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Add New Energy Investment Holdings Group Limited
愛 德 新 能 源 投 資 控 股 集 團 有 限 公 司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 02623)

FURTHER ANNOUNCEMENT RELATING TO ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

Reference was made to annual report of Add New Energy Investment Holdings Group Limited (the "**Company**", together with its subsidiaries, collectively, the "**Group**") for the year ended 31 December 2018 (the "**2018 Annual Report**").

The board (the "**Board**") of directors (the "**Directors**") of the Company hereby disclose that, the Group recorded an impairment provision of approximately RMB43 million which comprised RMB39,595,000 of spodumene, RMB253,000 of other raw materials and RMB3,145,000 of finished goods. The reasons and circumstances leading to the recognition of Impairment Loss was the decrease in the market price of such inventories.

The book value of the Group's spodumene as at 31 December 2018 was approximately RMB67.69 million, since the decrease in the market price of spodumene which resulted in the market price below the book value. As a result thereof, an impairment of the spodumene in the amount of about RMB39.60 million was made.

In addition, the value of the finished good in inventories impaired about RMB3,145,000 which was by reference to the market value of the raw materials of the finished goods as at 31 December 2018 was about 8.1% to 9.59% lower than the cost of such raw materials which led to the impairment of the finished goods of about RMB3,145,000.

In view of the fact that the Company's impaired goods are all bulk commodities, the impairment is based on the then prevailing commodity market prices. Therefore, the Company has not engaged any valuer for the valuation of the inventories. The impairment assessment of the inventories were based on the then market price as at 31 December 2018.

By order of the Board
Add New Energy Investment Holdings Group Limited
Li Yunde
Chairman

Hong Kong, 4 October 2019

As at the date of this announcement, the executive Directors are Mr. Li Yunde (Chairman), Mr. Geng Guohua (Chief Executive Officer) and Mr. Lang Weiguo; and the independent non-executive Directors are Mr. Li Xiaoyang, Mr. Zhang Jingsheng and Mr. Leung Nga Tat.