
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the action to be taken, you should immediately consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **RENHENG Enterprise Holdings Limited**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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RENHENG ENTERPRISE HOLDINGS LIMITED

仁恒實業控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 3628)

- (1) PROPOSED SHARE SUBDIVISION;**
(2) PROPOSED CHANGE IN BOARD LOT SIZE;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING

Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined under the section headed “Definitions” of this circular.

A letter from the Board is set out on pages 5 to 10 of this circular. A notice of EGM to be held at Room 3805, 38/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong on Wednesday, 30 September 2015 at 11:00 a.m. is set out on pages 11 to 12 of this circular. Whether or not you are able to attend the EGM, you are advised to read the notice and to complete and return the enclosed form of proxy, in accordance with the instructions printed thereon, to the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event no later than 48 hours before the time designated for holding the EGM or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting if you so wish.

14 September 2015

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DEFINITIONS

In this circular, unless the context indicates otherwise requires, the following expressions shall have the following meanings when used herein:

| | |
|----------------------------------|---|
| “Board” | the board of Directors |
| “Business Day(s)” | a day (other than Saturdays or Sunday) on which licensed banks are open for business in Hong Kong |
| “CCASS” | the Central Clearing and Settlement System established and operated by HKSCC |
| “Company” | RENHENG Enterprise Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (stock code: 3628) |
| “Director(s)” | the director(s) of the Company |
| “EGM” | the extraordinary general meeting of the Company to be convened and held on Wednesday, 30 September 2015 for the purpose of considering and, if thought fit, approving, among other things, the Share Subdivision |
| “Existing Share Certificates(s)” | existing form of certificate(s) of the Shares |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollar(s), the lawful currency of Hong Kong |
| “HKSCC” | Hong Kong Securities Clearing Company Limited |
| “Hong Kong” | the Hong Kong Special Administrative Region People’s Republic of China |
| “Latest Practicable Date” | 9 September 2015, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion herein |
| “Listing Committee” | has the meaning ascribed to it in the Listing Rules |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “New Share Certificate” | new form of certificate(s) of the Subdivided Shares |

DEFINITIONS

| | |
|-------------------------------|---|
| “Option(s)” | the option(s) to be granted under the Share Option Scheme to subscribe for shares of the Company in accordance with the Share Option Scheme which remained ungranted as at the Latest Practicable Date |
| “Pre-IPO Share Option(s)” | the option(s) to be exercised under the Pre-IPO Share Option Scheme to subscribe for shares of the Company in accordance with the terms of the Pre-IPO Share Option Scheme which remained unexercised as at the Latest Practicable Date |
| “Pre-IPO Share Option Scheme” | the pre-IPO share option scheme adopted by the Company |
| “Share(s)” | ordinary share(s) in the share capital of the Company, the par value of which being of HK\$0.01 each prior to the Share Subdivision |
| “Share Option Scheme” | the share option scheme adopted by the Company |
| “Share Subdivision” | the proposed subdivision of each Share into four (4) Subdivided Shares as described in the announcement of the Company dated 21 August 2015 |
| “Shareholder(s)” | the holder(s) of the Share(s) or Subdivided Share(s) as the case may be |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Subdivided Share(s)” | ordinary share(s) of HK\$0.0025 each in the share capital of the Company upon the Share Subdivision becoming effective |

EXPECTED TIMETABLE

The expected timetable relating to the Share Subdivision, change in board lot size and the associated trading arrangement are as follows:

| Event | 2015 |
|---|---|
| Despatch of circular and notice of the EGM | on or before Monday, 14 September |
| Latest time for lodging transfers of shares for entitlements to attend and vote at the EGM | 4:30 p.m. on Wednesday, 23 September |
| Closure of register of members of the Company | on Thursday, 24 September to Wednesday, 30 September (both dates inclusive) |
| Latest time for lodging form of proxy for the EGM (not less than 48 hours prior to the time of the EGM) | 11:00 a.m. on Monday, 28 September |
| EGM | 11:00 a.m. on Wednesday, 30 September |
| Publication of announcement of results of the EGM | on Wednesday, 30 September |
| Effective date for the Share Subdivision | 9:00 a.m. on Friday, 2 October |
| First day of free exchange of Existing Share Certificates for New Share Certificates | on Friday, 2 October |
| Dealing in Subdivided Shares commences | 9:00 a.m. on Friday, 2 October |
| Original counter for trading in Shares in board lots of 2,000 Shares (in the form of Existing Share Certificates) temporarily closes | 9:00 a.m. on Friday, 2 October |
| Temporary counter for trading in Subdivided Shares in board lots of 8,000 Subdivided Shares (in the form of Existing Share Certificates) opens | 9:00 a.m. on Friday, 2 October |
| Original counter for trading in Subdivided Shares in new board lots of 4,000 Subdivided Shares (in the form of New Share Certificates) re-opens | 9:00 a.m. on Friday, 16 October |
| Parallel trading in Subdivided Shares (in the form of New Share Certificates and Existing Share Certificates) commences | 9:00 a.m. on Friday, 16 October |
| Temporary counter for trading in Subdivided Shares in board lots of 8,000 Subdivided Shares (in the form of Existing Share Certificates) closes | 4:00 p.m. on Friday, 6 November |

EXPECTED TIMETABLE

Event**2015**

Parallel trading in Subdivided Shares (in the form
of New Share Certificates
and Existing Share Certificates) ends 4:00 p.m. on Friday, 6 November

Last day for free exchange of Existing Share
Certificates for New Share Certificates 4:30 p.m. on Thursday, 12 November

Note: All times and dates in this circular refer to Hong Kong local times and dates.

Dates or deadlines specified in the expected timetable above are indicative only and may be extended or varied by the Company. Further announcement will be made in accordance with the Listing Rules by the Company for changes, if any, in the expected timetable for implementation of the Share Subdivision, change in board lot size and associated trading arrangement as and when appropriate.

LETTER FROM THE BOARD



RENHENG ENTERPRISE HOLDINGS LIMITED

仁恒實業控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 3628)

Directors:

Executive Directors

Mr. Wei Sheng Peng

(Chairman & Chief Executive Officer)

Ms. Liu Li

Mr. Xu Jiagui

Independent Non-Executive Directors

Mr. Wong Yiu Kit

Mr. Kong Hing Ki

Mr. Wu Wei

Registered Office:

P.O. Box 309, Uglan House

Grand Cayman, KY1-1104

Cayman Islands

Head Office and Principal Place of

Business in Hong Kong:

Room 3805, 38/F

Far East Finance Centre

16 Harcourt Road

Admiralty

Hong Kong

14 September 2015

To the Shareholders,

Dear Sir or Madam

**(1) PROPOSED SHARE SUBDIVISION;
(2) PROPOSED CHANGE IN BOARD LOT SIZE;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the announcements of the Company dated 10 August 2015, 11 August 2015 and 21 August 2015 (the “Announcement(s)”) in relation to, among other things, the proposed Share Subdivision and proposed change in board lot size.

The purpose of this circular is to provide you with, among other things, (i) details of the proposed Share Subdivision; (ii) details of the proposed change in board lot size; and (iii) a notice to convene the EGM at which ordinary resolution(s) will be proposed for the Shareholders to consider and, if thought fit, approve, among other things, the Share Subdivision.

LETTER FROM THE BOARD

PROPOSED SHARE SUBDIVISION

The Board proposes that each of the existing issued and unissued Shares of HK\$0.01 each in the share capital of the Company will be subdivided into four (4) Subdivided Shares of HK\$0.0025 each. The Share Subdivision will become effective upon the fulfillment of the conditions set out under the section headed “Conditions of Share Subdivision” below.

Conditions of Share Subdivision

The Share Subdivision is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders at the EGM approving the Share Subdivision; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subdivided Shares which may fall to be issued upon exercise of the Options.

Listing Application

An application has been made by the Company to the Listing Committee of the Stock Exchange for approval for the listing of, and the permission to deal in, the Subdivided Shares and the Subdivided Shares which may fall to be issued upon exercise of the Options.

Effect of the Share Subdivision

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$10,000,000 divided into 1,000,000,000 Shares of HK\$0.01 each, of which 201,000,000 Shares are in issue and fully paid or credited as fully paid. Upon the Share Subdivision becoming effective, the authorised share capital of the Company will be HK\$10,000,000 divided into 4,000,000,000 Subdivided Shares of HK\$0.0025 each, of which 804,000,000 Subdivided Shares will be in issue and fully paid or credited as fully paid, assuming that no further Shares are repurchased or issued prior to the Share Subdivision becoming effective.

Pursuant to a share option scheme approved by a written resolution passed by the Shareholders on 20 October 2011, the Company may grant options to eligible directors of the Company, eligible employees of the Group and other selected participants to subscribe for Shares with a payment of HK\$10 upon grant of options offered. As at the Latest Practicable Date, no options have been granted or agreed to be granted pursuant to the Share Option Scheme.

Pursuant to the Pre-IPO Share Option Scheme approved by a written resolution of the Shareholders dated 20 October 2011 with principal terms which are substantially the same as the terms of the Share Option Scheme except that (i) the exercise price of the Pre-IPO share option is HK\$0.96, i.e. 80% of HK\$1.20; and (ii) the option shall only be exercisable on or after 1 January 2013 and expire not later than 10 years from the date of the grant.

LETTER FROM THE BOARD

As at the Latest Practicable Date, there is no outstanding Pre-IPO Share Options. The Company has no other outstanding share options, warrants or convertible securities to subscribe for any Share as at the Latest Practicable Date.

Upon the Share Subdivision becoming effective, the Subdivided Shares will rank *pari passu* in all respects with each other and the Share Subdivision will not result in any change in the relative rights of the Shareholders or odd lots of Subdivided Shares.

Exchange of share certificates

Upon the Share Subdivision becoming effective, the Shareholders may, during the period from 2 October 2015 to 12 November 2015 (both dates inclusive), submit their Existing Share Certificate(s) to the Company's branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, in exchange for the New Share Certificate(s) free of charge. Thereafter, Existing Share Certificate(s) will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Stock Exchange) for each New Share Certificate issued or each Existing Share Certificate submitted for cancellation, whichever the number of certificates issued or cancelled is higher.

It is expected that New Share Certificate(s) will be available for collection within ten (10) Business Days after the date of submission of the Existing Share Certificate(s) to the Company's branch share registrar at the abovementioned address for exchange. New Share Certificate(s) will be issued in the board lot size of 4,000 Subdivided Shares. Existing Share Certificate(s) will continue to be good evidence of legal title and may be exchanged for New Share Certificate(s) at any time at the expense of the Shareholders. The New Share Certificate(s) will be light red in colour so as to be distinguished from the Existing Share Certificate(s) which are light blue in colour.

Odd Lot Arrangement

As it is expected that no odd lot of the Shares will be created as a result of the Share Subdivision, no odd lot arrangement to match the sales and purchase of odd lots will be made.

LETTER FROM THE BOARD

Dealings in the Subdivided Shares

Subject to the granting of approval for the listing of, and permission to deal in, the Subdivided Shares on the Stock Exchange, the Subdivided Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Subdivided Shares on the Stock Exchange, which is expected to be on Friday, 2 October 2015, or such other date as may be determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

For those persons whose interests in the Company are currently held through CCASS, dealings in the Subdivided Shares are expected to be capable of settlement through CCASS with effect from the commencement date of dealings in the Subdivided Shares on the Stock Exchange and without any need on the part of such persons to deposit New Share Certificates in respect of the Subdivided Shares with HKSCC.

No part of the equity or debt securities of the Company is listed or dealt in on any other stock exchanges other than the Stock Exchange and no such listing or permission to deal in is being or is currently proposed to be sought on any other stock exchanges other than the Stock Exchange.

PROPOSED CHANGE IN BOARD LOT SIZE

The Shares are currently traded in board lots of 2,000 Shares. Upon the Share Subdivision becoming effective, the Board hereby proposes to change the board lot size for trading in Shares from 2,000 Shares to 4,000 Subdivided Shares. The proposed change in board lot size will not result in any change in the rights of the Shareholders.

As the purpose of the proposed Share Subdivision and change in board lot size is to enhance the liquidity in the trading of the Shares by lowering the trading price of the Shares and the market value per board lot of Shares, the Company will not proceed with the proposed change in board lot size if the Shareholders do not approve the Share Subdivision at the EGM.

Reasons for and benefits of the proposed Share Subdivision and change in board lot size

The Share Subdivision will decrease the par value of each Share and increase the total number of Shares in issue. During the past three months, namely from 4 May 2015 to 10 August 2015 (being the date of the announcement of the Company dated 10 August 2015), the market price per Share was ranged from HK\$1.82 to HK\$4.70. The aforementioned 3-month period was selected because it is considered that such period is of reasonable length in reflecting the most recent price trend of the Shares. With the board lot size of 2,000 Shares, the market value per board lot of Shares was ranged from HK\$3,640 to HK\$9,400 which the Board considers that it has become quite high to the potential investors. As a result, the Share Subdivision is expected to result in downward adjustment to the trading

LETTER FROM THE BOARD

price of each Share and the market value per board lot of Shares. The Board believes that the Share Subdivision will decrease the nominal value of each Share and increase the total number of Shares in issue, thereby increasing the liquidity in the trading of the Shares.

In addition, the change in board lot size will reduce the minimum purchase price of each board lot of Shares. Based on the closing price of the Shares as at the Latest Practicable Date, the current market value per board lot of Shares is HK\$7,580. The change in board lot size to 4,000 Subdivided Shares, together with the Share Subdivision, will reduce the minimum purchase price of each board lot to HK\$3,790 (calculated based on the closing price of the Shares as at the Latest Practicable Date and adjusted for the effect of the Share Subdivision).

The Board considers that the Share Subdivision and change in board lot size are both fundamental in enhancing the liquidity of the Shares. The Board has considered other different ratios for the Share Subdivision but believes that 1:4 is more appropriate as no additional odd lots is expected to be created upon the Share Subdivision taking effect. It is the opinion of the Board that the Share Subdivision and the change in board lot size together are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The lower trading price of the Shares and the lower entry level may attract different kind and level of potential investors to invest in the Company which is beneficial to both the Company and the Shareholders.

Save for the expenses incurred by the Company in implementing the Share Subdivision, the Share Subdivision will not alter the underlying assets, business operations, management or financial position of the Company or the proportional interests of the Shareholders. The Board considers that the Share Subdivision and the changes in board lot size will not have any material adverse effect on the financial position of the Group.

EGM

A notice convening the EGM to be held on Wednesday, 30 September 2015 at Room 3805, 38/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong at 11:00 a.m. for the purpose of considering, and if thought fit, approving the Share Subdivision and the transactions contemplated thereunder is set out on pages 11 to 12 of this circular. No Shareholders' approval is required for the Company's implementation of the change in board lot size.

The resolution put to vote at the EGM will be decided by way of poll. None of the Shareholders will be required to abstain from voting at the EGM.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar and transfer agent of the Company in Hong Kong, Tricor Investor Services Limited of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event no later than 48 hours before the time designated for holding the EGM or any

LETTER FROM THE BOARD

adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting thereof if you so wish.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually, and jointly and severally, accept full responsibilities, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Board is of the opinion that the proposed Share Subdivision and change in board lot size are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends you to vote in favour of the relevant ordinary resolution(s) as set out in the notice of EGM. There is no Shareholder required to abstain from voting on such resolution(s).

Yours faithfully,
On behalf of the Board
RENHENG Enterprise Holdings Limited
Wei Sheng Peng
Chairman & Chief Executive Officer

NOTICE OF EGM



RENHENG ENTERPRISE HOLDINGS LIMITED

仁恒實業控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 3628)

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the “EGM”) of **RENHENG Enterprise Holdings Limited** (the “Company”) will be held at Room 3805, 38/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong on Wednesday, 30 September 2015 for the purposes of considering, if thought fit, passing (with or without amendments) the following resolutions as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the approval for the listing of, and permission to deal in, the Subdivided Shares (as defined below), the Share Subdivision (as defined below) be approved in the following manner:

- (a) each of the existing issued and unissued shares of the Company of HK\$0.01 each (the “**Shares**”) in the share capital of the Company be and is hereby subdivided (the “**Share Subdivision**”) into four (4) subdivided shares of HK\$0.0025 each (the “**Subdivided Shares**”) and the Share Subdivision shall take effect on the next business day immediately following the day on which this resolution is passed;
- (b) all of the Subdivided Shares will rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of shares contained in the memorandum and articles of association of the Company; and
- (c) any one of the directors or company secretary of the Company be and is hereby authorised to do all such acts, deed and things and to effect all necessary actions as he or she may consider necessary or desirable in order to effect, implement and complete any and all of the matters set out in this resolution.

NOTICE OF EGM

Subject to and conditional upon the Listing Committee granting above the listing of, and permission to deal in, the Subdivided Shares” (For details of above resolution, please refer to the circular of the Company dated 14 September 2015).

By order of the board of directors of
RENHENG Enterprise Holdings Limited
Wei Sheng Peng
Chairman & Chief Executive Officer

Hong Kong, 14 September 2015

Notes:

1. Any shareholder of the Company entitled to attend and vote at the EGM convened by the above notice is entitled to appoint one or more than one proxies to attend and, subject to the provisions of the articles of association of the Company, to vote in his stead. A proxy need not be a shareholder of the Company but must be present in person at the EGM to represent the shareholder. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. If the appointer is a corporation, the form of proxy must be under its common seal, or under the hand of an officer or attorney duly authorized on its behalf.
3. Where there are joint registered holders of any share, any one of such persons may vote at the EGM, either personally or by proxy, in respect of such share(s) as if he were solely entitled thereto, but if more than one of such joint holders be present at the EGM personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share, shall alone be entitled to vote in respect thereof.
4. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, at the office of the Company’s branch registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting. Completion and returning of the form of proxy will not preclude a member from attending in person and voting at the above meeting or any adjourned meeting thereof if he so wishes.
5. The voting on the resolution at the EGM will be conducted by way of a poll.
6. The register of members of the Company will be closed from 24 September 2015 to 30 September 2015, both days inclusive, during which period no transfer of share of the Company will be registered. In order to establish entitlements to attend and voting at the EGM, all transfers of shares of the Company accompanied by the relevant share certificates and properly completed transfer forms must be lodged with the branch share registrar and transfer agent of the Company in Hong Kong, Tricor Investor Services Limited of Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration no later than 4:30 p.m. on 23 September 2015.
7. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.