

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.



Renco Holdings Group Limited
融科控股集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 2323)

**INSIDE INFORMATION AND
DISCLOSURE PURSUANT TO RULES 13.09 AND
13.19 OF THE LISTING RULES**

This announcement is made by Renco Holdings Group Limited (the “**Company**”, together with its subsidiaries as the “**Group**”) pursuant to Rules 13.09 and 13.19 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Company received a letter (the “**HK Demand Letter**”) dated 16 June 2022 and issued by the Hong Kong legal advisers of Shenzhen Huarongde Trading Co., Ltd.* (深圳市華榕德貿易有限公司) a company incorporated in the People’s Republic of China (the “**Lender**”), which was addressed to the Company and certain named wholly-owned subsidiaries of the Company (collectively, the “**Guarantor Subsidiaries**”). The HK Demand Letter was issued in relation to (i) a loan facility of RMB170 million (the “**Loan**”) advanced by the Lender to Shaoguan HKBridge Enterprise Management Consulting Service Co., Ltd.* (韶關港橋企業管理諮詢服務有限公司) (the “**Borrower**”, a wholly-owned subsidiary of the Company), pursuant to a loan agreement dated 28 October 2016 (as supplemented); and (ii) a deed of guarantee dated 28 October 2016 (the “**Guarantee**”) and executed by the Company and the Guarantor Subsidiaries as co-guarantors in favour of the Lender over the liability of the Borrower.

It is stated in the HK Demand Letter that (among other things):

- (i) the Lender’s Mainland China legal representative issued a letter (the “**PRC Demand Letter**”) dated 15 June 2022 to the Borrower to demand the Borrower to arrange for full repayment of the overdue principal of the Loan in the sum of RMB170 million and payment of accrued interest in the sum of approximately RMB55.63 million (calculated up to and inclusive of 30 June 2022) (collectively, the “**Outstanding Sum**”) to the Lender on 30 June 2022;
- (ii) the Company and the Guarantor Subsidiaries, as the ultimate and intermediate parent companies of the Borrower and the co-guarantors under the Guarantee, should ensure that the Borrower shall make full repayment of the Outstanding Sum to the Lender on 30 June 2022 as demanded; and

(iii) the Lender reserved its rights under the Guarantee against all or any of the Company and the Guarantor Subsidiaries and under all the securities documents over and against all or any of the collaterals, including but not limited to commencing legal proceedings against the Company and the Guarantor Subsidiaries.

At the meeting of the board of directors of the Company (“**Directors**”, and each a “**Director**”) held today for purpose of considering, among other things, the disclosure of this announcement and its contents, Mr. Cheok Ho Fung as an executive Director and Mr. Lau Fai Lawrence as an independent non-executive Director voted in favour of the contents as now disclosed in this announcement. Mr. Mak Kwok Kei, being the independent non-executive director, agreed to the publication of an announcement in relation to the HK Demand Letter and PRC Demand Letter, subject to legal advice as to contents of the announcement. Mr. Li Yongjun, being the non-executive Director, abstained from voting claiming he has no knowledge of the subject matter.

The Directors are of the view that the Company will not be able to repay the Outstanding Sum by 30 June 2022. The Company is currently assessing the impact in connection with the HK Demand Letter and the PRC Demand Letter and is seeking professional advice, including but not limited to legal and financial advice, on the actions it may take in relation to the alleged Outstanding Sum and/or the said letters. The Group will negotiate with the Lender on the possibility of extending the repayment date and other possible options.

Further announcement(s) will be made by the Company in compliance with the Listing Rules as and when appropriate or required.

Shareholders of the Company and potential investors should exercise caution when dealing in shares of the Company.

By order of the Board
Renco Holdings Group Limited
Cheok Ho Fung
Executive Director

Hong Kong, 28 June 2022

As at the date of this announcement, the Board comprises Mr. Cheok Ho Fung being executive Director; Mr. Li Yongjun being non-executive Director; and Mr. Lau Fai Lawrence and Mr. Mak Kwok Kei being independent non-executive Directors.

* *For identification purpose only*