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JINHENG AUTOMOTIVE SAFETY TECHNOLOGY HOLDINGS LIMITED
錦恆汽車安全技術控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 872)

Profit Warning

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors that the Group is expected to result in a decline in the profit attributable to the equity shareholders of the Company for the year ended 31 December 2011 as compared to that of the corresponding period in 2010.

This profit warning announcement is only based on the information currently available and is not based on any figures or information audited by the Company's auditors. The actual results of the Group for the year ended 31 December 2011 have not been finalised and are subject to confirmation with the auditors of the Company.

Shareholders of the Company and potential investors are advised to exercise caution in dealing in the shares of the Company.

This announcement is made by Jinheng Automotive Safety Technology Holdings Limited (the "Company", together with its subsidiaries, the "Group") pursuant to Rule 13.09(1) of the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors of the Company (the "Board") wishes to inform the shareholders (the "Shareholders") of the Company and potential investors that the Group is expected to result in a decline in profit attributable to the equity shareholders of the Company for the year ended 31 December 2011.

The decline in profit is mainly attributable to: (i) the profit attributable to the equity shareholders of the Company for the year ended 31 December 2010 included a one-off gain result from a very substantial disposal transaction amounted to approximately HK\$698.8 million, and (ii) a loss to be recognized as a result of the proposed disposal of equity interest in Yantai Vast Co., Ltd. as disclosed in the Company's announcements dated 28 December 2011 and 2 January 2012 respectively. Based on the latest information recently available to the Board, it is expected the Group may be required to recognize a loss of approximately HK\$26 million in related to this disposal for the year ended 31 December 2011, which is non-cash in nature.

The Company is still in the process of finalizing the audit of the final results of the Group for the year ended 31 December 2011. The overall financial results of the Group for the year ended 31 December 2011 can only be ascertained when all the above information and the other financial information of the Group are finalized. The information contained in this announcement is only a preliminary assessment by the Company based on information currently available and is not based on any figures or information audited by the Company's auditors. The actual results of the Group for the year ended 31 December 2011 have not been finalised and are subject to confirmation with the auditors of the Company. Details of the Group's financial performance will be disclosed in the 2011 annual results announcement of the Group which is expected to be issued in 23 March 2012. Shareholders and investors are advised to read carefully the results announcement.

Shareholders of the Company and potential investors are advised to exercise caution in dealing in the shares of the Company.

By order of the Board
**Jinheng Automotive Safety Technology
Holdings Limited**
Li Feng
Chairman

Hong Kong, 21 March 2012

As at the date of this announcement, the Board comprises Mr. Li Feng, Mr. Xing Zhanwu, Mr. Yang Donglin, Mr. Foo Tin Chung, Victor who are executive Directors, Mr. Li Hong who is non-executive Director and Mr. Hui Hung Kwan, Mr. Huang Shilin and Mr. Zhu Tong who are independent non-executive Directors.