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IRICO

彩虹集團新能源股份有限公司

IRICO GROUP NEW ENERGY COMPANY LIMITED*

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 0438)

**(1) PROPOSED SHARE CONSOLIDATION AND CAPITAL
REDUCTION BECOMING EFFECTIVE ON 30 MARCH 2021;
(2) UTILISATION OF CREDIT ARISING FROM THE PROPOSED
SHARE CONSOLIDATION AND CAPITAL REDUCTION;
AND (3) PROPOSED AMENDMENTS TO THE ARTICLES OF
ASSOCIATION**

Financial Adviser to the Company



國泰君安國際
GUOTAI JUNAN INTERNATIONAL

Guotai Junan Capital Limited

Reference is made to the circular of IRICO Group New Energy Company Limited (the “**Company**”) dated 8 December 2020 (the “**Circular**”) in relation to, among others, the Proposed Share Consolidation and Capital Reduction and the Proposed Change in Board Lot Size. Capitalised terms used herein have the same meanings as those defined in the Circular unless the context otherwise requires.

Proposed Share Consolidation and Capital Reduction Becoming Effective on 30 March 2021

The Board is pleased to announce that approval has been granted by the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Reduced H Shares. All conditions precedent of the Proposed Share Consolidation and Capital Reduction have been fulfilled. Pursuant to the expected timetable set out in the Circular, the Proposed Share Consolidation and Capital Reduction will take effect on Tuesday, 30 March 2021. Please refer to the Circular for the details in relation to, among others, the trading arrangement, the exchange of share certificates and matching services for odd lots in connection with the Proposed Share Consolidation and Capital Reduction.

Holders of H Shares should note that upon the Proposed Share Consolidation and Capital Reduction becoming effective, new share certificates for the Reduced H Shares will be issued in the colour of blue in order to distinguish them from the share certificates in the colour of yellow for the Existing H Shares.

Dealings in the Reduced H Shares on the Stock Exchange are expected to commence on Tuesday, 30 March 2021 at 9:00 a.m.

Utilisation of Credit Arising from the Proposed Share Consolidation and Capital Reduction

Following consultation with relevant authorities and professional advice, the Board, having considered the actual situation of the Company, has resolved to credit the amount arising from the Proposed Share Consolidation and Capital Reduction to the capital reserve account of the Company, which will be utilised by the Company in such manner as and when the Board deems fit and appropriate.

Proposed Amendments to the Articles of Association

As approved by the Shareholders in the EGM and Class Meetings, the Board has arranged for the necessary amendments to Articles 22 of the Articles of Association after the Proposed Share Consolidation and Capital Reduction takes effect. Details of the amendments to the Articles of the Association are set out as follows.

Adding the new Clause 5 of Article 22 as:

In accordance with the approval at the extraordinary general meeting, the class meeting of the holders of domestic shares and the class meeting of the holders of H shares on 28 December 2020, the Company has completed the reduction of every twenty (20) Shares with a par value of RMB1 each to one (1) reduced share with a par value of RMB1 each, with the registered capital being changed into RMB176,322,070, and the total number of shares being changed into 176,322,070 shares, of which 80,073,400 shares are domestic shares, accounting for 45.41%, and 96,248,670 shares are foreign investment shares, accounting for 54.59%.

By order of the Board
IRICO Group New Energy Company Limited*
Si Yuncong
Chairman

Shaanxi Province, the PRC
30 March 2021

As at the date of this announcement, the Board consists of Mr. Si Yuncong and Mr. Tong Xiaofei as executive Directors, Mr. Fan Laiying and Mr. Ni Huadong as non-executive Directors, and Mr. Feng Bing, Mr. Wang Jialu and Mr. Wang Zhicheng as independent non-executive Directors.

** For identification purpose only*