 2024 RMB'000
Other comprehensive income/(loss):			
Items that may be reclassified to profit and loss:			
Currency translation differences		**370,394**	(321,242)
		370,394	(321,242)
Total comprehensive (loss)/income for the year		**(520,749)**	5,945,750
(Loss)/profit for the year attributable to:			
– Owners of the Company		**(891,143)**	6,268,646
– Non-controlling interests		**–**	(1,654)
		(891,143)	6,266,992
Total comprehensive (loss)/income attributable to:			
– Owners of the Company		**(520,749)**	5,947,404
– Non-controlling interests		**–**	(1,654)
		(520,749)	5,945,750
(Loss)/earnings per share			
(expressed in RMB cents per share)			
– Basic (loss)/earnings per share	5	**(8.218)**	57.809
– Diluted (loss)/earnings per share	5	**(8.218)**	57.809

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Note	**31 December 2025** ***RMB'000***	31 December 2024 *RMB'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**2**	6
Right-of-use assets		**–**	–
Intangible assets		**204,424**	276,505
Prepayments		**–**	–
Investments accounted for using the equity method		**–**	–
Financial assets at fair value through profit or loss		**–**	–
Deferred tax assets		**–**	–
		204,426	276,511
Current assets			
Trade and other receivables and prepaid taxes	6	**1**	5
Prepayments		**–**	9
Properties under development		**–**	–
Inventories		**–**	–
Financial assets at fair value through profit or loss		**6**	66
Restricted cash		**–**	–
Cash and cash equivalents		**205**	804
Total current assets		**212**	884
Total assets		**204,638**	277,395

	Note	**31 December 2025** *RMB'000*	31 December 2024 *RMB'000*
EQUITY			
Equity attributable to owners of the Company			
Share capital and share premium		**28,124,101**	28,124,101
Reserves		**44,625,484**	44,248,231
Accumulated losses		**(105,463,027)**	(104,571,884)
		(32,713,442)	(32,199,552)
Non-controlling interests		**–**	–
Total deficit		**(32,713,442)**	(32,199,552)
LIABILITIES			
Current liabilities			
Contract liabilities		**–**	–
Lease liabilities		**–**	–
Trade and other payables	7	**16,080,230**	15,245,478
Borrowings		**16,837,850**	17,231,469
Current tax liabilities		**–**	–
Total liabilities		**32,918,080**	32,476,947
Total deficit and liabilities		**204,638**	277,395

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

China Evergrande New Energy Vehicle Group Limited (the "**Company**") is a public limited company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). Its parent company is China Evergrande Group (In Liquidation), an exempted company incorporated in the Cayman Islands with limited liability, whose shares were delisted from the Stock Exchange on 24 August 2025. Its ultimate parent company is Xin Xin (BVI) Limited, a company incorporated in the British Virgin Islands. The address of the registered office and principal place of business of the Company is Room 2202, 22/F, YF Life Centre, 38 Gloucester Road, Wan Chai, Hong Kong.

The principal activities of the Company and its subsidiaries (together, the "**Group**") are technology research and development, and production and sales of new energy vehicles in the People's Republic of China (the "**PRC**") and in other countries (collectively, the "**New Energy Vehicle Segment**"), as well as sales of property and property development in the PRC (collectively, the "**Property Development Segment**").

These consolidated financial statements are presented in thousands of Renminbi ("**RMB**"), unless otherwise stated.

The Company will deliver the consolidated financial statements for the year ended 31 December 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622).

The Company's auditor reported on these financial statements. In the auditor's report, the independent auditor expressed an unmodified opinion. The auditor's report emphasised the material uncertainty relating to a going concern, without qualifying its opinion. The auditor's report did not contain a statement made under sections 406(2), 407(2) or (3) of the Companies Ordinance.

2 BASIS OF PREPARATION

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(i) Compliance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and Hong Kong Companies Ordinance (Cap. 622) ("HKCO")

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") and by the Hong Kong Companies Ordinance.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for certain investment properties and financial assets at fair value through profit or loss which are measured at fair value, at the end of each reporting period, as explained in the accounting policies set out below.

(iii) Liquidity and going concern

The Group incurred a loss of approximately RMB891 million for the year ended 31 December 2025 (2024: profit of approximately RMB6,267 million). As at 31 December 2025, the accumulated losses and the shareholders' deficit of the Group amounted to approximately RMB105,463 million (2024: approximately RMB104,572 million) and approximately RMB32,713 million (2024: approximately RMB32,200 million), respectively. Cash and cash equivalents as at 31 December 2025 were RMB0.2 million (2024: approximately RMB0.8 million). As at 31 December 2025, the Group's borrowings amounted to approximately RMB16,838 million and its trade and other payables amounted to approximately RMB16,080 million, substantially all of which were owed to China Evergrande Group (In Liquidation), its subsidiaries and other related parties of the Company.

The above matters indicated that the Group will need to secure a substantial amount of funds in the foreseeable future to finance these financial obligations and its operating expenses under various contractual and other arrangements.

Should the Group be unable to continue as a going concern, adjustments would have to be made to write-down the value of assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities respectively. The effect to these adjustments has not been reflected in the consolidated financial statements.

The above conditions indicate the existence of material uncertainties which may cast significant doubt about the Group's ability to continue as a going concern. In view of such circumstances, the Directors have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. Certain plans and measures have been taken to mitigate the liquidity pressure and to improve the Group's financial position which include, but are not limited to, the following:

(i) The Group has completed its exit from vehicle manufacturing and has implemented a strategic transformation towards an asset-light business model built upon its retained proprietary technologies relating to electric vehicle batteries and vehicle manufacturing. The Group continues to take active plans and measures to control operation and administrative costs through various channels, including but not limited to optimisation and adjustment of its organisation and human resources and containment of operating expenses. At the same time, the Group is developing new business activities leveraging its retained technological strengths to rebuild its revenue base, primarily comprising the development of a lithium-ion battery trading business (the "**Battery Trading Business**"), with trial orders expected to commence in the fourth quarter of 2026 (the "**Business and Operation Restructuring Plan**"); and

(ii) The Company has been in discussion with an independent investor which has indicated its willingness to provide financing to the Group to maintain its basic operations and minimum working capital requirements, including the payment of professional and intermediary fees and the expenses of maintaining the listing status of the Company. In addition, the Company is in discussion with the joint and several liquidators of China Evergrande Group (In Liquidation), the parent and the largest creditor of the Company, in relation to a holistic restructuring of the Group's indebtedness, substantially all of which is owed to China Evergrande Group (In Liquidation), its subsidiaries and other related parties of the Company. As at the date of this announcement, the Company has not received any demand for immediate repayment of such indebtedness, and China Evergrande Group (In Liquidation) (acting by its joint and several liquidators) has indicated that it currently has no intention to commence winding-up proceedings against the Company (the "**Financing Plan**").

The Directors have reviewed the Group's cash flow projections prepared by the management of the Company. The cash flow projections cover a period of not less than twelve months from 31 December 2025. They are of the opinion that, taking into account the abovementioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 December 2025. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the management of the Company will be able to realise its plans and measures described above. Whether the Group will be able to continue as a going concern would depend on the Group's ability to generate adequate financing and operating cash flows through the following:

(i) Successful implementation of the Business and Operation Restructuring Plan, including the continued growth of the Technical Services Business and the successful launch and ramp-up of the Battery Trading Business;

(ii) Successful finalisation of the financing arrangements with the investor and the drawdown of funds thereunder, and the reaching of a holistic restructuring of the Group's indebtedness with China Evergrande Group (In Liquidation) and its related parties; and

(iii) Successful generation of operating cash flows from the Technical Services Business and the Battery Trading Business and access to additional sources of financing to finance the settlement of its existing financial obligations, commitments and future operating expenditure, as well as to maintain sufficient cash flows for the Group's operations.

Should the Group fail to achieve the abovementioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

(iv) New and amended standards adopted by the Group

The Group has applied for the first time the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability

The application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not applied early the following new amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

New amendments to HKFRS Accounting Standards	Effective date
Amendments to HKFRS 9 and HKFRS 7 – Classification and Measurement of Financial Instruments	1 January 2026[1]
Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026[1]
Amendments to HKFRS 9 and HKFRS 7 – Contracts Referencing Nature-dependent Electricity	1 January 2026[1]
HKFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027[2]
HKFRS 19 and its amendments – Subsidiaries without Public Accountability: Disclosures	1 January 2027[2]
Amendments to HKAS 21 – Translation to a Hyperinflationary Presentation Currency	1 January 2027[2]
Amendments to Hong Kong Interpretation 5 – Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027[2]
Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined[4]
HKFRS 20 – Regulatory Assets and Regulatory Liabilities	1 January 2029[3]

1 Effective for annual periods beginning on or after 1 January 2026.
2 Effective for annual periods beginning on or after 1 January 2027.
3 Effective for annual periods beginning on or after 1 January 2029.
4 No mandatory effective date yet determined but available for adoption.

Except as described below, the new amendments to HKFRS Accounting Standards are unlikely to have a significant impact on the consolidated financial statements.

HKFRS 18 – Presentation and Disclosure in Financial Statements

HKFRS 18 will replace HKAS 1 "Presentation of Financial Statements", introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, HKFRS 18 introduces significant changes to the presentation of financial statements, with a focus on information about financial performance present in the statement of profit or loss, which will affect how the Group presents and discloses financial performance in the financial statements. The key changes introduced in HKFRS 18 relate to (i) the structure of the statement of profit or loss, (ii) required disclosures for management-defined performance measures (which are referred to alternative or non-GAAP performance measures), and (iii) enhanced requirements for aggregation and disaggregation of information.

The directors of the Company are currently assessing the impact of applying HKFRS 18 on the presentation and the disclosures of the consolidated financial statements.

The Group has already commenced an assessment of the impact of the new amendments to HKFRS Accounting Standards, some of which are relevant to the Group's operations. According to the preliminary assessment made by the Group, the Group does not expect the new amendments to HKFRS Accounting Standards to have a significant impact on the financial performance and position of the Group when they become effective.

3 REVENUE

Revenue represents the net amounts received and receivable from customers during the year. An analysis of the Group's revenue by type for the year is as follows:

	2025	2024
	RMB'000	*RMB'000*
New Energy Vehicle		
Provision of technical services (ii)	**12,869**	25,366
Sales of vehicles and vehicle components (i)	**–**	5,540
Other	**142**	120
	13,011	31,026
Property Development		
Sales of property (i)	**–**	22,282
	13,011	53,308

(i) Revenue generated from the sales of vehicles and vehicle components and sales of property is recognised at the point in time when the property is deemed to be accepted by the customer under a sale contract with a certificate of completion of construction or when the property inventory has been delivered to property owners for use.

(ii) Revenue generated from the provision of technical services are recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation.

4 INCOME TAX EXPENSE

The amount of income tax expense charged to the consolidated statements of profit or loss and other comprehensive income represents:

	2025	2024
	RMB'000	*RMB'000*
Current income tax:		
PRC corporate income tax	**–**	–
Deferred income tax:		
PRC corporate income tax	**–**	78
	–	78

5 (LOSS)/EARNINGS PER SHARE

(a) Basic

Basic (loss)/earnings per share are calculated by dividing the (loss)/profit attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the year.

	2025	2024
(Loss)/profit attributable to shareholders of the Company *(RMB'000)*	**(891,143)**	6,268,646
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share *(in thousands)*	**10,843,793**	10,843,793
Basic (loss)/earnings per share *(RMB cents per share)*	**(8.218)**	57.809

(b) Diluted

The share options granted by the Company have potential dilutive effect on the (loss)/earnings per share. Diluted (loss)/earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue less shares held for the share option scheme outstanding by the assumption of the conversion of all potential dilutive ordinary shares arising from share options granted by the Company (collectively forming the denominator for computing the diluted (loss)/earnings per share). No adjustment is made to (loss)/earnings (numerator).

	2025	2024
(Loss)/profit attributable to shareholders of the Company *(RMB'000)*	**(891,143)**	6,268,646
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share *(in thousands)*	**10,843,793**	10,843,793
Adjustments for share options	**–**	–
Weighted average number of ordinary shares for diluted (loss)/earnings per share *(in thousands)*	**10,843,793**	10,843,793
Diluted (loss)/earnings per share *(RMB cents per share)*	**(8.218)**	57.809

6 TRADE RECEIVABLES

Trade receivables mainly arose from the sales of vehicles and vehicle components. Proceeds in respect of sales of vehicles and vehicle components are to be received in accordance with the terms of the related sales and purchase agreements. The ageing analysis of trade receivables based on the revenue recognition date as at the respective statement of financial position dates is as follows:

	31 December 2025 *RMB'000*	31 December 2024 *RMB'000*
Within 90 days	**–**	–
91 days and within 180 days	**1**	–
181 days and within 365 days	**–**	–
Over 365 days	**–**	–
	1	–

7 TRADE AND NOTES PAYABLES

The Group normally receives credit terms of 60 days to 90 days from its suppliers. The following is an ageing analysis of trade payables based on the invoice date at the statement of financial position date:

	31 December 2025 *RMB'000*	31 December 2024 *RMB'000*
0–90 days	**–**	–
91–180 days	**3,223**	–
Over 180 days	**34,179**	34,179
	37,402	34,179

EXTRACT OF INDEPENDENT AUDITOR'S REPORT

The following is the extract of the independent auditor's report from the external auditor of the Company:

Material uncertainties relating to going concern

As described in note 2 to the consolidated financial statements, the Group incurred a net loss of approximately RMB891 million for the year ended 31 December 2025 and had net current liabilities of RMB32,918 million as at 31 December 2025. The Group's cash and cash equivalents amounted to RMB0.2 million only. These conditions, along with other matters as described in note 2 to the consolidated financial statements, indicate the existence of material uncertainties which may cast significant doubt about the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The directors have taken measures to improve the Group's liquidity and financial position as described in note 2 to the consolidated financial statements. The directors of the Company have considered the measures being taken by the Group, and are of the opinion that the Group would be able to continue on a going concern basis. The consolidated financial statements do not include any adjustments that would result from a failure of achieving the measures. We consider appropriate disclosures have been made in this respect. Our opinion is not modified in respect of this matter.

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

China Evergrande New Energy Vehicle Group Limited (the "**Company**") and its subsidiaries (the "**Group**") were historically principally engaged in the technology research and development ("**R&D**") and manufacturing of, and sales services in respect of, new energy vehicles under the model series name "Hengchi". During the year ended 31 December 2025 (the "**Reporting Period**"), the Group's vehicle manufacturing operations remained suspended throughout the year, and the Group's exit from vehicle manufacturing was substantively completed: further PRC subsidiaries of the Company entered into bankruptcy liquidation or reorganisation proceedings, including the Tianjin subsidiary (the registered owner of the Tianjin manufacturing base), which was accepted into bankruptcy liquidation proceedings by the relevant PRC court in November 2025.

During the Reporting Period, the Group's revenue was principally derived from the provision of technical services to customers in Europe through National Electric Vehicle Sweden AB ("**NEVS**"), an indirect wholly-owned subsidiary of the Company incorporated in Sweden (the "**Technical Services Business**"). The Group also continued to prepare for the launch of a lithium-ion battery trading business (the "**Battery Trading Business**"). As at the date of this announcement, the Group no longer carries on any vehicle manufacturing operations, all of the Group's production facilities in the PRC have been or are being disposed of through disposal or insolvency proceedings of the relevant PRC subsidiaries, and the Group's principal operating activities are conducted through its Hong Kong headquarters and NEVS under an asset-light business model.

As at 31 December 2025, the Group's intangible assets, comprising principally proprietary technologies relating to electric vehicle batteries and vehicle manufacturing accumulated through years of R&D, had a carrying amount of approximately RMB204.4 million as at 31 December 2025, and underpin the Technical Services Business and the Group's cooperation arrangements with its business partners.

Financial Review

I. Liabilities

The total liabilities as at 31 December 2025 were RMB32,918.08 million. Among which:

1. Borrowings

As at 31 December 2025, the Group's borrowings amounted to RMB16,837.85 million, representing a decrease of RMB393.62 million compared to RMB17,231.47 million as at 31 December 2024. As at 31 December 2025, the average annual interest rate of the borrowings was 5.90% (31 December 2024: 5.90%).

2. Trade and Other Payables

As at 31 December 2025, the Group's trade and other payables amounted to RMB16,080.23 million, representing an increase of RMB834.75 million compared to RMB15,245.48 million as at 31 December 2024.

3. Other Liabilities

As at 31 December 2025, the Group's other liabilities amounted to nil.

Substantially all of the Group's borrowings and a substantial portion of the Group's trade and other payables are owed to China Evergrande Group (In Liquidation), its subsidiaries and other related parties of the Company, the claims of which are under the control of the joint and several liquidators of China Evergrande Group (In Liquidation) (the "**Liquidators**"). The Company is in discussion with the Liquidators and the relevant creditors in relation to a holistic restructuring of such indebtedness. As at the date of this announcement, the Company has not received any demand for immediate repayment of such indebtedness, and the Company has not received any winding-up petition.

II. Loss during the Reporting Period

(I) Losses during the Reporting Period

1. Revenue

During the Reporting Period, the Group had a turnover of RMB13.01 million, representing a decrease of 75.59% as compared to the turnover of RMB53.31 million in the year ended 31 December 2024. Such decrease in revenue was mainly due to a decrease in the provision of technical services from RMB25.37 million in 2024 to RMB12.87 million during the Reporting Period, and there being no sales of property during the Reporting Period (2024: RMB22.28 million) following the cessation of the Group's property development activities. The Technical Services Business, which serves customers in Europe, was the Group's principal and recurring revenue stream during the Reporting Period.

2. Gross profit

During the Reporting Period, the Group's gross profit was RMB3.54 million, representing a decrease of 44.48% as compared to a gross profit of RMB6.37 million for the year ended 31 December 2024, which was in line with the decrease in revenue.

3. Other income, net

Other income during the Reporting Period was nil.

4. Other gains, net

Other gains, net, during the Reporting Period were RMB231.21 million arising from exchange gains.

5. Selling and marketing expenses

Selling and marketing expenses of the Group decreased by 99.87% from RMB42.20 million in the year ended 31 December 2024 to RMB0.06 million during the Reporting Period, mainly due to the cessation of sales promotion and branding activities for the vehicle business.

6. Administrative expenses

Administrative expenses of the Group decreased by 90.71% from RMB783.92 million in the year ended 31 December 2024 to RMB72.82 million during the Reporting Period, mainly due to the reduction of employees, pay cuts made to some of the existing employees and a decrease in R&D expenses following the cessation of vehicle manufacturing operations, partially offset by the administrative expenses of the Group's Hong Kong headquarters and NEVS for the operation of the Technical Services Business and the preparation for the launch of the Battery Trading Business.

7. Net impairment losses on financial assets

No impairment losses on financial assets was recognised during the Reporting Period.

8. Net impairment losses on property, plant and equipment, intangible assets and right-of-use assets

The Group's net impairment losses on property, plant and equipment, intangible assets and right-of-use assets were RMB35.85 million during the Reporting Period mainly due to the provision for impairment on intangible assets.

9. Finance costs, net

The finance cost, net of the Group during the Reporting Period was RMB1,017.10 million.

10. Fair value losses on financial assets at fair value through profit or loss

The fair value losses on financial assets at fair value through profit or loss of the Group during the Reporting Period were RMB0.06 million.

During the Reporting Period, for the reasons stated above, the Group recorded a loss of RMB891.14 million from continuing operations, as compared to a profit of RMB6,266.99 million made in the year ended 31 December 2024.

In summary, the Group recorded a loss of RMB891.14 million during the Reporting Period.

Business Review

Cessation of vehicle manufacturing operations

During the Reporting Period, the Group's vehicle manufacturing operations remained suspended throughout the year. In November 2025, the Tianjin subsidiary of the Company, which was the registered owner of the Tianjin manufacturing base, was accepted into bankruptcy liquidation proceedings by the relevant PRC court. As at the date of this announcement, further PRC subsidiaries of the Company have entered into bankruptcy liquidation proceedings upon rulings of the relevant PRC courts, and all of the Group's production facilities in the PRC have been or are being disposed of through such proceedings. The Group no longer carries on vehicle manufacturing operations, and does not intend to resume such operations. The Group's legacy vehicle business is accordingly not expected to contribute any revenue going forward.

Technical Services Business

Leveraging the Group's retained intangible assets – proprietary technologies relating to electric vehicle batteries and vehicle manufacturing – the Group provides engineering and technical services to customers in the European automotive and battery industries through NEVS, the Group's principal operating subsidiary in Europe. During the Reporting Period, the Technical Services Business generated revenue of RMB12.87 million (2024: RMB25.37 million), representing substantially all of the Group's revenue.

The demand for the Group's technical services is underpinned by the continued localisation of the European battery and electric vehicle supply chain, including capacity build-out by European and Asian battery manufacturers in Europe and the compliance requirements under the European Union's battery regulatory framework, which together drive sustained demand for proven battery and manufacturing know-how.

Battery Trading Business

Building on the Group's battery technology expertise and its established relationships along the battery supply chain, the Group has formulated a business plan to develop the Battery Trading Business, under which the Group will procure cylindrical lithium-ion cells (including the 14500, 18500, 21700 and 32140 series) and prismatic lithium-ion cells from leading PRC cell manufacturers, and distribute them to overseas small and medium-sized customers in the electric two-wheeler, power tool, energy storage and small home appliance sectors, with target markets covering Europe, Southeast Asia, the Middle East and Latin America.

The Battery Trading Business adopts an asset-light, order-driven operating model: procurement is largely back-to-back with confirmed customer orders, new customers are required to settle in full in cash, and inventory is maintained at a low targeted level relative to monthly sales. The Group will leverage its in-house battery expertise to provide quality control, grading and compliance services (including UN38.3 certification, MSDS and dangerous goods documentation) as part of its value proposition. The business plan targets a sales amount of approximately RMB60 million for the first twelve months of operation, and trial orders are expected to commence in the fourth quarter of 2026.

The market outlook for the Battery Trading Business is supported by industry data: according to the China Cylindrical Battery Industry Development Whitepaper (2026) published by EVTank, global cylindrical battery shipments reached approximately 14.2 billion cells in 2025 and are expected to reach approximately 18.98 billion cells by 2030. According to industry analysis, China's lithium battery exports amounted to approximately US$76.8 billion in 2025, representing a year-on-year increase of approximately 26%, with the European Union being the largest destination accounting for approximately 40% of the total; exports for the first four months of 2026 reached approximately US$31.9 billion, representing a year-on-year increase of approximately 48%.

OUTLOOK

The Group has completed its transformation from a vehicle manufacturer into an asset-light technology and trading enterprise. Looking ahead, the Group will focus its resources on the following:

(i) Technical Services Business. The Group will continue to expand the Technical Services Business through NEVS, deepen its cooperation with existing European customers and solicit new customers, with a view to maintaining the revenue momentum recorded in the first half of 2026. The Technical Services Business is expected to remain the Group's stable and recurring source of revenue and cash flow.

(ii) Battery Trading Business. The Group will implement the Battery Trading Business in accordance with its business plan, with trial orders targeted to commence in the fourth quarter of 2026 and a gradual ramp-up thereafter. The Battery Trading Business is expected to become an additional revenue driver of the Group.

(iii) Debt restructuring. The Company will continue its discussions with the Liquidators and the relevant creditors in relation to a holistic restructuring of the Group's indebtedness, substantially all of which is owed to related parties under the control of the Liquidators. As at the date of this announcement, the Company has not received any demand for immediate repayment of such indebtedness, and the Company has not received any winding-up petition.

(iv) Resumption of trading. Trading in the shares of the Company on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") has been suspended since 1 April 2025. The Company has received resumption guidance from the Stock Exchange and is actively taking steps to fulfil the resumption guidance, including demonstrating the Company's compliance with Rule 13.24 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") on the basis of the Technical Services Business and the Battery Trading Business described above, with a view to resuming trading in its shares as soon as practicable. The Company is also in discussion with potential investor(s) in relation to possible investment to support the resumption and the development of the Group's new businesses.

Shareholders and potential investors of the Company are advised that the development plans and targets described in this announcement are forward-looking in nature and subject to uncertainties, and are advised to exercise caution when dealing in the securities of the Company.

OTHER ANALYSIS

Capital Institutions, Liquidity and Financial Resources

The Group financed its operations by borrowings, shareholders' equity and cash generated from operations.

As at 31 December 2025, the Group had borrowings and lease liabilities (collectively "**total borrowings**") amounting to approximately RMB16,837.85 million (31 December 2024: RMB17,231.47 million).

As at 31 December 2025, the Group's gearing ratio was 8,228.12% (31 December 2024: 6,211.89%). Gearing ratio was calculated as total borrowings divided by total assets.

Capital commitments, Significant Investments, Pledge of Assets

As at 31 December 2025, the Group had no capital commitments.

During the Reporting Period, the Group had no significant investments.

As at 31 December 2025, the Group's borrowings secured by pledge of the Group's property, plant and equipment, right-of-use assets and equity interests of certain subsidiaries were nil (31 December 2024: nil).

Material Litigation

As at 31 December 2025, the Group had no pending litigation cases.

Failure to repay debts due

As at 31 December 2025, the Group's unpaid debts due amounted to approximately RMB16,837.85 million. In addition, as at 31 December 2025, the Group's overdue commercial bills were nil.

Employee and Share Option Scheme

As at 31 December 2025, the Group had a total of 12 employees, and management and professional technical personnel with a bachelors' degree or above accounted for approximately 87.01%. It incurred a total staff cost (including Directors' remuneration) of approximately RMB8.20 million during the Reporting Period (2024: RMB145.92 million).

To provide incentives or rewards to the staff and the Directors of the Company, the Company adopted a share option scheme (the "**Share Option Scheme**") on 6 June 2018. Since its adoption and up to 31 December 2025 and save as disclosed in the announcements of the Company published on 6 November 2020, 15 June 2021 and 21 September 2021 regarding the respective grants of share options, the Company has not granted any other new share option under such Share Option Scheme or adopted any other share option scheme.

As at 31 December 2025, a total of 752,200,000 share options were granted under the Share Option Scheme, amongst which: (i) a total of 55,015,000 share options granted under the Share Option Scheme had not been exercised; (ii) a total of 697,185,000 share options granted under the Share Option Scheme had lapsed; and (iii) no share option granted under the Share Option Scheme had been cancelled.

Contingent Liabilities

As at 31 December 2025, the Group had no significant contingent liabilities (31 December 2024: Nil).

DIVIDEND

The Directors do not recommend the payment of dividend for the Reporting Period (year ended 31 December 2024: Nil).

AUDIT COMMITTEE

The Audit Committee comprises four independent non-executive Directors.

The Audit Committee reviewed with management the accounting principles and practices adopted by the Group and reviewed the Group's annual results and financial statements for the Reporting Period.

The figures in this preliminary announcement of the results of the Group have been agreed to the amounts set out in the Group's consolidated financial statements for the Reporting Period by the auditor of the Company, CLA Prism Hong Kong Limited ("**Prism**"). The work of Prism in this respect does not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and, consequently, no assurance will be expressed on this preliminary results announcement.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

At the request of the Company, trading in the Shares on the Main Board of the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2025 pending the publication of its outstanding financial results and the fulfilment of the resumption guidance as set out in the announcements of the Company dated 17 April 2025, 7 August 2025, 16 June 2026 and 8 September 2026 and will remain suspended until further notice.

Save as disclosed above, up to the date of this announcement, no significant events occurred after the Reporting Period.

CORPORATE GOVERNANCE

Corporate Governance Code

The Company had complied with all the code provisions of the Corporate Governance Code as set out in Part 2 of Appendix C1 of the Listing Rules throughout the Reporting Period, except as disclosed below.

Code provision C.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Throughout the Reporting Period, the Company had not had any officer with the title of Chief Executive Officer. During such period, the overall responsibility of supervising and ensuring that the Group functions in line with the order of the Board in terms of day-to-day operation and execution was vested in the Board itself.

Pursuant to code provision C.1.7 of Part 2 of the CG Code, the Company should arrange appropriate insurance cover in respect of legal action against the Directors. No such insurance cover has been arranged for the Directors as the Company was under financial distress and the insurance company had refused to provide service within the Company's budget. The management of the Group believe that all potential claims and legal actions against the Directors can be handled effectively, and the possibility of actual lawsuits against the Directors is remote. The Company will consider making insurance arrangement when a quote within the Company's budget is available. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules (the "**Model Code**") as its own code of conduct regarding Directors' securities transactions. Having made specific enquiry to the Directors, all of them confirmed that they had complied with the required standard of dealings as set out in the Model Code throughout the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares).

CONTINUING CONNECTED TRANSACTIONS

Reference is made to the Company's announcement of annual results for the year ended 31 December 2021 dated 26 July 2023 (the "**2021 Annual Results Announcement**"), in which it was disclosed, inter alia, that (a) certain subsidiaries of China Evergrande Group had provided green landscaping engineering and construction services (the "**Green Landscaping Services**") for the real estate projects developed by certain then subsidiaries of the Company; and (b) certain then subsidiaries of the Company had entered into certain transactions in relation to procurement of materials (the "**Material Procurement**") from certain subsidiaries of China Evergrande Group.

During the year ended 31 December 2024, the subsidiaries of the Company which were parties to the agreements in respect of the Green Landscaping Services and the Material Procurement entered into bankruptcy liquidation or reorganisation proceedings, upon which the Company lost control over those subsidiaries and they ceased to be subsidiaries of the Company. Accordingly, those agreements have ceased to be agreements of the Group.

No transactions were conducted under the Green Landscaping Services or the Material Procurement, and no new energy vehicles were sold by the Group to China Evergrande Group (In Liquidation) or its subsidiaries, during the year ended 31 December 2025. The Group has no intention to enter into any new transaction in respect of the foregoing.

As at the date of this announcement, the Group has no subsisting transaction which constitutes a continuing connected transaction subject to the reporting, announcement, annual review or independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

ANNUAL GENERAL MEETING

As at the date of this announcement, the Company has not determined the date on which the Company's forthcoming annual general meeting will be held and the relevant book closure arrangement. Further announcement(s) will be made by the Company as and when appropriate in accordance with the Listing Rules.

PUBLICATION OF THE ANNUAL RESULTS

This annual results announcement is published on the Stock Exchange's website at www.hkexnews.hk and the Company's website at https://www.irasia.com/listco/hk/evergrandevehicle/.

FORWARD LOOKING STATEMENTS

There can be no assurance that any forward-looking statements regarding the Group set out in this announcement or any of the matters set out therein are attainable, will actually occur or will be realized or are complete or accurate. Shareholders and/or potential investors of the Company are advised to exercise caution when dealing in the securities of the Company and not to place undue reliance on the information disclosed herein. Any holder of securities or potential investor of the Company who is in doubt is advised to seek advice from professional advisors.

APPRECIATION

The Board would like to express its sincere gratitude to the Company's shareholders, investors, employees and business partners for their continuous support.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares on the Main Board of the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2025 pending the publication of its outstanding financial results and the fulfilment of the resumption guidance as set out in the announcements of the Company dated 17 April 2025, 7 August 2025, 16 June 2026 and 8 September 2026, and will remain suspended until further notice.

By Order of the Board
China Evergrande New Energy Vehicle Group Limited
Ma Kin Ling
Chairman and Executive Director

Hong Kong, 16 September 2026

As at the date of this announcement, the executive Director is Mr. Ma Kin Ling; the non-executive Director is Ms. Chan Lok Yin and the independent non-executive Directors are Mr. Chau Wai Hing, Mr. Chan Hing Fung, Mr. Leung Tsun Ip and Mr. Lui Sze Ho.