

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 THE ISSUE OF 1,740,000,000
SUBSCRIPTION SHARES UNDER SPECIFIC MANDATE;
COMPLETION OF THE ISSUE OF FIRST CONVERTIBLE
BONDS DUE 2017 IN THE PRINCIPAL AMOUNT OF
HK\$100,000,000 UNDER SPECIFIC MANDATE;
AND
EARLY REDEMPTION OF BOND DUE 2016**

**COMPLETION OF THE ISSUE OF 1,740,000,000 SUBSCRIPTION SHARES UNDER
SPECIFIC MANDATE**

The Board is pleased to announce that all conditions precedent under each of the First Share Subscription Agreement and the Second Share Subscription Agreement have been fulfilled and the completion of the Share Subscriptions took place on 5 February 2016 in accordance with the relevant Share Subscription Agreements. Accordingly, 870,000,000 new Shares were issued and allotted to the First Share Subscriber and the Second Share Subscriber respectively at the Subscription Price of HK\$0.115 per Subscription Share.

COMPLETION OF THE ISSUE OF FIRST CONVERTIBLE BONDS DUE 2017 IN THE PRINCIPAL AMOUNT OF HK\$100,000,000 UNDER SPECIFIC MANDATE AND EARLY REDEMPTION OF BOND DUE 2016

The Board is also pleased to announce that all conditions precedent under the First CB Subscription Agreement have been fulfilled and the First CB Subscription Completion took place on 5 February 2016. In accordance with the First CB Subscription Agreement, upon the First CB Subscription Completion, the Company has issued the First Convertible Bonds for the principal amount of HK\$100,000,000 for subscription by the First CB Subscriber.

The Company has on the First CB Subscription Completion Date (i.e. 5 February 2016) exercised the early redemption right under the Bond to redeem the Bond in full. The subscription price of the First Convertible Bonds in the amount of HK\$100,000,000 payable by the First CB Subscriber has partly settled by offsetting the outstanding principal amount of the Bond of HK\$70,000,000 and the remaining balance has been settled by the First CB Subscriber in cash on 5 February 2016.

Reference is made to the announcement of Heng Xin China Holdings Limited (the “**Company**”) dated 8 December 2015 and the circular of the Company dated 12 January 2016 (the “**Circular**”) in relation to the proposed issue of new Shares under specific mandate and the proposed issue of Convertible Bonds under specific mandate. Capitalised terms used in this announcement shall have the same meanings as those defined in the Circular unless the context otherwise requires.

COMPLETION OF THE ISSUE OF 1,740,000,000 SUBSCRIPTION SHARES UNDER SPECIFIC MANDATE

The Board is pleased to announce that all conditions precedent under each of the First Share Subscription Agreement and the Second Share Subscription Agreement have been fulfilled and the completion of the Share Subscriptions took place on 5 February 2016 in accordance with the relevant Share Subscription Agreements. Accordingly, 870,000,000 new Shares were issued and allotted to the First Share Subscriber and the Second Share Subscriber respectively at the Subscription Price of HK\$0.115 per Subscription Share. Each of the First Share Subscriber and the Second Share Subscriber has become a substantial Shareholder (as defined under the GEM Listing Rules) upon completion of the Share Subscriptions.

The aforesaid 1,740,000,000 Subscription Shares represent (i) approximately 33.08% of the issued share capital of the Company immediately before completion of the Share Subscriptions; and (ii) approximately 24.86% of the issued share capital of the Company as enlarged by the issue and allotment of 1,740,000,000 Subscription Shares.

COMPLETION OF THE ISSUE OF FIRST CONVERTIBLE BONDS DUE 2017 IN THE PRINCIPAL AMOUNT OF HK\$100,000,000 UNDER SPECIFIC MANDATE AND EARLY REDEMPTION OF BOND DUE 2016

The Board is also pleased to announce that all conditions precedent under the First CB Subscription Agreement have been fulfilled and the First CB Subscription Completion took place on 5 February 2016. In accordance with the First CB Subscription Agreement, upon the First CB Subscription Completion, the Company has issued the First Convertible Bonds for the principal amount of HK\$100,000,000 with an initial Conversion Price of HK\$0.115 per Conversion Share for subscription by the First CB Subscriber.

The Company has on the First CB Subscription Completion Date (i.e. 5 February 2016) exercised the early redemption right under the Bond to redeem the Bond in full. The subscription price of the First Convertible Bonds in the amount of HK\$100,000,000 payable by the First CB Subscriber has partly settled by offsetting the outstanding principal amount of the Bond of HK\$70,000,000 and the remaining balance has been settled by the First CB Subscriber in cash on 5 February 2016.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The table below shows the shareholding structure of the Company (i) immediately before completion of the Share Subscriptions, (ii) immediately after completion of the Share Subscriptions, and (iii) immediately after completion of the Share Subscriptions and exercise in full of the conversion rights attaching to the First Convertible Bonds (based on the initial Conversion Price and without taking into account an adjustment would be made, and assuming there being no other change in the shareholding structure and the share capital of the Company immediately after the date of this announcement and up to the full conversion of the First Convertible Bonds and no redemption of the First Convertible Bonds pursuant to the terms and conditions of the First Convertible Bonds). Shareholders should note that the analysis under scenario (iii) is shown for illustration purpose only:

	(i) Immediately before completion of the Share Subscriptions		(ii) Immediately after completion of the Share Subscriptions		(iii) Immediately after completion of the Share Subscriptions and exercise in full of the conversion rights attaching to the First Convertible Bonds at the initial Conversion Price	
	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
Ascent Creations Group Limited (Note 1)	590,000,000	11.22	590,000,000	8.43	590,000,000	7.50
Xiao Yan (Note 2)	2,273,334	0.04	2,273,334	0.03	2,273,334	0.03
Qiu Bin (Note 3)	2,408,000	0.05	2,408,000	0.03	2,408,000	0.03
First Share Subscriber	-	-	870,000,000	12.43	870,000,000	11.05
Second Share Subscriber (Note 4)	-	-	870,000,000	12.43	870,000,000	11.05
First CB Subscriber	-	-	-	-	869,565,217	11.05
Other Public Shareholders	4,665,508,854	88.69	4,665,508,854	66.65	4,665,508,854	59.29
Total	5,260,190,188	100.00	7,000,190,188	100.00	7,869,755,405	100.00

Notes:

1. Mr. Wang Peng (王鵬) (“**Mr. Wang**”) is the legal and beneficial owner of the entire issued share capital of Ascent Creations Group Limited. Hence, Mr. Wang is deemed to be interested in 590,000,000 Shares through the shareholding interest of Ascent Creations Group Limited in the Company.
2. Mr. Xiao Yan is the chief executive officer of the Company and an executive Director.
3. Mr. Qiu Bin is an executive Director.
4. The Second Share Subscriber is owned as to 50% by Mr. Chan Chun Wo (陳振和) (“**Mr. Chan**”) and 50% by Ms. Huang Fan (黃凡) (“**Ms. Huang**”). Hence, Mr. Chan and Ms. Huang are deemed to be interested in 870,000,000 Shares through the shareholding interest of the Second Share Subscriber in the Company.

GENERAL

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

Completion of the Second CB Subscription is subject to the satisfaction of the conditions precedent as set out in the Second CB Subscription Agreement. As the Second CB 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, 5 February 2016

As at the date of this announcement, the Board comprises Mr. Xiao Yan (Chief Executive Officer), Mr. Qiu Bin, Mr. Li Tao, Mr. Li Nan, Mr. Gao Yang and Mr. Yu Bun as executive Directors, Mr. Wang Kun as non-executive Director and Mr. Leung Wo Ping JP, Mr. Hu Dingdong, Mr. Lei Yong and Mr. Chiu Chi Kong 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*