

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



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)

(1) RESULTS OF THE RIGHTS ISSUE ON THE BASIS OF FIVE (5) RIGHTS SHARES FOR EVERY TWO (2) SHARES HELD ON THE RECORD DATE AND (2) ADJUSTMENTS TO THE SHARE OPTIONS AND THE CONVERTIBLE BONDS

Reference is made to the prospectus of China Ruifeng Renewable Energy Holdings Limited (the “**Company**”) dated 19 July 2023 (the “**Prospectus**”) and the announcement of the Company dated 7 August 2023 (the “**Announcement**”) in relation to, among others, the Rights Issue. Capitalised terms used herein shall have the same meanings as those defined in the Prospectus, unless the context otherwise requires.

RESULTS OF THE RIGHTS ISSUE AND THE COMPENSATORY ARRANGEMENTS

As disclosed in the Announcement, as at 4:00 p.m. on Wednesday, 2 August 2023, being the Latest Time for Acceptance, a total of 10 valid applications had been received for a total of 764,190,084 Rights Shares, representing approximately 64.36% of the total number of Rights Shares offered under the Rights Issue. Pursuant to the Irrevocable Undertaking, Mr. Xu and Diamond Era has respectively subscribed for 162,833,330 and 154,433,500 Rights Shares provisionally allotted to it. The remaining 423,213,646 Unsubscribed Rights Shares, representing approximately 35.64% of the total number of Rights Shares offered under the Rights Issue, will be subject to the Compensatory Arrangements.

The Board wishes to announce that, as at 4:00 p.m. on Tuesday, 15 August 2023, being the latest time of placing of the Unsubscribed Rights Shares by the Placing Agent, all the 423,213,646 Unsubscribed Rights Shares were successfully placed at the price of HK\$0.18 per Share, which is equal to the Subscription Price, under the Placing. Accordingly, there is no Net Gain available to be distributed to the No Action Shareholders under the Compensatory Arrangements.

Based on the results of acceptance of the Rights Issue and the results of the Placing, the Rights Shares to be allotted and issued amounted to 1,187,403,730 Rights Shares, representing 100% of the total number of Rights Shares offered for subscription under the Rights Issue.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, (i) each of the placees and where appropriate, their respective ultimate beneficial owner(s), is an Independent Third Party(ies); and (ii) none of the placees has become a substantial shareholder of the Company (as defined under the Listing Rules) upon completion of the Placing.

As all the conditions with respect to the Rights Issue as set out in the Prospectus have been fulfilled, the Rights Issue became unconditional at 4:00 p.m. on Wednesday, 16 August 2023.

Accordingly, the gross proceeds raised from the Rights Issue (including the Compensatory Arrangements) were approximately HK\$213.7 million and the net proceeds from the Rights Issue after deducting the expenses were approximately HK\$211.0 million. The Company intends to apply the net proceeds from the Rights Issue as to (i) approximately HK\$92.0 million (or approximately 43.6% of the total net proceeds) for repayment of the Group's bonds; (ii) approximately HK\$70.0 million (or approximately 33.2% of the total net proceeds) for repayment of the Group's notes payables; (iii) approximately HK\$27.8 million (or approximately 13.2% 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 disclosed in the Prospectus.

EFFECT OF THE RIGHTS ISSUE ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the following table sets out the shareholding structure of the Company immediately before and after the completion of the Rights Issue:

	Immediately before completion of the Rights Issue and the Placing		Immediately after completion of the Rights Issue and the Placing	
	<i>Number of issued Shares</i>	<i>%</i>	<i>Number of issued Shares</i>	<i>%</i>
Mr. Xu	65,133,333	13.71	227,966,663	13.71
Diamond Era	61,773,400	13.01	216,206,900	13.01
Independent placees	—	—	423,213,646	25.46
Other public Shareholders	348,054,760	73.28	794,978,014	47.82
Total	<u>474,961,493</u>	<u>100.00</u>	<u>1,662,365,223</u>	<u>100.00</u>

DESPATCH OF SHARE CERTIFICATES FOR RIGHTS SHARES

Share certificates for the fully-paid Rights Shares are expected to be sent on or before Tuesday, 22 August 2023 to those entitled thereto by ordinary post, at their own risk, to their registered addresses.

ADJUSTMENTS RELATING TO THE SHARE OPTIONS AND CONVERTIBLE BONDS

Share Options

Prior to the completion of the Rights Issue, the Company had 35,980,000 outstanding Share Options (the “**Outstanding Options**”) granted by the Company exercisable into 35,980,000 Shares, at the exercise price of HK\$0.9 per Share under the Share Option Scheme. As a result of the Rights Issue, the Company has calculated the necessary adjustments (the “**Share Options Adjustments**”) to the exercise price and the number of Shares falling to be issued upon exercise of the outstanding share options in accordance with the terms and conditions of the Share Option Scheme, Rule 17.03(13) of the Listing Rules, and the Supplementary Guidance on Main Board Listing Rule 17.03(13)/GEM Listing Rule 23.03(13) and the Note Immediately After the Rule attached to the Frequently Asked Question No. 072–2020 issued by the Stock Exchange on 6 November 2020 (the “**Stock Exchange Supplementary Guidance**”).

The Share Options Adjustments as a result of the Rights Issue with effect from 22 August 2023, being the date on which the fully-paid Rights Shares are allotted and issued, are set out below:

Date of Grant	Immediately before the completion of the Rights Issue		Immediately after the completion of the Rights Issue	
	Number of Shares to be issued upon exercise of the Outstanding Options	Exercise price per Share (HK\$)	Adjusted number of Shares to be issued upon exercise of the Outstanding Options	Adjusted exercise price per Share (HK\$)
29 January 2021	<u>35,980,000</u>	<u>0.9</u>	<u>59,295,040</u>	<u>0.546</u>

Save for the above adjustments, all other terms and conditions of the Outstanding Options remain unchanged.

The auditor and reporting accountant of the Company, Linksfield CPA Limited, has confirmed to the Directors in writing that the adjustments made to the exercise price and the number of Shares falling to be issued upon the exercise of the Outstanding Options are accurate and in compliance with the requirements set out in the terms and conditions of the Share Option Scheme, Rule 17.03(13) of the Listing Rules, and the Stock Exchange Supplementary Guidance.

Convertible Bonds

As at the date of this announcement, there are 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.

Pursuant to the terms and conditions of the Convertible Bonds, the conversion prices of the Convertible Bonds and the number of Shares falling to be allotted and issued upon conversion of the Convertible Bonds shall be adjusted in the following manner as a result of the Rights Issue with effect from 22 August 2023, being the date on which the fully-paid Rights Shares are allotted and issued:

Holder of the Convertible Bonds	Principal Amounts	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
		Conversion price per Share	Number of Shares to be allotted and issued upon exercise of all the conversion rights under the Convertible Bonds	Adjusted conversion price per Share	Adjusted number of Shares to be allotted and issued upon exercise of all the conversion rights under the Convertible Bonds
Filled Converge	HK\$356,375,000	HK\$0.9	395,972,222	0.721	494,278,779

The auditor and reporting accountant of the Company, Linksfield CPA Limited, has confirmed to the Directors in writing that the adjustments made to the conversion price and the number of Shares falling to be issued upon the exercise of the Convertible Bonds are accurate.

COMMENCEMENT OF DEALINGS IN FULLY-PAID RIGHTS SHARES

Dealings in the Rights Shares, in their fully-paid form, are expected to commence on the Stock Exchange at 9:00 a.m. on Wednesday, 23 August 2023.

By Order of the Board
CHINA RUIFENG RENEWABLE ENERGY HOLDINGS LIMITED
Zhang Zhixiang
Executive Director and Chief Executive Officer

Hong Kong, 21 August 2023

As at the date of this announcement, the executive Directors are Mr. Yuan Wanyong (Chairman), Mr. Zhang Zhixiang (Chief Executive Officer) and Mr. Ning Zhongzhi; and the independent non-executive Directors are Mr. Jiang Senlin, Mr. Qu Weidong and Ms. Hu Xiaolin.