
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Prospectus or as to the action to be taken, you should consult your licensed securities dealer or other registered institution in securities, bank manager, solicitors, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **China Ruifeng Renewable Energy Holdings Limited**, you should at once hand this Prospectus Documents to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this Prospectus, 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 the Prospectus Documents.

A copy of each of the Prospectus Documents, having attached thereto the documents specified in the paragraph headed “15. Documents delivered to the Registrar of Companies in Hong Kong” in Appendix III to this Prospectus, has been registered by the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Registrar of Companies in Hong Kong, The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission of Hong Kong take no responsibility for the contents of any of the Prospectus Documents.

Dealings in the Shares and the Rights Shares in both nil-paid and fully-paid forms may be settled through CCASS established and operated by HKSCC and you should consult your stockbroker or licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for details of the settlement arrangements and how such arrangements may affect your rights and interests. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.



CHINA RUIFENG RENEWABLE ENERGY HOLDINGS LIMITED

中國瑞風新能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00527)

RIGHTS ISSUE ON THE BASIS OF FIVE (5) RIGHTS SHARES FOR EVERY TWO (2) SHARES HELD ON THE RECORD DATE

Financial Adviser to the Company



結好融資有限公司
GET NICE CAPITAL LIMITED

Placing Agent to the Company



結好證券有限公司
GET NICE SECURITIES LIMITED

The Rights Issue is on a non-underwritten basis. Pursuant to the Company's constitutional documents, the applicable laws in Hong Kong and the Cayman Islands and the Listing Rules, there is no requirement for a minimum level of subscription in the Rights Issue. The Rights Issue is subject to fulfillment of the conditions of the Rights Issue as set out in the section headed “Letter from the Board — Conditions of the Rights Issue” in this Prospectus at or prior to the latest time for the Rights Issue to become unconditional. If the conditions of the Rights Issue are not fulfilled at or prior to the latest time for the Rights Issue to become unconditional, the Rights Issue will not proceed.

Capitalised terms used in this cover page have the same meanings as defined in this Prospectus.

Dealings in the Rights Shares in the nil-paid form will take place from Friday, 21 July 2023 to Friday, 28 July 2023 (both days inclusive). If the conditions of the Rights Issue are not fulfilled, the Rights Issue will not proceed. Any person contemplating dealing in the nil-paid Rights Shares during the period from Friday, 21 July 2023 to Friday, 28 July 2023 (both days inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional and/or may not proceed. Any person contemplating dealing in the Shares and/or the Rights Shares in their nil-paid form are recommended to consult his/her/its/their own professional advisers.

The latest time for acceptance of and payment for the Rights Shares and for application is 4:00 p.m. on Wednesday, 2 August 2023. The procedure for acceptance and payment or transfer is set out on pages 16 to 17 of this Prospectus.

19 July 2023

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EXPECTED TIMETABLE

Set out below is the expected timetable for the Rights Issue and the Placing which is indicative only and has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled.

All times and dates in this Prospectus refer to Hong Kong local times and dates. In the event that any special circumstances arise, such dates and deadlines may be adjusted by the Board if it considers appropriate. Any changes to the expected timetable will be published or notified to the Shareholders by way of announcement(s) on the website of the Stock Exchange and on the website of the Company as and when appropriate.

Event	Date and time
Original counter for trading in the board lot size of 12,000 Shares (in the form of new share certificates) reopens.	Thursday, 20 July 2023
First day of dealings in nil-paid Rights Shares in the new board lot size of 12,000 Rights Shares	Friday, 21 July 2023
Latest time for splitting of the PALs.	4:30 p.m. on Tuesday, 25 July 2023
Last day of dealings in nil-paid Rights Shares in the new board lot size of 12,000 Rights Shares.	Friday, 28 July 2023
Latest time for lodging transfer documents of nil-paid Rights Shares in order to qualify for the Compensatory Arrangements.	4:00 p.m. on Wednesday, 2 August 2023
Latest time for acceptance of and payment for the Rights Shares.	4:00 p.m. on Wednesday, 2 August 2023
Announcement of the number of Unsubscribed Rights Shares and ES Unsold Rights Shares subject to the Compensatory Arrangements.	Monday, 7 August 2023
Commencement of placing of Unsubscribed Rights Shares and ES Unsold Rights Shares by the Placing Agent.	Tuesday, 8 August 2023
Latest time of placing of Unsubscribed Rights Shares and ES Unsold Rights Shares subject to Compensatory Arrangements.	4:00 p.m. on Tuesday, 15 August 2023

EXPECTED TIMETABLE

The Placing Long Stop Date. 4:00 p.m. on
Wednesday, 16 August 2023

Rights Issue settlement date and Placing completion date. Wednesday, 16 August 2023

Announcement of the allotment results of the Rights Issue
(including results of the placing of Unsubscribed Rights Shares
and ES Unsold Rights Shares and the amount of the Net Gain
per Unsubscribed Rights Share and per ES Unsold Rights Share
under the Compensatory Arrangements). Monday, 21 August 2023

Despatch of share certificates of fully-paid Rights Shares and
refund cheques, if any, in respect of wholly or partially
unsuccessful applications. Tuesday, 22 August 2023

Expected first day of dealings in fully-paid Rights Shares in the
new board lot size of 12,000 Rights Shares commence. 9:00 a.m. on
Wednesday, 23 August 2023

Payment of Net Gain to relevant No Action Shareholders (if any). . . . Tuesday, 5 September 2023

EFFECT OF BAD WEATHER AND/OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE

The Latest Time for Acceptance of and payment for the Rights Shares will not take place if there is a tropical cyclone warning signal no. 8 or above, “extreme conditions” caused by super typhoons as announced by the Government of Hong Kong or a “black” rainstorm warning:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the date of the Latest Time for Acceptance. Instead, the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; or
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the date of the Latest Time for Acceptance. Instead, the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on or before 4:00 p.m. on the date of the Latest Time for Acceptance, the dates mentioned in this section may be affected. An announcement will be made by the Company in such event.

DEFINITIONS

In this Prospectus, unless the context otherwise requires, the following expressions have the following meanings:

“acting in concert”	has the same meaning ascribed thereto under the Takeovers Code
“Announcement”	the announcement of the Company dated 12 May 2023 in relation to, among other things, the Capital Reorganisation, the Rights Issue and the Placing
“associate(s)”	has the same meaning ascribed thereto under the Listing Rules
“Authorised Share Capital Increase”	the increase of the authorised share capital of the Company to HK\$500,000,000 divided into 10,000,000,000 Shares of a par value of HK\$0.05 each, by the creation of 8,000,000,000 Shares of a par value of HK\$0.05 each after the Share Consolidation
“Board”	the board of Directors
“Bondholder’s Undertaking”	a letter of irrevocable undertaking executed by Filled Converge in favour of the Company, the principal terms of which are disclosed in the section headed “The Bondholder’s Undertaking” in this Prospectus
“Business Day(s)”	a day (excluding Saturday and Sunday and any day on which “extreme conditions” caused by super typhoons is announced by the Government of Hong Kong or a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business

DEFINITIONS

“Capital Reorganisation”	the proposed reorganisation of the share capital of the Company comprising the Share Consolidation, the Authorised Share Capital Increase and the Change in Board Lot Size, which became effective on 6 July 2023
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 4,000 Shares to 12,000 Shares
“Circular”	the circular of the Company dated 14 June 2023 in respect of, among others, the Capital Reorganisation, Share Consolidation, the Rights Issue and the Placing
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong
“Company”	China Ruifeng Renewable Energy Holdings Limited, an exempted company with limited liability incorporated under the laws of the Cayman Islands
“Compensatory Arrangements”	the compensatory arrangements pursuant to Rule 7.21(1)(b) of the Listing Rules as described in the section headed “Procedures in respect of the Unsubscribed Rights Shares and ES Unsold Rights Shares and the Compensatory Arrangements” in this Prospectus
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Convertible Bonds”	the 10% unsecured convertible bonds in the aggregate principal amount of HK\$356,375,000 due 2025 issued by the Company, details of which have been disclosed in the Company’s announcements dated 28 January 2022 and 28 April 2022

DEFINITIONS

“Diamond Era”	Diamond Era Holdings Limited, a company incorporated in the BVI with limited liability and a substantial Shareholder holding 61,773,400 Shares as at the date of this Prospectus and is wholly-owned by Mr. Zhang
“Director(s)”	the director(s) of the Company
“ES Unsold Rights Share(s)”	the Rights Share(s) which would otherwise has/have been provisionally allotted to the Excluded Shareholders (if any) in nil-paid form that has/have not been sold by the Company
“Excluded Shareholders”	those Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary, or expedient not to offer the Rights Shares to such Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“EGM”	the extraordinary general meeting of the Company convened and held on 4 July 2023 at which, among other things, the Capital Reorganisation, the Rights Issue and the Placing were approved by the Independent Shareholders
“Filled Converge”	贏匯有限公司 (Filled Converge Limited), a company incorporated under the laws of BVI with limited liability and wholly-owned by Mr. Zhang as at the date of this Prospectus
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Independent Shareholder(s)”	any Shareholder(s) other than any controlling shareholders and their associates or, where there are no controlling shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and any of its connected persons
“Irrevocable Undertaking”	a letter of irrevocable undertaking executed by each of Mr. Xu and Diamond Era in favour of the Company, the principal terms of which are disclosed in the section headed “The Irrevocable Undertaking” in this Prospectus
“Last Trading Day”	12 May 2023, being the last trading day of the Shares on the Stock Exchange immediately prior to the publication of the Announcement
“Latest Practicable Date”	13 July 2023, being the latest practicable date for the purpose of ascertaining certain information contained in this Prospectus prior to its publication
“Latest Time for Acceptance”	2 August 2023 or other time or date as may be determined by the Company, being the latest time for acceptance of, and payment for, the Rights Shares
“Listing Committee”	has the meaning as defined in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Zhang”	Mr. Zhang Zhixiang, an executive Director and chief executive officer of the Company
“Mr. Xu”	Mr. Xu Yingjie

DEFINITIONS

“Net Gain”	the aggregate of any premiums (being the aggregate amount paid by the placees after deducting the aggregate amount of the Subscription Price for the Unsubscribed Rights Shares and ES Unsold Rights Shares placed by the Placing Agent and/or its sub-placing agent(s) under the Placing Agreement) under the Compensatory Arrangements
“No Action Shareholders”	Qualifying Shareholders who do not subscribe for the Rights Shares (whether partially or fully) under the PALs or their renounees, or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed, and/or the Excluded Shareholders (if any)
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose registered address(es) as shown on such register at that time is (are) in (a) place(s) outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue
“Placing”	the offer by way of private placing of the Unsubscribed Rights Shares and ES Unsold Rights Shares on a best effort basis by the Placing Agent and/or its sub-placing agent(s), who and whose ultimate beneficial owners shall not be the Shareholder(s) and shall be Independent Third Party(ies), to the independent placee(s) during the Placing Period on the terms and subject to the conditions set out in the Placing Agreement
“Placing Agreement”	the placing agreement dated 12 May 2023 and entered into between the Company and the Placing Agent in relation to the placing of Unsubscribed Rights Shares and ES Unsold Rights Shares

DEFINITIONS

“Placing Agent”	Get Nice Securities Limited, a corporation licensed to engage in type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO
“Placing Long Stop Date”	16 August 2023 or such other time or date as the Placing Agent may agree in writing with the Company
“Prospectus”	this prospectus dated 19 July 2023 and issued by the Company in relation to the Rights Issue
“Prospectus Documents”	this Prospectus and the PAL
“Prospectus Posting Date”	19 July 2023 or such other date as may be agreed in writing between the Placee and the Company, being the date of despatch of the Prospectus Documents to the Qualifying Shareholders and the Prospectus for information only to the Excluded Shareholders
“Qualifying Shareholder(s)”	Shareholder(s), other than the Excluded Shareholders, whose name(s) appear(s) on the register of members of the Company on the Record Date
“Record Date”	18 July 2023 or such other date as may be determined by the Company, being the date for determining entitlements of the Shareholders to participate in the Rights Issue
“Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, being Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Rights Issue”	the proposed issue by way of rights on the basis of five (5) Rights Shares for every two (2) Shares held by the Qualifying Shareholders on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Prospectus Documents

DEFINITIONS

“Rights Share(s)”	up to 1,187,403,730 Shares to be allotted and issued pursuant to the Rights Issue (assuming no other change in the number of Shares in issue on or before the Record Date)
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Cap 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) of the Company
“Share Consolidation”	consolidation of the issued and unissued Shares in the share capital of the Company on the basis of five (5) Shares of HK\$0.01 each into one (1) Share of HK\$0.05 each, which was effective on 6 July 2023
“Share Option Scheme”	the share option scheme of the Company approved and adopted on 1 June 2015
“Share Options”	the share options granted by the Company pursuant to the Share Option Scheme
“Shareholder(s)”	holder(s) of issued Share(s)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.18 per Rights Share
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Unsubscribed Rights Shares”	the Rights Shares that are not subscribed by the Qualifying Shareholders or holders of nil-paid rights, which do not include any Rights Shares to be provisionally allotted to Mr. Xu and Diamond Era for which subscription of Rights Shares will be subject to the Irrevocable Undertaking as set out in the section headed “The Irrevocable Undertaking” in this Prospectus
“%”	per cent.

LETTER FROM THE BOARD



CHINA RUIFENG RENEWABLE ENERGY HOLDINGS LIMITED
中國瑞風新能源控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 00527)

Executive Directors

Mr. Yuan Wanyong (*Chairman*)
Mr. Zhang Zhixiang (*Chief Executive Officer*)
Mr. Ning Zhongzhi
Mr. Li Tian Hai (*retired at the annual general meeting of the Company on 1 June 2023*)
Mr. Peng Ziwei (*retired at the annual general meeting of the Company on 1 June 2023*)

Independent Non-executive Directors

Mr. Qu Weidong
Ms. Hu Xiaolin
Mr. Jiang Senlin

Registered Office

Windward 3, Regatta Office Park,
PO Box 1350, Grand Cayman KY1-1108,
Cayman Islands

Head Office

Room 1002, 10/F, Shui On Centre,
6–8 Harbour Road, Wanchai,
Hong Kong

19 July 2023

To the Qualifying Shareholders and, for information only, the Excluded Shareholders (if any)

Dear Sirs

**RIGHTS ISSUE ON THE BASIS OF FIVE (5) RIGHTS SHARES
FOR EVERY TWO (2) SHARES HELD
ON THE RECORD DATE**

INTRODUCTION

References are made to the Announcement and the Circular in relation to, among other matters, the Capital Reorganisation, the Rights Issue and the Placing.

LETTER FROM THE BOARD

On 4 July 2023, the Company proposed to raise gross proceeds of up to approximately HK\$229.9 million (assuming full subscription under the Rights Issue) by way of a rights issue of up to 1,277,353,730 Rights Shares at the Subscription Price of HK\$0.18 per Rights Share on the basis of five (5) Rights Shares for every two (2) Shares held by the Qualifying Shareholders at the close of business on the Record Date.

At the EGM, the resolutions approving the Rights Issue, the Placing and the transactions contemplated thereunder were duly passed by the Independent Shareholders by way of poll. Mr. Zhang and his respective associates abstained from voting in favour of the proposed resolutions to approve the Rights Issue, the Placing Agreement and the transaction contemplated thereunder at the EGM.

The purpose of this Prospectus is to provide you with, among other things, further details of the Rights Issue and the Placing; and other information required under the Listing Rules.

RIGHTS ISSUE

Basis of the Rights Issue	:	Five (5) Rights Shares for every two (2) Shares held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	:	HK\$0.18 per Rights Share
Net price per Rights Share (i.e. Subscription Price less cost and expenses incurred in the Rights Issue)	:	Approximately HK\$0.179 per Rights Share
Number of Shares in issue at the Latest Practicable Date	:	474,961,493 Shares
Number of Rights Shares to be issued pursuant to the Rights Issue	:	Up to 1,187,403,730 Rights Shares (assuming no other change in the number of Shares in issue on or before the Record Date)
		The aggregate nominal value of the Rights Shares will be HK\$59,370,186.5

LETTER FROM THE BOARD

Total number of Shares in issue upon completion of the Rights Issue	:	Up to 1,662,365,223 Shares (assuming that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)
Gross proceeds from the Rights Issue	:	Up to approximately HK\$213.7 million before expenses (assuming no other change in the number of Shares in issue on or before the Record Date)

As at the Latest Practicable Date, there are (i) 35,980,000 outstanding Share Options granted by the Company exercisable into 35,980,000 Shares, at the exercise price of HK\$0.9 per Share; and (ii) Convertible Bonds with an aggregate principal amount of HK\$356,375,000 convertible into 395,972,222 Shares, at the conversion price of HK\$0.9 per Share.

Assuming no change in the number of issued Shares on or before the Record Date and that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue, the 1,187,403,730 Rights Shares to be issued pursuant to the terms of the proposed Rights Issue represents (i) approximately 250% of the issued share capital of the Company immediately upon completion of the Share Consolidation; and (ii) approximately 71.4% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares.

The Irrevocable Undertaking

As at the Latest Practicable Date, Mr. Xu and Diamond Era are interested directly in 65,133,333 Shares and 61,773,400 Shares respectively (representing approximately 13.7% and 13.0% of all issued Shares as at the date hereof). Mr. Zhang is the beneficial owner of the entire issued shares of Diamond Era Holdings Limited.

On 12 May 2023, the Company received from each of Mr. Xu and Diamond Era the Irrevocable Undertaking, pursuant to which each of Mr. Xu and Diamond Era has irrevocably undertaken to the Company, among other things, that it:

- (a) shall not sell, transfer or otherwise dispose of the Shares held by it during the period from the date of the Irrevocable Undertaking up to and including the date on which the Rights Issue has become unconditional or the date on which the Company announces that the Rights Issue will not proceed, whichever is earlier (both dates inclusive);

LETTER FROM THE BOARD

- (b) shall accept and subscribe, and procure its nominee(s) (if applicable) to accept and subscribe, in full for all the Rights Shares in which it is beneficially entitled under the Rights Issue on and subject to the terms and conditions of the Rights Issue provided that the total number of Rights Shares to be subscribed by Mr. Xu and Diamond Era under the Rights Issue will be scaled down to the extent that Mr. Xu and Diamond Era and its associate(s) will not trigger a general offer obligation under the Takeovers Code in accordance with the note to Rule 7.19(5)(b) of the Listing Rules; and
- (c) shall procure its nominee(s) (if applicable) to, lodge the PAL(s) despatched to it together with remittance for the full amount payable on acceptance in accordance with the instructions printed on the Prospectus and the PAL and, in any event, not later than the time specified therefor in the PAL.

Save for the Irrevocable Undertaking given by each of Mr. Xu and Diamond Era, the Company has not received, as at the Latest Practicable Date, any information or irrevocable undertaking from any other Shareholders of their intention to take up the Rights Shares to be provisionally allotted to them under the Rights Issue.

The Bondholder's Undertaking

As at the Latest Practicable Date, Filled Converge holds the Convertible Bonds. Assuming the conversion right of the Convertible Bonds were exercised in full, the total of 395,972,222 new Shares will be issued to Filled Converge, representing approximately 83.4% of total issued shares assuming full exercise of the conversion rights attached to all Convertible Bonds issued by the Company as at the Last Practicable Date.

On 12 May 2023, the Company received from Filled Converge the Bondholder's Undertaking, pursuant to which Filled Converge has irrevocably undertaken to the Company not to exercise the conversion rights attached to the Convertible Bonds before the Record Date.

The Subscription Price

The Subscription Price of HK\$0.18 per Rights Share, payable in full upon acceptance of the relevant provisional allotment of Rights Shares under the Rights Issue or when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- (a) a discount of 52% to the closing price of HK\$0.375 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

LETTER FROM THE BOARD

- (b) a discount of 28% to the theoretical closing price of HK\$0.25 per Share (after taking into account the effect of the Share Consolidation) based on the closing price of HK\$0.05 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (c) a discount of approximately 27.71% to the theoretical average closing price of approximately HK\$0.249 per Share (after taking into account the effect of the Share Consolidation) based on the average closing price of approximately HK\$0.0498 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day;
- (d) a discount of 10% to the theoretical ex-rights price of HK\$0.20 per Share (after taking into account the effect of the Share Consolidation), based on the closing price of HK\$0.05 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (e) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) represented by a discount of 20%, represented by the theoretical diluted price of HK\$0.20 per Share to the theoretical benchmarked price of HK\$0.25 per Share (after taking into account the effect of the Share Consolidation) (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of the closing price on the Last Trading Day of HK\$0.05 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five (5) consecutive trading days prior to the date of the Announcement of approximately HK\$0.0496 per Share); and
- (f) a discount of approximately 34.23% to the adjusted consolidated net asset value per Share of approximately HK\$0.274 (based on the audited consolidated net asset value of the Company as at 31 December 2022 of approximately RMB115.16 million and the exchange rate of RMB1=HKD1.129 on the Last Trading Day) and the total number of issued Shares after the Share Consolidation of 474,961,493).

The Subscription Price was determined by the Company with reference to, among others, (i) the recent closing price of the Shares; (ii) the latest business performance and financial position of the Group; and (iii) the reasons for and benefits of the Rights Issue as discussed in the section headed “Reasons for and benefits of the Rights Issue and use of proceeds” in this Prospectus.

The Board consider that the terms of the Rights Issue, including the Subscription Price which has been set at a discount to the recent closing prices of the Share with an objective to encourage existing Shareholders to take up their entitlements so as to participate in the potential growth of the Company, are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Additionally, despite any potential dilution impact of the proposed Rights Issue on the shareholding interests of the Shareholders, the terms of the Rights Issue, including the

LETTER FROM THE BOARD

Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole, after taking into account that (i) the Qualifying Shareholders who do not wish to take up their provisional entitlements under the Rights Issue can sell the nil-paid rights in the market; (ii) the Rights Issue allows the Qualifying Shareholders to subscribe for their pro-rata Rights Shares for the purpose of maintaining their respective existing shareholding interests in the Company at a relatively low price as compared to the historical market price of the Shares and discount to the recent closing prices of the Shares; and (iii) the proceeds from the Rights Issue can fulfil the funding needs of the Group.

Status of the Rights Shares

The Rights Shares (when allotted, fully-paid or credited as fully-paid and issued) will rank *pari passu* in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Rights Shares. Holders of the fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment and issue of the fully paid Rights Shares. Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

Qualifying Shareholders

The Company will send the Prospectus Documents to the Qualifying Shareholders only. For the Excluded Shareholders, the Company will send copies of this Prospectus to them for their information only, but no PAL will be sent to the Excluded Shareholders. To qualify for the Rights Issue, a Shareholder must at the close of business on the Record Date: (i) be registered on the register of members of the Company; and (ii) not be an Excluded Shareholder.

The Qualifying Shareholders who take up their pro-rata entitlement in full will not experience any dilution to their interests in the Company. If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its shareholding in the Company will be diluted.

Basis of provisional allotments

The Rights Shares will be allotted on the basis of five (5) Rights Shares for every two (2) Shares held by the Qualifying Shareholders as at the close of business on the Record Date at the Subscription Price payable in full on acceptance and otherwise on the terms and subject to the conditions set out in the Prospectus Documents. Acceptance for all or any part of a Qualifying

LETTER FROM THE BOARD

Shareholder's provisional allotment should be made only by lodging a duly completed PAL with a remittance for the Rights Shares being accepted with the Registrar by the Latest Time for Acceptance.

There will be no excess application arrangements in relation to the Rights Issue.

Rights of Overseas Shareholders

The Prospectus Documents will not be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. Overseas Shareholders, if any, may not be eligible to take part in the Rights Issue. The Company will send the Prospectus (without the PAL) to the Excluded Shareholders for their information only.

Based on the register of members of the Company, there is no Overseas Shareholder as at the Latest Practicable Date and the Record Date.

As the register of members of the Company is already closed as at the Latest Practicable Date and will remain closed up to the Record Date, there will be no additional Overseas Shareholder and hence no Excluded Shareholder on the Record Date.

Arrangements will be made for Rights Shares which would otherwise have been provisionally allotted to the Excluded Shareholder(s) to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses and stamp duty, of more than HK\$100 will be paid pro rata to the Excluded Shareholder(s). The Company will retain individual amounts of HK\$100 or less for the benefit of the Company.

Certificates of the Rights Shares and refund cheques for the Rights Issue

Subject to fulfilment of the conditions of the Rights Issue, share certificates for the fully-paid Rights Shares are expected to be sent on or before 22 August 2023 to those entitled thereto by ordinary post, at their own risk, to their registered addresses. Refund cheques in respect of wholly or partially unsuccessful applications for Rights Shares (if any) are expected to be posted on or before 22 August 2023, by ordinary post to the applicants, at their own risk, to their registered addresses.

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Fractional entitlement to the Rights Shares

No fractional entitlements to the Rights Shares shall be issued to the Shareholders and no entitlements of the Excluded Shareholders to the Rights Shares shall be issued to the Excluded Shareholders. All fractions of the Rights Shares shall be rounded down to the nearest whole number of Rights Shares and aggregated and, if a premium (net of expenses) can be achieved, sold in the market by the Company.

Odd lots matching services

In order to facilitate the trading of odd lots of the Rights Shares arising from the Rights Issue, Get Nice Securities Limited, has been appointed by the Company to match the purchase and sale of odd lots of the Shares at the relevant market price per Share. Holders of the Shares in odd lots represented by valid share certificates for the Shares who wish to take advantage of this facility either to dispose of their odd lots of the Shares or to top up their odd lots to a full board lot, may directly or through their brokers, contact Mr. Larry Ng of Get Nice Securities Limited at G/F-3/F., Cosco Tower, Grand Millennium Plaza, 183 Queen's Road Central, Hong Kong, (telephone number: (852) 2526 7868) from 9:00 a.m. on Thursday, 20 July 2023 to 4:00 p.m. on Wednesday, 9 August 2023 (both days inclusive).

Holders of odd lots arising from the Rights Issue should note that successful matching of the sale and purchase of odd lots arising from the Rights Issue are not warranted. Any Shareholder who is in any doubt about the odd lots arrangements is recommended to consult his/her/its own professional advisers.

Taxation

Shareholders are advised to consult their professional advisers if they are in any doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the Rights Shares and, regarding the Excluded Shareholders, their receipt of the net proceeds, if any, from sale of the nil-paid Rights Shares on their behalf.

Non-underwritten basis

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares. In the event that the Rights Issue is not fully-subscribed, any Unsubscribed Rights Shares and ES Unsold Rights Shares, which do not include any Rights Shares to be provisionally allotted to Mr. Xu and Diamond Era for which subscription of Rights Shares will be subject to the Irrevocable Undertaking as set out in the section headed "The Irrevocable Undertaking" in this Prospectus, will be placed to independent

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places on a best effort basis under the Compensatory Arrangements. Any Unsubscribed Rights Shares and ES Unsold Rights Shares which are not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

There are no statutory requirements regarding the minimum subscription levels in respect of the Rights Issue. There is no minimum amount to be raised under the Rights Issue. As the Rights Issue will proceed on a non-underwritten basis, any Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s) may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code, or may result in the non-compliance by the Company of the Public Float Requirement under Rule 8.08 of the Listing Rules. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken-up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which (i) does not trigger an obligation on the part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance with the note to Rule 7.19(5)(b) of the Listing Rules; and/or (ii) does not result in the non-compliance of the Public Float Requirement on the part of the Company.

Application for the Rights Shares

The PALs relating to the Rights Shares are enclosed with this Prospectus entitling the Qualifying Shareholders to whom it is addressed to subscribe for the Rights Shares as shown therein by completing such form(s) and lodging the same with separate remittance for the Rights Shares being applied for with the Registrar by the Latest Time for Acceptance.

Procedures for acceptance and payment or transfer

A PAL is enclosed with this Prospectus which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of Rights Shares shown therein. If a Qualifying Shareholder wishes to accept all the Rights Shares provisionally allotted to him/her/it as specified in the PAL, he/she/it must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance with the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by not later than 4:00 p.m. on Wednesday, 2 August 2023. All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by cashier's orders which must be issued by, a licensed bank in Hong Kong and made payable to "TRICOR TRUST (HONG KONG) LIMITED — A/C NO. 33" and crossed "ACCOUNT PAYEE ONLY". It should be noted that unless the PAL, together with the appropriate remittance, have been lodged with the Registrar by not later than 4:00 p.m. on Wednesday, 2 August 2023, whether by the original allottee or any person in whose favour the rights have been validly transferred, that provisional allotment and all rights thereunder will be

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deemed to have been declined and will be cancelled. The Company may, at its sole discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions. The Company may require such incomplete PAL to be completed by the relevant applicants at a later stage.

If a Qualifying Shareholder wishes to accept only part of his/her/its provisional allotment or transfer part of his/her/its rights to subscribe for the Rights Shares provisionally allotted to him/her/it under the PAL or to transfer part or all of his/her/its rights to more than one person, the entire PAL must be surrendered and lodged for cancellation by not later than 4:30 p.m. on Tuesday, 25 July 2023 to the Registrar, who will cancel the original PAL and issue new PALs in the denominations required which will be available for collection from the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, after 9:00 a.m. on the second Business Day after the surrender of the original PAL.

The PAL contains further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders. All cheques or cashier's orders will be presented for payment following receipt and all interest earned on such monies will be retained for the benefit of the Company. Completion and return of the PAL with a cheque or a cashier's order, whether by a Qualifying Shareholder or by any nominated transferee(s), will constitute a warranty by the applicant that the cheque or the cashier's order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the cheque or cashier's order is dishonoured on first presentation, and in that event the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled.

If the conditions of the Rights Issue as set out in the section headed "Conditions of the Rights Issue" below are not fulfilled, the monies received in respect of acceptances of the Rights Shares will be returned to the Qualifying Shareholders or such other persons to whom the Rights Shares in their nil-paid form have been validly transferred or, in the case of joint acceptances, to the first-named person without interest, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders to their registered addresses by the Registrar on or before Tuesday, 22 August 2023.

No receipt will be issued in respect of any application monies received.

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Procedures in respect of the Unsubscribed Rights Shares and ES Unsold Rights Shares and the Compensatory Arrangements

According to Rule 7.21(1)(b) of the Listing Rules, the Company will make arrangements to dispose of the Unsubscribed Rights Shares and ES Unsold Rights Shares by offering the Unsubscribed Rights Shares and ES Unsold Rights Shares to independent placees for the benefit of the Shareholders to whom they were offered by way of the Rights Issue. Accordingly, on 12 May 2023 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent in relation to the placing of the Unsubscribed Rights Shares and ES Unsold Rights Shares to the independent placees on a best effort basis.

Pursuant to the Placing Agreement, the Company has appointed the Placing Agent to place the Unsubscribed Rights Shares and ES Unsold Rights Shares during the Placing Period to independent placees on a best effort basis, and any premium over the Subscription Price for those Rights Shares that is realised will be paid to those No Action Shareholders on a pro-rata basis. The Placing Agent will, on a best effort basis, procure, by not later than 4:00 p.m. on Tuesday, 15 August 2023, acquirers for all (or as many as possible) of those Unsubscribed Rights Shares and ES Unsold Rights Shares. Any Unsubscribed Rights Shares and ES Unsold Rights Shares which are not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Net Gain (if any) will be paid (without interest) to the No Action Shareholders as set out below on pro rata basis (but rounded down to the nearest cent):

- A. the relevant Qualifying Shareholders (or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed) whose nil-paid rights are not validly applied for in full, by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for; and
- B. the relevant Excluded Shareholders with reference to their shareholdings in the Company on the Record Date.

If and to the extent in respect of any Net Gain, any No Action Shareholders become entitled on the basis described above to an amount of HK\$100 or more, such amount will be paid to the relevant No Action Shareholder(s) in Hong Kong Dollars only and the Company will retain individual amounts of less than HK\$100 for its own benefits.

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Placing Agreement for the Unsubscribed Rights Shares and ES Unsold Rights Shares

The principal terms of the Placing Agreement are summarized below:

- Date : 12 May 2023
- Issuer : The Company
- Placing Agent : Get Nice Securities Limited
- Placing Period : The period commencing from 8 August 2023 and ending at 4:00 p.m. 15 August 2023 or such other dates as the Company may announce, being the period during which the Placing Agent will seek to effect the Placing
- Commission and expenses : The Company shall pay to the Placing Agent:
- (1) a fixed fee of HK\$70,000; and
 - (2) subject to completion of the Placing, a placing commission in Hong Kong Dollars, of 1.5% of the amount which is equal to the placing price multiplied by the number of Unsubscribed Rights Shares and ES Unsold Rights Shares that have been successfully placed by the Placing Agent and/or its sub-placing agent(s) pursuant to the terms of the Placing Agreement, deducting the amounts referred to in paragraph (1) above.
- Placing price of the Unsubscribed Rights Shares and ES Unsold Rights Shares : The placing price of the Unsubscribed Rights Shares and ES Unsold Rights Shares shall be not less than the Subscription Price.
- Placees : The Unsubscribed Rights Shares and ES Unsold Rights Shares are expected to be placed to placee(s), who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies).

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- Ranking of the placed Unsubscribed Rights Shares and ES Unsold Rights Shares : The placed Unsubscribed Rights Shares and ES Unsold Rights Shares (when allotted, issued and fully paid, if any) shall rank *pari passu* in all respects among themselves and with the Shares in issue as at the date of completion of the Rights Issue.
- Conditions of the Placing Agreement : The obligations of the Placing Agent under the Placing Agreement are conditional upon, among others, the following conditions being fulfilled:
- (i) the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Rights Shares;
 - (ii) the Capital Reorganisation having become effective;
 - (iii) all necessary consents and approvals to be obtained on the part of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated thereunder having been obtained;
 - (iv) none of the representations, warranties or undertakings contained in the Placing Agreement being or having become untrue, inaccurate or misleading in any material respect at any time before the completion, and no fact or circumstance having arisen and nothing having been done or omitted to be done which would render any of such undertakings, representations or warranties untrue or inaccurate in any material respect if it was repeated as at the time of completion of the Placing Agreement; and
 - (v) the Placing Agreement not having been terminated in accordance with the provisions thereof, including force majeure events.

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The Placing Agent may, in its absolute discretion, waive the fulfilment of all or any or any part of the conditions (other than those set out in paragraphs (i) to (iii) above) by notice in writing to the Company.

In the event that the above condition precedents have not been fulfilled on or before the Placing Long Stop Date, all rights, obligations and liabilities of the parties thereunder in relation to the Placing shall cease and determine and none of the parties shall have any claim against the other in respect of the Placing (save for any antecedent breaches thereof).

The engagement between the Company and the Placing Agent of the Unsubscribed Rights Shares and ES Unsold Rights Shares (including the commission payable) was determined after arm's length negotiation between the Placing Agent and the Company and is on normal commercial terms with reference to the market comparables.

As explained above, the Unsubscribed Rights Shares and ES Unsold Rights Shares will be placed by the Placing Agent and/or its sub-placing agent(s) to Independent Third Parties on a best effort basis for the benefits of the No Action Shareholders. If all or any of the Unsubscribed Rights Shares and ES Unsold Rights Shares are successfully placed, any premium over the Subscription Price will be distributed to the relevant No Action Shareholders.

The Board is of the view that the above Compensatory Arrangements are fair and reasonable and are in the interests of the Company and the Shareholders as a whole since the arrangements would provide (i) a distribution channel of the Placing Shares to the Company; (ii) an additional channel of participation in the Rights Issue for the Qualifying Shareholders and the Excluded Shareholders; and (iii) a compensatory mechanism for the No Action Shareholders and the Excluded Shareholders.

Application for listing of the Rights Shares

The Company has applied to the Listing Committee for the listing of, and the permission to deal in, the Rights Shares (in both nil-paid and fully-paid forms) to be issued and allotted pursuant to the Rights Issue. No part of the securities of the Company is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought, on any other stock exchanges.

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Dealing in the Rights Shares in both their nil-paid and fully-paid forms will be in the new board lot size of 12,000 Rights Shares.

Subject to the granting of the listing of, and the permission to deal in, the Rights Shares (in both their nil-paid and fully-paid forms) on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares (in both their nil-paid and fully-paid forms) will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in their nil-paid and fully-paid forms on the Stock Exchange, or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Conditions of the Rights Issue

The Rights Issue is conditional upon:

- (a) the passing of all the necessary resolution(s) at the EGM to approve the Capital Reorganisation, the Rights Issue, the Placing and the transactions contemplated thereunder (including but not limited to the allotment and issue of the Rights Shares) by the Shareholders (other than those who are required to abstain from voting according to the Listing Rules or other applicable laws and regulations if necessary);
- (b) the Capital Reorganisation having become effective;
- (c) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of the Prospectus Documents each duly signed by two Directors (or by their agents duly authorised in writing) in accordance with section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) as having been approved by resolutions of the Directors (and all other documents required to be attached hereto) and otherwise in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) not later than the Prospectus Posting Date;

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- (d) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus and a letter in the agreed form to the Excluded Shareholders, if any, for information purpose explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Prospectus Posting Date;
- (e) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in the Rights Shares;
- (f) compliance with and performance of all undertakings and obligations of (1) Mr. Xu and Diamond Era under the Irrevocable Undertaking; and (2) Filled Converge under the Bondholder's Undertaking in all material respects;
- (g) the Placing Agreement not having been terminated in accordance with the provisions thereof, including force majeure events; and
- (h) compliance with the requirements under the applicable laws and regulations of Hong Kong and the Cayman Islands.

None of the above conditions can be waived. If any of the conditions referred to above is not fulfilled by the Placing Long Stop Date, the Rights Issue will not proceed. As at the Latest Practicable Date, conditions (a) and (b) above have been fulfilled. Conditions (c) and (d) above are expected to have been fulfilled on the Prospectus Posting Date and all the other conditions remain unfulfilled.

REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS

The Group is engaged in the business of wind farms operation and is continuing to search for investment opportunities in the energy sectors.

The minimum amount of proceeds to be raised from the Rights Issue based on the number of Rights Shares subject to the Irrevocable Undertaking shall be approximately HK\$57.1 million.

In the event of full acceptance of the Right Shares by all Qualifying Shareholders and no Placing has to be conducted, the relevant expenses which would be incurred in the Rights Issue would be approximately HK\$1.7 million; on the other hand, in the event of no acceptance by any Qualifying Shareholder other than Mr. Xu and Diamond Era which will take up the Rights Shares in accordance with the terms of the Irrevocable Undertaking and all remaining Unsubscribed Rights Shares and ES Unsold Rights Shares are placed by the Placing Agent, the relevant expenses would be approximately HK\$3.7 million.

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Accordingly, the gross proceeds from the Rights Issue will be up to approximately HK\$213.7 million and the maximum net proceeds (after deducting the estimated expenses) of the Rights Issue are estimated to be approximately HK\$212.0 million. The net subscription price per Rights Share is expected to be approximately HK\$0.179.

The Company intends to use the net proceeds from the Rights Issue for the following purposes: (i) approximately HK\$92.0 million (or approximately 43.4% of the total net proceeds) for repayment of the Group's bonds; (ii) approximately HK\$70.0 million (or approximately 33.0% of the total net proceeds) for repayment of the Group's notes payables; (iii) approximately HK\$28.8 million (or approximately 13.6% of the total net proceeds) for future business development; and (iv) the remaining balance of approximately HK\$21.2 million (or approximately 10% of the total net proceeds) for general working capital of the Group. As at the Latest Practicable Date, the Group has not yet identified any suitable investment opportunities for future business development.

Having said that, as set out in the 2022 Annual Report, the Group will continue to consolidate its resources on the development and operation of various renewable energy systems such as wind farms in the future, with the aim of becoming one of the pillar companies in the renewable energy industry in northern China. Through joint development and acquisitions, the Group will continue seeking opportunities to develop its renewable energy business in new and clean energy areas other than wind power. Moreover, the Group will continue looking for and acquiring power stations with good development prospects and established operations to strengthen its existing business of operating and maintaining wind farms in northern China, gradually expanding its business coverage to surrounding areas, and increasing its interaction with other business sectors. At the same time, the Group is actively seeking opportunities to expand its business scope to hydrogen-related businesses including the production of hydrogen vehicles, wind power to hydrogen generation, hydrogen storage, and building and operation of a hydrogen fuel station.

The Group has set up two joint venture companies in 2022 to expand the Group's renewable energy business layout, enlarge the Group's installed capacity in renewable energy projects and explore business opportunities in agricultural-photovoltaic projects. The Group has been actively seeking and researching business opportunities as mentioned above. Upon completion of the Rights Issue, the Group will take further steps in potential projects and targets to utilise the funds raised for the aforementioned purposes in the twelve months following the completion of the Rights Issue.

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In the event that there is an undersubscription of the Rights Issue, the net proceeds will be prioritised and utilised as follows: (i) to settle outstanding sums of bonds and/or notes payables to the greatest extent; and (ii) any remaining amount (if any) shall be applied to the general working capital of the Group. Further details of the use of proceeds will be disclosed by the Company in the announcement of results of the Rights Issue.

Funding needs of the Group

Having taken into account the state of the global and local economies, the Board considers that the Rights Issue provides a good opportunity for the Group to raise additional funding for general working capital of the Group and repayment of liabilities, improve the financial position and provide additional financial resources for capturing suitable business expansion and investment opportunities as they arise, while at the same time the Rights Issue will enable all Qualifying Shareholders to participate in the future development of the Company on equal terms to maintain their respective pro-rata shareholdings in the Company.

Apart from the Rights Issue, the Directors considered other debt or equity fundraising alternatives such as bank borrowings or placing. It was considered that bank borrowings, if available, carry additional interest costs and create pressure to the liquidity of the Company, and placing of new shares dilutes the interests of existing Shareholders without giving them the opportunity to take part in the exercise. Hence, the Board considered that it would be in the interests of the Company and the Shareholders as a whole to raise capital through the Rights Issue.

As disclosed in the annual report of the Group for the year ended 31 December 2022, the Group recorded a deficit attributable to the owners of the Company amounted to approximately RMB73.9 million and the total liabilities of the Group amounted to approximately RMB1,893.06 million as at 31 December 2022. The Group's gearing ratio was approximately 94% as at 31 December 2022 which was calculated by dividing the Group's total liabilities by its total assets. The Group incurred loss attributable to the owners of the Company since 2015 which was partially contributed by the finance costs incurred.

As at 31 December 2022, the aggregated principal amount of the bonds amounted to approximately HK\$151.31 million with maturity in one to three years. The bonds carry fixed interest rate at 7%–10% per annum. The principal amount of the notes payables amounted to approximately HK\$64.8 million which carry effective interest rate of 16% per annum.

The net proceeds from the Rights Issue are expected to be used to enhance the Group's capital base and strengthen its financial position by reducing its current liabilities.

LETTER FROM THE BOARD

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately upon completion of the Rights Issue assuming full acceptance by all Qualifying Shareholders; and (iii) immediately upon completion of the Rights Issue assuming no acceptance by any Qualifying Shareholders other than Mr. Xu and Diamond Era which will take up the Rights Shares in accordance with the terms of the Irrevocable Undertaking, for illustration purposes only:

	As at the Latest Practicable Date		Immediately upon completion of the Rights Issue assuming full acceptance by all Qualifying Shareholders		Immediately upon completion of the Rights Issue assuming no acceptance by any Qualifying Shareholder other than Mr. Xu and Diamond Era which will take up the Rights Shares in accordance with the terms of the Irrevocable Undertaking and all remaining Unsubscribed Rights Shares and ES Unsold Rights Shares have been placed by the Placing Agent	
	<i>Number of issued Shares</i>	<i>%</i>	<i>Number of issued Shares</i>	<i>%</i>	<i>Number of issued Shares</i>	<i>%</i>
Mr. Xu	65,133,333 ^(Note 1)	13.71	227,966,663 ^(Note 2)	13.71	227,966,663	13.71
Diamond Era	61,773,400	13.01	216,206,900	13.01	216,206,900	13.01
Independent places	—	—	—	—	870,136,900	52.34
Other public Shareholders	348,054,760	73.28	1,218,191,660	73.28	348,054,760	20.94
Total	474,961,493	100.00	1,662,365,223	100.00	1,662,365,223	100.00

Notes:

- (1) Fractional Shares will be disregarded and will not be issued to the Shareholders. As such, only 65,133,333 Shares will be issued to Mr. Xu.
- (2) No fractional entitlements to the Rights Shares shall be issued to the Shareholders. As such, only 162,833,330 Rights Shares will be issued to Mr. Xu.

LETTER FROM THE BOARD

FUND RAISING ACTIVITIES OF THE COMPANY FOR THE PAST TWELVE MONTHS

The Company had carried out the following equity fund-raising activities in the 12 months immediately preceding the Latest Practicable Date:

Date of announcement(s)	Event	Net proceeds raised (approximately)	Intended use of proceeds	Actual use of proceeds
20 December 2022, 6 February 2023	Issue of convertible bonds under General Mandate	HK\$19,400,000	(a) approximately HK\$6,000,000 for general working capital of the Group; and (b) the remaining amount of approximately HK\$13,400,000 for the repayment of the Group's loans	Used as intended

Save as disclosed above, the Company has not conducted any fund-raising activities involving issue of its securities in the past 12 months immediately preceding the Latest Practicable Date.

POSSIBLE ADJUSTMENTS RELATING TO THE SHARE OPTIONS AND THE CONVERTIBLE BONDS

As at the Latest Practicable Date, there are (i) 35,980,000 outstanding Share Options granted by the Company exercisable into 35,980,000 Shares at the exercise price of HK\$0.9 per Share; and (ii) Convertible Bonds with an aggregate principal amount of HK\$356,375,000 convertible into 395,972,222 Shares, at the conversion price of HK\$0.9 per Share.

Save for the aforesaid, there are no other options, warrants or other convertible securities granted by the Company that are subsisting as at the Latest Practicable Date. Adjustments to the exercise prices and numbers of the Share Options will be required under the Share Option Scheme as a result of the Rights Issue. The Rights Issue may also lead to adjustments to the conversion price and/or the number of Shares to be issued upon exercise of the conversion right attached to the Convertible Bonds. The auditor of the Company will be appointed to certify the necessary adjustments to the Share Options and the Convertible Bonds as a result of the Rights Issue. Further announcement relating to such adjustments will be made by the Company in this regard as and when appropriate.

LETTER FROM THE BOARD

WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE NIL-PAID RIGHTS SHARES

The Shares have been dealt in on an ex-rights basis from Friday, 7 July 2023. Dealings in the Rights Shares in nil-paid form in the new board lot size of 12,000 Rights Shares are expected to take place from Friday, 21 July 2023 to Friday, 28 July 2023 (both dates inclusive). If the conditions of the Rights Issue are not fulfilled, the Rights Issue will not proceed. Please refer to the section headed “Conditions of the Rights Issue” in this Prospectus above.

Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or Rights Shares in their nil-paid form is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares.

Any Shareholder or other person dealings in the Shares and/or the nil-paid Rights Shares up to the time at which the Rights Issue becomes unconditional will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this Prospectus.

By Order of the Board of
China Ruifeng Renewable Energy Holdings Limited
Zhang Zhixiang
Executive Director and Chief Executive Officer

1. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for the three financial years ended 31 December 2022 are disclosed in the following documents which have been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.c-ruifeng.com), respectively:

- (i) the audited consolidated financial information of the Group for the year ended 31 December 2020 is disclosed in the annual report of the Company for the year ended 31 December 2020 published on 24 June 2021, from pages 78 to 172 (<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0624/2021062400289.pdf>);
- (ii) the audited consolidated financial information of the Group for the year ended 31 December 2021 is disclosed in the annual report of the Company for the year ended 31 December 2021 published on 5 May 2022, from pages 80 to 178 (<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0505/2022050500873.pdf>);
and
- (iii) the audited consolidated financial information of the Group for the year ended 31 December 2022 is disclosed in the annual report of the Company for the year ended 31 December 2022 published on 27 April 2023, from pages 86 to 192 (<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0427/2023042701197.pdf>).

Qualified opinion was issued in respect of each of all three financial years ended 31 December 2022, which is extracted as below:

For the year ended 31 December 2020***Qualified Opinion***

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRSs issued by the HKICPA and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for qualified opinion***1. Interest in an associate***

We were unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the carrying amount of the interest in an associate on the consolidated statement of financial position of approximately RMBNil as at 31 December 2020, and to the related share of loss of an associate on the consolidated statement of profit or loss of approximately RMB92,803,000 for the year ended 31 December 2020.

2. Amount due from an associate

We were unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the carrying amount of the amount due from an associate included in the prepayments and other receivables on the consolidated statement of financial position of approximately RMBNil as at 31 December 2020, and to the expected credit losses on amount due from an associate on the consolidated statement of profit or loss of approximately RMB29,187,000 for the year ended 31 December 2020.

3. Other receivables

We were unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the recoverability of certain other receivables included in the prepayments and other receivables on the consolidated statement of financial position of approximately RMB78,423,000 as at 31 December 2020. There are no other satisfactory audit procedures that we could adopt to determine whether the expected credit losses on certain other receivables of approximately RMBNil for the year ended 31 December 2020 are properly recognised.

For the year ended 31 December 2021***Qualified Opinion***

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

*Basis for qualified opinion**1. Interest in an associate and amount due from an associate*

As set out in predecessor auditor's report dated 14 May 2021 on the Group's consolidated financial statements for the year ended 31 December 2020, the predecessor auditor had qualified their opinion due to a limitation on the scope of their audit in relation to the carrying amounts of: (i) interest in an associate; and (ii) amount due from an associate, as they were unable to obtain sufficient appropriate audit evidence to satisfy themselves on whether any adjustments were necessary to the carrying amounts as at 31 December 2020 in respect of the interest in an associate carried at RMBNil and the amount due from an associate carried at RMBNil and the corresponding share of loss of an associate of approximately RMB92,803,000 and expected credit losses on amount due from an associate of approximately RMB29,187,000 recognised respectively for the year ended 31 December 2020. As further described in Notes 18 and 24 to the consolidated financial statements for the year ended 31 December 2021, based on the management accounts of the associate, the company and legal searches on the associate and the recoverability assessment works on the associate's debtors conducted by the Group's external legal advisers, their legal opinion and recovery efforts including the demand repayment made by the Group, the management are of the view that any recovery of the carrying amounts of the interest in an associate and amount due from an associate to be minimal. As a result, as at 31 December 2021, the interest in an associate and amount due from an associate continued to be fully impaired. Despite the above, given the lack of sufficient appropriate audit evidence to assess the appropriateness of the key assumptions adopted by the management in their previous year's assessments of the valuation of the interest in an associate and amount due from an associate, as of the date of this report we were unable to determine whether any adjustments were necessary to the opening balances of the interest in an associate carried at RMBNil and the amount due from an associate carried at RMBNil as at 1 January 2021. Any adjustments to the opening balances of the carrying amounts of interest in an associate and amount due from an associate as at 1 January 2021 could have a significant consequential effect on the consolidated losses as reported by the Group for the year ended 31 December 2021 and the corresponding figures for the year ended 31 December 2020. There were no other satisfactory audit procedures that we could perform to determine whether any adjustments to the share of loss of an associate of RMBNil and the expected credit losses on amount due from an associate of RMBNil recognised in the consolidated statement of profit or loss for the year ended 31 December 2021, were necessary.

2. Other receivables

As set out in predecessor auditor's report dated 14 May 2021 on the Group's consolidated financial statements for the year ended 31 December 2020, the predecessor auditor had qualified their opinion due to a limitation on the scope of their audit in relation to the carrying amounts of

certain other receivables of approximately RMB78,423,000, as they were unable to obtain sufficient appropriate audit evidence to satisfy themselves on whether any adjustments were necessary to the carrying amounts as at 31 December 2020 in respect of these other receivables of approximately RMB78,423,000 and the corresponding expected credit losses on these other receivables of RMBNil recognised for the year ended 31 December 2020. As further described in Note 24 to the consolidated financial statements for the year ended 31 December 2021, based on the company and legal searches conducted by the Group's external legal advisers and their legal opinion, recovery efforts including the demand repayment made by the Group and the legal action taken by the Group, the management are of the view that any recovery of the carrying amounts of these other receivables of approximately RMB78,423,000 to be minimal. As a result, as at 31 December 2021, the carrying amounts of these other receivables were written down to RMBNil on the consolidated statement of financial position such that the expected credit losses on these other receivables of approximately RMB78,423,000 were recognised in the consolidated statement of profit or loss for the year ended 31 December 2021. Despite the above, given the lack of sufficient appropriate audit evidence to assess the appropriateness of the key assumptions adopted by the management in their previous year's assessments of the carrying amounts of these other receivables, as of the date of this report we were unable to determine whether any adjustments were necessary to the opening balances of these other receivables carried at approximately RMB78,423,000 as at 1 January 2021. Any adjustments to the opening balances of the carrying amounts of these other receivables as at 1 January 2021 could have a significant consequential effect on the consolidated losses as reported by the Group for the year ended 31 December 2021 and the corresponding figures for the year ended 31 December 2020. There were no other satisfactory audit procedures that we could perform to determine whether any adjustments to the expected credit losses on these other receivables of approximately RMB78,423,000 recognised in the consolidated statement of profit or loss for the year ended 31 December 2021 were necessary.

For the year ended 31 December 2022

Qualified Opinion

In our opinion, except for the possible effects on the comparability of the current year's figures and the corresponding figures of the matter described in the Basis for Qualified Opinion section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for qualified opinion

Comparability of the current year's figures and the corresponding figures for the year ended 31 December 2021 in the consolidated statement of profit or loss and the consolidated statement of changes in equity The Group has the interest in an associate, the amount due from an associate and certain other receivables which are further described in Note 18 and Note 24 to the consolidated financial statements for the year ended 31 December 2022. As set out in predecessor auditor's report dated 14 May 2021 on the Group's consolidated financial statements for the year ended 31 December 2020, the predecessor auditor have previously qualified their opinion due to a limitation on the scope of their audit in relation to the carrying amounts of: (i) the interest in an associate; (ii) the amount due from an associate and (iii) certain other receivables, as they were unable to obtain sufficient appropriate audit evidence to satisfy themselves on whether any adjustments were necessary to the carrying amounts as at 31 December 2020 in respect of the interest in an associate carried at RMBNil, the amount due from an associate carried at RMBNil and these other receivables carried at approximately RMB78,423,000 and the corresponding share of losses of associates of approximately RMB92,803,000, expected credit losses on amount due from an associate of approximately RMB29,187,000 and expected credit losses on these other receivables of RMBNil recognised respectively for the year ended 31 December 2020. During the year ended 31 December 2021, as further set out in Note 18 and Note 24 to the consolidated financial statements for the year ended 31 December 2022, the Group has made full provision for these other receivables. Our audit opinion on the consolidated financial statements for the year ended 31 December 2021 was qualified because of the limitation in scope on the opening balances of the interest in an associate, the amount due from an associate and these other receivables as at 1 January 2021, which could have a significant consequential impact to the share of losses of associates, the expected credit losses on amount due from an associate and the expected credit losses on these other receivables included in the Group's consolidated losses for the year ended 31 December 2021. Because of the possible effects of this matter on the comparability of the current year's figures and the corresponding figures for the year ended 31 December 2021 in the consolidated statement of profit or loss and the consolidated statement of changes in equity and the related notes disclosures, our opinion on the consolidated financial statements for the year ended 31 December 2022 is therefore qualified.

2. STATEMENT OF INDEBTEDNESS

As at the close of business on 31 May 2023, being the latest practicable date for the purpose of this indebtedness statement, the Group had the following indebtedness:

	<i>Note</i>	<i>RMB'000</i>
Other loans, secured and guaranteed	(a)	1,133,577
Other loans, unsecured and unguaranteed		50,428
Corporate bonds, unsecured and unguaranteed		138,159
Convertible bonds, unsecured and unguaranteed		334,427
Notes, unsecured and unguaranteed		61,988
Lease liabilities, unsecured and unguaranteed		5,180
		<u>1,723,759</u>

Note:

- (a) As at 31 May 2023, the Group's other loans are secured and guaranteed by certain property, plant and equipment, deposits and trade receivables of the Group, charges over the paid registered capital of certain subsidiaries of the Company, personal guarantees provided by Mr. Zhang and his spouse to the extent of the indebtedness of certain other loans and guarantee provided by the Company to the extent of the indebtedness of certain other loans.

Save as disclosed above, and apart from intra-group liabilities and normal accounts payables in the ordinary course of business of the Group, as at 31 May 2023, being the latest practicable date for the purpose of preparing this statement of indebtedness, the Group did not have any debt securities issued and outstanding, or authorised or otherwise created but unissued, any other term loans, any other borrowings or indebtedness in the nature of borrowing (including but not limited to bank overdrafts and liabilities under acceptance (other than normal trade bills)), acceptance credits, finance lease or hire purchase commitments, which are either guaranteed, unguaranteed, secured or unsecured, any other mortgages and charges or any other material contingent liabilities or guarantees.

3. WORKING CAPITAL STATEMENT

The Directors, after due and careful consideration, are of the opinion that in the absence of unforeseeable circumstances, taking into account the financial resources available to the Group and the estimated net proceeds from the Rights Issue, the Group will have sufficient working capital for its present requirements for at least the next twelve (12) months following the date of this Prospectus.

4. MATERIAL CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Company since 31 December 2022, being the date to which the latest published audited consolidated financial statements of the Company were made up.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

To promote its goals of achieving peak carbon emissions and carbon neutrality, China will gradually promulgate plans for key areas and industries to peak carbon emissions and implement a series of supporting measures to construct a “1+N” policy framework for carbon peak and carbon neutrality. China will firmly implement its new concept of green development, promote resource conservation and recycling in all aspects, continue to adjust industrial and energy structures, and vigorously develop renewable energy sources by accelerating the construction of large-scale wind and photovoltaic grid projects in Gobi and other desert areas.

On 1 June 2022, nine PRC authorities including the National Development and Reform Commission of China and the National Energy Administration jointly issued the “14th Five-Year Plan for Renewable Energy Development” (《“十四五” 可再生能源發展規劃》) which sets out the goals for development and utilisation of renewable energy. During the second year of the 14th Five-year Plan, China has been steadily developing its wind and solar power industries. Its offshore and decentralised wind power projects and domestic photovoltaic projects garnered attention. The grid-connected installed capacities of its wind and photovoltaic power were 37.63 gigawatts and 87.41 gigawatts, respectively. Offshore wind power capacity increased by 5.16 gigawatts, and the accumulated installed capacity reached 30.51 gigawatts, thereby allowing China to be the largest wind power generator in the world. Abandoned wind and photovoltaic power rates remained stable during 2022, with consumption rates amounting to 96.8% and 98.2%, respectively. Under its “dual carbon” goals, China has entered into a new era in relation to its wind and solar energy. National policies will continue to be optimised and adjusted to solve restrictive factors such as the assessment mechanism, consumption conditions, and industry-finance integration, in order to create a standardised market environment, delegate administrative powers and improve government services, give a full play to the dynamics of local governments and market entities, and bring new momentum to the wind and solar power industries.

With technological advancement, wind energy price decreases because of equipment manufacturers’ ability to build larger and lighter wind turbine products. On the other hand, as a result of the Chinese government’s increasing investment in smart grids and ultra-high-voltage electrical transmission cables, abandoned wind rates and power rationing hours have been

decreasing every year, while utilisation hours for wind power have been increasing. At present, wind power has achieved grid parity, and its economic benefits have become increasingly prominent.

In the future, the Group will continue to consolidate its resources on the development and operation of various renewable energy systems such as wind farms, with the aim of becoming one of the pillar companies in the renewable energy industry in northern China. Through joint development and acquisitions, the Group will continue seeking opportunities to develop its renewable energy business in new and clean energy areas other than wind power. Moreover, the Group will continue looking for and acquiring power stations with good development prospects and established operations to strengthen its existing business of operating and maintaining wind farms in northern China, gradually expanding its business coverage to surrounding areas, and increasing its interaction with other business sectors. At the same time, the Group is actively seeking opportunities to expand its business scope to hydrogen-related businesses including the production of hydrogen vehicles, wind power to hydrogen generation, hydrogen storage, and building and operation of a hydrogen fuel station. It is believed that such expansion is in line with the climate commitments of the Central Government of the PRC to achieve peak carbon emissions before 2030 and carbon neutrality by 2060. The Group will primarily raise fund in the capital market to achieve future development projects.

In the long-run, the Group will focus its effort on the development and optimisation of existing renewable energy resources. In parallel to the expansion of wind farm's operational scale and the enhancement of efficiency, the Group will integrate the advantages of all cooperating parties and itself in order to explore more development opportunities in other new areas of clean energy and further consolidate the Group's position in the industry of renewable energy. During the course of business integration and resources integration, possible synergistic opportunities among different business segments will be explored for business expansions and growth in revenues and profits. The Group is committed to becoming a renewable energy supplier and integrated service provider with relatively strong competitiveness, establishing a stable and comprehensive foundation for long-term growth of the Group, creating more value for the society, and seeking higher returns for the Shareholders and investors of the Company.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

For illustrative purpose only, set out below is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group after completion of the Rights Issue. Although reasonable care has been exercised in preparing the unaudited pro forma financial information, Shareholders who read the information should bear in mind that these figures are inherently subject to adjustments and may not give a complete picture of the Group's financial results and positions for the financial periods concerned.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the owners of the Company (the “**Unaudited Pro Forma Financial Information**”) has been prepared by the Directors in accordance with Rule 4.29 of the Listing Rules to illustrate the effect of the Rights Issue on the audited consolidated net tangible liabilities of the Group attributable to the owners of the Company as if the Rights Issue had taken place on 31 December 2022.

The Unaudited Pro Forma Financial Information is prepared for illustrative purpose only and based on the judgements, estimates and assumptions of the Directors, and because of the hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to the owners of the Company as at the date to which it is made up or at any future date.

Audited consolidated net tangible liabilities of the Group attributable to the owners of the Company as at 31 December 2022 <i>RMB'000</i> <i>(Note 1)</i>	Estimated net proceeds from the Rights Issue <i>RMB'000</i> <i>(Note 2)</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2022 after completion of the Rights Issue <i>RMB'000</i>	Unaudited consolidated net tangible liabilities attributable to the owners of the Company per Share as at 31 December 2022 <i>RMB</i> <i>(Note 3)</i>	Unaudited pro forma adjusted consolidated net tangible assets attributable to the owners of the Company per Share as at 31 December 2022 after completion of the Rights Issue <i>RMB</i> <i>(Note 4)</i>
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Based on 1,187,403,730 Rights
Shares to be issued at a
Subscription Price of HK\$0.18
per Rights Share

(73,903)	187,832	113,929	(0.18)	0.07
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APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

Notes:

1. The audited consolidated net tangible liabilities of the Group attributable to the owners of the Company as at 31 December 2022 is extracted from the published annual report of the Company for the year ended 31 December 2022, which is equal to the consolidated net liabilities attributable to the owners of the Company as at 31 December 2022 of approximately RMB73,903,000.
2. The estimated net proceeds from the Rights Issue are based on 1,187,403,730 Rights Shares (based on 474,961,493 Shares in issue as at the Latest Practicable Date) to be issued at the Subscription Price of HK\$0.18 each per Rights Share, after deduction of the related expenses including, among others, placing commission and other professional fees. The estimated net proceeds are approximately RMB187,832,000.
3. The audited consolidated net tangible liabilities of the Group attributable to the owners of the Company per Share as at 31 December 2022 was approximately RMB73,903,000, which was based on the audited consolidated net tangible liabilities of the Group attributable to the owners of the Company as at 31 December 2022 of approximately RMB73,903,000, divided by 409,828,160 Shares in issue as at 31 December 2022 which being adjusted for immediately after the Share Consolidation having become effective.
4. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per Share as at 31 December 2022 immediately after completion of the Rights Issue is determined based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2022 immediately after completion of Rights Issue of approximately RMB113,929,000, divided by 1,662,365,223 Shares which represents (i) 409,828,160 Shares in issue as at 31 December 2022, which being adjusted for immediately after the Share Consolidation having become effective; (ii) 65,133,333 Shares allotted and issued to Mr. Xu, which being adjusted for immediately after the Share Consolidation having become effective (details please refer to the announcement of the Company dated 28 April 2023); and (iii) 1,187,403,730 Rights Shares to be issued under the Rights Issue.
5. No adjustment has been made to reflect any trading results or other transactions of the Group subsequent to 31 December 2022.

**B. INDEPENDENT REPORTING ACCOUNTANT’S ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**

The following is the text of a report received from the independent reporting accountants, LINKSFIELD CPA LIMITED, Certified Public Accountants, Hong Kong, in respect of the Group’s unaudited pro forma financial information for the purpose of inclusion in this Prospectus



LINKSFIELD CPA LIMITED

金道連城會計師事務所有限公司

Units 2001-02, 20/F., Podium Plaza, 5 Hanoi Road,

Tsim Sha Tsui, Hong Kong

香港尖沙咀河內道5號普基商業中心20樓2001-02室

To the Directors of China Ruifeng Renewable Energy Holdings Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of China Ruifeng Renewable Energy Holdings Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group as at 31 December 2022, and related notes (the “**Unaudited Pro Forma Financial Information**”) as set out on pages II-1 to II-2 of the Company’s prospectus dated 19 July 2023 (the “**Prospectus**”), in connection with the rights issue on the basis of five (5) rights shares for every two (2) shares held on the record date (the “**Transaction**”). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on pages II-1 to II-2 of the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the Transaction on the Group’s financial position as at 31 December 2022 as if the Transaction had taken place at 31 December 2022. As part of this process, information about the Group’s financial position has been extracted by the Directors from the Group’s financial statements for the year ended 31 December 2022, on which an audit report has been published.

Directors’ Responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7, Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Management (HKSQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the HKICPA. This standard requires that the reporting accountant plans and performs procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of Unaudited Pro Forma Financial Information included in a Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Transaction at 31 December 2022 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the

Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Company, the event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the Directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

LINKSFIELD CPA LIMITED
Certified Public Accountants

Engagement Director: Kwok Chi Kan
Practising Certificate Number: P06958

Hong Kong

1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company (a) as at the Latest Practicable Date; (b) immediately after completion of the Rights Issue (assuming no other change in the number of issued Shares and full acceptance of Rights Shares by all Qualifying Shareholders); and (c) immediately after completion of the Rights Issue (assuming no other change in the number of issued Shares other than the full exercise of the Share Options and full acceptance of Rights Shares by all Qualifying Shareholders) are set out as follows:

	(a)	(b)	(c)
Authorised share capital	HK\$500,000,000	HK\$500,000,000	HK\$500,000,000
Issued share capital	474,961,493	1,662,365,223	1,788,295,223

The Rights Shares, when allotted and issued, shall rank *pari passu* in all respects with the Shares then in issue. Holder of the Rights Shares in their fully-paid form will be entitled to receive all future dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the fully-paid Rights Shares.

The Company has applied to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares, in both their nil-paid and fully-paid forms. No part of the securities of the Company is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought, on any other stock exchanges.

As at the Latest Practicable Date, there are (i) 35,980,000 outstanding Share Options granted by the Company exercisable into 35,980,000 Shares at the exercise price of HK\$0.9 per Share; and (ii) Convertible Bonds with an aggregate principal amount of HK\$356,375,000 convertible into 395,972,222 Shares, at the conversion price of HK\$0.9 per Share. Save for the aforesaid, the Company had no outstanding options, warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into any Shares, as the case may be.

As at the Latest Practicable Date, there was no arrangement under which future dividends are waived or agreed to be waived.

3. DISCLOSURE OF INTERESTS IN THE SHARES

(a) Directors and chief executive's interests in the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions, if any, of each Director and chief executive of the Company in the Shares, underlying Shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive were deemed or taken to have under provisions of the SFO), or which were required to be and are recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 to the Listing Rules as adopted by the Company, to be notified to the Company and the Stock Exchange were as follows:

Long position in the Shares

Name of Director	Nature/Capacity	Number of shares/underlying shares			Share Options (Note 1)	Approximate percentage of Total shareholdings
		Corporate interests	Convertible Bonds			
Mr. Zhang	Beneficial owner/Interest of controlled corporation	61,773,400 (Note 2)	395,972,222 (Notes 3 and 4)	3,940,000	461,685,622	97.2%
Mr. Ning Zhongzhi	Beneficial owner	—	—	3,940,000	3,940,000	0.83%
Mr. Qu Weidong	Beneficial owner	—	—	1,040,000	1,040,000	0.22%
Ms. Hu Xiaolin	Beneficial owner	—	—	1,040,000	1,040,000	0.22%
Mr. Jiang Senlin	Beneficial owner	—	—	1,040,000	1,040,000	0.22%

Notes:

- These shares were the shares which would be allotted and issued upon exercise in full of the share options granted to such Director under the share option scheme of the Company, details of which are set out in the announcement of the Company dated 29 January 2021.
- Mr. Zhang is the beneficial owner of the entire issued shares of Diamond Era. As at the Latest Practicable Date, Diamond Era is interested in 61,773,400 Shares. Mr. Zhang is deemed, or taken to be, interested in the Shares in which Diamond Era is interested for the purpose of the SFO.

3. Mr. Zhang is the beneficial owner of the entire issued shares of Filled Converge. As at the Latest Practicable Date, Filled Converge holds the Convertible Bonds in the principal amount of HK\$356,375,000. Assuming Filled Converge's conversion right of the Convertible Bonds were exercised in full, the total of 395,972,222 new Shares will be issued to Filled Converge. Mr. Zhang is deemed, or taken to be, interested in the Shares in which Filled Converge is interested for the purpose of the SFO.
4. On 6 June 2023 (after trading hours), the assignors and Mr. Yuan Wanyong (“**Mr. Yuan**”) as the second assignee entered into a deed of assignment, pursuant to which Mr. Yuan is entitled to acquire the 80% of the assignors' respective rights and interests (including the assets and the assigned interest) under the assigned contracts and the debts pursuant to the facility agreement and the security documents if the account charge has become enforceable. The total consideration for such acquisition is HK\$240 million which shall be paid in the manner set out in the deed of assignment. Please refer to the Company's announcement dated 8 June 2023 for further details.

Long position in the ordinary shares of associated corporation

Names of Director	Name of associated corporation	Nature/capacity	Number of Shares held/interested	Approximate percentage of shareholdings
Mr. Zhang	Diamond Era	Beneficial owner	9	100%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor chief executive had any interests or short positions in any Shares, underlying shares or debentures of the Company or any of its associated corporations as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange under the Model Code.

(b) Substantial shareholders and other persons' interests in Shares and underlying Shares

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who were directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at the general meetings of any other member of the Group were as follows:

Name of Shareholder	Number of Shares held/interested	Nature/capacity	Approximate percentage of shareholdings
Diamond Era	61,773,400 (L) <i>(Notes 1 and 2)</i>	Beneficial owner	13.0%
Filled Converge	395,972,222 (L) <i>(Notes 3 and 4)</i>	Beneficial owner	83.4%
Mr. Xu	65,133,333 (L)	Beneficial owner	13.7%

Notes:

- As at the Latest Practicable Date, Diamond Era was interested in 61,773,400 Shares. Diamond Era is wholly-owned by Mr. Zhang, an executive Director and a Substantial Shareholder.
- "L" stands for a long position in the Shares.
- Mr. Zhang is the beneficial owner of the entire issued shares of Filled Converge. As at the Latest Practicable Date, Filled Converge holds the Convertible Bonds in the principal amount of HK\$356,375,000. Assuming Filled Converge's conversion right of the Convertible Bonds were exercised in full, the total of 395,972,222 new Shares will be issued to Filled Converge. Mr. Zhang is deemed, or taken to be, interested in the Shares in which Filled Converge is interested for the purpose of the SFO.
- On 6 June 2023 (after trading hours), the assignors and Mr. Yuan as the second assignee entered into a deed of assignment, pursuant to which Mr. Yuan is entitled to acquire the 80% of the assignors' respective rights and interests (including the assets and the assigned interest) under the assigned contracts and the debts pursuant to the facility agreement and the security documents if the account charge has become enforceable. The total consideration for such acquisition is HK\$240 million which shall be paid in the manner set out in the deed of assignment. Please refer to the Company's announcement dated 8 June 2023 for further details.

Save as disclosed above, so far as is known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, no other person (other than a Director or chief executive of the Company) had, or was deemed or taken to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the

provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or held any option in respect of such capital.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors was a director or employee of a company (or its subsidiary) which has an interest or a short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

4. DIRECTORS' INTERESTS IN CONTRACT AND ASSET

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2022, the date to which the latest published audited accounts of the Group were made up.

There was no contract or arrangement entered into by any member of the Group, subsisting as at the Latest Practicable Date, in which any of the Directors was materially interested and which was significant in relation to the business of the Group as a whole.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into or proposed to enter into any service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

6. COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or Controlling Shareholders or their respective associates had any business or interest which competes or may compete with the business of the Group, or have or may have any other conflicts of interest with the Group.

7. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

8. MATERIAL CONTRACTS

Save as disclosed below, there are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by any member of the Group within the two years immediately preceding the date of this Prospectus:

- (a) the Placing Agreement;
- (b) the Irrevocable Undertaking; and
- (c) the Bondholder's Undertaking.

9. EXPERT AND CONSENT

The following are the qualifications of the expert which has given advice which is contained in this Scheme Document:

Name	Qualification
Linksfield CPA Limited	Certified Public Accountants Registered Public Interest Entity Auditor

As at the Latest Practicable Date, the expert above has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion herein of its letters or reports and the reference to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, the expert above did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the expert above did not have any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2022, being the date to which the latest published audited accounts of the Company were made up.

10. EXPENSES

In the event of full acceptance of the Right Shares by all Qualifying Shareholders and no Placing has to be conducted, the relevant expenses which would be incurred in the Rights Issue would be approximately HK\$1.7 million; on the other hand, in the event of no acceptance by any Qualifying Shareholder other than Mr. Xu and Diamond Era which will take up the Rights Shares in accordance with the terms of the Irrevocable Undertaking and all remaining Unsubscribed Rights Shares and ES Unsold Rights Shares are placed by the Placing Agent, the relevant expenses would be approximately HK\$3.7 million.

Accordingly, the gross proceeds from the Rights Issue will be up to approximately HK\$213.7 million and the maximum net proceeds (after deducting the estimated expenses) of the Rights Issue are estimated to be approximately HK\$212.0 million. The net subscription price per Rights Share is expected to be approximately HK\$0.179.

11. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE

Board of Directors

Executive Directors

Mr. Yuan Wanyong (*Chairman*)

Mr. Zhang Zhixiang (*Chief Executive Officer*)

Mr. Ning Zhongzhi

Mr. Li Tian Hai (*retired at the annual general meeting of the Company on 1 June 2023*)

Mr. Peng Ziwei (*retired at the annual general meeting of the Company on 1 June 2023*)

Independent non-executive Directors

Mr. Qu Weidong

Ms. Hu Xiaolin

Mr. Jiang Senlin

Audit committee	Mr. Jiang Senlin (<i>chairman of the Audit Committee</i>) Mr. Qu Weidong Ms. Hu Xiaolin
Nomination committee	Mr. Qu Weidong (<i>chairman of the Nomination Committee</i>) Mr. Zhang Zhixiang Ms. Hu Xiaolin Mr. Jiang Senlin
Remuneration committee	Ms. Hu Xiaolin (<i>chairman of the Remuneration Committee</i>) Mr. Zhang Zhixiang Mr. Qu Weidong Mr. Jiang Senlin
Registered office	Windward 3, Regatta Office Park P.O. Box 1350 Grand Cayman KY1-1108 Cayman Islands
Principal place of business in Hong Kong	Room 1002, 10/F Shui On Centre 6–8 Harbour Road, Wanchai Hong Kong
Authorised representatives	Mr. Zhang Zhixiang Ms. Wong Yuk Ki
Business address of all Directors and authorised representatives	Room 1002, 10/F Shui On Centre 6–8 Harbour Road, Wanchai Hong Kong
Company secretary	Ms. Wong Yuk Ki
Hong Kong branch share registrar and transfer office	Tricor Investor Services Limited 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong

Principal banker

In Hong Kong:

Bank of China (Hong Kong) Limited
China Minsheng Banking Corporation Limited
Hong Kong Branch
China Construction Bank (Asia) Corporation Limited
Hang Seng Bank Limited
The Bank of East Asia Limited

In the PRC:

Bank of China Limited
Agricultural Development Bank of China
Industrial and Commercial Bank of China Limited
Bank of Chengde Company Limited
China Construction Bank Corporation
Bank of Hebei Company Limited

Auditor

Linksfield CPA Limited
Certified Public Accountants
Registered Public Interest Entity Auditor
Room 2001-02, 20/F., Podium Plaza
5 Hanoi Road
Tsim Sha Tsui
Hong Kong

Legal adviser to the Company as to
Hong Kong laws

Khoo & Co.
15th & 16th Floor
Tern Centre Tower 2
251 Queen's Road Central
Hong Kong

Placing Agent

Get Nice Securities Limited
G/F-3/F, Cosco Tower,
Grand Millennium Plaza,
183 Queen's Road Central,
Hong Kong

12. PARTICULARS OF THE DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Mr. Yuan (袁萬永) (“**Mr. Yuan**”), aged 52, graduated from Hebei University of Architecture with a bachelor’s degree in the Department of Mechanical and Electrical Engineering. Mr. Yuan is a senior engineer and a member of the Communist Party of the PRC. Mr. Yuan started his own business after graduation and established a company in the PRC, namely Ever Bright Real Estate. Mr. Yuan currently holds an 80% equity interest in Ever Bright Real Estate, which is a multinational company with its headquarter in the PRC. The principal businesses of its subsidiaries include property development, sports management, cultural tourism, trading and renewable energy. Mr. Yuan is currently the chairman, general manager and legal representative of Ever Bright Real Estate and is the director, legal representative or senior management of subsidiaries of Ever Bright Real Estate.

On 6 June 2023 (after trading hours), the assignors and Mr. Yuan as the second assignee entered into a deed of assignment, pursuant to which Mr. Yuan is entitled to acquire the 80% of the assignors’ respective rights and interests (including the assets and the assigned interest) under the assigned contracts and the debts pursuant to the facility agreement and the security documents if the account charge has become enforceable. The total consideration for such acquisition is HK\$240 million which shall be paid in the manner set out in the deed of assignment. Please refer to the Company’s announcement dated 8 June 2023 for further details.

Mr. Zhang Zhixiang (張志祥) (“**Mr. Zhang**”), aged 55, is the chief executive officer (the “**Chief Executive Officer**”) of the Company and an executive Director. He is also an authorised representative of the Company, a member of each of the remuneration committee and nomination committee of the Company. He was appointed as an executive Director on 7 July 2010. He graduated from the School of Taxation of the Central Institute of Finance (中央財政金融學院) (now known as the Central University of Finance and Economics (中央財經大學)) in 1991 and received a bachelor’s degree in economics. He joined Hexigten Qi Langcheng Ruifeng Electric Development Co., Ltd, a former subsidiary of the Group, as the vice general manager in December 2005. He was appointed as a director and the chairman of the board of Hongsong in May 2013. Mr. Zhang is a director of, and the sole beneficial owner of the share capital in, Diamond Era Holdings Limited, a substantial shareholder of the Company interested in 308,867,000 shares, representing approximately 13.0% of the issued share capital of the Company as at the Latest Practicable Date. Mr. Zhang is also the sole beneficial owner of the share capital in Filled Converge which holds the Convertible Bonds issued by the Company in the principal amount of HK\$356,375,000. For his interest in the shares of the Company within the meaning of Part XV of the SFO, please refer to the section headed “Disclosure of interests” of this Prospectus.

Mr. Ning Zhongzhi (寧忠志) (“**Mr. Ning**”), aged 60, was appointed as an executive Director on 28 January 2013. Mr. Ning graduated from Huabei Electric Workers Intermediate Specialised College (華北電業職工中等專業學校) and Hebei Radio and TV University (河北廣播電視大學) in labour and remuneration in October 1984 and in human relation management in July 1988, respectively. Mr. Ning was qualified as a senior economist by the Senior Specialty and Technology Qualification Judging Committee of the State Power Corporation of China (國家電力公司高級專業技術資格評審委員會) in April 2001. Mr. Ning has long been working in the electricity power industry, being a key responsible staff of county-level power supply enterprise, and was the head of human resources department since March 2003. Mr. Ning was the director and chairman of Hongsong from May 2010 to May 2013.

Independent non-executive Directors

Mr. Qu Weidong (屈衛東) (“**Mr. Qu**”), aged 57, is an independent non-executive Director, the chairman to the nomination committee of the Company and a member of each of the audit committee and remuneration committee of the Company. Mr. Qu was appointed as an independent non-executive Director on 11 December 2010. Mr. Qu graduated from the Tsing Hua University (清華大學) in the PRC in 1990 with a bachelor’s degree in engineering. He obtained a master’s degree in international business at the University of Auckland in 1999. Mr. Qu is now the chairman of Beijing Eastern Forest JS Investment Limited (北京東霖鉅盛投資有限公司). Mr. Qu has over 22 years of in the field of investment, of which 8 years of experience in investment banking. He was a director and general manager of Beijing Zero2IPO Venture Investment Management Centre (北京清科創業投資管理中心). He was the investment director of Bluerun Investment Consulting (Beijing) Co., Ltd. from June 2007 to September 2010, and Capinfo Company Limited (首都信息發展股份有限公司) from April 2005 to July 2007. He worked at the headquarters of the investment bank of China Galaxy Securities Co., Limited (中國銀河證券股份有限公司投資銀行總部) from March 2003 to July 2005.

Ms. Hu Xiaolin (胡曉琳) (“**Ms. Hu**”), aged 55, is an independent non-executive Director, the chairman to the remuneration committee and a member of each of the audit committee and nomination committee of the Company. Ms. Hu was appointed as an independent non-executive Director on 9 May 2011. Ms. Hu graduated from Northwest University (西北大學), the PRC, with a bachelor’s degree in literature in July 1990. She obtained a master of literature from Capital Normal University (首都師範大學), the PRC in July 1995. Ms. Hu worked in the news commentary department and sports centre of Beijing Television (北京電視台) from 1995 to 2005. She had worked as a producer and a general director (總導演) of a section in Shanghai China Business Network Co. Ltd. (上海第一財經傳媒有限公司) from January 2005 to March 2008. She has been a director and a general manager of Shanghai Shile Yongdao Culture Communication Co., Ltd. (上海世樂永道文化傳播有限公司) since March 2008. Since February 2016, Ms. Hu is the president of Fortune Media Communication Co., Ltd. (財富視點傳媒有限責任公司).

Mr. Jiang Senlin (姜森林) (“**Mr. Jiang**”), aged 51, is an independent non-executive Director, the chairman to the audit committee of the Company and a member of each of the nomination committee and remuneration committee of the Company. Mr. Jiang was appointed as an independent non-executive Director on 31 January 2019. Mr. Jiang, has been the vice-president and chief financial officer in Wonderland International Financial Holdings Limited (華德國際金融控股有限公司) since January 2018 and an executive director of Enviro Energy International Holdings Limited (stock code: 1102) since 28 June 2019. Mr. Jiang worked in Beijing Renge Technology Corp. Ltd (北京仁歌科技股份有限公司) (NEEQ Code: 837824, voluntarily delisted in December 2018) as vice general manager and chief financial officer from September 2015 to December 2017. He also worked as chief financial officer (Asia) in Morningstar, Inc. (NASDAQ: MORN) from August 2009 to September 2015. Mr. Jiang qualified as an accountant in the PRC in May 1998 and as an intermediate financial officer conferred by the Ministry of Personnel, the PRC in November 1997. Mr. Jiang completed his research program in Art and Culture (文藝學) at Sichuan University in July 2000 and obtained his bachelor’s degree in accountancy at the Central Institute of Finance (中央財政金融學院) (now known as the Central University of Finance and Economics) in June 1993.

Senior management

Mr. Wang Jian (王劍) (“**Mr. Wang**”), aged 55, is the director and general manager of Hongsong, responsible for the daily operation of Hongsong. Mr. Wang was graduated in 2004 from China Agricultural University (中國農業大學) majoring at economic management professional. He obtained senior operating qualification in 2005 and obtained advanced project management qualification in 2006. Mr. Wang joined Hongsong in 1999 and involved in the establishment of Hongsong. He was appointed as the director and general manager of Hongsong since 2001, and he has over 14 years working experience in wind farm operation and management.

Mr. Fan Guoliang (范國亮) (“**Mr. Fan**”), aged 42, is the secretary of the Board of Hongsong. He is mainly responsible for the Board and the administrative management of the Group. Mr. Fan was graduated from Hebei University of Science and Technology majoring Business Administration in 2005 and received a bachelor’s degree in Management. He received a master’s degree in economics from Central University of Finance and Economics in 2014. In March 2005, he joined Hongsong and served as the head of the secretary office of the Board, deputy director, directors of certain subsidiaries of the Group in the PRC, secretary of the board and deputy general manager.

Company secretary

Ms. Wong Yuk Ki (黃鈺琪) (“**Ms. Wong**”), has been appointed as Company secretary and authorised representative of the Company since 31 December 2019. Ms. Wong holds a bachelor degree of Business Administration in Professional Accountancy from The Chinese University of Hong Kong. Ms. Wong is a member of the Hong Kong Institute of Certified Public Accountants. She has over ten years of working experience in the auditing and accounting fields.

13. AUDIT COMMITTEE

As at the Latest Practicable Date, the audit committee of the Board (the “**Audit Committee**”) comprised all of the independent non-executive Directors, namely Mr. Jiang Senlin (the chairman of the Audit Committee), Mr. Qu Weidong and Ms. Hu Xiaolin. The background, directorship and past directorship (if any) of each of the members of the Audit Committee are set out in the section headed “Particulars of the Directors and senior management” in this appendix. The primary duties of the Audit Committee include, among other things, reviewing and supervising the financial reporting process and internal control systems, as well as the overall risk management of the Group, reviewing the consolidated financial statements and the interim and annual reports of the Group, reviewing the terms of engagement and scope of audit work of the external auditor, and performing the corporate governance function.

14. BINDING EFFECT

The Prospectus Documents and all acceptances of any offer or application contained therein are governed by and shall be construed in accordance with the laws of Hong Kong. The Prospectus Documents shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), so far as applicable.

15. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

A copy of each of the Prospectus Documents and the written consent as referred to in the paragraph headed “9. Expert and Consent” in this appendix, have been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong).

16. DOCUMENTS AVAILABLE FOR DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.c-ruifeng.com) for a period of 14 days from the date of this Prospectus:

- (a) the memorandum and articles of association of the Company;
- (b) the annual reports of the Company for the three financial years ended 31 December 2022;
- (c) the Placing Agreement;
- (d) the letter from the Board, the text of which is set out on pages 8 to 28 of this Prospectus;
- (e) the report on the unaudited pro forma financial information of the Group issued by Linkfield CPA Limited, the text of which is set out in Appendix II to this Prospectus;
- (f) the written consent referred to in the section headed “9. Expert and Consent” of this appendix;
- (g) the Irrevocable Undertaking;
- (h) the Bondholder’s Undertaking; and
- (i) the Prospectus Documents.

17. MISCELLANEOUS

- (a) As at the Latest Practicable Date, to the best knowledge of the Directors, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong.
- (b) As at the Latest Practicable Date, the Group had no exposure to foreign exchange liabilities.
- (c) In the event of any inconsistency, the English texts of the Prospectus Documents shall prevail over their respective Chinese texts.