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## **RUIXIN INTERNATIONAL HOLDINGS LIMITED**

**瑞鑫國際集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 724)**

### **PROFIT WARNING**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO.

The Board wishes to inform the shareholders of the Company and potential investors that the Group is expected to make an increased loss for the Reporting Period.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares or other securities of the Company.**

This announcement is made by Ruixin International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company and potential investors that the Group is expected to report an estimated loss of around HK\$73.0 million for the year ended 31 December 2016 (the “**Reporting Period**”), as compared with the loss of approximately HK\$23.2 million for the year ended 31 December 2015 (the “**Corresponding Period**”). The increase in loss was mainly due to, among others, (i) the gain on modification of terms of convertible notes in the Corresponding Period but not in the Reporting Period; (ii) the recognition of tax expenses in relation to the Hong Kong Inland Revenue Department enquiries of the Hong Kong Profits Tax of a subsidiary of the Company in respect of the years of assessment 2006/07 to 2014/15 (the “**Tax Enquiries**”) in the Reporting Period. For more information about the Tax Enquiries, please refer to the Company’s interim report for the six months ended 30 June 2016; and (iii) the increased operating loss. The increase in operating loss was mainly due to the expansion of loss from the electronic products business as a result of, among others, the drop in revenue resulting in a decrease in the overall gross profit to cover the fixed cost. The Group’s loss for the Reporting Period, however, was partly offset by the second and final dividend received from CITIC Logistics (International) Company Limited (in liquidation) (“**CLI**”). As at the date of this announcement, the winding-up of CLI is expected to be completed in the first quarter of 2017, according to the liquidators of CLI.

As at 31 December 2016, the principal amount of the convertible notes remained outstanding was HK\$260.4 million. The Company and the holder of the outstanding convertible notes entered into the deed of further variation on 14 December 2016, pursuant to which it is agreed that, subject to the fulfilment of conditions precedent, the maturity date of the outstanding convertible notes in the principal amount of HK\$260.4 million will be extended from 31 December 2016 to 31 January 2019. On 16 January 2017, the ordinary resolution of the special general meeting was duly passed and the extension of the maturity date of the outstanding convertible notes became effective. For details, please refer to the announcements of the Company dated 14 December 2016 and 16 January 2017 and the circular of the Company dated 29 December 2016.

As the Company is still in the process of finalising the annual results of the Group for the Reporting Period, the information contained in this announcement is only based on a preliminary assessment by the Board with reference to the management accounts of the Group and on the information available for the time being, but not on any data or information audited or reviewed by the auditor of the Company. Financial information and other details of the Group will be disclosed in the annual results announcement of the Group for the Reporting Period.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares or other securities of the Company.**

By order of the Board  
**Ruixin International Holdings Limited**  
**Huang Hanshui**  
*Executive Director*

Hong Kong, 1 February 2017

*As at the date of this announcement, the Board comprises Mr. Wang Zhaofeng (Chairman), Mr. Lam Yat Keung and Mr. Huang Hanshui as executive Directors; and Mr. Ho Chi Fai, Ms. Liu Yanfang and Mr. Zhang Jue as independent non-executive Directors.*