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## **FDG Electric Vehicles Limited**

**五龍電動車（集團）有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 729)**

### **UPDATE ON PROFIT WARNING**

This announcement is made by FDG Electric Vehicles Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

Reference is made to the announcement of the Company dated 3 May 2018 (the “**Announcement**”) in relation to the profit warning of the Group for the year ended 31 March 2018 (the “**Current Year**”). As mentioned in the Announcement, the Group is expected to record an increase of over 130% in its loss attributable to the shareholders of the Company (the “**Shareholders**”) for the Current Year as compared with the corresponding year ended 31 March 2017.

The board of directors of the Company (the “**Board**”) wishes to update the Shareholders and potential investors that based on its preliminary review of the latest unaudited financial information of the Group for the Current Year and the additional information currently available to the Board, the Group is expected to record an increase in its loss attributable to the Shareholders for the Current Year of approximately 3 to 4 times of the loss attributable to the Shareholders of the corresponding year ended 31 March 2017.

Based on information currently available to the Board, save for those disclosed in the Announcement and the announcement of FDG Kinetic Limited (a listed subsidiary of the Company) dated 13 June 2018, the further increase in the expected loss for the Current Year was mainly attributable to (i) the one-off non-cash impairment losses on goodwill of FDG Kinetic Limited; (ii) potential provision for doubtful debts of some trade receivables; and (iii) potential impairment in the battery segment.

The Company is still in the process of finalising the consolidated annual results of the Group for the Current Year. The information contained in this announcement is only based on the preliminary assessment made by the Board with reference to the unaudited consolidated management accounts of the Group for the Current Year and the information currently available and such information has not been audited nor reviewed by the Company's auditors. The information contained in this announcement may be different from the final results of the Group to be published. The audited annual results of the Group are expected to be published before the end of June 2018.

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

On behalf of the Board  
**FDG Electric Vehicles Limited**  
**Jaime Che**  
*Executive Director*

Hong Kong, 13 June 2018

*As at the date of this announcement, the Board comprises Mr. Cao Zhong (Chairman and Chief Executive Officer), Dr. Chen Yanping (Chief Technical Officer), Mr. Lo Wing Yat and Mr. Jaime Che (Senior Vice President) as executive directors; Mr. Wong Kwok Yiu as non-executive director; and Mr. Chan Yuk Tong, Mr. Fei Tai Hung, Mr. Tse Kam Fow and Mr. Xu Jingbin as independent non-executive directors.*

*Website: <http://www.fdgev.com>*