恒大汽车
EVERGRANDE AUTO

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 INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

INTERIM RESULTS

The Board (the "**Board**") of directors (the "**Directors**") of China Evergrande New Energy Vehicle Group Limited is pleased to present the unaudited interim results of the Company and its subsidiaries for the six months ended 30 June 2025 together with comparative figures stated in this announcement for reference.

FINANCIAL HIGHLIGHTS

1. As at 30 June 2025, the Group had total assets of approximately RMB278 million and total liabilities of approximately RMB32,952 million, of which borrowings comprised approximately RMB17,110 million and trade and other payables comprised approximately RMB15,842 million.

2. During the Reporting Period, the Group reported a revenue of approximately RMB7 million and a gross profit of approximately RMB2 million, a net loss of approximately RMB585 million, representing a decrease of approximately 97.11% year-on-year.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
	Notes	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
Revenue	3	**6,508**	38,377
Cost of sales		**(4,766)**	(35,944)
Gross profit		**1,742**	2,433
Other income, net		**–**	10,755
Other losses, net		**(38,220)**	(1,075,524)
Selling and marketing expenses		**(40)**	(32,235)
Administrative expenses		**(39,713)**	(655,228)
Share of profit and loss of an associate		**–**	(2,593)
Net impairment losses on financial assets		**–**	(16,909,028)
Net impairment losses on property, plant and equipment, intangible assets and right-of-use assets		**–**	(648,748)
Operating loss		**(76,231)**	(19,310,168)
Finance income		**–**	1,641
Finance costs		**(509,030)**	(954,046)
Finance costs, net		**(509,030)**	(952,405)
Fair value (losses)/gains on financial assets at fair value through profit or loss		**(56)**	6,006
Loss before income tax		**(585,317)**	(20,256,567)
Income tax expenses	4	**–**	(78)
Loss for the period		**(585,317)**	(20,256,645)
Other comprehensive income/(loss)			
Items that may be reclassified to profit or loss			
Currency translation differences		**106,817**	(62,387)
Total comprehensive loss for the period		**(478,500)**	(20,319,032)

	Notes	Six months ended 30 June **2025** ***RMB'000*** **(Unaudited)**	 2024 *RMB'000* (Unaudited)
Loss for the period attributable to:			
– Owner of the Company		**(585,317)**	(20,254,991)
– Non-controlling interests		**–**	(1,654)
		(585,317)	(20,256,645)
Total comprehensive loss attributable to:			
Owners of the Company		**(478,500)**	(20,317,378)
Non-controlling interests		**–**	(1,654)
Total comprehensive loss for the period		**(478,500)**	(20,319,032)
Loss per share			
(expressed in RMB cents per share)			
– Basic loss per share	6	**(5.398)**	(186.789)
– Diluted loss per share	6	**(5.398)**	(186.789)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2025

	As at 30 June 2025 *RMB'000* (Unaudited)	As at 31 December 2024 *RMB'000* (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	**2**	6
Right-of-use assets	**–**	–
Intangible assets	**277,914**	276,505
Prepayments	**–**	–
Investments accounted for using the equity method	**–**	–
Financial assets at fair value through profit or loss	**–**	–
Deferred tax assets	**–**	–
	277,916	276,511
Current assets		
Trade and other receivables and prepaid taxes	**1**	5
Prepayments	**–**	9
Properties under development	**–**	–
Inventories	**–**	–
Financial assets at fair value through profit or loss	**10**	66
Restricted cash	**–**	–
Cash and cash equivalents	**224**	804
	235	884
Total assets	**278,151**	277,395
EQUITY		
Equity attributable to owners of the Company		
Share capital and share premium	**28,124,101**	28,124,101
Reserves	**44,359,637**	44,248,231
Accumulated losses	**(105,157,201)**	(104,571,884)
	(32,673,463)	(32,199,552)
Non-controlling interests	**–**	–
Total deficit	**(32,673,463)**	(32,199,552)

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
LIABILITIES		
Current liabilities		
Contract liabilities	**–**	–
Lease liabilities	**–**	–
Trade and other payables	**15,841,656**	15,245,478
Borrowings	**17,109,958**	17,231,469
Current tax liabilities	**–**	–
Total liabilities	**32,951,614**	32,476,947
Total deficit and liabilities	**278,151**	277,395

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

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**").

The interim financial information is presented in thousands of Renminbi ("**RMB**"), unless otherwise stated. This interim financial information has not been audited.

2. BASIS OF PREPARATION

This interim financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting".

The interim financial information does not include all the notes of the type normally included in an annual financial report. Accordingly, the interim financial information should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2024, which have been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants and any public announcements made by the Group during the interim reporting period.

The financial information relating to the year ended 31 December 2024 that is included in the interim financial information for the six months ended 30 June 2025 as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company will deliver the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company's auditor has reported on those 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.

Going concern assumption

The Group incurred a net loss of approximately RMB585 million for the six months ended 30 June 2025 and had net current liabilities of approximately RMB32,951 million as at 30 June 2025. The Group's borrowings amounted to approximately RMB17,110 million as at 30 June 2025, while the Group's cash and cash equivalents amounted to RMB0.22 million only. The Group's trade and other payables amounted to approximately RMB15,842 million as at 30 June 2025. Substantially all of the Group's borrowings and a substantial portion of the Group's trade and other payables were owed to China Evergrande Group (In Liquidation), its subsidiaries and other related parties of the Company.

The above matters indicated that the Group's financial position has become more strained compared to 2024 and requires a substantial amount of funds in the foreseeable future to finance its financial obligations and 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 interim financial information.

The above conditions indicate the existence of material uncertainties which may have significant impact on 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 30 June 2025. The Directors 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 30 June 2025. Accordingly, the Directors are satisfied that it is appropriate to prepare the interim financial information 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 going concern assumption be inappropriate, adjustments would have to be made to reclassify all non-current assets and liabilities as current assets and liabilities, to write down the values of assets to their recoverable amounts and to provide for any further liabilities which may arise. The interim financial information do not include any such adjustments.

Except as described below, the accounting policies applied are consistent with those of the annual consolidated financial statements for the year ended 31 December 2024, as described in those annual consolidated financial statements.

Application of amendments to HKFRS Accounting Standards

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 condensed 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 period has had no material impact on the Group's financial positions and performance and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE

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

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
New Energy Vehicle		
Provision of technical services (ii)	**6,476**	10,435
Sales of vehicles and vehicle components (i)	**–**	5,540
Others	**32**	120
	6,508	16,095
Property Development		
Sales of property (i)	**–**	22,282
	6,508	38,377

(i) Revenue from vehicles and vehicle components and sales of property at the point in time when control of the assets is transferred to the customers, generally on delivery of the assets.

(ii) Revenue generated from 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 EXPENSES

The amount of income tax charged to the interim financial information represents:

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current income tax:		
– PRC corporate income tax	**–**	–
Deferred income tax:		
– PRC corporate income tax	**–**	(78)
	–	(78)

Hong Kong profits tax

Hong Kong profits tax is calculated at 16.5% of the estimated assessable profit for the six months ended 30 June 2025 (six months ended 30 June 2024: 16.5%). Hong Kong profits tax has not been provided for as the Group did not have any assessable profits during the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

PRC corporate income tax

PRC corporate income tax is calculated at 25% of the estimated assessable profit for the six months ended 30 June 2025 (six months ended 30 June 2024: 25%). The income tax provision of the Group in respect of operations in the PRC has been calculated at the applicable tax rate of 25% on the estimated assessable profits for the year, based on the existing legislation, interpretations and practices in respect thereof.

PRC land appreciation tax

PRC land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of property less deductible including land use rights and all property development expenditures. No land appreciation tax was accrued during the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

5. DIVIDENDS

The directors do not recommend an interim dividend for the interim period (six months ended 30 June 2024: nil).

6. LOSS PER SHARE

(a) Basic

Basic loss per share is calculated by dividing the loss attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Loss attributable to shareholders of the Company *(RMB'000)*	**(585,317)**	(20,254,991)
Weighted average number of ordinary shares for the purpose of basic loss per share *(thousands)*	**10,843,793**	10,843,793
Basic loss per share *(RMB cents per share)*	**(5.398)**	(186.789)

(b) **Diluted**

The share options granted by the Company have potential dilutive effect on the loss per share. Diluted loss 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 per share). No adjustment is made to loss (numerator).

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Loss attributable to shareholders of the Company *(RMB'000)*	**(585,317)**	(20,254,991)
Weighted average number of ordinary shares for the purpose of basic loss per share *(thousands)*	**10,843,793**	10,843,793
Adjustments for share option	**–**	–
Weighted average number of ordinary shares for diluted loss per share *(thousands)*	**10,843,793**	10,843,793
Diluted loss per share *(RMB cents per share)*	**(5.398)**	(186.789)

7. TRADE RECEIVABLES

The aging analysis of trade receivables based on revenue recognition date as at the respective balance sheet dates is as follows:

	30 June	31 December
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 90 days	**1**	–
91 days to 180 days	**–**	–
181 days to 365 days	**–**	–
Over 365 days	**–**	–
	1	–

The maximum exposure to credit risk at each balance sheet date is the carrying value of each class of receivables mentioned above.

8. TRADE PAYABLES

The following is an aging analysis of trade payables based on the invoice date:

	30 June 2025 *RMB'000* **(Unaudited)**	31 December 2024 *RMB'000* (Audited)
Within 90 days	**3,981**	–
91 days to 180 days	**–**	–
Over 180 days	**34,179**	34,179
	38,160	34,179

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". For the six months ended 30 June 2025 (the "**Reporting Period**"), the Group's vehicle manufacturing operations remained suspended: production at the Tianjin manufacturing base had been suspended since early 2024, and two of the Company's subsidiaries in Guangdong were undergoing bankruptcy and reorganisation proceedings. 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**").

During the Reporting Period, the Group continued to implement its strategic transformation towards an asset-light business model built upon its retained technological strengths, comprising (i) the Technical Services Business; and (ii) the development 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.

The Group's intangible assets, comprising principally proprietary technologies relating to electric vehicle batteries and vehicle manufacturing, had a carrying amount of approximately RMB277.9 million as at 30 June 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 30 June 2025 were RMB32,951.61 million. Among which:

1. Borrowings

As at 30 June 2025, the Group's borrowings amounted to RMB17,109.96 million, representing a decrease of RMB121.51 million compared to RMB17,231.47 million as at 31 December 2024. As at 30 June 2025, the average annual interest rate of the borrowings was 5.92% (31 December 2024: 5.90%).

2. *Trade and Other Payables*

As at 30 June 2025, the Group's trade and other payables amounted to RMB15,841.66 million, representing an increase of RMB596.18 million as compared to RMB15,245.48 million as at 31 December 2024, mainly due to an increase of payments received from the related parties.

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. Losses during the Reporting Period

1. *Revenue*

During the Reporting Period, the Group had a turnover of RMB6.51 million, representing a decrease of 83.04% as compared to the turnover of RMB38.38 million for the six months ended 30 June 2024. The decrease in revenue was mainly due to there being no sales of property during the Reporting Period following the cessation of the Group's property development activities.

Revenue from the provision of technical services amounted to RMB6.48 million during the Reporting Period (six months ended 30 June 2024: RMB10.44 million). Generated from customers in Europe, the Technical Services Business was the Group's principal revenue stream during the Reporting Period.

2. *Gross profit*

During the Reporting Period, the Group's gross profit was RMB1.74 million, representing a decrease of 28.40% as compared to a gross profit of RMB2.43 million for the six months ended 30 June 2024.

3. *Other income, net*

Other income, net during the Reporting Period was nil, decreased by RMB10.76 million as compared with other income, net of RMB10.76 million for the six months ended 30 June 2024.

4. *Other losses, net*

Other losses, net during the Reporting Period were RMB38.22 million, decreased by RMB1,037.30 million as compared with other losses, net of RMB1,075.52 million for the six months ended 30 June 2024, which is mainly due to losses related to the provision for liquidated damages on litigation and borrowings and other losses.

5. *Selling and marketing expenses*

Selling and marketing expenses of the Group decreased by 99.88% from RMB32.24 million for the six months ended 30 June 2024 to RMB0.04 million during the Reporting Period, mainly due to the cessation of sales promotion and branding activities for the vehicle business and the reduction in sales force.

6. *Administrative expenses*

Administrative expenses of the Group decreased by 93.94% from RMB655.23 million for the six months ended 30 June 2024 to RMB39.71 million during the Reporting Period, mainly due to the reduction of employees, pay cuts made to some of 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.

7. *Net impairment losses on financial assets*

The net impairment losses on financial assets during the Reporting Period was nil, decreased by RMB16,909.03 million as compared with RMB16,909.03 million for the six months ended 30 June 2024, mainly due to the Group decreased the provision for impairment of receivables from subsidiaries and associates of China Evergrande Group.

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 was nil during the Reporting Period, the net impairment losses decreased by RMB648.75 million as compared with RMB648.75 million for the six months ended 30 June 2024.

9. *Finance costs, net*

The net finance cost of the Group during the Reporting Period was RMB509.03 million, decreased by RMB443.38 million as compared with RMB952.41 million for the six months ended 30 June 2024.

10. *Fair value (losses)/gains 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 was RMB0.06 million, decreased by RMB6.07 million as compared with the gain of RMB6.01 million for the six months ended 30 June 2024.

The Group recorded a loss of RMB585.32 million during the Reporting Period, decreased by RMB19,671.33 million as compared with the loss of RMB20,256.65 million for the six months ended 30 June 2024.

III. Liquidity and Financial Resources

As at 30 June 2025, the Group's cash and cash equivalents and restricted cash in aggregate amounted to RMB0.22 million, decreased by RMB0.58 million as compared with RMB0.80 million as of 31 December 2024. The Group's operations have been funded principally by cash generated from the Technical Services Business and financial support arrangements with related parties.

Business Review

Cessation of vehicle manufacturing operations

During the Reporting Period, the Group's vehicle manufacturing operations remained suspended. The Tianjin manufacturing base did not resume production, and the Shanghai and Guangzhou manufacturing bases remained under downtime management. As at the date of this announcement, further PRC subsidiaries of the Company (including the Tianjin subsidiary, which was the registered owner of the Tianjin manufacturing base) 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.

Technical Services Business

Through NEVS, the Group provides engineering and technical services to customers in the European automotive and battery industries, leveraging the Group's retained intangible assets – proprietary technologies relating to electric vehicle batteries and vehicle manufacturing. During the Reporting Period, the Technical Services Business generated revenue of RMB6.48 million (six months ended 30 June 2024: RMB10.44 million).

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.

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 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 30 June 2025, the Group had borrowings and lease liabilities (collectively "**total borrowings**") amounting to RMB17,109.96 million (as at 31 December 2024: RMB17,231.47 million).

As at 30 June 2025, the Group's gearing ratio was 6,151.32% (as at 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 30 June 2025 and 31 December 2024, the Group had no capital commitments.

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

As at 30 June 2025 and 31 December 2024, 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.

Material Litigation

As at 30 June 2025, the Group had no pending litigation cases.

Failure to repay debts due

As at 30 June 2025, the Group's unpaid debts due amounted to approximately RMB17,109.96 million (as at 31 December 2024: RMB17,231.47 million). In addition, as at 30 June 2025, the Group's overdue commercial bills were nil (as at 31 December 2024: nil).

EMPLOYEE AND SHARE OPTION SCHEME

As at 30 June 2025, the Group had a total of 20 employees, and management and professional technical personnel with a bachelors' degree or above accounted for approximately 77.14%. It incurred a total staff cost (including Directors' remuneration) of approximately RMB5.26 million during the Reporting Period (for the six months ended 30 June 2024: RMB118.22 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 30 June 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 30 June 2025, a total of 752,200,000 share options were granted under the Share Option Scheme, amongst which: (i) a total of 63,535,000 share options granted under the Share Option Scheme had not been exercised; (ii) a total of 688,665,000 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 of 30 June 2025, the Group had no material contingent liabilities (as at 31 December 2024: Nil).

SIGNIFICANT EVENTS

Receipt of Written Decision of Administrative Penalty from the Relevant Local Administrative Authority

During the Reporting Period, certain subsidiaries of the Company (the "**Relevant Subsidiaries**") received the written decision of administrative penalty issued by the relevant local administrative authorities (the "**Relevant Local Administrative Authorities**").

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. The Relevant Local Administrative Authorities considered that the Relevant Subsidiaries have committed breach of contracts on the basis that they have failed to perform their contractual obligations in accordance with the terms of the Relevant Agreements with the Relevant Local Administrative Authorities (mainly including the failure to achieve the target of investment scale, planned production capacity and annual sales related to the establishment of group headquarters, global research and development centers and global production bases in areas under the jurisdiction of the Relevant Local Administrative Authorities within the agreed time limit; and the failure to complete the construction of production bases and research and development centers and commence operation, and complete the research and development of new energy vehicle models as scheduled). Additionally, the purpose of the Relevant Agreements can no longer be realized objectively judging from the operating conditions of the Relevant Subsidiaries. Therefore, the Relevant Local Administrative Authorities, in accordance with the provisions of the Civil Code of the People's Republic of China and other PRC laws and regulations, has decided: (1) to terminate three of the Relevant Agreements; (2) that the Relevant Subsidiaries return the Management Committee the incentives and subsidies granted in the aggregate amount of approximately RMB1.9 billion within 15 days from the date of receipt of the Written Administrative Decision.

On 26 August 2024, the Relevant Subsidiaries received a determination letter of administrative review ("**Determination Letter**") from the Relevant Local Administrative Authorities after applying for an administrative review. The Determination Letter concluded that the Relevant Subsidiaries had committed a material breach of contract by failing to perform their contractual obligations as agreed upon entering into the relevant agreements. The Relevant Local Administrative Authorities upheld the written decision of administrative penalty in the administrative review. The above decisions would result in the Group being exposed to the risks of compulsory resumption of land of the relevant plants, and the buildings and equipment thereon being used for repayment of the said incentives and subsidies. As a result, this could have a material impact on the financial position and operations of the Company or each of the Relevant Subsidiaries.

Receipt of Notice from another Relevant Authority

Evergrande New Energy Vehicle (Tianjin) Co., Ltd. ("**Tianjin Evergrande**"), a subsidiary of the Company, received a notice (the "**Notice**") from another relevant authority (the "**Authority**") during the Reporting Period.

After reviewing the requirement for Tianjin Evergrande to produce new energy passenger vehicle products, the Authority has raised three issues for rectification (the "**Issues**"), ordering Tianjin Evergrande to make rectifications and stop producing and selling new energy passenger vehicle products. During the rectification period, the Authority will suspend the acceptance of Tianjin Evergrande's application for new energy passenger vehicle products and the electronic information transmission of the qualification certificate for its new energy passenger vehicle products. The aforesaid will resume after completion of rectification and fulfillment of manufacturing requirement upon review.

The Company attaches great importance to the inspection of Tianjin Evergrande by the Authority and has actively rectified the Issues after the inspection. The Company has submitted the appeal and rectification materials to the Authority before the aforesaid time limit.

The above proposed orders, if formally and eventually implemented, will have a material effect on the operations of the Group. Please refer to the announcement of the Company dated 11 June 2024 for further details of the Notice.

The Entering into of Non-Binding Term Sheet in Relation to Potential Share Transfer

The Company has been informed that on 16 May 2024, the joint and several liquidators for and on behalf of China Evergrande Group (in liquidation), Evergrande Health Industry Holdings Limited, Acelin Global Limited (collectively, the "**Potential Sellers**") and a third party purchaser (the "**Potential Purchaser**") (which is a party independent of the Company and its connected persons (as defined in the Listing Rules) to the best of the knowledge, information and belief of the directors of the Company (the "**Directors**") after having made all reasonable enquiries) entered into a term sheet (the "**Term Sheet**"), pursuant to which the Potential Sellers and the Potential Purchaser may enter into a definitive sale and purchase agreement (the "**SPA**") in relation to the sale and purchase of the shares in the Company ("**Shares**") held by the Potential Sellers. As at the date of this announcement, the Potential Sellers collectively hold 6,347,948,000 Shares (representing approximately 58.5% of all the issued Shares) (the "**Potential Sale Shares**"). It is intended that subject to the entering into and the terms and conditions of the SPA, (i) 3,144,699,970 Potential Sale Shares (representing approximately 29.0% of all issued Shares as at the date of this announcement) would be acquired immediately, and (ii) 3,203,248,030 Potential Sale Shares (representing approximately 29.5% of all issued Shares as at the date of this announcement) would be the subject of an option exercisable by the Potential Purchaser during a certain period after the date of the SPA. The Term Sheet mentioned the entry into of a facility agreement (the "**Facility Agreement**"), pursuant to which the Potential Purchaser (or another party designated by it with consent of the Company) would provide a line of credit to the Company for the purpose of financing the Group's continuing operation and the development of the Group's electric vehicle business.

The offer period commenced on 26 May 2024 for the purpose of the Codes on Takeovers and Mergers. As at the date of this announcement, discussions are still ongoing among the Potential Sellers, the Potential Purchaser and the Company but the Potential Sellers and the Potential Purchaser have not yet entered into the SPA, and the Potential Purchaser and the Company have not yet entered into the Facility Agreement. For further details, please refer to the announcements of the Company dated 26 May 2024, 26 June 2024, 26 July 2024 and 26 August 2024.

SUBSEQUENT EVENTS AFTER THE REPORTING DATE

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 in other sections of this announcement, up to the date of this announcement, no significant events occurred after 30 June 2025.

INTERIM DIVIDEND

The Directors do not recommend the payment of interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

INTERIM RESULTS REVIEW

The condensed consolidated financial information of the Group for the six months ended 30 June 2025 has been reviewed by the audit committee of the Company (the "**Audit Committee**"), which comprises four independent non-executive Directors of the Company.

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 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (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, as the Company did not have any officer with the title of Chief Executive Officer, 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 AND 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).

PUBLICATION OF THE UNAUDITED INTERIM RESULTS AND REPORTS OF THE COMPANY

The Company's interim 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/. The interim report of the Company for the Reporting Period containing all the information required under the Listing Rules will be despatched to the shareholders of the Company and will be available on the websites of the Stock Exchange and the Company in due course.

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 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.