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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)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO (Chapter 571 of the Laws of Hong Kong).

The Board wishes to inform the shareholders of the Company and potential investors that, based on the preliminary assessment by the Board of the unaudited consolidated management accounts of the Group and the information currently available to the Board, the Group is expected to record a decrease of more than 50% in its net profit for the year ended 31 December 2014 as compared to that for the year ended 31 December 2013.

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

This announcement is made by RENHENG Enterprise Holdings Limited (the “Company”) and its subsidiaries (collectively the “Group”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (The “Stock Exchange”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (the “SFO”) (Chapter 571 of the Laws of Hong Kong).

The board (the “Board”) of directors (the “Directors”) of the Company wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a decrease of more than 50% in its net profit for the year ended 31 December 2014 as compared to that for the year ended 31 December 2013. Such decrement is primarily attributable to the following reasons:

1. the decrease in revenue generated from certain casing and flavouring system projects due to re-schedule of installation by cigarette manufacturers;
2. no one-off subsidy income as compared to that amounting to approximately HK\$2,513,000 for successful listing of the Company’s shares on the Growth Enterprise Market of The Stock Exchange for the year ended 31 December 2013; and
3. the recognition of withholding tax on profit distribution from a subsidiary in the People’s Republic of China.

The Board considers that the overall financial position of the Group remains strong and healthy.

The information contained in this announcement is only based on a preliminary assessment by the Board of the unaudited consolidated management accounts of the Group and information currently available to the Board. It is not based on any figure or information that has been audited or reviewed by the auditor of the Company and is subject to possible adjustments upon further review. The Company is still in the process of finalising the unaudited results of the Group for the year ended 31 December 2014, which after audit, will be disclosed in the forthcoming final results announcement which is expected to be published in March 2015.

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

By order of the Board
RENHENG Enterprise Holdings Limited
Ho Pui Lam, Joseph
Company Secretary

Hong Kong, 17 February 2015

As at the date of this announcement, the executive Directors are Mr. Wei Sheng Peng, Ms. Liu Li and Mr. Xu Jiagui and the independent non-executive Directors are Mr. Wong Yiu Kit, Mr. Kong Hing Ki and Mr. Wu Wei.