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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)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “**Meeting**” or “**SGM**”) of Heng Xin China Holdings Limited (the “**Company**”) will be held at Unit 2, 24/F., Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong on Thursday, 28 January 2016 at 11:00 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “**THAT**

- (a) the conditional subscription agreement (the “**First CB Subscription Agreement**”) dated 8 December 2015 (a copy of the First CB Subscription Agreement has been produced to the Meeting marked “A” and initialled by the chairman of the Meeting for the purpose of identification), and entered into between the Company as issuer and National United Resources Holdings Limited as subscriber in relation to the subscription for the Convertible Bonds (as defined in the circular of the Company dated 12 January 2016) in the principal amount of HK\$100,000,000 (the “**First Convertible Bonds**”), which entitles the holder(s) thereof to convert the same into shares (the “**Shares**”) of HK\$0.01 each in the share capital of the Company in accordance with the terms of the First Convertible Bonds at the initial conversion price of HK\$0.115 (subject to adjustment) per Share, and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
- (b) the issue of the First Convertible Bonds in accordance with the terms and conditions of the First CB Subscription Agreement and the transactions contemplated thereunder be and is hereby approved;

** For identification purpose only*

- (c) conditional upon, among others, the GEM Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of and permission to deal in, the new Shares (the “**Conversion Shares**”) among others, the conversion rights attaching to the First Convertible Bonds, the allotment and issue of the Conversion Shares to the relevant holder(s) of the First Convertible Bonds be and are hereby approved and the directors of the Company (the “**Directors**”) be and are hereby granted with a specific mandate to allot and issue the Conversion Shares to the relevant holder(s) of the First Convertible Bonds in accordance with the terms of the First Convertible Bonds; and
- (d) any Director be and is hereby authorised to do all such things and acts as he may in his discretion consider as necessary, expedient or desirable for the purpose of or in connection with the implementation of the First CB Subscription Agreement and the transactions contemplated thereunder, including but not limited to the execution all such documents (in case of execution of documents under seal, to do so by any two Directors or any Director together with the secretary of the Company), as he considers necessary or expedient in his opinion to implement and/or give effect to the issue of the First Convertible Bonds, and the allotment and issue of Conversion Share(s) of which may fall to be issued upon exercise of the conversion rights attaching to the First Convertible Bonds and to agree with such variation, amendment or waiver as, in the opinion of the Directors, in the interests of the Company and its shareholders as a whole.”

2. “**THAT**

- (a) the conditional subscription agreement (the “**Second CB Subscription Agreement**”) dated 8 December 2015 (a copy of the Second CB Subscription Agreement has been produced to the Meeting marked “B” and initialled by the chairman of the Meeting for the purpose of identification), and entered into between the Company as issuer and Sino King Trading (HK) Co., Limited as subscriber in relation to the subscription for the Convertible Bonds (as defined in the circular of the Company dated 12 January 2016) in the principal amount of HK\$50,000,000 (the “**Second Convertible Bonds**”), which entitles the holder(s) thereof to convert the same into Shares in accordance with the terms of the Second Convertible Bonds at the initial conversion price of HK\$0.115 (subject to adjustment) per Share, and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
- (b) the issue of the Second Convertible Bonds in accordance with the terms and conditions of the Second CB Subscription Agreement and the transactions contemplated thereunder be and is hereby approved;
- (c) conditional upon, among others, the GEM Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of and permission to deal in, the Conversion Shares among others, the conversion rights attaching to the Second Convertible Bonds, the allotment and issue of the Conversion Shares to the relevant holder(s) of the Second Convertible Bonds be and are hereby approved and the Directors be and are hereby granted with a specific mandate to allot and issue the Conversion Shares to the relevant holder(s) of the Second Convertible Bonds in accordance with the terms of the Second Convertible Bonds; and

- (d) any Director be and is hereby authorised to do all such things and acts as he may in his discretion consider as necessary, expedient or desirable for the purpose of or in connection with the implementation of the Second CB Subscription Agreement and the transactions contemplated thereunder, including but not limited to the execution all such documents (in case of execution of documents under seal, to do so by any two Directors or any Director together with the secretary of the Company), as he considers necessary or expedient in his opinion to implement and/or give effect to the issue of the Second Convertible Bonds, and the allotment and issue of Conversion Share(s) of which may fall to be issued upon exercise of the conversion rights attaching to the Second Convertible Bonds and to agree with such variation, amendment or waiver as, in the opinion of the Directors, in the interests of the Company and its shareholders as a whole.”

3. “**THAT**

- (a) the conditional subscription agreement (the “**First Share Subscription Agreement**”) dated 8 December 2015 (a copy of the First Share Subscription Agreement has been produced to the Meeting marked “C” and initialled by the chairman of the Meeting for the purpose of identification), and entered into between the Company and Mr. Lim Tong Yong (the “**First Share Subscriber**”), in relation to the subscription for 870,000,000 new Shares (the “**First Subscription Shares**”) at the subscription price of HK\$0.115 per First Subscription Share by the First Share Subscriber, and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
- (b) subject to the fulfilment of the conditions of the First Share Subscription Agreement, any Director be and is hereby authorised to exercise all the powers of the Company and to take all steps as might in his opinion be desirable or necessary in connection with the First Share Subscription Agreement, including but without limitation, to allot and issue the First Subscription Shares to the First Share Subscriber in accordance with and subject to the terms and conditions of the First Share Subscription Agreement; and
- (c) any Director be and is hereby authorised to do such acts and things, to sign and execute all such further documents (in case of execution of documents under seal, to do so by any two Directors or any Director together with the secretary of the Company) and to take such steps as he may consider necessary, appropriate, desirable or expedient to give effect to or in connection with the First Share Subscription Agreement or any transactions contemplated thereunder and all other matters incidental thereto or in connection therewith, and to agree to and make such variations, amendments or waivers of any of the matters relating thereto or in connection therewith.”

4. **“THAT**

- (a) the conditional subscription agreement (the **“Second Share Subscription Agreement”**) dated 8 December 2015 (a copy of the Second Share Subscription Agreement has been produced to the Meeting marked “D” and initialled by the chairman of the Meeting for the purpose of identification), and entered into between the Company and Sino Perfect Investments Limited (the **“Second Share Subscriber”**), in relation to the subscription for 870,000,000 new Shares (the **“Second Subscription Shares”**) at the subscription price of HK\$0.115 per Second Subscription Share by the Second Share Subscriber, and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
- (b) subject to the fulfilment of the conditions of the Second Share Subscription Agreement, any Director be and is hereby authorised to exercise all the powers of the Company and to take all steps as might in his opinion be desirable or necessary in connection with the Second Share Subscription Agreement, including but without limitation, to allot and issue the Second Subscription Shares to the Second Share Subscriber in accordance with and subject to the terms and conditions of the Second Share Subscription Agreement; and
- (c) any Director be and is hereby authorised to do such acts and things, to sign and execute all such further documents (in case of execution of documents under seal, to do so by any two Directors or any Director together with the secretary of the Company) and to take such steps as he may consider necessary, appropriate, desirable or expedient to give effect to or in connection with the Second Share Subscription Agreement or any transactions contemplated thereunder and all other matters incidental thereto or in connection therewith, and to agree to and make such variations, amendments or waivers of any of the matters relating thereto or in connection therewith.”

5. **“THAT**

- (a) the general mandate granted to the Directors to allot, issue and deal with the unissued shares of the Company pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 15 May 2015 be and is hereby revoked (without prejudice to any valid exercise of such general mandate prior to the passing of this resolution);
- (b) subject to the following provisions of this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional Shares, and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;

- (c) the approval in paragraph (b) of this resolution shall authorise the Directors during the Relevant Period (as defined below) to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period (as defined below);
- (d) the aggregate nominal amount of share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (b) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of the conversion rights attaching to any convertible securities issued by the Company; (iii) the exercise of warrants to subscribe for Shares; (iv) the exercise of options granted under any share option scheme or similar arrangement for the time being adopted by the Company; or (v) an issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company (“**Bye-laws**”); shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (e) for the purpose of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws of Bermuda to be held; or
- (iii) the date on which such mandate is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of Shares open for a period fixed by the Directors to the holders of Shares or any class of Shares whose names appear on the registers of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

- 6. “**THAT** Mr. Gao Yang be re-elected as an executive director of the Company.”
- 7. “**THAT** Mr. Wang Kun be re-elected as a non-executive director of the Company.”

8. “**THAT** Mr. Chiu Chi Kong be re-elected as an independent non-executive director of the Company.”

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

Hong Kong, 12 January 2016

Registered Office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place of
business in Hong Kong:*
Unit 2, 24/F., Harcourt House
39 Gloucester Road
Wanchai
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the SGM convened by the above notice is entitled to appoint one or, if he is the holder of two or more Shares, more proxy to attend and, subject to the provisions of the Bye-laws, to vote on his/her behalf. A proxy need not be a member of the Company, but must be present in person at the SGM to represent the member.
2. In the case of joint holders of Shares, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s), seniority being determined by the order in which names stand in the register of members.
3. In order to be valid, the form of proxy (if required by the Directors), the power of attorney or other authority (if any), under which it is signed, or a certified copy of such power or authority must be deposited with the Company's branch share registrar in Hong Kong, Union Registrars Limited, at A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof) not less than 48 hours before the time fixed for holding the Meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Meeting or any adjournment thereof should you so wish.
4. As at the date of this notice, the board of Directors consists of Mr. Xiao Yan (Chief Executive Officer), Mr. Li Tao, Mr. Qiu Bin, Mr. Li Nan, Mr. Gao Yang and Mr. Yu Bun as executive Directors; Mr. Wang Kun as non-executive Director; Mr. Leung Wo Ping *JP*, Mr. Hu Dingdong, Mr. Lei Yong and Mr. Chiu Chi Kong as independent non-executive Directors.

This notice, for which the Directors 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 (“GEM”) 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 notice 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 notice misleading.

This notice 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.