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HENGXIN
恒芯中國

Heng Xin China Holdings Limited **恒芯中國控股有限公司***

(Incorporated in Bermuda with limited liability)

(Stock Code: 8046)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 17.10 of the GEM Listing Rules and the provisions of inside information under Part XIVA of the SFO.

The Board hereby informs the Shareholders and potential investors that based on the preliminary review by the Group's management on the unaudited management accounts of the Group for the year ended 31 December 2013, the Group is expected to record a net loss for the year ended 31 December 2013 as compared to a net profit for the six months ended 31 December 2012.

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

This announcement is made by Heng Xin China Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the provisions of inside information under Part XIVA of the Securities and Future Ordinance (Cap. 571, Laws of Hong Kong) (the “**SFO**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby informs the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the preliminary review by the Group's management of the unaudited management accounts of the Group for the year ended 31 December 2013, the Group is expected to record a net loss for the year ended 31 December 2013 as compared to a net profit for the six months ended 31 December 2012. The net loss of the Group for the year ended 31 December 2013 was mainly attributable to (1) the drop in the Group's revenue; (2) the absence of any gain on disposal of intangible assets; and (3) the drop in the overall gross profit. In addition to the above, there will be an estimated loss arising from the proposed disposal of the telecommunication equipment in relation to digital cable television broadcasting network by the Group (the “**Disposal**”) as stated in the announcement of the Company dated 31 December 2013. The actual financial effect from the Disposal to be accounted for in the consolidated financial statements of the Company for the financial year ended 31 December 2013 will be computed based on the financial information of the Disposal as at completion of the Disposal and which is subject to audit. As at the date of this announcement, the Disposal has not been completed.

* For identification purposes only

The information contained in this announcement is only based on a preliminary review by the Group's management on the unaudited management accounts of the Group and the information currently available, which have not been reviewed or audited by the auditors of the Company, and is subject to any adjustment. The audited annual results of the Group for the year ended 31 December 2013 will be announced by the Company in March 2014.

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

By Order of the Board
HENG XIN CHINA HOLDINGS LIMITED
Tse Kam Fai
Company Secretary

Hong Kong, 17 January 2014

As at the date of this announcement, the Board comprises Mr. Xiao Yan (Chief Executive Officer), Mr. Qiu Bin and Mr. Li Tao as executive Directors; Mr. Xu Lei as non-executive Director; and Mr. Leung Wo Ping JP, Mr. Dong Shi and Mr. Hu Dingdong as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 GEM website on the "Latest Company Announcement" page for at least 7 days from the date of its posting and on the website of the Company at www.hengxinchina.com.hk.