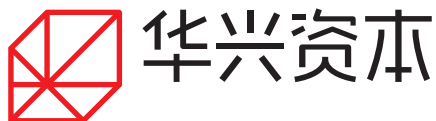


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# **CHINA RENAISSANCE HOLDINGS LIMITED**

## **華興資本控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1911)**

### **TERMINATION OF UNDERTAKING DUE TO PRC REGULATORY CHANGES**

#### **BACKGROUND TO THE UNDERTAKING**

On January 19, 2015, the PRC Ministry of Commerce published the Draft FIL aiming to, upon its enactment, replace the then existing laws and regulations governing foreign investment in the PRC.

The Draft FIL applied the principle of “actual control” to determine whether a company is foreign invested, and therefore subject to foreign investment restrictions. The Draft FIL defined “actual control” as the power or position to control an enterprise through investment arrangements, contractual arrangements or other rights and decision-making arrangements. The Draft FIL also provided that an entity organized in a foreign jurisdiction but cleared by relevant PRC government authority as “controlled” by PRC citizens would be treated as a PRC domestic investor.

Under the Draft FIL, CR Partners would be considered to have actual control of the Company’s operating entities held through contractual arrangements, which are subject to foreign investment restrictions.

As it was uncertain whether, or when, the Draft FIL would be promulgated, and if it would be in the form of the Draft FIL as published, the Company adopted a number of measures in anticipation of the potential nationality-related restrictions on ownership under the Draft FIL. Details of these measures were set out on pages 207 to 213 of the Prospectus.

This included the Undertaking in which CR Partners undertook to the Company and the Stock Exchange that, among other things, for so long as CR Partners remains one of the Company’s controlling shareholders, CR Partners will ensure that the composition of the board of directors of CR Partners will comprise a majority of PRC nationals so as to comply with the “control” requirements under the Draft FIL.

## TERMINATION OF THE UNDERTAKING

The Undertaking would remain effective until, among others, compliance with the relevant requirements under the new Foreign Investment Law or applicable foreign investment laws as finally enacted is not required and the Stock Exchange has consented to this.

On March 15, 2019, the National People's Congress of the PRC adopted the Enacted FIL which took effect on January 1, 2020. In this regard, the Company has received advice from its PRC legal advisor that (i) the Enacted FIL does not contain any notion or provision specifying contractual arrangements as a form of foreign investment as proposed in the Draft FIL, (ii) the Enacted FIL does not require that CR Partners be controlled by PRC entities and/or citizens, and (iii) the proposed termination of the Undertaking would not affect the legality, validity and the enforceability of the Contractual Arrangements. As such, compliance with the substantive undertakings pursuant to the Undertaking is no longer required under Enacted FIL.

In view of the above, the Company has sought and received consent from the Stock Exchange to the termination of the Undertaking, as the Enacted FIL does not contain the nationality-related restrictions on ownership that the Undertaking was intended to address. Therefore, the Undertaking has been terminated and ceased to have effect.

## DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise.

<b>“Board”</b>	board of directors of the Company
<b>“Company”</b>	China Renaissance Holdings Limited (華興資本控股有限公司), an exempted company with limited liability incorporated under the laws of the Cayman Islands
<b>“Contractual Arrangements”</b>	the series of contractual arrangements entered into by, among others, Huagan Shanghai, the Consolidated Affiliated Entities (as defined in the Prospectus), and their shareholders on April 25, 2018, January 31, 2019 and June 15, 2020, details of which are described in “Contractual Arrangements” in the Prospectus and in the announcements of the Company dated January 31, 2019 and June 15, 2020
<b>“controlling shareholder(s)”</b>	has the meaning ascribed to it under the Listing Rules

<b>“CR Partners”</b>	CR Partners Limited, a company incorporated in the British Virgin Islands and one of the controlling shareholders of the Company
<b>“Draft FIL”</b>	“The People’s Republic of China Foreign Investment Law (Draft for Consultation Purposes) 《中華人民共和國外國投資法(草案徵求意見稿)》” published by the PRC Ministry of Commerce on January 19, 2015
<b>“Enacted FIL”</b>	“The People’s Republic of China Foreign Investors Investment Law 《中華人民共和國外商投資法》” adopted by the National People’s Congress of the PRC on March 15, 2019
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange
<b>“PRC”</b>	the People’s Republic of China which, for the purpose of this announcement, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region, and Taiwan
<b>“Prospectus”</b>	the prospectus of the Company dated September 14, 2018
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“Undertaking”</b>	the Deed of Undertaking given by CR Partners on September 12, 2018 to the Company and the Stock Exchange, the content of which is more particularly set out in the section headed “Contractual Arrangements” of the Prospectus

By order of the Board  
**China Renaissance Holdings Limited**  
**Bao Fan**

*Chairman of the Board and Executive Director*

Hong Kong, June 15, 2020

*As at the date of this announcement, the Board comprises Mr. Bao Fan as Chairman and Executive Director, Mr. Xie Yi Jing and Mr. Du Yongbo as Executive Directors, Mr. Li Shujun, Mr. Li Eric Xun and Mr. Liu Xing as Non-executive Directors, and Ms. Yao Jue, Mr. Ye Junying and Mr. Zhao Yue as Independent Non-executive Directors.*