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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 (the “**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).

Reference is made to the Company’s announcement dated 28 June 2022 (the “**June Announcement**”) in relation to the HK Demand Letter and the PRC Demand Letter. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the June Announcement.

Further to the HK Demand Letter and the PRC Demand Letter, a letter (the “**Second HK Demand Letter**”) dated 6 July 2022 (and issued by the Hong Kong legal advisers of the Lender) was received by the Company, which was addressed to the Company and the Guarantor Subsidiaries in relation to the Loan and the Guarantee.

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

- (i) neither the Borrower nor any of the Company and the Guarantor Subsidiaries have fulfilled their obligations under the Guarantee;
- (ii) the Lender has set 20 July 2022 as the deadline for the group (either as Borrower, co-guarantors or otherwise) to fully repay the principal sum of RMB170 million and pay all accrued interest thereon (the “**Outstanding Sum**”); and

- (iii) if the Lender fail to receive full repayment of the Outstanding Sum on or before 20 July 2022, the Lender will have no alternative but to commence legal proceedings against the Borrower, the Company and the Guarantor Subsidiaries in both Mainland China and Hong Kong to enforce its rights for repayment of the Outstanding Sum and/or its rights over the collaterals held by it.

Subsequently, a letter dated 7 July 2022 was issued by the Hong Kong legal advisers of the Lender and addressed to the legal representative of the Borrower which was received at the Company's Hong Kong office address. Attached to such letter is copy of a letter (the "**Second PRC Demand Letter**") dated 6 July 2022 from the Lender's Mainland China legal representative to the Borrower. It is demanded in the Second PRC Demand Letter that (among other matters) repayment of the Outstanding Sum by the Borrower shall be made by 20 July 2022, failing which the Lender will, amongst others, commence legal proceedings in both Mainland China and Hong Kong and enforce its right against the collaterals.

The Directors are of the view that the Group will not be able to repay the entirety of the alleged Outstanding Sum by 20 July 2022. The Group will continue to assess the impact in connection with the HK Demand Letter, the PRC Demand Letter, the Second HK Demand Letter and the Second 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 continue to 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
Su Zhiyang
Company Secretary

Hong Kong, 8 July 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.