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順風國際清潔能源有限公司

SHUNFENG INTERNATIONAL CLEAN ENERGY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01165)

PROFIT WARNING — REDUCTION OF LOSS

This announcement is made pursuant to Inside Information Provisions under Part XIVA of the SFO and Rule 13.09(2)(a) of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors of the Company that based on the preliminary assessment with reference to the unaudited consolidated management accounts of the Group, it is expected that a loss of no more than RMB42 million will be recorded for the six months ended 30 June 2021, representing a decrease of approximately 91% from a loss of approximately RMB469 million for the six months ended 30 June 2020.

As the Company is still in the process of finalising the unaudited interim results of the Group for the six months ended 30 June 2021, the information contained in this announcement is only based on the preliminary assessment by the Board with reference to the information currently available to the Group and is subject to further review by the Company's auditors or audit committee.

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

This announcement is made by Shunfeng International Clean Energy Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the “**SFO**”) and Rule 13.09(2)(a) of the Listing Rules.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders (the “**Shareholders**”) and potential investors of the Company that based on the preliminary assessment with reference to the unaudited consolidated management accounts of the Group, it is expected that a loss of no more than RMB42 million will be recorded for the six months ended 30 June 2021 (the “**First Half of 2021**”), representing a decrease of approximately 91% from a loss of approximately RMB469 million for the six months ended 30 June 2020 (the “**First Half of 2020**”), which is mainly attributable to the following reasons:

- (i) Reference is made to the announcement of the Company dated 18 March 2020, the circular of the Company dated 15 June 2020 and the poll results announcement of the Company dated 2 July 2020 in respect of 6 sale and purchase agreements entered into between Jiangxi Shunfeng Photovoltaic Investment Co. Ltd.* (江西順風光電投資有限公司) (“**Jiangxi Shunfeng**”, a wholly-owned subsidiary of the Company), Shanghai Shunneng Investment Co., Ltd.* (上海順能投資有限公司) (“**Shanghai Shunneng**”, a wholly-owned subsidiary of the Company) and Zhejiang Zhengtai New Energy Development Co., Ltd.* (浙江正泰電器股份有限公司) (“**Zhejiang Zhengtai**”), pursuant to which Jiangxi Shunfeng and Shanghai Shunneng have conditionally agreed to sell, and Zhejiang Zhengtai has conditionally agreed to purchase, 100% equity interests of each of Akesu Datang New Energy Co., Ltd.* (阿克蘇大唐新能源有限公司), Yuepuhu Gaoke New Energy Power Generation Co., Ltd.* (岳普湖高科新能源發電有限公司), Heshuo Hengxin New Energy Technology Co., Ltd.* (和碩恒鑫新能源科技有限公司), Tulufan Lianxing New Energy Co., Ltd.* (吐魯番聯星新能源有限公司), Wensu Riyuehui New Energy Co., Ltd.* (溫宿縣日月輝新能源有限公司), and Hejing Yixin New Energy Technology Co., Ltd.* (和靜益鑫新能源科技有限公司) (the “**2020 Disposals**”). The Group has recognized an impairment loss of approximately RMB214 million with respect to the 2020 Disposals during the First Half of 2020, while there was no such impairment loss recognized during the First Half of 2021;
- (ii) Reference is made to the announcement of the Company dated 26 November 2019, the circular of the Company dated 29 December 2019 and the poll results announcement of the Company dated 17 January 2020 in respect of 11 sale and purchase agreement entered into between Jiangxi Shunfeng, Shanghai Shunneng and Shijiazhuang Yakai New Energy Development Ltd.* (石家莊亞凱新能源開發有限公司) (“**Shijiazhuang Yakai**”, a wholly-owned subsidiary of the Company) and Zhonghe Shandong Energy Co., Ltd.* (中核山東能源有限公司) (“**Zhonghe Shandong**”), pursuant to which Jiangxi Shunfeng, Shanghai Shunneng and Shijiazhuang Yakai have conditionally agreed to sell, and Zhonghe Shandong has conditionally agreed to purchase, 100% equity interests of each Hami Hengxin New Energy Technology Co., Ltd.* (哈密恒鑫新能源科技有限公司), Hami Junxin Photovoltaic Power Generation Co., Ltd.* (哈密浚鑫光伏發電有限公司), Hami Tianhong Solar Power Technology Co., Ltd.* (哈密天宏陽光太陽能科技有限公司), Hami Yixin New Energy Technology Co., Ltd.* (哈密益鑫新能源科技有限公司), Hebei Guowei New Energy Technology Co., Ltd.* (河北國威新能源科技有限公司), Jinchang Zhongke New Energy Co., Ltd.* (金昌市中科新能源有限公司), Pingluo Zhongdianke Energy Co., Ltd.* (平羅中電科能源有限公司), Shangde (Hami) Solar Power Generation Co., Ltd.* (尚德(哈密)太陽能發電有限公司), Sunan Yugur Autonomous County Zhongneng Changyeyuan Co., Ltd.* (肅南裕固族自治縣中能產業園有限公司), Wuwei Jiuyuan Metal Components Co., Ltd.* (武威久源金屬構件有限公司) and Wuwei Huadong Zhonghe New Energy Co., Ltd.* (武威華東眾合新能源

有限公司) (the “**2019 Disposals**”). The Group has recognized a loss on disposal of approximately of RMB32 million with respect of the 2019 Disposals during the First Half of 2020, while there was no such loss recognized during the First Half of 2021; and

- (iii) The finance costs of the Group is expected to decrease from approximately RMB453 million for the First Half 2020 to approximately RMB290 million for the First Half 2021.

The Company is still in the process of finalising the unaudited interim results of the Group for the First Half of 2021. Therefore, the information contained in this announcement is only based on the preliminary assessment by the Board with reference to the information currently available to the Group and is subject to further review by the Company’s auditors or audit committee. Shareholders and potential investors of the Company are advised to peruse with care the interim results announcement of the Group for the First Half of 2021, which is expected to be released by the end of August 2021.

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

By order of the Board
Shunfeng International Clean Energy Limited
Wang Yu
Chairman

Hong Kong, 23 August 2021

As at the date of this announcement, the executive Directors are Mr. Wang Yu, Mr. Zhang Fubo, Mr. Lu Bin and Mr. Chen Shi; and the independent non-executive Directors are Mr. Tao Wenquan, Mr. Zhao Yuwen and Mr. Kwong Wai Sun Wilson.

* *For identification purpose only*