

*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)

### **PROPOSED SHARE SUBDIVISION**

#### **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 ten (10) Subdivided Shares of HK\$0.001 each. The Share Subdivision will become effective upon the fulfillment of the conditions set out under section headed “Conditions of Share Subdivision” in this announcement below.

#### **GENERAL**

An EGM will be convened to consider and, if thought fit, approve the proposed Share Subdivision. A circular containing, among other things, further details of the Share Subdivision, including the trading arrangement in respect of the Subdivided Shares and the procedures for the free exchange of the Existing Share Certificate(s), together with the notice of the EGM will be despatched to the Shareholders on or before 21 August 2015.

#### **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 ten (10) Subdivided Shares of HK\$0.001 each.

The Share Subdivision will become effective on 8 September 2015, assuming all the conditions set out under the section headed “Conditions of Share Subdivision” in this announcement are fulfilled before then.

## **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.

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

Assuming all the conditions are fulfilled, the Share Subdivision will become effective on the Business Day following the passing of the ordinary resolution at the EGM, which is expected to be held on 7 September 2015.

## **Effect of Share Subdivision**

As at the date of this announcement, 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 200,500,000 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 10,000,000,000 Subdivided Shares of HK\$0.001 each, of which 2,005,000,000 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 date hereof, 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.

As at the date hereof, the total number of outstanding Pre-IPO Share Options is 500,000. The Company will adjust the exercise price(s) and/or the number of shares of the Company falling to be issued upon exercise of the Pre-IPO Share Options upon completion of the Share Subdivision. The Company will arrange its auditors or an independent financial adviser to certify such adjustments pursuant to the respective terms thereof. The Company will inform each of the holders of the said Options regarding the adjustments to be made pursuant to the respective terms and conditions thereof. Further announcement will be made by the Company in respect of the required adjustments as and when appropriate.

Save as disclosed above, the Company has no other outstanding share options, warrants or convertible securities to subscribe for any Share as at the date of this announcement.

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 rights of the Shareholders.

### **Exchange of share certificates**

Upon the proposed Share Subdivision becoming effective, the Shareholders may, during the period from 8 September 2015 to 19 October 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 10 Business Days after the submission of the Existing Share Certificate(s) for exchange. 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.

## REASONS FOR AND BENEFITS OF SHARE SUBDIVISION

Upon the proposed Share Subdivision becoming effective, the par value of each Share will decrease and the total number of Shares in issue will increase. The Board believes that the Share Subdivision will reduce the trading spread as well as the volatility of the trading price of the Shares and thus improving liquidity in the Subdivided Shares.

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 will not have any material adverse effect on the financial position of the Group. As such, the Board considers that the implementation of the Share Subdivision are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## EXPECTED TIMETABLE

The expected timetable in relation to the Share Subdivision and the associated trading arrangement are as follows:

	<b>Time</b>	<b>Date</b>
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.	5 September
Expected date of EGM to approve the Share Subdivision	11:00 a.m.	7 September
Publication of poll results of the EGM		7 September
Effective date of the Share Subdivision		8 September
First day of free exchange of Existing Share Certificates for New Share Certificates for the Subdivided Shares		8 September
Dealing in the Subdivided Share commences	9:00 a.m.	8 September
Original counter for trading in the existing Shares in board lots of 2,000 Shares temporarily closes	9:00 a.m.	8 September
Temporary counter for trading in the Subdivided Shares in board lots of 20,000 Subdivided Shares (in the form of Existing Share Certificates) opens	9:00 a.m.	8 September
Original counter for trading in the Subdivided Shares in board lots of 2,000 Subdivided Shares (in the form of New Share Certificates for Subdivided Shares) re-opens	9:00 a.m.	23 September

	<b>Time</b>	<b>Date</b>
Parallel trading in the existing Shares and the Subdivided Shares (in the form of Existing Share Certificates and New Share Certificates) commences	9:00 a.m.	23 September
Temporary counter for trading in the board lots of 20,000 Subdivided Shares (in the form of Existing Share Certificates) closes	4:00 p.m.	15 October
Parallel trading in the existing Shares and the Subdivided Shares (in the form of Existing Share Certificates and the New Share Certificates) ends	4:00 p.m.	15 October
Last day for free exchange of Existing Share Certificates for New Share Certificates		19 October

*Note:* All times and dates in this announcement 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 by the Company for changes, if any, in the expected timetable for implementation of the Share Subdivision as and when appropriate.

## **GENERAL**

An EGM will be convened to consider and, if thought fit, approve the proposed Share Subdivision.

A circular containing, among other things, further details of the Share Subdivision, including the trading arrangement in respect of the Subdivided Shares, together with the notice of the EGM will be despatched to the Shareholders on or before 21 August 2015.

## **DEFINITIONS**

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“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 for the purpose of considering and, if thought fit, approving 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
“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
“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 date of this announcement
“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 date of this announcement
“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 issued and unissued share of HK\$0.01 each in the share capital of the Company into ten (10) Subdivided Shares of HK\$0.001 each as described in this announcement
“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\$0.001 each in the share capital of the Company upon the Share Subdivision becoming effective

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

Hong Kong, 10 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 Ki and Mr. Wu Wei.*