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## RENTIAN TECHNOLOGY HOLDINGS LIMITED

仁天科技控股有限公司\*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 00885)

### FURTHER INFORMATION IN RELATION TO ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

Reference is made to the annual report of Rentian Technology Holdings Limited (the “Company”) published on 28 April 2016 (the “Report”) for the year ended 31 December 2015. Unless otherwise stated, definitions and terms used herein shall bear the same meanings as defined in the Report.

The Board provides further information of the Group’s significant investments (i.e. investment with carrying amount exceeding 10% of the total assets of the Group) held as at 31 December 2015 stated in the Report as follows:–

Type of security		% of shareholding represented by the shares/underlying shares held by the Company		Classification of financial assets (fair value through profit or loss (“FVTPL”)/ available-for-sale (“AFS”))	Unrealised gain/(loss) or increase/ (decrease) in fair value as at	Unrealised gain/(loss) or increase/ (decrease) in fair value as at	Fair value as at	Fair value as at
		31 December 2014	31 December 2015		31 December 2014	31 December 2015	31 December 2014	31 December 2015
Hang Seng Mid-Cap Index Constituent Stock A (Note 1)	Ordinary shares	–	0.74%	AFS	–	(41,114)	–	110,106
						(Note 2)		
	Ordinary shares	4.68%	6.76%	FVTPL	447,852	(110,855)	767,114	1,005,824
	Warrant and Put Option (Note 3)	N/A	N/A	FVTPL	–	59,706	–	59,706
Hang Seng China – H Financials Index Constituent Stock B (Note 5)	Equity-linked notes (Note 4)	N/A	N/A	FVTPL	–	17,123	–	475,123

\* For identification purpose only

*Notes:*

1. The Hang Seng Mid-Cap Index Constituent Stock A is Carnival Group International Holdings Limited (stock code: 996) (“Carnival”). Information published by Carnival regarding its performance and prospects can be found at the HKEXNews website. Based on published research reports, a strong management team has been assembled by Carnival and it aims (i) to be the first large scale integrated tourism project in China; (ii) to promote the “Carnival” brand to the Asia; and (iii) to promote the “Carnival” brand to the world through their business model. Based on published research reports, Carnival’s project in Qingdao is expected to benefit from the rapid growth of the China’s tourism market, however, (i) Carnival faces tough competition from the number of commercial mall operations in the Qingdao area may affect Carnival’s ability to reach its forecast visits; and (ii) it is in the early stage to build out integrated tourism project across China, and a wide variety of outcomes are possible.
2. The decrease in fair value was recognized in the AFS financial assets revaluation reserve.
3. 150,000,000 shares are subject to a forward arrangement whereby the Group is required to sell such shares to an independent third party at a strike price of HK\$1.4 per share on 30 December 2016. The Warrant gives the right to an independent third party to purchase Carnival shares at any time from 30 December 2016 to 30 June 2017 and the Put Option gives the Group the right to require that independent third party to purchase Carnival shares during the 30 December 2016 to 30 December 2017. For details, please refer to note 18(c) to the consolidated financial statements of the Group set out in the Report.
4. The equity-linked notes are redeemable at the discretion of the Group from time to time after May 2016 based on the net proceeds to be obtained from the disposal of the underlying shares at the time of redemption. For details, please refer to note 18(b) to the consolidated financial statements of the Group set out in the Report.
5. The Hang Seng China – H Financials Index Constituent Stock B, which cannot be identified due to confidentiality obligations, was listed on the Main Board of The Stock Exchange of Hong Kong Limited (“Stock Exchange”) in 2015. Based on published research reports, the bank is considered a fast-growing bank with improving retail franchise, relatively prudent risk management and flexible loan mix. The bank had stated that it will proactively gather momentum on traditional businesses of wholesale, retail and asset management as well as on innovative businesses of “Internet +” and “Commercial Bank +”, strengthen its risk management and control and seek to achieve steady growth of its market value. Based on published research reports, the Chinese banking sector may face a more challenging operating environment in achieving significant growth against potential asset quality deterioration due to macroeconomic downward pressures, less certain domestic liquidity conditions and increasing competition in conjunction with continued interest rate liberalisation.

During the year ended 31 December 2015, the Group recorded realised gains of approximately HK\$91.09 million from securities investment.

In order to afford flexibility in realising the Group's investments to fund the development of the Group's internet-of-things (IoT) business as and when the need arises, the Group is adopting a short term investment strategy for its securities operations. The Group intends to continue to focus more on, and raise its exposure to indices constituent stocks (including without limitation, MSCI, Hang Seng Index, Hang Seng Composite LargeCap & MidCap Index, Hang Seng Composite MidCap & SmallCap Index and Hang Seng China H-Financials Index) that have solid growth potential, as it has done with its investments shown above. When making investment decisions, in addition to fundamental factors such as business model, profitability, liquidity, leverage and earnings growth, the Group will also have regard to the long-term growth potential of their respective sectors of the specific equities.

The market price of the stocks from time to time comprised or underlying securities held in the Group's investment portfolio and the prices at which the Group invests and divests such securities are the principal factors that affect the performance of the Group's securities business segment. Accordingly, it is not practical nor appropriate to comment with any certainty the prospects of each of the Group's investment.

The equity market has been volatile so far in 2016, with the Hang Sang Index (HSI) and the Hang Seng China Enterprises Index (HSCEI) down approximately 3% and approximately 8% respectively as at the date of this announcement when compared to the beginning of the year and having dropped approximately 16% and approximately 22% respectively at one point during this period, due to poor sentiment and worse-than-expected macro data in China. The Company expects that the performance of the Group's investment portfolio (including the significant investments described above) to be affected by the following external factors: (i) market risk arising from fluctuations in global stock markets and changes in the global economy; and (ii) policy risks in China that may materially and adversely affect the outlook for companies in its portfolio. In addition, the market price of each stock will also be affected by the financial performance and development plans of the relevant company, as well as the outlook of the industry in which such company operates. The future performance of the Group's warrant and put option and the equity-linked note would depend the market price of the underlying shares at the time of exercise or (as the case may be) redemption.

Controlling downside risk for investment portfolios is of prime importance given the huge volatility in today's financial markets. In order to mitigate possible financial risks related to the equities, the Board will continue to review the Group's investment portfolio and closely monitor the performance of its investments in the listed securities.

By Order of the Board of  
**RENTIAN TECHNOLOGY HOLDINGS LIMITED**  
**Choi Chi Fai**  
*Executive Director*

Hong Kong, 6 June 2016

As at the date of this announcement, the Board comprises the following members:–

*Executive Directors*

Ms. Yang Xiaoying (*Chief Executive Officer*)  
Mr. Tsang To  
Mr. Choi Chi Fai

*Independent Non-executive Directors*

Mr. Pak William Eui Won  
Mr. Zhang Xiaoman  
Mr. Chin Hon Siang