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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)

ANNOUNCEMENT ON CONNECTED TRANSACTIONS JIANGXI PHOTOVOLTAIC PURCHASE CONTRACT

The Board announced that on 30 October 2023, Jiangxi Photovoltaic, a wholly-owned subsidiary of the Company, entered into the Purchase Contract with Panda Electronics Equipment. Pursuant to which, Jiangxi Photovoltaic proposed to purchase the design, manufacture and installation services of three sets of finished system for automatic glass unloading and papering and two sets of finished system for automatic glass unloading from Panda Electronics Equipment at a consideration of RMB8,050,000.00.

As at the date of this announcement, Panda Electronics Equipment is a subsidiary of CEC, the ultimate controlling Shareholder of the Company. Panda Electronics Equipment is an associate of CEC and a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the Purchase Contract constitute connected transactions of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of the transactions contemplated under the Purchase Contract exceeds 0.1% but less than 5%, the transactions are subject to the reporting and announcement requirements but exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

I. INTRODUCTION

The Board announced that on 30 October 2023, Jiangxi Photovoltaic, a wholly-owned subsidiary of the Company, entered into the Purchase Contract with Panda Electronics Equipment. Pursuant to which, Jiangxi Photovoltaic proposed to purchase the design, manufacture and installation services of three sets of finished system for automatic glass unloading and papering and two sets of finished system for automatic glass unloading from Panda Electronics Equipment at a consideration of RMB8,050,000.00.

II. JIANGXI PHOTOVOLTAIC PURCHASE CONTRACT

The main contents of the Purchase Contract are set out below:

Date:	30 October 2023
Parties:	Jiangxi Photovoltaic (as purchaser); and Panda Electronics Equipment (as vendor)
Purchase subjects:	The design, manufacture and installation for automatic glass unloading and papering equipment for finished product of No.3 furnace of Jiangxi Photovoltaic Phase I Project. The design, manufacture and installation include: (1) three sets of finished system for automatic glass unloading and papering; (2) two sets of finished system for automatic glass unloading.
Consideration:	<p>The total consideration for the Purchase Contract is RMB8,050,000.00, of which the tax exclusive is RMB7,123,893.81, the tax is RMB926,106.19 and the tax rate is 13%.</p> <p>The costs related to delivery, including but not limited to, equipment and material costs, transport costs, packaging costs, insurance costs, labour costs, as well as the costs of design, patented technology and software, installation, commissioning, inspection costs (including the costs of equipment installation, acceptance assessment and obtaining license), and the costs of training and other costs related to the services, have been included in the total amount of the consideration, and Jiangxi Photovoltaic is not required to pay any other costs.</p> <p>If there is any adjustment to the national tax policy or change in the VAT rate, the tax-exclusive price will remain unchanged, and the total tax-inclusive price will be adjusted according to the change in tax.</p>

Payment:	All payments are settled in RMB, and the payment method is telegraphic transfer or bank acceptance bills. The consideration will be paid in instalments based on the actual delivery of equipment and related services.
Basis for the consideration:	The consideration was determined after arm's length negotiations between Jiangxi Photovoltaic and Panda Electronics Equipment with reference to various factors such as the market price, service standard and the estimated cost of the relevant equipment and services.
Contract period:	The Purchase Contract shall be effective upon signing and sealing by the legal representatives or authorized representatives of both parties, and shall be terminated after the obligations of both parties have been fulfilled.

III. GENERAL INFORMATION

(i) The Company

The Company is principally engaged in the research and development, manufacturing and sale of solar photovoltaic glass.

(ii) Jiangxi Photovoltaic

Jiangxi Photovoltaic is a wholly-owned subsidiary of the Company and is principally engaged in glass manufacturing, solar power generation technology services and mechanical and electrical equipment manufacturing.

(iii) Panda Electronics Equipment

Panda Electronics Equipment is a wholly-owned subsidiary of Nanjing Panda Electronics Company Limited (whose H shares are listed on the Main Board of the Stock Exchange, stock code: 0553, “**Panda Electronics**”). Six out of the nine directors of the board of directors of Panda Electronics shall be nominated by Nanjing Electronics Information Industrial Corporation* (南京中電熊貓信息產業集團有限公司), a subsidiary of CEC. Therefore, Panda Electronics and Panda Electronics Equipment are subsidiaries of CEC.

Panda Electronics Equipment is a leading supplier of industrial robots, smart manufacturing systems and integrated smart manufacturing solutions in China.

IV. REASONS FOR AND BENEFITS OF ENTERING INTO THE PURCHASE CONTRACT

The Board is of the view that entering into the Purchase Contract is necessary and of significant importance for the normal operation of Jiangxi Photovoltaic.

The Board (including the independent non-executive Directors) considers that the terms and conditions of the Purchase Contract are fair and reasonable, and the transactions under the Purchase Contract are conducted on normal or better commercial terms in the ordinary and usual course of business of Jiangxi Photovoltaic, and in the interests of Jiangxi Photovoltaic, the Company and the Shareholders as a whole.

V. LISTING RULES IMPLICATIONS

As at the date of this announcement, Panda Electronics Equipment is a subsidiary of CEC, the ultimate controlling Shareholder of the Company. Panda Electronics Equipment is an associate of CEC and a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the Purchase Contract constitute connected transactions of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of the transactions contemplated under the Purchase Contract exceeds 0.1% but less than 5%, the transactions are subject to the reporting and announcement requirements but exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

As at the date of this announcement, none of the Directors has a material interest in the transactions under the Purchase Contract. As such, none of the Directors abstained from voting on the Board resolution.

VI. DEFINITIONS

Unless the context otherwise requires, the terms used in this announcement shall have the following meanings:

“associate(s)”	has the same meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors of the Company;
“CEC”	China Electronics Corporation*(中國電子信息產業集團有限公司), a wholly state-owned company incorporated in the PRC with limited liability and the ultimate controlling Shareholder of the Company;
“Company”	IRICO Group New Energy Company Limited*(彩虹集團新能源股份有限公司), a joint stock company incorporated in the PRC with limited liability, whose H shares are listed on the Main Board of the Stock Exchange (stock code: 0438);
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules;

“Directors(s)”	the director(s) of the Company;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Jiangxi Photovoltaic”	Jiangxi IRICO Photovoltaic Co., Ltd.*(江西彩虹光伏有限公司), a wholly-owned subsidiary of the Company;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Panda Electronics Equipment”	Nanjing Panda Electronics Equipment Co., Ltd. *(南京熊貓電子裝備有限公司), a subsidiary of CEC and a connected person of the Company;
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding the Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“Purchase Contract”	the Design, Manufacture and Installation Contract for Automatic Glass Unloading and Papering Equipment for Finished Product of No.3 Furnace (《三號窯爐成品自動下片鋪紙設備設計、製造及安裝合同》) dated 30 October 2023 entered into between Jiangxi Photovoltaic and Panda Electronics Equipment in relation to the proposed procurement by Jiangxi Photovoltaic from Panda Electronics Equipment;

“RMB”	Renminbi, the lawful currency of the PRC;
“Shareholder (s)”	the shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“%”	Percent.

By order of the Board
IRICO Group New Energy Company Limited*
Huang Weihong
Secretary to the Board

Shaanxi Province, the PRC
30 October 2023

As at the date of this announcement, the Board consists of Mr. Ma Zhibin and Mr. Jiang Lei as executive directors, Mr. Ni Huadong and Mr. Huang Weihong as non-executive directors, and Mr. Su Kun, Mr. Li Yong and Ms. Hao Meiping as independent non-executive directors.

* *For identification purpose only*