

*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 Risun Group Limited

### 中國旭陽集團有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1907)**

## COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

**Placing Agent, Sole Global Coordinator and Joint Bookrunner**



**Placing Agents and Joint Bookrunners**



The Board is pleased to announce that the condition precedent to the Placing as set out in the Placing Agreement have been satisfied and completion of the Placing took place on June 3, 2021 in accordance with the terms and conditions of the Placing Agreement. The Company placed, through the Placing Agents, 350,000,000 new Shares at a price of HK\$5.90 per Placing Share.

Reference is made to the announcement of China Risun Group Limited (the “**Company**”) dated May 26, 2021 (the “**Announcement**”) in relation to the placing of a total of up to 350,000,000 new shares of the Company (the “**Placing**”). Unless otherwise stated, capitalized terms used herein shall bear the same meanings as defined in the Announcement.

### COMPLETION OF THE PLACING

The Board is pleased to announce that the condition precedent to the Placing as set out in the Placing Agreement have been satisfied (including the granting by the Listing Committee of the listing of and, permission to deal in, the Placing Shares), and completion of the Placing took place on June 3, 2021.

An aggregate of 350,000,000 new Shares, representing approximately 7.88% of the total issued Shares as enlarged by the allotment and issue of the Placing Shares, have been successfully allotted and issued by the Company on June 3, 2021 at the Placing Price of HK\$5.90 per Placing Share to no less than six independent Placees who are professional, institutional and other investors and are, together with their respective ultimate beneficial owners, third parties independent of, and not connected with, the Company and the connected persons of the Company, to the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries.

The aggregate gross proceeds from the Placing are approximately HK\$2,065 million and the aggregate net proceeds from the Placing are approximately HK\$2,062.10 million after deducting the relevant costs and expenses. The Company intends to use the net proceeds from the Placing in the following manner:

- (a) approximately 80% of the net proceeds will be used to upgrade the existing coke and coking chemicals and refined chemicals manufacturing equipment and environmental protection facilities, including but not limited to the further expansion of capacity of caprolactam, as well as to fund potential mergers and acquisitions of local and overseas coke enterprises. As at the date of this announcement, the Company intends to invest in merger and acquisition projects relating to the coke manufacturing of the Group, but has not identified any specific target for such acquisitions, and allocation of such net proceeds among local and overseas mergers and acquisitions in future are deployed by the reasonable estimation of the Company. The Company will closely monitor the market opportunities for any such acquisitions and will make announcement(s) in respect of any such merger(s) or acquisition(s) in compliance with the requirements of the Listing Rules where appropriate; and
- (b) approximately 20% of the net proceeds will be used to replenish the working capital of the Group.

## SHAREHOLDING STRUCTURE OF THE COMPANY IMMEDIATELY BEFORE AND AFTER COMPLETION OF THE PLACING

Set out below is the shareholding structure of the Company immediately before and after Completion of the Placing on the Completion Date:

	Immediately before completion of the Placing		Immediately after completion of the Placing	
	Number of Shares	Approximate percentage of issued share capital of the Company <sup>(1)</sup>	Number of Shares	Approximate percentage of issued share capital of the Company <sup>(1)</sup>
Texson Limited <sup>(2)</sup>	3,116,074,928	76.19%	3,116,074,928	70.18%
Placees	–	–	350,000,000	7.88%
Other public Shareholders	<u>973,925,072</u>	<u>23.81%</u>	<u>973,925,072</u>	<u>21.94%</u>
Total	<u><u>4,090,000,000</u></u>	<u><u>100.00%</u></u>	<u><u>4,440,000,000</u></u>	<u><u>100.00%</u></u>

Notes:

- (1) Certain amounts and percentage figures in the table above have been rounded to the nearest whole figures. The discrepancies between the total amounts and the amounts shown in the table are due to rounding.
- (2) Mr. Yang Xuegang (楊雪崗), the chairman of the Board and an executive Director, holds the Shares through Texson Limited, a company 100% owned by Mr. Yang Xuegang. Accordingly, Mr. Yang Xuegang is deemed to be interested in the Shares held by Texson Limited.

By order of the Board  
**China Risun Group Limited**  
**Yang Xuegang**  
*Chairman*

Hong Kong, June 3, 2021

*As at the date of this announcement, the executive Directors are Mr. Yang Xuegang, Mr. Zhang Yingwei, Mr. Han Qinliang, Mr. Wang Fengshan, Mr. Wang Nianping and Mr. Yang Lu; and the independent non-executive Directors are Mr. Kang Woon, Mr. Yu Kwok Kuen Harry and Mr. Wang Yinping.*