

# TARGET

## Intelligence Report

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T U E S D A Y

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### **IRC LTD: NOT GOOD ! NOT GOOD, AT ALL !**

There have been radical changes of late at IRC Ltd (鐵江現貨有限公司) (Code: 1029, Main Board, The Stock Exchange of Hongkong Ltd).

Perhaps, the most extremely startling of the changes that took place in the month of September 2022 was the one, dated Wednesday, September 14, when it was announced by Senior Management of IRC Ltd that Ms Marina Alexeevna Kolesnikova had become one of the material shareholders of the Company.

In a nutshell, this was the two-paragraph announcement in respect of this (obviously) pleasant shock to shareholders and Senior Management alike of IRC Ltd:

*'On 14 September 2022, after trading hours, the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 1,419,942,876 new Shares at the Subscription Price of HK\$0.10641 per Subscription Share.'*

*'The Subscription Shares represent 20.0% of the existing issued share capital of the Company and approximately 16.7% of the total issued share capital of the Company as enlarged by the Subscription Shares.'*

The following is goodly part of that eight-page, public announcement with regard to the very material injection of cash into the coffers of IRC Ltd by corporate entities, controlled by Ms Marina Alexeevna Kolesnikova:

*'Reference is made to the announcement of the Company dated 21 February 2022 in relation to, among others, the assignments of the rights of GPB (Gazprombank) under two facility agreements for an aggregate of US\$240 million with GPB as lender and K&S (wholly owned subsidiary of IRC Ltd) as borrower. Upon completion of the aforesaid assignments*

*by GPB to the Subscriber, the Subscriber has become a lender to the Group.*

*‘To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Subscriber and its ultimate beneficial owner are third parties independent of, and not connected with the Company and its connected persons.*

### ***‘Subscription***

*‘The Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 1,419,942,876 new Shares at the Subscription Price of HK\$0.10641 per Subscription Share to the Subscriber, at an aggregate consideration of HK\$151,096,121 (equivalent to approximately US\$19.4 million). Such consideration shall be paid by telegraphic transfer to the bank account of the Company on Subscription Completion.*

### ***‘Subscription Shares***

*‘The Subscription Shares represent:*

- ‘(i) 20.0% of the existing issued share capital of the Company as at the date of this announcement; and*
- ‘(ii) approximately 16.7% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares only (assuming there will be no change in the issued share capital of the Company between the date of this announcement and the date of Subscription Completion, save for the allotment and issue of the Subscription Shares).*

*‘The Subscription Shares, when allotted and issued, will rank pari passu in all respects among themselves free from all liens, charges, guarantee, adverse interests and adverse claims, and with the Shares in issue on the date of allotment and issue of the Subscription Shares including all dividends declared or payable or distributions made or proposed on or after the Subscription Completion...*

### ***‘Subscription Completion***

*‘Subscription Completion will take place on a Business Day on or after the date of fulfilment (or waiver, as the case may be) of conditions precedent set out in the paragraphs headed “Conditions precedent to the Subscription Completion” in this announcement and shall be no later than the date falling 20 Business Days after the date of the Subscription Agreement (or on such other Business Day as may be agreed between the Company and the Subscriber in writing).*

### ***‘Lock-up arrangement for the Subscription Shares***

*‘Pursuant to the Subscription Agreement, the Subscriber undertook that, during a period commencing from and including the date of Subscription Completion and ending on and including the date which is six months from the date of Subscription Completion, the Subscriber shall not, and shall procure that the relevant registered holder(s) and its associates and companies controlled by it and any nominees or trustees holding in trust for it shall not, without the prior written consent of the Company, (a) offer, pledge, charge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, lend or otherwise transfer or dispose of, either directly or indirectly, any of the Subscription Shares (directly or indirectly); or (b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Subscription Shares, whether any of the foregoing transactions is to be settled by delivery of the Subscription Shares or such other securities, in cash or otherwise; (c) agree (conditionally or unconditionally) to enter into or effect any transaction with the same economic effect as any of the transactions referred to in paragraphs (a) or (b) above; or (d) announce any intention to enter into or effect any of the transactions referred to in paragraphs (a), (b) or (c) above ...*

#### ***‘REASONS FOR THE SUBSCRIPTION***

*‘As ... [CLICK TO ORDER FULL ARTICLE](#)*

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