

TARGET

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CHINA RUIFENG RENEWABLE ENERGY HOLDINGS LTD: THE COMPANY'S SHARE PRICE IS QUITE LIKELY TO DROP TO SINGLE DIGITS ... IN SHORT ORDER !

It is highly unlikely that minority shareholders of China Ruifeng Renewable Energy Holdings Ltd (中國瑞風新能源控股有限公司) (Code: 527, Main Board, The Stock Exchange of Hongkong Ltd) could be very happy with their lot since the Company's Revenue, in respect of the Financial Year, ended December 31, 2020, was the lowest of the past five Financial Years, going back to the 2016-Year, while the Net Loss Attributable to Shareholders has a continuous record of Net Losses, over the past five financial Years.

With regard the Net Assets of the Company (Shareholders' Funds) in respect of the 2020-Year, at **renminbi (RMB)** 633,223,000.00, it was the lowest level of the past five Financial Years.

And so it goes, on, and on, and on ... and where it will end, nobody knows.

The 2020 Annual Report Of China Ruifeng Renewable Energy Holdings Ltd

On Thursday, June 24, 2021, Management of China Ruifeng Renewable Energy Holdings Ltd published and disseminated its 2020 Annual Report in the **Hongkong Special Administrative Region (HKSAR)** of the **People's Republic of China (PRC)** in respect of the Financial Year, ended December 31, 2020.

At Page Four of the 2020 Annual Report, a '**CORPORATE PROFILE**' of the Company was presented as follows:

'As a renewable energy enterprise specialised in wind power operation, China Ruifeng Renewable Energy Holdings Limited ("Ruifeng Renew" or the "Company") together with its subsidiaries (collectively, the "Group") is principally engaged in the businesses of wind power generation and is continuing to search for investment opportunities in the energy sectors. In addition, in order to diversify the business risk and to expand various income streams, the company has also been seeking development opportunities in the financial sectors, with the aim to facilitate the development of, and complement with each other, the continuous enhancement of the Company's industrial structure and the establishment

of a solid foundation, in order to reinforce the comprehensive development of its wind power operation.

*‘Since 2013, through steady acquisition of additional ownership interest in Hebei Hongsong Renewable Energy Investment Co., Ltd. (河北紅松新能源投資有限公司) (“**Hongsong Renewable Energy**”) (the second largest shareholder of Hebei Hongsong Wind Power Co., Ltd. (河北紅松風力發電股份有限公司) (“**Hongsong**”)), the Group’s current indirect control in Hongsong is 86.55%.*

*‘Hongsong has an installed capacity of 398.4 megawatt (“**MW**”), and its maximum installable capacity is 596.4 MW.*

*‘Apart from Hongsong’s wind farm, Baotou City Yinfeng Huili New Energy Investment Limited (包頭市銀風匯利新能源投資有限公司) (“**Baotou Yinfeng**”), a subsidiary of the Group is principally engaged in the development of a wind farm that generates renewable energy in the Inner Mongolia Autonomous Region. The wind farms of Baotou Yinfeng have been developing since mid 2016 and the expected installable capacity of phase 1 of the wind farms (the “**Phase 1 Project**”) operation is 49.8 MW. Phase 1 Project is still under construction which is expected to be completed in the coming years and would contribute to the Group’s revenue from the operation of wind farms in the future.*

‘The Company is also in touch with prospective partners in the financial sectors and is keeping its eyes open for investment opportunities in other renewable energy businesses.’

Mr Zhang Zhi Xiang (張志祥), the Chief Executive Officer of China Ruifeng Renewable Energy Holdings Ltd, had little to say that was even an inkling of materiality, other, that is, than to state certain aims and objects of the Government of the **People’s Republic of China (PRC)**, all of which fitted nicely into Pages Five and Six of the 2020 Annual Report.

It should be stated, at this point, that China Ruifeng Renewable Energy Holdings Ltd installs and operates wind farms in the PRC, proper, being separate and distinct from the HKSAR of the PRC.

At Page 83 of the 2020 Annual Report of the Company, the Consolidated Statement of Profit or Loss was presented in respect of the 2020 Financial Year.

The highlights of this Report are as follows:

	For The Financial Year, Ended December 31		Percentage Increase/(Decrease)*
	2020	2019	
	All Figures Are Denominated In Renminbi (RMB)’000 (except where otherwise stipulated)		
Revenue	346,401	361,683	(4.23)
Gross Profit	112,613	116,466	(3.31)
Gross Profit Margin*	32.51 percent	32.20 percent	0.96
Profit From Operations	60,857	85,140	(28.52)

Share Of Profits/(Losses) Of Associates	(92,803)	3,330	(2,886.88)
Net Loss Attributable To Shareholders	(213,010)	(103,879)	105.06
Loss Per Share Attributable To Shareholders	(0.108)	(0.058)	86.21

*These are **TARGET**'s calculations.

At Page 85 of the 2020 Annual Report, under the heading, '**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**', it was shown, inter alia, that, as at December 31, 2020, Cash and Cash Equivalents stood at RMB858,837,000.00 (2019: RMB103,456,000.00).

Against ... [CLICK TO ORDER FULL ARTICLE](#)

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