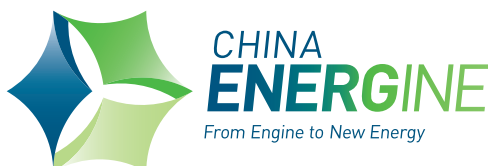


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CHINA ENERGINE INTERNATIONAL (HOLDINGS) LIMITED

中國航天萬源國際（集團）有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1185)

FINANCIAL ASSISTANCE CONSTITUTING A CONNECTED TRANSACTION

PROVIDING SHARE CHARGE TO A CONNECTED PERSON

The Group has been actively negotiating with CALT to obtain sufficient financial support from CALT to enable the Group to continue its operations and for not demanding the Company to fulfill its counter guarantee and guarantee obligations in respect of the amount due to CALT by the Company, which is repayable on demand. The amount due to CALT amounted to HK\$1,191,872,000 as at 30 June 2023.

On 21 May 2021, CALT issued the Company a letter undertaking not to demand repayment from the Company for the aforesaid obligations and to provide all necessary financial support to the Company. Such undertakings are effective for 18 months from the issue date of the letter. On 14 March 2022, CALT, in response to the request from the Company, issued the Company another letter to grant extension of the undertakings for a further 24 months ending on 20 November 2024 and requested the Share Charge from the Company as a safeguard to the amount due to CALT.

Pursuant to the negotiation with CALT in relation to the extension of the undertaking from CALT, CALT request the Share Charge as security for the amount due to CALT. The Share Charge is a necessary condition for striving for the further extension of the undertaking not to demand repayment from the Company.

* *For identification purpose only*

On 30 November 2023, Crownpluss, a direct wholly-owned subsidiary of the Company, and CALT entered into Share Charge agreements. The Share Charge are subject to the Independent Shareholders' approval.

CALT is the controlling shareholder and therefore a connected person of the Company. The Share Charge constitute a connected transaction of the Company and are subject to the reporting and the approval of the Independent Shareholders requirements under Rule 14A.36 of the Listing Rules.

The Board (other than the independent non-executive Directors) considers the Share Charge to be on normal commercial terms and is of the view that their terms are fair and reasonable and that Crownpluss's entry into the Share Charge is in the interest of the Company and the Shareholders as a whole.

The independent non-executive Directors will express their view on whether the Share Charge are on normal commercial terms, whether the terms of Share Charge are fair and reasonable and whether Crownpluss's entry into the Share Charge is in the interest of the Company and its Shareholders as a whole after it has considered the advice of the Independent Financial Adviser.

THE EGM

The EGM will be held for the purpose of considering and, if thought fit, approving the Share Charge.

CASC and its associates are required to abstain from voting on the resolutions relating to the Share Charge at the EGM.

An Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Lau Fai Lawrence, Mr. Gordon Ng and Mr. Li Dapeng, has been established to advise the Independent Shareholders as to whether the terms of the Share Charge are fair and reasonable and in the interests of the Company and the Shareholders as a whole and to advise the Independent Shareholders on how to vote, taking into account the recommendations of the Independent Financial Adviser. None of the members of the Independent Board Committee has a material interest in the transactions contemplated under the Share Charge.

Daikin has been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Share Charge.

A circular containing, inter alia, (a) further information on the Share Charge; (b) the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Share Charge; (c) the advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Share Charge; and (d) a notice convening the EGM, will be despatched to the Shareholders on or before 21 December 2023.

GENERAL INFORMATION

The Company is incorporated in Cayman Island with limited liability, whose shares are listed on the main board of the Stock Exchange (stock code: 1185). It is an investment holding company whose subsidiaries are principally engaged in (i) Sales of electricity from operation of wind power field, (ii) Technical service income from new energy development operation; and (iii) Sales of new energy systems from new energy development operation.

Crownpluss, incorporated in Hong Kong with limited liability. It is a direct wholly-owned subsidiary of the Company and its principal activity is investment holding.

CASC, established in PRC with limited liability. It is the ultimate controlling shareholder of the Company. As at the date of this announcement, CASC holds approximately 60.64% of the issued Share capital of the Company.

CALT, established in PRC with limited liability. It is a wholly owned subsidiary of CASC. As at the date of this announcement, CALT holds approximately 60.64% of the issued Share capital of the Company.

Longyuan Benxi, a company established in PRC with limited liability. It is an indirectly 40% owned subsidiary of the Company. Its scope of business includes wind farm operation. As of the date of this announcement, Crownpluss holds 40% the registered capital of Longyuan Benxi.

Jiangsu Longyuan, a company established in PRC with limited liability. Its scope of business includes wind farm operation. As of the date of this announcement, Crownpluss holds 25% the registered capital of Jiangsu Longyuan.

Jilin Longyuan, a company established in PRC with limited liability. Its scope of business includes wind farm operation. As of the date of this announcement, Crownpluss holds approximately 15.35% the registered capital of Jilin Longyuan.

DEFINITIONS

In this announcement, the following terms have the meanings set out below, unless the context requires otherwise:

“associates”	has the meaning given in the Listing Rules
“Board”	the board of Directors
“CALT”	China Academy of Launch Vehicle Technology, a company established in the PRC with limited liability. It is a wholly owned subsidiary of CASC. As at the date of this announcement, CALT holds approximately 60.64% of the issued Share capital of the Company
“CASC”	China Aerospace Science and Technology Corporation, a company established in PRC with limited liability. It is the ultimate controlling shareholder of the Company. As at the date of this announcement, CASC holds approximately 60.64% of the issued Share capital of the Company
“Company”	China Engerine International (Holdings) Limited, a company incorporated in Cayman Island with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (stock code: 1185)
“connected person(s)”	has the meaning given in the Listing Rules

“Crownpluss”	Crownpluss International Limited, a company incorporated in Hong Kong with limited liability. It is a direct wholly owned subsidiary of the Company
“Director”	a director of the Company
“EGM”	an extraordinary general meeting of the Company to be convened for the purpose of approving the Share Charge
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Board comprising all the independent non-executive Directors, namely Mr. Lau Fai Lawrence, Mr. Gordon Ng and Mr. Li Dapeng, established to advise the Independent Shareholders in respect of the Share Charge
“Independent Financial Adviser” or “Dakin”	Dakin Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Share Charge and the transactions contemplated thereunder
“Independent Shareholders”	all Shareholders other than CASC and its associates
“Jiangsu Longyuan”	Jiangsu Longyuan Wind Power Co., Ltd., a company established in PRC with limited liability. It is an indirectly 25% owned investment in associate of the Company

“Jilin Longyuan”	Jilin Longyuan Wind Power Co., Ltd., a company established in PRC with limited liability. It is an indirectly 15.35% owned investment in associate of the Company
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Longyuan Benxi”	Aerospace Long Yuan (Benxi) Wind Power Co., Ltd, a company established in PRC with limited liability. It is an indirectly 40% owned subsidiary of the Company
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Share Charge”	the share charge to be granted by Crownpluss in favour of CALT over all the shares held by Crownpluss in the Subject Matter Companies (representing 40% of the shares in Longyuan Benxi; 25% of the shares in Jiangsu Longyuan; and 15.35% of the shares in Jilin Longyuan) as security for the amount due to CALT
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subject Matter Companies”	Longyuan Benxi, Jiangsu Longyuan and Jilin Longyuan
“%”	per cent.

Unless otherwise stated, the exchange rates adopted in this announcement for illustration purpose only are RMB1.00=HK\$1.1.

By order of the Board
China Engene International (Holdings) Limited
Han Qingping
Chairman and Executive Director

Hong Kong, 1 December 2023

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Han Qingping, Mr. Li Lei, Mr. Xu Jun and Mr. Shen Jian; and three independent non-executive Directors, namely Mr. Lau Fai Lawrence, Mr. Gordon Ng and Mr. Li Dapeng.