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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)

### **DECISION OF THE GEM LISTING (REVIEW) COMMITTEE AND SUSPENSION OF TRADING**

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, 23 April 2018, 17 July 2018 and 25 July 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 (REVIEW) COMMITTEE**

On 12 November 2018, the GEM Listing (Review) Committee (the “**Review Committee**”) conducted a review hearing, upon the application of the Company, to review the decision of the GEM Listing Committee set out in its letter dated 16 July 2018 (the “**LC’s Decision**”). Please refer to the Company’s announcement dated 17 July 2018 for details of the LC’s Decision.

On 26 November 2018, the Company received a letter from the Review Committee (the “**Review Committee Letter**”) setting out its decision (the “**Review Committee Decision**”) to uphold the LC’s Decision to suspend trading in the Company’s 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.

The Company is required to submit a resumption proposal to demonstrate that it has a sufficient level of operations or assets as required by Rule 17.26 of the GEM Listing Rules before the expiry of the six months from the date of the Review Committee Letter. If the Company fails to submit a viable proposal by the expiry of six-month period, the Stock Exchange will proceed with the cancellation of the Company’s listing.

### **REASONS FOR THE REVIEW COMMITTEE DECISION**

According to the Review Committee Letter, the Review Committee arrived at the Review Committee Decision for, amongst others, the following reasons:

- (i) the Group’s original principal businesses had diminished to a very low level of operations and the Company had not demonstrated that any of its original businesses would improve enough to support a viable and sustainable operation;
- (ii) the advertisement business recommenced in 2018 was still at infant stage and the Review Committee considered there was insufficient evidence to substantiate the sustainability of the advertisement business;
- (iii) based on the latest financial forecast submitted by the Company, the Group will still be incurring loss for the financial year ending 31 December 2018, showing that the scale of the Group’s operation remained small. This casted doubt on the viability and sustainability of the Group’s business; and
- (iv) the Company failed to show it had assets of sufficient value to support its operation nor had the Company demonstrated the asset recovery actions taken by the Group would enable it to substantially improve its operations and financial performance.

As a result, the Review 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 can be demonstrated under GEM Listing Rule 17.26 to warrant the continued listing of the Company’s shares.

### **SUSPENSION OF TRADING**

At the request of the Company, trading in the shares of the Company will be suspended with effect from 9:00 a.m. on 27 November 2018.

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 of the Company and public investors who have any queries about the implications of the Review Committee Decision are advised to obtain appropriate professional advice.**

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

Hong Kong, 26 November 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](http://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](http://www.hengxinchina.com.hk).*

*\* For identification purposes only*