

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.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.



Heng Xin China Holdings Limited

恒芯中國控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 8046)

COMPLETION OF SUBSCRIPTION OF 416,600,000 NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that all conditions precedent under each of the Second Subscription Agreement and the Third Subscription Agreement have been fulfilled and the completion of the Second Subscription and the Third Subscription took place on 9 January 2015 in accordance with the relevant Subscription Agreement. Accordingly, an aggregate of 416,600,000 new Shares were issued and allotted at the Subscription Price of HK\$0.12 per Subscription Share.

Reference is made to the announcement of Heng Xin China Holdings Limited (the “**Company**”) dated 18 December 2014 (the “**Announcement**”) in relation to the Subscription. Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement unless the context otherwise requires.

COMPLETION OF THE SUBSCRIPTION OF 416,600,000 NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that all conditions precedent under each of the Second Subscription Agreement and the Third Subscription Agreement have been fulfilled and the completion of the Second Subscription and the Third Subscription took place on 9 January 2015 in accordance with the relevant Subscription Agreement. Accordingly, 333,300,000 new Shares and 83,300,000 new Shares were issued and allotted to the Second Subscriber and the Third Subscriber respectively at the Subscription Price of HK\$0.12 per Subscription Share. To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, each of the Second Subscriber and the Third Subscriber is an Independent Third Party and is independent of and not connected with the other Subscribers and their respective associates and none of them has become a substantial Shareholder (as defined under the GEM Listing Rules) upon completion of the relevant Subscription.

The aggregate gross proceeds arising from the Second Subscription and the Third Subscription amounted to approximately HK\$50 million and the aggregate net proceeds arising therefrom, after deduction of expenses, amounted to approximately HK\$50 million.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The aforesaid 416,600,000 new Shares represent (i) approximately 12.05% of the issued share capital of the Company immediately before completion of the Second Subscription and the Third Subscription; and (ii) approximately 10.75% of the issued share capital of the Company as enlarged by the issue and allotment of 416,600,000 new Shares.

The table below shows the effects on the shareholding structure of the Company as a result of the completion of the Second Subscription and the Third Subscription:

	Immediately before completion of the Second Subscription and the Third Subscription		Immediately after completion of the Second Subscription and the Third Subscription (Note 5)	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Team Effort Investments Limited (Note 1)	623,542,451	18.03	623,542,451	16.09
Xiao Yan (Note 2)	2,273,334	0.07	2,273,334	0.06
Qiu Bin (Note 3)	2,408,000	0.07	2,408,000	0.06
Public Shareholders				
Second Subscriber (Note 4)	-	-	333,300,000	8.60
Third Subscriber (Note 4)	-	-	83,300,000	2.15
Other public Shareholders	<u>2,830,366,403</u>	<u>81.83</u>	<u>2,830,366,403</u>	<u>73.04</u>
Total	<u><u>3,458,590,188</u></u>	<u><u>100.00</u></u>	<u><u>3,875,190,188</u></u>	<u><u>100.00</u></u>

Notes:

1. Mr. Choi Chung Lam (“**Mr. Choi**”) is the legal and beneficial owner of the entire issued share capital of Team Effort Investments Limited. Hence, Mr. Choi is deemed to be interested in 623,542,451 Shares through the shareholding interest of Team Effort Investments Limited in the Company.
2. Mr. Xiao Yan is the chief executive officer of the Company and the executive Director.
3. Mr. Qiu Bin is the executive Director.
4. Each of the Second Subscriber and the Third Subscriber is an Independent Third Party and none of them has become a substantial Shareholder (as defined under the GEM Listing Rules) upon completion of the Second Subscription and the Third Subscription.
5. This does not include any Shares which may be issued pursuant to the exercise of options or warrants of the Company in place as at the date of this announcement.

GENERAL

As at the date of this announcement, the conditions precedent under the First Subscription Agreement have not yet been fulfilled in full. The Company will make further announcement(s) in respect of the First Subscription as and when appropriate.

Completion of the First Subscription is subject to the satisfaction of the conditions precedent as set out in the First Subscription Agreement. As the First Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

By Order of the Board
HENG XIN CHINA HOLDINGS LIMITED
Xiao Yan
Chief Executive Officer

Hong Kong, 9 January 2015

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

** For identification purposes only*