

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors of the Company that, based on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2020 and the financial information currently available, it is expected that the Group will record a net profit of approximately RMB 18 million for the six months ended 30 June 2020, which shows a significant improvement from the loss of approximately RMB 27 million in the same corresponding period last year.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

This announcement is made by Add New Energy Investment Holdings Group Limited (the “**Company**”, together with its subsidiaries collectively referred to as the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the “**SFO**”).

The board of directors (the “**Board**”) of the Company hereby informs the shareholders (the “**Shareholders**”) and potential investors of the Company that, based on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2020 and the financial information currently available, it is expected that the Group will record a net profit of approximately RMB 18 million for the six months ended 30 June 2020, which shows a significant improvement from the loss of approximately RMB 27 million in the same corresponding period last year.

The improvement in the results are mainly due to (1) the increase in the Group's revenue from approximately RMB 152 million in the same corresponding period last year to approximately RMB 343 million for the six months ended 30 June 2020, which is more than a double, inter alia, the soar in market price of iron concentrates products and spodumene, improved the effectiveness of operation, increased the gross profit margin to approximately 11%; (2) the government grants of approximately RMB 8 million remediation subsidy; and (3) the gain on disposal of property, plant and equipment of approximately RMB 8 million.

The Company is in the process of finalising the consolidated interim results of the Group for the six months ended 30 June 2020. The information contained in this announcement is only based on the preliminary review of the information currently available, which has not been audited or reviewed by the auditor of the Company. Shareholders and potential investors are advised to read carefully the interim results announcement of the Group for the six months ended 30 June 2020, which is expected to be published by the end of August 2020.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

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

Hong Kong, 19 August 2020

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; the independent non-executive Directors are Mr. Leung Nga Tat, Mr. Zhang Jingsheng and Mr. Li Xiaoyang.