

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.



RPC 瑞豐石化

Ruifeng Petroleum Chemical Holdings Limited
瑞豐石化控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8096)

ANNOUNCEMENT

This announcement is made by Ruifeng Petroleum Chemical Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong).

Further to the Company’s announcement dated 24 March 2014, the board (the “**Board**”) of directors of the Company (the “**Directors**” and each a “**Director**”) wishes to update the shareholders of the Company (the “**Shareholders**”) and potential investors regarding the latest situation and developments of the Company.

BUSINESS OPERATIONS IN FOSHAN

The oil processing and storage businesses of the Group are undertaken by Foshan Ruifeng Petroleum and Chemical Fuel Co. Ltd., (“**Foshan Ruifeng**”) an indirectly wholly owned subsidiary of the Company and its major subsidiaries in Foshan City, Guangdong Province, China. Both oil processing and oil storage businesses continued to increase with some contracts signed lasting beyond the end of 2014. Apart from those contracts with existing customers, the Group’s management is working hard to secure additional contracts and source new customers for the development of the oil processing and storage businesses.

The Group has successfully obtained the support from one of its customers to up-grade one of its oil processing units so that the Group can produce products with higher quality. As at the date of this announcement, the up-grading works are at the final stage and will be completed soon. It is expected that the Group will generate revenue from the said customer in the near future.

BUSINESS OPERATIONS IN SINGAPORE

The Group operates an IT operation in Singapore in the distribution of computer user software through its indirectly wholly owned subsidiaries in Singapore. The management of the Group is considering ways of exerting greater efforts on this operation so that the business of the Group can be more diversified.

LITIGATIONS IN CHINA

As disclosed in the announcement of the Company dated 17 February 2014, all of the 31 legal proceedings instituted by banks, suppliers and money lenders against Foshan Ruifeng with the Company as a guarantor were concluded and there were judgment debt in the principal amount of approximately RMB793.6 million (equivalent to approximately HK\$992.0 million) and accrued interests and expenses in the total amount of approximately RMB218.0 million (equivalent to approximately HK\$272.5 million) as at 31 December 2013.

Foshan Ruifeng, together with other named defendants, are still in the progress of discussing with those banks, suppliers and money lenders to defer the payment of the judgment debts and accrued interests and expenses.

LITIGATION IN HONG KONG

Reference is made to the announcement of the Company dated 21 August 2013 in relation to, among others, a High Court case No. 450/2013 in which the Company is named as a defendant. This case was previously stayed as disclosed in the announcement of the Company dated 24 March 2014. Hearing of the case has been fixed to resume on 15 July 2014. Further announcement(s) will be made by the Company as and when appropriate.

SUPPORT FROM FOSHAN CITY GOVERNMENT (佛山市政府) AND GUANGDONG MONETARY BUREAU (廣東銀監局)

The Group continues to receive the support of the Foshan City Government and the Guangdong Monetary Bureau in regard to the debt problems being faced by Foshan Ruifeng and the Company so as to maintain stability in the city and a healthy credit system and protect the interests of the creditor banks. Under their promulgation, a joint committee of all creditor banks of Foshan Ruifeng was formed under the direct leadership of Guangdong Monetary Bureau in March 2013.

The formation of the joint committee also enabled Foshan Ruifeng to defer the repayment of the judgment debts, accrued interests and litigation expenses to the banks and suppliers, and the continued access and use of the production facilities of Foshan Ruifeng which were pledged to the leading creditor bank, Foshan Branch of Agricultural Bank of China.

BOARD VACANCY

As disclosed in the announcement of the Company dated 4 April 2014, Mr. Chong Chi Wah, Kevin resigned from the position as an independent non-executive Director, the chairman of the Audit Committee and a member of the Nomination and Remuneration Committee of the Board. Further to the resignation of Mr. Chong Chi Wah, Kevin, the Board has only two independent non-executive Directors and the remaining members of the Audit Committee do not have any accounting expertise. The Board is in the process of identifying suitable candidate and working towards filling this vacancy within 3 months in compliance with the provisions of the GEM Listing Rules.

GROUP RESTRUCTURING

The Board is considering a restructuring plan of the Group and any possible action(s) that can be taken by the Group towards resumption in trading of the shares of the Company on the Stock Exchange. Further announcement will be made by the Company as and when appropriate.

LATEST DEVELOPMENTS

- a. Both oil processing and oil storage businesses continue to increase with some contracts signed lasting beyond the end of 2014.
- b. The Group has successfully obtained the support from one of its customers to up-grade one of its oil processing units so that the Group can produce products with higher quality. As at the date of this announcement, the up-grading works are at the final stage and will be completed soon.
- c. Uncertainties and debt size arguments have been cleared with the courts awarding judgment debts or endorsing mediation reports between Foshan Ruifeng and the creditors.
- d. The Board is considering a restructuring plan of the Group and any possible action(s) that can be taken by the Group towards resumption in trading of the shares of the Company on the Stock Exchange.

MOVING FORWARD

Once the decision to restructure has been taken with sufficient details, the Company will submit plans to the appropriate regulators and publish further announcement(s) for the information of the Shareholders and potential investors of the Company.

In the meantime, the Company is working to satisfy the trade resumption conditions required by the Stock Exchange as disclosed in the announcement of the Company dated 25 September 2013.

The Company will publish further announcement(s) to up-date the Shareholders and potential investors on any further development and towards the publication of the results and reports of the Group since the 2012 Annual Report.

As disclosed in the announcements of the Company dated 2 April 2013 and 25 September 2013, trading in its shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 2 April 2013 until the conditions of the Stock Exchange as disclosed in the announcement dated 25 September 2013 are satisfied. Trading of the shares of the Company will remain suspended until further notice.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board of
Ruifeng Petroleum Chemical Holdings Limited
Chan Wai Lun, Anthony
Chairman

Hong Kong, 13 June 2014

As at the date of this announcement, the executive Directors are Mr. Chan Wai Lun, Anthony (Chairman), Mr. Yue Wai Keung (Chief Executive Officer) and Mr. Guo Jingsheng; the non-executive Director is Mr. Chan Kwan Pak; and the independent non-executive Directors are Dr. Chen Tzyh-Trong and Dr. Lee Chung Mong.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited 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 announcement 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 announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM Website at www.hkgem.com for a minimum period of seven days from the day of its publication and on the website of the Company at www.ruifengholdings.com