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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 ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

NOTICE IS HEREBY GIVEN that the annual general meeting of Heng Xin China Holdings Limited (the “Company”) will be held at Kennedy Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Tuesday, 9 November 2010 at 3:00 p.m. (or any adjournment thereof) for purpose of transacting the following businesses:

Ordinary Business:

- (1) To receive and adopt the audited consolidated financial statements and the reports of the directors and the independent auditor of the Company for the year ended 30 June 2010;
- (2) To re-elect the following directors of the Company and authorise the board of directors to fix their remunerations:
 - (i) Mr. Xiao Yan;
 - (ii) Mr. Xu Lei; and
 - (iii) Mr. Dong Shi
- (3) To re-appoint Messrs. Morison Heng as the auditor of the Company and authorise the board of directors to fix their remuneration;

* For identification purposes only

Special Business:

To consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

- (4) “**THAT** subject to and conditional upon the Stock Exchange of Hong Kong Limited granting and agreeing to grant listing of and permission to deal in the Bonus Shares (as hereinafter defined):
- (a) upon the recommendation of directors of the Company, a sum of HK\$588,401 being part of the amount standing to the credit of share premium account of the Company, or such larger sum as may be necessary to give effect to the bonus issue of shares pursuant to this resolution, be capitalised and accordingly the directors of the Company be and are hereby authorised and directed to apply such sum in paying up in full at par not less than 58,840,100 unissued shares (“**Bonus Shares**”) of HK\$0.01 each in the capital of the Company, and that such Bonus Shares shall be issued, allotted and distributed, credited as fully paid up, to and amongst those shareholders whose names appear on the register of members of the Company on 9 November 2010 (the “**Record Date**”) on the basis of one (1) Bonus Share for every thirty (30) existing issued shares of HK\$0.01 each in the capital of the company held by them respectively on the Record Date;
 - (b) the shares to be issued and allotted pursuant to this resolution shall, subject to the memorandum of association and bye-laws of the Company, rank pari passu in all respects with the shares of HK\$0.01 each in the capital of the Company in issue on the Record Date, except that they will not rank for the bonus issue of shares mentioned in this resolution; and
 - (c) the directors of the Company be authorised to do all acts and things as any be necessary and expedient in connection with the allotment and issue of the Bonus Shares, including, but not limited to, determining the amount to be capitalised out of share premium account and the number of Bonus Shares to be issued, allotted and distributed in the manner referred to in paragraph (a) of this resolution.”
- (5) “**THAT:**
- (a) subject to paragraph (c) of this resolution, pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with unissued Shares (as defined below) and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;

(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:

(aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution; and

(bb) (provided that resolution no. 7 is passed) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

(d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of 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 of the Company or any applicable laws of Bermuda to be held; and

(iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion 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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong); and

“**Shares**” means ordinary share(s) of HK\$0.01 each in the share capital of the Company.”

(6) “**THAT:**

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to purchase the Shares (as defined below) on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Act and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period (as defined below) shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of 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 of the Company or any applicable law of Bermuda to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution; and

“**Shares**” means ordinary share(s) of HK\$0.01 each in the share capital of the Company.”

- (7) “**THAT** subject to the ordinary resolutions nos. 5 and 6 above being duly passed, the unconditional general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with unissued Shares pursuant to resolution no. 5 above be and is hereby extended by the addition thereon of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company subsequent to the passing of this resolution, provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the issued Shares on the date of the passing of resolution no. 6.”
- (8) “**THAT** the existing scheme mandate limit in respect of the granting of options to subscribe for shares of the Company under the share option scheme adopted by the Company on 13 March 2003 (the “**Share Option Scheme**”) and any other share option schemes of the Company be refreshed and renewed provided that the total number of shares which may be allotted and issued upon exercise of the options to be granted under the Share Option Scheme and any other share option schemes of the Company (excluding options previously granted, outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme and any other share option schemes of the Company) (where such options hereinafter collectively referred to as “**Options**”) shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution (the “**Refreshed Limit**”) and subject to the Stock Exchange granting the listing of and permission to deal in the shares of the Company to be issued pursuant to the exercise of any options to be granted under the Refreshed Limit

and in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange, the Directors be and are hereby authorised, at their absolute discretion, to grant options and to allot and issue shares of the Company pursuant to the exercise of any such options up to the Refreshed Limit.”

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

Hong Kong, 11 October 2010

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

*Head office and principal place of business
in Hong Kong:*
Unit 3, 43/F
Far East Finance Centre
16 Harcourt Road
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint one or more proxies to attend the meeting and, subject to the provisions of the bye-laws of the Company, to vote on his behalf. A proxy need not be a member of the Company but must attend the meeting in person to represent the member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. In order to be valid, a form of proxy and 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 Hong Kong branch share registrar, Union Registrars Limited, 18/F, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, in accordance with the instructions printed thereon not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. The completion and return of the form of proxy will not preclude a member from attending and voting in person at the meeting or any adjournment thereof, if he so wish. In that event, his form of proxy will be deemed to have been revoked.
3. Where there are joint holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he was solely entitled thereto, but if more than one of such joint holders be present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holder(s), and for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
4. The register of members of the Company will be closed from Wednesday, 3 November 2010 to Tuesday, 9 November 2010 (both days inclusive), during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the annual general meeting and to qualify for the bonus shares, members are reminded to ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Union Registrars Limited, 18/F, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 2 November 2010.

As at the date of this announcement, the board of Directors comprises Mr. Xiao Yan (CEO), Mr. Feng Yongming and Mr. Li Tao as executive Directors; Mr. Xu Lei as non-executive Director; Mr. Leung Wo Ping JP, Mr. Dong Shi and Mr. Hu Dingdong 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 document misleading.

This announcement will remain on the GEM website 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