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长安仁恒

Zhejiang Chang'an Renheng Technology Co., Ltd.*

浙江长安仁恒科技股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 8139)

PROFIT WARNING

This announcement is made by Zhejiang Chang'an Renheng Technology Co., Ltd.* (the “**Company**”, and its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined in the GEM Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

After preliminary assessment on the unaudited consolidated management accounts of the Group for the three months ended 31 March 2020 (“**3M2020**”), the board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the Group is expected to record a loss of approximately RMB1.0 million for 3M2020 as compared to the net profit of approximately RMB0.1 million recorded for the three months ended 31 March 2019.

Based on the information currently available, the expected loss was mainly attributable to a drop in revenue of the Group in 3M2020 as comparing with the same period in 2019, which was caused by the outbreak of the novel coronavirus (COVID-19) pandemic (the “**Pandemic**”), which widely affected different industries including the bentonite industry in the People's Republic of China (the “**PRC**”) and globally. During 3M2020, to prevent the spread of the Pandemic, the Group's factories in the PRC halted its production for nearly one month, and gradually restored its production in March 2020.

The information contained in this announcement is based on a preliminary assessment made by the management of the Company on the unaudited management accounts and the information currently available. The information in this announcement has not been reviewed or audited by the auditors of the Company or reviewed by the audit committee of the Board and the actual results of the Group for

the period are subject to adjustment and may differ from the information disclosed herein. Shareholders and investors are advised to read carefully the announcement expected to be released by the Company on 15 May 2020 in respect of the results of the Group for 3M2020.

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

By order of the Board
Zhejiang Chang'an Renheng Technology Co., Ltd.*
Zhang Youlian
Chairman

Zhejiang, the PRC, 12 May 2020

As at the date of this announcement, the executive Directors are Mr. Zhang Youlian, Mr. She Wenjie and Mr. Fan Fang; the non-executive Director is Ms. Zhang Jinhua and the independent non-executive Directors are Mr. Zhang Lei, Mr. Li Jiangning and Mr. Tang Jingyan.

This announcement, for which the Directors of Zhejiang Chang'an Renheng Technology Co., Ltd. (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement 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 announcement misleading.*

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication. This announcement will also be posted on the Company's website at www.renheng.com.

* For identification purpose only