

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 AMENDMENTS TO THE SHARE SUBDIVISION AND ASSOCIATED TRADING ARRANGEMENT; (2) PROPOSED CHANGE IN BOARD LOT SIZE; AND (3) REVISED TIMETABLE FOR THE SHARE SUBDIVISION

(1) PROPOSED AMENDMENTS TO THE SHARE SUBDIVISION AND ASSOCIATED TRADING ARRANGEMENT

Reference is made to the announcements dated 10 August 2015 (the “**Announcement**”) and 11 August 2015 (the “**Clarification Announcement**”) of RENHENG Enterprise Holdings Limited (the “**Company**”). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcement and the Clarification Announcement.

The Board hereby proposes the following amendments to the Share Subdivision and associated trading arrangement as set out in the Announcement:

- (i) the Share Subdivision in which each issued and unissued Shares of HK\$0.01 each in the share capital of the Company is proposed to be subdivided into ten (10) Subdivided Shares of HK\$0.001 each will be revised to **subdividing each issued and unissued Shares of HK\$0.01 each in the share capital of the Company into four (4) subdivided shares (the “New Subdivided Share(s)”) of HK\$0.0025 each (the “New Share Subdivision”)**;
- (ii) the EGM originally scheduled to be held on Monday, 7 September 2015 at 11 a.m. will be postponed and rescheduled to be held on **Wednesday, 30 September 2015 at 11:00 a.m.** for the purpose of considering and, if thought fit, approving the New Share Subdivision (the “**Re-scheduled EGM**”);
- (iii) the effective date of the Share Subdivision originally scheduled to be Tuesday, 8 September 2015 will be postponed and rescheduled to be **Friday, 2 October 2015** for the New Share Subdivision;

- (iv) upon the New Share Subdivision becoming effective, the authorised share capital of the Company will be HK\$10,000,000 **divided into 4,000,000,000 New Subdivided Shares, of which 802,000,000 New Subdivided Shares will be in issue and fully paid or credited as fully paid**, assuming no further Shares are repurchased or issued prior to the New Share Subdivision becoming effective. In addition, upon the New Share Subdivision becoming effective, the New Subdivided Shares will rank pari passu in all respects with each other and the New Share Subdivision will not result in any change in the rights of the Shareholders;
- (v) Upon the New Share Subdivision becoming effective, the period of free exchange of existing share certificates for the Shares for new share certificates for the New Subdivided Shares will be revised to **2 October 2015 to 12 November 2015 (both dates inclusive)**; and
- (vi) the despatch date of the circular, containing, among other things, further details of the New Share Subdivision, including the trading arrangement in respect of the New Subdivided Shares, and the notice of the Re-scheduled EGM to the Shareholders will be revised to be **on or before 14 September 2015**.

(2) PROPOSED CHANGE IN BOARD LOT SIZE

As at the date of this announcement, the Shares are currently traded in board lots of 2,000 Shares. Upon the New 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 New Subdivided Shares. The proposed change in board lot size will not result in any change in the rights of the Shareholders.

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

The New 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), 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 New Share Subdivision is expected to result in downward adjustment to the trading price of each Share and the market value per board lot of Shares. The Board believes that the New 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 date of this announcement, the current market value per board lot of Shares is HK\$10,160. The change in board lot size to 4,000 New Subdivided Shares, together with the New Share Subdivision, will reduce the minimum purchase price of each board lot to HK\$5,080 (calculated based on the closing price of the Shares as at the date of this announcement and adjusted for the effect of the New Share Subdivision).

The Board has considered other different ratios for the New Share Subdivision but believes that 1:4 is more appropriate as no additional odd lots is expected to be created upon the New Share Subdivision taking effect. It is the opinion of the Board that the New Share Subdivision and the change in board lot size are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Save for the expenses incurred by the Company in implementing the New Share Subdivision, the New 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 New Share Subdivision and the changes in board lot size will not have any material adverse effect on the financial position of the Group.

(3) REVISED TIMETABLE FOR THE SHARE SUBDIVISION

The Board hereby announces that the expected timetable in relation to the Share Subdivision and the associated trading arrangement as set out in the Announcement has been revised. The expected timetable in relation to the New Share Subdivision, change in board lot size (as disclosed in this announcement) and associated trading arrangement sets out as follows:

Event	2015
Despatch of circular and notice of the Re-scheduled EGM	on or before Monday, 14 September
Latest time for lodging transfers of shares for entitlements to attend and vote at the Re-scheduled 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 Re-scheduled EGM (not less than 48 hours prior to the time of the Re-scheduled EGM)	11:00 a.m. on Monday, 28 September
Re-scheduled EGM	11:00 a.m. on Wednesday, 30 September
Publication of announcement of results of the Re-scheduled EGM	on Wednesday, 30 September
Effective date for the New Share Subdivision.	9:00 a.m. on Friday, 2 October

First day of free exchange of Existing Share Certificates for
new share certificates for the New Subdivided Shares on Friday, 2 October

Dealing in New 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 New Subdivided
Shares in board lots of 8,000 New Subdivided Shares
(in the form of Existing Share Certificates) opens. 9:00 a.m. on Friday, 2 October

Original counter for trading in New Subdivided
Shares in new board lots of 4,000 New Subdivided Shares
(in the form of new share certificates for the
New Subdivided Shares) re-opens. 9:00 a.m. on Friday, 16 October

Parallel trading in New Subdivided Shares (in the form of
new share certificates for New Subdivided Shares and
Existing Share Certificates) commences 9:00 a.m. on Friday, 16 October

Temporary counter for trading in New Subdivided Shares
in board lots of 8,000 New Subdivided Shares
(in the form of Existing Share Certificates) closes 4:00 p.m. on Friday, 6 November

Parallel trading in New Subdivided Shares
(in the form of new share certificates for the New Subdivided
Shares 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 announcement refer to Hong Kong local times and dates.

Save for the amendments as stated in this announcement, all information and contents as set out in the Announcement and the Clarification Announcement remain unchanged.

By order of the Board
RENHENG Enterprise Holdings Limited
Wei Sheng Peng
Chairman and Chief Executive Officer

Hong Kong, 21 August 2015

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