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Heng Xin China Holdings Limited

恒芯中國控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 8046)

UPDATE OF LISTING STATUS AND THE GEM LISTING COMMITTEE'S DECISION

This announcement is made by Heng Xin China Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 13 April 2018 and 23 April 2018 (the “**Announcements**”). Terms defined in the Announcements shall have the same meaning herein unless otherwise defined or the context otherwise required.

DECISION OF THE GEM LISTING COMMITTEE

On 11 July 2018, the GEM Listing Committee considered the application of the Company for a review of the Decision as set out in the Letter dated 13 April 2018 (the “**Review Application**”) at the review hearing. Please refer to the announcement of the Company dated 13 April 2018 for details of the Decision and the Letter. On 16 July 2018, the Company’s legal adviser received a letter from the GEM Listing Committee setting out its decision on the Review Application (the “**Decision Letter**”).

The GEM Listing Committee considered all of the submissions (both written and oral) made by the Company and the Listing Department. According to the Decision Letter, the GEM Listing Committee decided to uphold the Decision to suspend trading in the Shares under Rule 9.04 of the GEM Listing Rules and proceed with cancellation of the Company's listing under Rule 9.14 of the GEM Listing Rules. Pursuant to the Decision Letter, the Company is required to submit a resumption proposal to demonstrate that it has a sufficient level of operations or assets required by Rule 17.26 of the GEM Listing Rules by the expiry of the six-month period from the date of the Decision Letter.

According to the Decision Letter, the GEM Listing Committee arrived at its decision for, amongst others, the following reasons:

1. the Group's original principal businesses had diminished to a very low level of operations in recent years, resulting in net losses since 2013. The Company had not demonstrated that any of its original businesses would improve enough to support a viable and sustainable operation;
2. the new businesses of the Group commenced in 2017 have not demonstrated their viability and sustainability; and
3. the Company had not shown to have sufficient assets that could enable it to carry out a viable and sustainable business.

In light of the reasons stated in the Decision Letter, the GEM Listing Committee considered that the Company failed to maintain a sufficient level of operations or have tangible assets of sufficient value and/or intangible assets for which a sufficient potential value could be demonstrated under Rule 17.26 of the GEM Listing Rules to warrant the continued listing of the Shares.

Under Rule 4.06(2) of the GEM Listing Rules, the Company has the right to have the decision of the GEM Listing Committee referred to the GEM Listing (Review) Committee for further review. The Company may request that the decision of the GEM Listing Committee be reviewed by the GEM Listing (Review) Committee on or before 25 July 2018. If the Company does not make any review application by 25 July 2018, trading in the Shares will be suspended from 9:00 a.m. on 26 July 2018. Before that, trading in the Shares will continue. The Company is in the process of reviewing the Decision Letter and will seek advice from the Company's legal and financial advisers on whether to make an application for further review to the GEM Listing (Review) Committee.

The Directors would remind the Shareholders and potential investors that (i) the Company may or may not proceed with the review by the GEM Listing (Review) Committee; and (ii) the outcome of such review is uncertain, if undertaken.

Should there be any material development(s), further announcement(s) will be made by the Company as and when appropriate and in accordance with the requirements of the GEM Listing Rules. Shareholders and potential investors who have any queries about the implications of the Stock Exchange's notice of proposed cancellation of the Company's listing are advised to obtain appropriate professional advice.

In the meantime, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
HENG XIN CHINA HOLDINGS LIMITED
Lim Tong Yong
Chairman

Hong Kong, 17 July 2018

As at the date of this announcement, the Board comprises Tan Sri Dato' Lim Tong Yong (Chairman), Ms. Chan Ying (Chief Executive Officer), Mr. Gao Yang, Mr. Gao Xixi, Mr. Jesus Shaozhu, Ms. Hui Shuk Wan and Mr. Wu Di as executive Directors and Mr. Wong Hon Kit, Ms. Lam Kong Ting Jielly and Mr. Lu Qinming 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*