

Ideanomics Responds to Short-Selling Accusations with Facts That Refutes Claims Made by Short-Selling Companies

- Short-Selling companies J Capital and Hindenburg Research published negative reports under the banner of research

- The self-published, self-interested "research" contains certain inaccuracies and misstatements which Ideanomics refutes based on facts

- Such companies undertake short-selling campaigns to pressure share prices for the financial benefit of themselves and their sponsors

NEW YORK, June 29, 2020 /PRNewswire/ -- [Ideanomics](#) (NASDAQ: IDEX) ("Ideanomics" or the "Company") today announced a response to the recent short-selling communications from J Capital and Hindenburg. According to their websites, these companies take short positions in publicly traded companies then disseminate very negative reports on these companies. "After consultation with our legal counsel, we believe these communications, marketed as research are illegal or have been banned in many countries, but continue to operate in the grey areas of financial regulatory law in the United States," said Alf Poor, CEO of Ideanomics. Below are Ideanomics' initial response to the allegations published in these reports:

- J Capital alleged that Ideanomics does not have sufficient cash to fund operations for more than three months. This statement can easily be reconciled from the Company's recent series of [filings of form 424B2](#) with the SEC, which clearly shows the company has raised capital in recent weeks and months.
- Hindenburg Research alleged that Ideanomics claims to own and operate a large-scale facility in Qingdao for its MEG division sales and that their investigators have been on-site and claim MEG does not have a presence there. Ideanomics has never claimed or disclosed ownership of the site. It holds a 15-year rent-free agreement which was signed by Ideanomics in Nov. 2019 and has since provided images to show its participation at the site. Hindenburg Research disseminated social media content regarding their conversation with MEG partner's sales staff with auto dealers at this site. We have since obtained statements from these staff members that refute Hindenburg's claims.
- J Capital has alleged it made inquiries with the local Qingdao city investment group for the Chengyang business district - Qingdao Chengyang Xinyang Investment Co. Ltd - and that they have no knowledge of Ideanomics or its MEG division. Ideanomics is providing government-issued registration of the venture with our Company, which is a matter of public record in China. Furthermore, the city investment entity has released details of its interest in the ventures, including a recent RMB 50 Million investment received by the Company in January 2020, as part of a potential series of investments, and recent media coverage in the People's Republic of China corroborates this.
- J Capital further alleges that it has inquired with recent deals signed by Ideanomics MEG division, and its subsidiaries, and that these companies deny having a business relationship with our Company. We have contacted each of the partners and they have provided statements confirming their business relationships with our Company, and have each applied their respective company seal for authenticity, in order to refute those claims entirely. These partners include Tianjin Zhongcheng order for 42 units of Toyota Land Cruiser, Jiudao Group for 400 units of Aoxin X30L EV, Beijing Silk Road Rainbow, and Qinou Group order of 200 units of Dong Feng Liuzhou S50EV for the City of Neijiang, Sichuan.

Detailed documentary proof to support Ideanomics response to these allegations can be viewed on the Company's corporate website at <https://ideanomics.com/short-selling-activity/>

The Company will continue to provide additional material it believes is required to refute the claims made by J Capital and Hindenburg and their sponsors.

Third-party Partner Quotes:

"Despite business disruption caused by the efforts to contain COVID-19, we are impressed with MEG's and our joint venture's progress," said Chengyang Chairman Liang Yong Chun. "We are pleased to have MEG as a partner and are enthusiastic about the bright future prospects for this joint venture."

Beijing Silk Road Rainbow Group General Manager, Mr. Wang Peng, stated, "We not only signed two partnership agreements with MEG, but we have an excellent working relationship and are actively pursuing for EV buses replacement programs in three cities and making great progress."

The PetroChina Chairman Xu Xingxiang stated that, "We are excited to work with MEG on energy sales and have propitious plans to lead the nation on test bed efforts across several areas."

About Ideanomics

[Ideanomics](#) is a global company focused on facilitating the adoption of commercial electric vehicles and developing next generation financial services and Fintech products. Its electric vehicle division, Mobile Energy Global (MEG) provides group purchasing discounts on commercial electric vehicles, EV batteries and electricity as well as financing and charging solutions. Ideanomics Capital includes DBOT ATS and Intelligenta which provide innovative financial services solutions powered by AI and blockchain. MEG and Ideanomics Capital provide our global customers and partners with better efficiencies and technologies and greater access to global markets.

The company is headquartered in New York, NY, and has offices in Beijing, Guangzhou and Qingdao, China.

Safe Harbor Statement

This press release contains certain statements that may include "forward looking statements". All statements other than statements of historical fact included herein are "forward-looking statements." These forward-looking statements are often identified by the use of forward-looking terminology such as "believes," "expects" or similar expressions, involve known and unknown risks and uncertainties, and include statements regarding our intention to transition our business model to become a next-generation financial technology company, our business strategy and planned product offerings, our intention to phase out our oil trading and consumer electronics businesses, and potential future financial results. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, they do involve assumptions, risks and uncertainties, and these expectations may prove to be incorrect. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this press release. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of a variety of risks and uncertainties, such as risks related to: our ability to continue as a going concern; our ability to raise additional financing to meet our business requirements; the transformation of our business model; fluctuations in our operating results; strain to our personnel management, financial systems and other resources as we grow our business; our ability to attract and retain key employees and senior management; competitive pressure; our international operations; and other risks and uncertainties disclosed under the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our most recent Form 10-K and Form 10-Q filed with the Securities and Exchange Commission, and similar disclosures in subsequent reports filed with the SEC, which are available on the SEC website at www.sec.gov. All forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these risk factors. Other than as required under the securities laws, the Company does not assume a duty to update these forward-looking statements.

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