



# Eight Dead EVs: China's ¥190 Billion Bonfire

China · Electric Vehicles

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SECTOR SPOTLIGHT

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English Edition (also available in Russian and Chinese)



**Brandmine**



## SECTOR SPOTLIGHT

# Eight Dead EVs: China's ¥190 Billion Bonfire

*Eight Chinese EV brands collectively destroyed ¥190 billion (~\$26B USD) in invested capital — enough to fund BYD's entire R&D budget for four years. Three founders fled. One was detained. Two brands never built a single car. One built seventeen. Their collapse is the most expensive proof available that crisis-testing reveals what funding rounds cannot.*

## QUICK FACTS

<b>Market Size</b>	¥190B (~\$26B USD) in capital destroyed across 8 defunct Chinese EV brands between 2021 and 2025
<b>Unique Advantage</b>	Four distinct failure archetypes — vaporware, volume trap, luxury mirage, conglomerate hubris — each with documented founder outcomes
<b>Biggest Challenge</b>	487+ registered EV makers chased ¥152.1B in subsidies — three founders fled abroad, one detained, zero faced clawback before collapse
<b>Timing Factor</b>	January 2023 BYD/Tesla price war plus December 2022 subsidy expiration triggered an extinction wave that killed five of the eight brands

**MARKETS:** China

**SECTORS:** Electric Vehicles

## GEOGRAPHIC CONTEXT

## Where ¥190 Billion Went to Die



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Eight failures across seven provinces — collapse dispersed as widely as ambition.

Faraday Future — HQ Los Angeles, USA. Not shown.

Shanghai and the Yangtze Delta hosted three of the eight failures — WM Motor, HiPhi, and Jiyue — reflecting the region's concentration of EV investment and talent. Guangzhou anchored Evergrande Auto, the largest single capital destruction at ¥47.4B. Nanjing housed Byton's empty \$1.7B factory. Beijing and Tianjin hosted Singulato and NETA respectively, while Tongxiang (Zhejiang) served as NETA's registered headquarters.

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## SECTOR NARRATIVE

*Evergrande Auto (恒大汽车) burned roughly ¥27.9 million for every car it built; Faraday Future (法拉第未来) spent \$160 million per car; Byton (拜腾) spent \$1.2 billion and delivered none. Between 2014 and 2025, eight Chinese EV brands raised about ¥190 billion ( \$26B USD) from the world's most sophisticated investors — Tencent, Baidu, CATL, Foxconn, Intel Capital, state funds — and delivered a collective masterclass in capital destruction: three founders fled the country, one was detained, two never built a single production vehicle. They passed every conventional investment test — pedigreed founders, institutional backing, government support, the world's fastest-growing car market. What no funding round measured was how they would respond when the market turned hostile. That omission cost ¥190 billion.*

# A ledger of wreckage

The aggregate numbers resist comprehension. Eight brands consumed ¥190 billion ( \$26B USD) and delivered approximately 632,000 vehicles — a figure dominated by two companies, NETA (哪吒汽车) and WM Motor (威马汽车), that lost money on every unit sold. Two brands delivered zero vehicles. One delivered 17. One delivered roughly 1,700.

To contextualise: ¥190 billion would fund BYD's annual research and development budget for nearly four years. It exceeds the combined pre-IPO fundraising of NIO, XPeng, and Li Auto — the three startups that survived.

The capital arrived during China's EV subsidy boom, when more than 487 registered EV makers competed for government support and venture capital. Between 2010 and 2022, national subsidies totalling ¥152.1 billion flowed into the sector. The money attracted everyone: battery scientists and property developers, BMW executives and internet entrepreneurs, search engine companies and real estate conglomerates. By 2019, the crowd was at its peak. By 2025, the crowd was mostly gone.

The collapse came in waves. Byton filed bankruptcy in July 2021 — the first vaporware casualty. Singulato (奇点汽车) and Byton entered formal proceedings within weeks of each other in June 2023. WM Motor, the largest startup bankruptcy, followed in October 2023. Then the cascading accelerated: HiPhi (高合汽车) suspended production in February 2024; Evergrande Auto entered formal bankruptcy in August 2024; Jiyue (极越) disintegrated in December 2024, collapsing from a sales record to total dissolution in eight weeks; and NETA, the last to fall, entered bankruptcy restructuring in June 2025.

One brand persists as a zombie. Faraday Future remains technically listed on NASDAQ after three reverse stock splits totalling an effective 1:9,600 ratio. Its stock has lost more than 99.99% of its split-adjusted value. Its latest product is a rebadged Chinese van.

Two structural forces triggered the extinction wave. On 31 December 2022, China's national NEV purchase subsidy — worth up to ¥12,600 per vehicle after ¥152.1 billion in cumulative government spending — expired permanently. Six days later, on 6 January 2023, Tesla slashed Model 3 prices by 13.5% and Model Y prices by 10%, cutting ¥48,000 from the Model Y Long Range alone. BYD matched with equally aggressive reductions, launching the Seagull at ¥73,000 ( \$11K USD) and dropping the Qin Plus to ¥94,800. Industry-wide margins compressed to 5% by the end of 2023 — a decade low. For already weakened brands, the price war was unsurvivable. But most of these companies were structurally non-viable before January 2023. The price war did not kill them. It merely determined the date of death.

## Four ways to burn ¥190 billion

The eight brands divide cleanly into four failure types, each representing a distinct pathology of capital misallocation. The taxonomy is not arbitrary — it reflects structural differences in how each brand consumed capital and why no amount of additional funding could have changed the outcome.

### The vaporware factory

Three brands consumed billions without delivering a single production vehicle to a paying customer — or, in one case, delivering 17.

Byton raised \$1.2 billion ( ¥8.7B) and attracted backing from Tencent, Foxconn, FAW Group, and CATL. Its co-founders, Carsten Breitfeld and Daniel Kirchert, came from BMW's i-Division — genuine automotive talent with track records in electric vehicle development. The company built a \$1.7 billion factory in Nanjing with 300,000-unit annual capacity. It collected 50,000 reservations, including 14,000 from Norway. It produced 100 to 200 pre-production units and passed crash testing. It was registered for Chinese sale. It was, by any reasonable measure, 95% ready.

Ninety-five percent readiness is still zero percent delivery. At CES 2018 and 2019, the M-Byte generated standing-room-only presentations and waves of media coverage, with journalists praising the 48-inch curved dashboard screen as the most ambitious interior in the industry. But behind the show-floor spectacle, the company was fracturing. Co-founder Breitfeld departed in April 2019 amid power struggles with FAW and government-backed board members over strategic direction. The critical Series C — a promised \$500 million from FAW — never fully closed. COVID-19 struck at the worst possible moment: after nearly all capital had been spent on factory construction but before any revenue had materialised. By mid-2020, more than 100 employees were protesting unpaid wages outside the Nanjing factory. Foxconn's \$200 million rescue attempt in January 2021 was abandoned by September. Formal bankruptcy followed in June 2023. The \$1.7 billion factory sits empty — a monument to the gap between prototype and production.

Singulato claimed ¥17 billion in total funding — a figure that was widely reported but heavily inflated. The actual capital received was approximately ¥3.5 to 5 billion; the difference included a ¥10 billion Suzhou government fund that was never disbursed because the Suzhou project was shelved. Its flagship iS6, announced in 2016 with production promised for 2017, remained in what Chinese media called the “PPT stage” — 造车停留在 PPT 阶段 — for seven years. Production deadlines slipped from 2017 to 2018 to 2019 to “TBD.” No contract manufacturer could be secured. Three factory sites were announced — Tongling, Suzhou, Zhuzhou — with combined planned investment exceeding ¥23 billion. None was completed. The only product Singulato ever sold to consumers was the “Blue Shark” electric bicycle. Founded by Shen Haiyin (沈海寅), a former Qihoo 360 vice president, the company embodied the conviction that software-first thinking could disrupt automotive manufacturing. Shen's stated ambition — to use “the Xiaomi model to build a Chinese Tesla” — attracted capital precisely because it conflated two successful narratives. But building a car is not building an app. Eleven funding rounds from 2015 to 2020 sustained the narrative without advancing the product. Bankruptcy liquidation came in June 2023.

Faraday Future straddles this category. Founded in 2014 by Jia Yueting (贾跃亭) — once called “China's Steve Jobs” — it has raised more than \$3 billion (¥21B) across a decade. At CES 2017, the FF 91 reveal generated 64,124 reservations in 36 hours. Short-seller J Capital Research later found that 78% of those reservations came from a single affiliated company. The FF 91 took six years from reveal to first delivery in August 2023. Total deliveries: approximately 17 vehicles, mostly to insiders and employees. The SPAC listing proceeded despite internal investigations confirming Jia's “concealed control.” The SEC issued Wells Notices to Jia and the company president for “false and misleading statements.” The stock ticker changed from FFIE to FFAI in the latest rebranding — a fitting emblem of narrative reinvention over industrial substance.

The vaporware pattern is consistent: charismatic founders, sophisticated backers, genuine early-stage technology, and a total inability to cross the gap between prototype and production. Capital funded the narrative. It never funded the car.

## The volume trap

Two brands achieved something arguably worse than building zero vehicles: they built hundreds of thousands, lost money on every one, and accelerated their own insolvency in the process.

NETA delivered 152,073 vehicles in 2022 — more than NIO, XPeng, or Li Auto. It was the undisputed volume champion among Chinese EV startups. The achievement was pyrrhic. Over 60% of sales went to ride-hailing fleets attracted by rock-bottom prices starting at ¥59,900 (\$8,200 USD). Gross margins ran at negative 15.7%. The company lost ¥18.3 billion from 2021 to 2023. Its attempt to move upmarket with the Neta S and Neta GT failed — consumers would not pay premium prices for a budget brand. Monthly sales fell from a peak of 16,000 to 110 by January 2025. In June 2025, courts accepted bankruptcy restructuring with 1,631 creditors filing ¥5.1 billion in claims against expected total debts exceeding ¥26 billion.

WM Motor followed a parallel trajectory from a different starting point. Founded by Shen Hui (沈晖), who had led Geely's celebrated \$1.8 billion acquisition of Volvo in 2010, it was once considered one of the “Four Little Dragons” (四小龙) of Chinese EV manufacturing alongside NIO, Li Auto, and XPeng. It raised approximately ¥35

billion across 12 rounds — more pre-IPO capital than any of its surviving peers. It ranked second among startups in 2019 with 16,876 deliveries. Its EX5 was the best-selling startup EV model that year.

Then came the battery fires. Multiple EX5 units caught fire in 2020, triggering recalls that destroyed consumer trust at a critical moment. The reputational damage proved irreversible. A failed STAR board IPO was followed by a Hong Kong filing in 2022 that revealed ¥20.5 billion in negative net assets — the company had been technically insolvent since 2021. Factory utilisation peaked at roughly 17% of 250,000-unit combined capacity. Sales collapsed to 30 to 120 units per month by December 2022, a decline so steep that the company was spending more on overhead than on production. Three IPO attempts failed — Shanghai STAR board, Hong Kong exchange, and a reverse merger — each representing the market's judgement that WM Motor's business model was fundamentally unviable. In October 2023, Shanghai courts accepted bankruptcy pre-restructuring, and car operating systems went offline, stranding approximately 100,000 owners whose Bluetooth keys stopped working. The technical failure was a final indignity: owners of WM Motor vehicles could not unlock their cars because the company's servers had been shut down.

The volume trap offers a paradox that every emerging-market investor should internalise: selling more cheap cars accelerated insolvency. Both NETA and WM Motor needed an IPO to sustain operations — their business models required continuous cash infusion to cover operating losses. When public market access was denied (WM Motor failed three times, NETA twice), the capital lifeline was severed. Volume without margin is a death sentence.

## The luxury mirage

HiPhi's collapse is the most poignant of the eight because its products were genuinely excellent. Founded by Ding Lei (丁磊), who had served as vice president of SAIC General Motors and helped bring Tesla's Gigafactory to Shanghai, HiPhi built vehicles that won critical praise. The HiPhi X with its programmable gullwing doors briefly outsold the Porsche Taycan in China's luxury EV segment above ¥500,000. In Norway's 2023 winter range test, the HiPhi Z achieved the smallest deviation from official range of any EV tested. The technology was real. The engineering was real. The market was not.

HiPhi averaged 355 units per month against two factories with 250,000 units of combined annual capacity — a utilisation rate of 6.8%. The company had opened a European office in Munich and a showroom in Oslo in September 2023, pricing its vehicles at EUR 105,000 to EUR 109,000 and positioning itself against Porsche and Mercedes. The European expansion came barely months before collapse — ambition outrunning reality at continental scale. Pricing ranged from ¥339,000 to ¥800,000 in a domestic market where the 2023 price war was pushing industry margins below 5%. More than ¥15 billion was invested. Approximately 16,000 vehicles were delivered. A workforce of 4,500 built cars across 150 sales outlets. Production halted on 18 February 2024. Salary cuts of up to 70% were imposed.

In May 2025, Lebanese company EV Electra acquired a 69.8% stake for \$100 million — pennies on every dollar invested. The HiPhi X's gullwing doors were among the most photographed features in Chinese automotive design. The HiPhi Z's robotic touchscreen was technically unprecedented. Neither feature addressed a problem that consumers in a price war were willing to pay a premium to solve. Premium branding requires either decades of heritage or a category-defining product at a price point the market will bear. HiPhi had world-class engineering at a price point that demanded an established luxury reputation — the one asset that no amount of capital can purchase overnight. In a market where BYD was selling competent electric vehicles for a tenth of HiPhi's price, engineering excellence without market fit was a luxury the brand could not afford.

## Conglomerate hubris

Two brands failed not because their founders lacked resources but because the EV venture served a parent company's strategy rather than its own market.

Evergrande Auto was the electric vehicle subsidiary of China Evergrande Group, the property conglomerate whose \$300 billion debt default became the largest in Chinese corporate history. Chairman Xu Jiayin (许家印)

pledged ¥45 billion over three years, targeting one million EVs annually by 2025. The company acquired NEVS (the former Saab) for \$1.3 billion, partnered with Koenigsegg, and unveiled nine concept models at lavish events. In February 2021, Evergrande Auto's market capitalisation briefly exceeded \$87 billion — surpassing Ford — without having sold a single car.

Only one model ever entered production: the Hengchi 5, a mid-size SUV priced at ¥179,000, of which approximately 1,700 were built. Caixin revealed the subsidiary's "primary purpose was to raise capital for the group company." The EV operation was financial engineering masquerading as industrial ambition — a vehicle for inflating valuations and raising debt, not for building vehicles. Total investment reached ¥47.4 billion. Total liabilities: ¥72.5 billion against ¥34.9 billion in assets.

Jiyue was the joint venture between Baidu, China's largest search engine, and Geely, its largest private automaker. On paper, the combination was formidable: Baidu's Apollo autonomous driving platform merged with Geely's SEA architecture and manufacturing capability. The Jiyue 01 and 07 featured Baidu's ASD 2.0 autonomous driving system, a 35.6-inch 6K screen, and yoke steering. Neither parent fully committed. Baidu initially pledged ¥50 billion in total investment, then shifted its strategic focus to large language models by 2023. Geely had its own competing Zeekr brand cannibalising the same premium segment. The JV structure ensured that neither felt full ownership responsibility.

The speed of Jiyue's collapse was extraordinary even by the standards of China's EV shakeout. In October 2024, Jiyue achieved its all-time monthly sales record of 3,107 units, driven by the just-launched Jiyue 07. At the Guangzhou Auto Show one month later, the company displayed a ROBO X hypercar concept and accepted deposits for a 2027 model. Sales were accelerating at the exact moment the company was dying. A Baidu audit in October discovered a ¥7 billion financial hole. Both parents cancelled further investment. Geely stopped manufacturing Jiyue vehicles in November. On 11 December, CEO Xia Yiping (夏一平) — a former Mobike co-founder whose experience was in ride-sharing, not automotive manufacturing — announced "Entrepreneurship 2.0" via video call as multiple departments were dissolved on the spot. Employees protested at Shanghai headquarters the next day. The total collapse took approximately eight weeks. Debts at dissolution: ¥900 million to Baidu, ¥2.6 billion to Geely, ¥1.1 billion in bank loans, ¥2.4 billion to suppliers.

The conglomerate pattern is structural: when the EV unit serves the parent's strategy rather than its own market, failure is embedded from inception. The capital is real. The commitment is not. And in Jiyue's case, the venture also illustrates the danger of applying internet-company culture to capital-intensive manufacturing. Rapid iteration works for software. It is catastrophically wrong for automotive.

## The accountability ledger

The most revealing data point about each brand is not how much capital it consumed. It is where the founder went when the capital ran out.

Three fled. Shen Hui relocated his family to the United States before WM Motor's collapse became public. He flew from China to New York via Munich in October 2023 as bankruptcy proceedings began. His 2021 compensation was reportedly ¥1.2 billion (\$165M USD) — including stock and options — in a year when the company lost ¥8.2 billion. He has not returned. Chinese social media widely compared him to Jia Yueting, whose name had already become shorthand for founder flight.

Zhang Yong (张勇), NETA's CEO, departed for the United Kingdom in April 2025, claiming to be "fundraising abroad." He left behind NETA's founder, Fang Yunzhou (方运舟), who was physically blocked in his office by protesting unpaid employees and evacuated by police. Zhang's ¥40.5 million in equity was frozen by courts.

Jia Yueting holds the record for duration: self-exiled in the United States since 5 July 2017, more than eight years and counting. He remains on China's debtor blacklist for ¥480 million owed to Ping An Securities. He used United States personal bankruptcy to discharge \$3.6 billion in Chinese debts — a textbook case of regulatory arbitrage between jurisdictions. Chinese media coined the phrase "下周回国" ("returning to China next week")

to mock his perpetual promise. He was appointed co-CEO of Faraday Future again in April 2025 and launched a cryptocurrency company on NASDAQ in November 2025. He has still not returned.

One was detained. Xu Jiayin was taken into custody on 28 September 2023, fined ¥47 million personally by the CSRC, and banned from China's securities market for life. In September 2025, a Hong Kong court ordered his global assets — approximately \$7.7 billion — placed under receiver control, piercing offshore trust structures. His net worth collapsed from \$45.3 billion in 2017 to effectively zero.

The rest stayed, with varying degrees of accountability. Ding Lei remains in Shanghai but faces more than 30 court-imposed spending restrictions banning air travel, luxury hotels, and private schooling. He is no longer heading HiPhi; EV Electra's Jihad Mohammad now leads the restructured entity. Xia Yiping posted a public apology — “The fault is mine — all of it” — and remains nominally involved in Jiyue's restructuring. Breitfeld left Byton for Faraday Future, was fired as CEO in November 2022, and has largely disappeared from public view. Kirchert joined Evergrande Auto, left within a year as it collapsed, and is also unaccounted for — a career spanning three failed EV ventures. Shen Haiyin was displaced by a court-appointed administrator and has no publicly reported current role.

The pattern across all eight is consistent: founder departure preceded or coincided with collapse in the majority of cases. Capital without governance accountability creates moral hazard. When founders can extract value through compensation, equity, or simply timing their exit while creditors, employees, and suppliers absorb losses, the incentive structure is fundamentally broken. The ¥1.2 billion in compensation that Shen Hui reportedly received in a year when his company lost ¥8.2 billion tells the governance story more clearly than any balance sheet.

## What the survivors had

The companion spotlight to this article — China's EV Sector: 500 Entered, Six Founders Survived — documents the transformation arcs of the founders who endured. This section does not retell those stories. It identifies the five structural factors that separated survivors from casualties.

Product-market fit outweighed technology. Li Auto's “boring” extended-range electric vehicles solved range anxiety without requiring charging infrastructure investment. BYD's affordable models addressed the mass market. Both outsold every premium or technology-forward startup because they addressed real consumer problems rather than engineering ambitions. HiPhi's gullwing doors and Byton's 48-inch dashboard screen won design awards. They solved no problem consumers were willing to pay to solve.

Vertical integration created an insurmountable moat. BYD manufactures its own batteries, semiconductors, motors, and software. Its battery costs run \$50 to \$85 per kilowatt-hour — 20 to 25% below competitors. No startup could replicate this cost structure. When BYD sold 4.27 million vehicles in 2024 at ¥777 billion (\$106B USD) in revenue, the scale advantage became structurally unreachable for any company starting from zero.

IPO access was life or death. NIO, XPeng, and Li Auto all listed on United States exchanges between 2018 and 2020, securing public market capital during the critical scaling phase. WM Motor failed to IPO three times. NETA failed twice. Both brands' business models required continuous cash infusion. Without public market access, the capital runway ended.

Capital efficiency mattered more than capital access. WM Motor raised more pre-IPO capital than NIO, XPeng, or Li Auto — and achieved far less. It built two factories with 250,000 units of combined annual capacity but never exceeded 44,000 units in peak production. Li Auto ran lean: three to four models, each selling more than 10,000 units per month. The lesson is structural. WM Motor proves that the quantity of capital is irrelevant if the discipline of its deployment is absent.

Community and brand identity created resilience. NIO built a lifestyle ecosystem through NIO Houses, owner festivals, and 1.6 million registered app users. Li Auto became synonymous with “the family car.” BYD's “national champion” identity resonated during China's era of technological self-reliance. The failed brands had

no comparable identity. WM Motor was a “nobody brand” — neither affordable enough to compete with BYD nor premium enough to rival NIO.

The survivors were not better funded. They were more resilient. And the nature of that resilience — product-market fit, capital efficiency, founder accountability, community — is visible only after the crisis reveals it.

## The metric that tells the whole story

The Chinese EV shakeout compressed a century of American automotive consolidation into a single decade. From 487 registered makers in 2019 to a projected 15 viable companies by 2030, according to AlixPartners. A survival rate of approximately 3%, unfolding at five times the historical speed. The American auto industry took from the 1900s to the 1950s to consolidate from hundreds of manufacturers to a handful of survivors. China accomplished the same structural reduction between 2019 and 2025.

For investors, the ¥190 billion in wreckage constitutes the most comprehensive evidence available that conventional due diligence misses the variable that matters most. Every one of these brands attracted sophisticated institutional capital. Tencent backed Byton. Baidu created Jiyue. CATL invested in WM Motor. Foxconn committed to rescue funding. FAW Group, Intel Capital, and multiple state-owned entities deployed capital alongside private venture funds. The due diligence that preceded each funding round examined technology, team, market size, and unit economics. It evaluated slides and spreadsheets. None of it evaluated resilience — the capacity to survive market dislocation, founder departure, or business model invalidation. The result is a ¥190 billion data set proving that capital allocation without crisis-testing is speculation, regardless of how many institutional names appear on the cap table.

For founders across emerging markets, the four failure types are universal. Vaporware — the perpetual prototype that never ships — appears in fintech, agritech, and cleantech ventures across Southeast Asia, Latin America, and Africa with the same pattern of narrative sophistication masking execution failure. Volume traps — revenue growth that masks structural insolvency — plague consumer brands from Sao Paulo to Lagos that chase market share at negative margins. Luxury mirages — beautiful products with no viable market — recur wherever founders mistake design excellence for demand. Conglomerate hubris — subsidiaries that serve the parent’s narrative rather than the customer’s need — is endemic to diversified groups from India to the Gulf States. Different products, different sectors, different countries. Identical failure patterns.

For any methodology that claims to evaluate founder-owned brands, these eight collapses provide the negative proof. The brands that survived China’s EV consolidation — documented in our companion spotlight — have been stress-tested by the most intense competitive environment in modern automotive history. Their survival is evidence of a quality that no pitch deck, no funding round, and no market capitalisation can manufacture. The crisis did not create that quality. It revealed it.

The metric that opens this article also closes it. How much capital it takes to put one car on the road tells you everything about whether a brand is building value or burning it. Evergrande Auto: ¥27.9 million per car. Faraday Future: \$160 million per car. Byton: \$1.2 billion per car, with the denominator at zero. BYD: \$25,000 per car, at a profit. The gap between those numbers is the gap between capital formation and business creation. It is the gap that ¥190 billion fell into.

### KEY TAKEAWAY

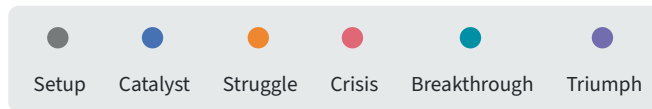
**Capital abundance creates complacency; capital discipline creates survival. The crisis tests what the funding round cannot.**

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## SECTOR TIMELINE

# A decade of money that vanished

Eleven years of capital, collapse, and consequence — the decisive moments that built and burned China's first generation of electric-vehicle startups.



- SETUP** 2014

**First wave of EV startups founded**  
Faraday Future, NETA (Hozon), and Singulato founded within months of each other — the first generation of China's EV gold rush.
- SETUP** 2015

**WM Motor founded by Freeman Shen**  
Ex-Geely executive who led the \$1.8B Volvo acquisition launches what becomes the most funded Chinese EV startup pre-IPO.
- CATALYST** 2017-01

**FF 91 unveiled at CES**  
Faraday Future claims 64,124 reservations in 36 hours. Short-sellers later find 78% came from a single affiliated company.
- STRUGGLE** 2017-07

**Jia Yueting flees to United States**  
Faraday Future founder leaves China permanently. Chinese media coins "returning next week" (下周回国) to mock his perpetual promise.
- CATALYST** 2018-09

**Evergrande begins EV acquisition spree**  
Property developer Xu Jiayin starts spending billions on EV assets including NEVS (former Saab), pledging ¥45B over three years.
- CATALYST** 2021-02

**Evergrande Auto hits \$87B valuation**  
Market capitalisation briefly surpasses Ford — without having sold a single car. Peak EV speculation.
- STRUGGLE** 2021-07

**Byton files bankruptcy**  
First vaporware casualty: \$1.2B spent, zero cars delivered. The \$1.7B Nanjing factory sits empty.
- CRISIS** 2022-12

**National EV subsidy expires**  
¥152.1 billion in cumulative government subsidies ends permanently on December 31, removing ¥12,600 per vehicle.
- CRISIS** 2023-01

**Tesla triggers extinction-level price war**  
Tesla slashes prices 10–13.5%. BYD matches. Industry margins compress to 5% — a decade low. Five of eight brands die in the aftermath.

**STRUGGLE** 2023-10**WM Motor collapses; founder flees**

Largest Chinese EV startup bankruptcy. Car operating systems go offline, stranding 100,000 owners. Shen Hui flees to New York via Munich.

**STRUGGLE** 2024-02**HiPhi suspends production**

Luxury EV maker halts operations. Salary cuts up to 70%. World-class engineering meets a market unwilling to pay premium prices.

**CRISIS** 2024-08**Evergrande Auto enters formal bankruptcy**

Subsidiaries ruled bankrupt. ¥47.4B invested, ~1,700 cars built. Xu Jiayin already detained, fined, and banned from markets for life.

**CRISIS** 2024-12**Jiyue collapses in eight weeks**

Baidu-Geely JV dissolves from sales record to total shutdown in two months. CEO announces dissolution via video call as departments are dissolved on the spot.

**CRISIS** 2025-06**NETA enters bankruptcy restructuring**

Last of the eight to fall. 1,631 creditors file ¥5.1B in claims. CEO Zhang Yong had already fled to the UK two months earlier.



# About this research

This report draws on 47 verified sources across 2 languages — primary documents, founder interviews, and trade press. Every figure and claim is cross-validated against independent references.

*Full methodology at [brandmine.ai](https://brandmine.ai).*

*Currency conversions use approximate rates as of March 2026. Verify current rates for financial decisions.*

## ABOUT BRANDMINE

**Exceptional founder-owned brands. Proven resilient. Ready now.**

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The founder's personal arc from origin to breakthrough. Verified through native-language research and primary source analysis.

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### SECTOR INTELLIGENCE REPORT

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