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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)

PROFIT WARNING IN RESPECT OF THE SIX MONTHS ENDED JUNE 30, 2022

This announcement is made by China Renaissance Holdings Limited (the “**Company**”, together with its subsidiaries and consolidated affiliated entities, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended June 30, 2022, the Group expects to record a loss for the period attributable to owners of the Company of approximately RMB154 million for the six months ended June 30, 2022, as compared to a profit attributable to owners of the Company of approximately RMB1,228 million for the corresponding period in 2021. Such loss of the Group for the six months ended June 30, 2022 is mainly attributable to:

- (i) the market volume of Initial Public Offerings (IPOs) for new economy businesses in Hong Kong and the United States for the first half year of 2022 shrank significantly comparing to the corresponding period in 2021, resulting in lower underwriting income to the Group;
- (ii) China Renaissance Securities (China) Co., Ltd reported a net loss for the six months ended June 30, 2022 mainly due to a) negative investment income from principal investment and co-investments in previously underwritten IPO projects on Science and Technology Innovation Board, affected by A share volatilities; b) continued investment cost into innovative brokerage business; c) investment banking income realization was slower than expected due to policy and market environment;

(iii) the six months ended June 30, 2022 witnessed extreme volatilities in secondary markets, and although the Group actively managed our public market positions of investment portfolios, they were inevitably affected.

Amid ongoing challenging market conditions of 2022, the Group continues to 1) grow investment management business and expand fee-generating assets under management (AUM); 2) solidify client relationships and pivot towards new growth areas such as technology, new energy, and advanced manufacturing; 3) streamline operations and cost structure.

As the Company is in the process of finalising the Group's interim results for the six months ended June 30, 2022, the information contained in this announcement is only based on a preliminary assessment by the Company's management team with reference to the unaudited consolidated management accounts of the Group for the six months ended June 30, 2022 and latest information available. Neither the Company's auditors, nor the audit committee of the Board has completed the audit or review of such figures or information, and therefore it may be subject to further adjustments.

The interim results of the Group for the six months ended June 30, 2022 is expected to be announced before the end of August 2022.

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

By order of the Board
China Renaissance Holdings Limited
Bao Fan
Chairman of the Board and Executive Director

Hong Kong, August 16, 2022

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