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復興亞洲絲路集團有限公司
RENAISSANCE ASIA SILK ROAD GROUP LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock code: 274)

**PROPOSED ISSUE OF NEW SHARES UNDER
THE GENERAL MANDATE**

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On 1 June 2023, the Company entered into three Subscription Agreements in relation to the issue and subscription of new Shares. Subject to the fulfilment of condition precedent of the Subscription Agreements, the issue and allotment of 236,716,397 Subscription Shares to Subscribers at the Subscription Price of HK\$0.105.

The Subscription Shares represent approximately 14.97% of the total number of Shares in issue as at the date of this announcement and approximately 13.02% of the total number of Shares as enlarged by the issue of the Subscription Shares (assuming there will be no other change in the total number of Shares from the date of this announcement and up to the date of Completion).

USE OF PROCEEDS

The gross proceeds from the issue of Subscription Shares are expected to be approximately HK\$24.9 million and the net proceeds from the issue of Subscription Shares (after deducting of expenses) will be approximately HK\$24.7 million. The proposed net proceeds from such issue will be used for the project in relation to the announcement of the Company dated 24 May 2023 and the Company's general working capital needs.

GENERAL MANDATE

The issue of the Subscription Shares will be pursuant to the General Mandate and is not subject to Shareholders' approval. An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

Completion of the issue of the Subscription Shares are subject to the condition precedent under the Subscription Agreements may or may not take place. Shareholders and potential investors are advised to exercise caution when dealing the Shares.

INTRODUCTION

On 1 June 2023 (after trading hours), the Company entered into three Subscription Agreements in relation to the issue and subscription of the new Shares at the Subscription Price and the principal terms of the Subscription Agreements are described below.

The Subscription Agreements

Subscribers	:	Ms. Zhang Jiaxin Ms. Wang Yajun Mr. Yuan Weiran
Number of Subscription Shares to be issued	:	236,716,397 (representing approximately 14.97% of the total number of Shares in issue as at the date of this announcement and 13.02% of the total number of Shares as enlarged by the issue of these Subscription Shares)

According to the information provided by the Subscribers:

Subscriber A is an individual investor who is experienced in operations management and the legal representative, chief executive officer and executive director of a logistics development firm in Tianjin of the PRC.

Subscriber B is an individual investor who is experienced in management and the legal representative and chief executive officer of a labour service centre in Tianjin of the PRC.

Subscriber C is an individual investor who is experienced in artistic advisory and the artistic advisor of a cultural firm, investment consultant and manager of the marketing department of a media firm in the PRC.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Subscribers are third parties independent of the Company and its connected persons.

Subscription Price

The Subscription Price is HK\$0.105 per Subscription Share.

The Subscription Price was determined after arm's length negotiation between the Company and the Subscribers. The Company agreed the Subscription Price with reference to the average closing price per Share for the five trading days immediately preceding the date of the Subscription Agreements.

The Subscription Price represents:

- (1) a discount of approximately 15.3% to the closing price of HK\$0.124 per Share as quoted on the Stock Exchange on the date of the Subscription Agreements; and
- (2) a discount of approximately 18.2% to the average closing price of HK\$0.1284 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Subscription Agreements.

Based on the closing price of the Shares of HK\$0.124 per Share on the date of the Subscription Agreements, the Subscription Shares have an aggregate market value of HK\$29,352,833.23. The aggregate nominal value of the Subscription Shares is HK\$2,367,163.97.

Condition precedent

The obligations of the Company and the Subscribers to effect Completion under the Subscription Agreements are conditional upon the listing of, and permission to deal in, the Subscription Shares which are subject to the listing and permission being granted by the Stock Exchange (and such listing and permission not subsequently revoked prior to Completion) on or before 30 June 2023 (or such later date as the parties may agree).

In the event that such condition precedent is not satisfied on or before 30 June 2023 (or such later date as the parties may agree), the Subscription Agreements shall terminate and neither party shall be liable to the other or have any claim against the other party for damages, compensation or otherwise save and except any liability for antecedent breaches of either party.

The Completion of each of the Subscription Agreements is not inter-conditional upon the Completion of any of the other Subscription Agreements.

Completion

Completion of the Subscription Agreements are to take place within ten Business Days immediately following the fulfilment of the condition precedent.

Ranking of the Subscription Shares

The Subscription Shares will, when issued, rank *pari passu* in all respects among themselves and with the Shares in issue at the time of issue and allotment of the Subscription Shares save in respect of any rights the record date for which falls on or before Completion.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) as at the date of this announcement and (ii) immediately upon Completion (assuming that there will be no other change to the share capital of and shareholding in the Company other than the issue and allotment of the Subscription Shares) is:

Substantial Shareholders	As at the date of this announcement		Immediately upon Completion	
	Number of shares	Approximate shareholding (%)	Number of shares	Approximate shareholding (%)
Reconstruction Capital Group Limited (<i>Note 1</i>)	368,728,789	23.31	368,728,789	20.28
Excellent Shine Capital Limited (<i>Note 2</i>)	243,237,376	15.38	243,237,376	13.38
Zhongyingsheng International Investment Management Co., Limited (<i>Note 3</i>)	72,054,476	4.56	72,054,476	3.96
Subscriber A	–	–	56,716,397	3.12
Subscriber B	–	–	90,000,000	4.95
Subscriber C	–	–	90,000,000	4.95
Other public Shareholders	897,570,231	56.75	897,570,231	49.36
Total	1,581,590,872	100.00	1,818,307,269	100.00

Notes:

1. Reconstruction Capital Group Limited is a company directly held 50% by Sun Guiling and 50% by Wang Song, therefore they are deemed to be interested in the Shares in which Reconstruction Capital Group Limited is interested in.
2. Excellent Shine Capital Limited, is a company directly held 50% by Wang Huimin and 50% by Xu Huiqiang, therefore, they are deemed to be interested in the Shares in which Excellent Shine Capital Limited is interested in.
3. Zhongyingsheng International Investment Management Co., Limited held 72,054,476 Shares and is a company directly and wholly held by Xu Huiqiang, therefore, he is deemed to be interested in the Shares in which Zhongyingsheng International Investment Management Co., Limited is interested in.

REASONS FOR AND THE BENEFITS OF THE ISSUE OF THE SUBSCRIPTION SHARES

The Group is principally engaged in (i) gold mining, exploration and trading of gold products in the PRC; and (ii) trading of coal and wholesale and trading of frozen meat in the PRC.

The Subscription Agreements, if completed, would help strengthen the balance sheet of the Group which recorded as at 31 December 2022, net liabilities of approximately HK\$125.1 million by providing cash resources to enhance its working capital and to enable the Group to further develop and expand its mineral portfolio in relation to the project referred to in the Company's announcement dated 24 May 2023.

The Directors are of the view that the Subscription Agreements are entered into upon normal commercial terms and that the terms of the Subscription Agreements (including the Subscription Price) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Assuming all the Subscription Shares are fully subscribed, the gross proceeds from the issue of Subscription Shares will be HK\$24.9 million. After deducting related professional fees and all related expenses of approximately HK\$0.2 million to be borne by the Company under the issue of Subscription Shares, the net proceeds of will amount to approximately HK\$24.7 million, representing a net subscription price of approximately HK\$0.104 per Subscription Share. The proposed net proceeds from such issue will be used for the project in relation to the announcement of the Company dated 24 May 2023 and the Company's general working capital needs.

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Set out below is the fund-raising activities conducted by the Company during the past twelve months immediately prior to the date of this announcement:

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the date of announcement
12 January 2023	Issue of new shares under the general mandate	No proceeds	Settle indebtedness	Settle indebtedness

GENERAL MANDATE

The Subscription Shares will be issued pursuant to the General Mandate and is not subject to Shareholders' approval. Save for the issue of new shares announcement as mentioned above, the Company has not allotted and issued any Shares pursuant to the General Mandate and the General Mandate is therefore sufficient to cover the issuance of the Subscription Shares.

The Company will make an application to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares on the Stock Exchange.

None of the other Directors had any interest in the Subscription Agreements or the transactions contemplated thereunder.

Completion of the issue of the Subscription Shares is subject to the condition precedent under the Subscription Agreements and may or may not take place. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Board”	the board of Directors
“Business Day(s)”	a day (excluding Saturday and Sunday) on which banks in Hong Kong are open for business
“Company”	Renaissance Asia Silk Road Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“Completion”	completion of the issue of the Subscription Shares pursuant to Subscription Agreements
“connected person(s)”	has the same meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted to the Directors at the annual general meeting held on 1 June 2022 pursuant to which a maximum of 303,051,211 Shares, being 20% of the total number of Shares in issue as at 1 June 2022, may fall to be allotted and issued
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People's Republic of China

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber A”	Ms. Zhang Jiaxin (張嘉昕)
“Subscriber B”	Ms. Wang Yajun (王雅君)
“Subscriber C”	Mr. Yuan Weiran (苑威然)
“Subscribers”	collectively, the Subscriber A, Subscriber B and Subscriber C
“Subscription Agreement(s)”	subscription agreement(s) dated 1 June 2023 entered into by the Company with each of the Subscribers
“Subscription Price”	HK\$0.105 per Subscription Share
“substantial shareholder(s)”	has the same meaning ascribed to it in the Listing Rules
“%”	per cent

By order of the Board
Renaissance Asia Silk Road Group Limited
Qiu Zhenyi
Chairman of the Board

Hong Kong, 1 June 2023

As at the date of this announcement, the Board comprises following Directors, namely,

<i>Executive Directors:</i>	<i>Non-executive Directors:</i>	<i>Independent non-executive Directors:</i>
Mr. Qiu Zhenyi (<i>Chairman of the Board</i>)	Ms. Ng Ching Mr. Xu Huiqiang	Dr. Liu Ka Ying Rebecca Mr. Chen Jian Mr. Tse Sze Pan
Mr. Pan Feng Mr. Xie Qiangming		