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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Heng Xin China Holdings Limited, you should at once hand this circular, together with the form of proxy, to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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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)

**(1) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
(2) REFRESHMENT OF SCHEME LIMIT,
(3) RE-ELECTION OF DIRECTORS
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Heng Xin China Holdings Limited (the “Company”) to be held at Kennedy Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Tuesday, 27 October 2009 at 3:00 p.m. is set out on pages 17 to 21 of this circular. Whether or not you intend to attend at the annual general meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and deposit the same at the offices of the Company’s branch share registrar in Hong Kong, Union Registrars Limited, 18/F, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment if you so wish.

This circular, for which the directors of the Company (“Directors”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules (“GEM Listing Rules”) Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (“Stock Exchange”) 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: (i) the information contained in this circular is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this circular misleading; and (iii) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This circular will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the website of the Company at www.hengxinchina.com.hk.

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“AGM”	the annual general meeting of the Company to be held on Tuesday, 27 October 2009 at 3:00 p.m. at Kennedy Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong or any adjournment thereof to consider and, if thought fit, to approve the resolutions contained in the notice of the meeting which is set out on pages 17 to 21 this circular
“associate(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors of the Company
“Bye-laws”	the Bye-laws of the Company
“Company”	Heng Xin China Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on GEM
“Director(s)”	director(s) of the Company
“Existing Scheme Limit”	the maximum number of Shares that may be issued upon exercise of all options granted or to be granted under the Share Option Scheme being 10% of issued share capital of the Company at the date of approval at the annual general meeting held on 24 November 2008
“GEM”	Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issuance Mandate”	as defined in paragraph 3(a) of the Letter from the Board;
“Latest Practicable Date”	28 September 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information included herein

DEFINITIONS

“PRC”	The People’s Republic of China
“Refreshed Scheme Limit”	the maximum number of Shares that may be issued upon exercise of all options granted or to be granted under the Share Option Scheme upon approval of the Refreshment of Scheme Limit, which shall not in aggregate exceed 10% of the Shares in issue as at the date of approval at the AGM
“Refreshment of Scheme Limit”	the proposed refreshment of the Existing Scheme Limit into the Refreshed Scheme Limit
“Repurchase Mandate”	as defined in paragraph 2(b) of the Letter from the Board;
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Share Option Scheme”	the existing employee share option scheme adopted by the Company on 13 March 2003
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	percentage or per centum

LETTER FROM THE BOARD



Heng Xin China Holdings Limited **恒芯中國控股有限公司***

(Incorporated in Bermuda with limited liability)
(Stock Code: 8046)

Executive Directors:

Mr. Xiao Yan (*Chief Executive Officer*)
Mr. Feng Yongming
Mr. Li Tao

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent non-executive Directors:

Mr. Leung Wo Ping *JP*
Mr. Dong Shi
Mr. Hu Dingdong

*Head office and principal place
of business in Hong Kong:*

Unit 3, 43/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

2 October 2009

To the Shareholders

Dear Sir or Madam,

**(1) GRANT OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
(2) REFRESHMENT OF SCHEME LIMIT,
(3) RE-ELECTION OF DIRECTORS
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM to be held at Kennedy Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Tuesday, 27 October 2009 at 3:00 p.m. relating to, among other things, (i) granting of general mandates to the Directors to issue and repurchase the Company's Shares; (ii) Refreshment of Scheme Limit; and (iii) re-election of the Directors. The notice of the AGM containing the proposed resolutions and other information is set out on pages 17 to 21 of this circular.

* For identification purpose only

LETTER FROM THE BOARD

2. PROPOSED GRANTING OF GENERAL MANDATES

At the annual general meeting of the Company held on 24 November 2008, general mandates were granted to the Directors to exercise the powers of the Company to issue new Shares and to repurchase Shares respectively. Such mandates will lapse at the conclusion of the AGM. Ordinary resolutions will be proposed at the AGM to approve the granting of new general mandates to the Directors:

- (a) to allot, issue or deal with Shares of an aggregate nominal amount of up to 20% of the total nominal amount of the issued share capital of the Company on the date of passing of such resolution (i.e. an aggregate nominal amount of Shares up to HK\$3,059,166 (equivalent to 305,916,600 Shares) on the basis that no Shares are issued or repurchased by the Company from the Latest Practicable Date up to the date of the AGM) (the “**Issuance Mandate**”);
- (b) to purchase Shares on the Stock Exchange of an aggregate nominal amount of up to 10% of the total nominal amount of the issued share capital of the Company on the date of passing of such resolution (i.e. an aggregate nominal amount of Shares up to HK\$1,529,583 (equivalent to 152,958,300 Shares) on the basis that no Shares are issued or repurchased by the Company from the Latest Practicable Date up to the date of the AGM) (the “**Repurchase Mandate**”); and
- (c) to extend the Issuance Mandate by an amount representing the aggregate nominal amount of Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate. The Issuance Mandate and the Repurchase Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the AGM or any earlier date as referred to in the proposed ordinary resolutions contained in items 4 and 5 of the notice of the AGM as set out on pages 17 to 21 of this circular.

With reference to the Issuance Mandate and Repurchase Mandate, the Directors wish to state that they have no immediate plan to repurchase any Shares or issue any Shares pursuant thereto. In accordance with the requirements of the GEM Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate. The explanatory statement as required by the GEM Listing Rules in connection with the Repurchase Mandate is set out in Appendix I to this circular.

LETTER FROM THE BOARD

3. REFRESHMENT OF SCHEME LIMIT

The Company adopted the Share Option Scheme on 13 March 2003 pursuant to approval by the then shareholders of the Company. The objective of the Share Option Scheme is to enable the Group to grant share options to eligible participants as incentives or rewards for their contribution to the success of the Group. Through the granting of share options, eligible participants would have a means to obtaining equity holdings in the Company whereby their interests are aligned with the interests of the Company and the Shareholders as a whole.

Pursuant to the Existing Scheme Limit approved by the Shareholders on 24 November 2008, the Directors may grant options under the Share Option Scheme up to 110,302,200 Shares. Up to the Latest Practicable Date, options carrying the rights to subscribe for 80,000,000 Shares have been granted under the Existing Scheme Limit. Accordingly, the Company is only permitted to grant further options to subscribe for 30,302,200 Shares under the Existing Scheme Limit.

Pursuant to the GEM Listing Rules and rules of the Share Option Scheme,

- (i) the maximum number of Shares which may be allotted and issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company must not in aggregate exceed 30% of the Shares of the Company in issue from time to time;
- (ii) the total number of Shares which may be allotted and issued upon exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option scheme(s) of the Company) to be granted under the Share Option Scheme and any other share option scheme(s) of the Company must not in aggregate exceed the Existing Scheme Limit; and
- (iii) the Company may seek approval of the Shareholders in general meeting to refresh the Existing Scheme Limit.

LETTER FROM THE BOARD

The Directors consider that the Company should refresh the Existing Scheme Limit so that the Company could have more flexibility to provide incentives to the eligible participants (which may include Directors and/or employees of the Group) by way of granting share options to them. For the purpose of calculating the Refreshed Scheme Limit, share options (including those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme and any other share option scheme(s) of the Company) previously granted under the Share Option Scheme and any other share option scheme(s) of the Company shall not be counted. Assuming that no Shares are issued or repurchased by the Company from the Latest Practicable Date up to the AGM, the Company will have 1,529,583,000 Shares in issue as at the date of the AGM. The Refreshed Scheme Limit, if approved by the Shareholders at the AGM, will allow the Company to grant further options carrying the rights to subscribe for up to a total of 152,958,300 Shares, representing 10% of the issued share capital of the Company as at the date of approval of the Refreshed Scheme Limit. As no Shareholder has interest in the Refreshment of Scheme Limit, none of the Shareholders is required to abstain from voting on the relevant resolution at the AGM.

The following table shows the details of the share options granted/exercised/cancelled/lapsed/outstanding under the Share Option Scheme from 13 March 2003 up to the Latest Practicable Date:

Between 13 March 2003 and the Latest Practicable Date				As at the Latest Practicable Date			Total number of Shares to be allotted and issued upon exercise of all outstanding options granted/ to be granted immediately after the Refreshment of Scheme Limit	Approximate percentage of the existing issued capital of the Company
Options granted	Options exercised	Options cancelled	Options lapsed	Total number of options outstanding	Existing Scheme Limit available to grant further options	Refreshed Scheme Limit		
135,000,000	(57,980,000)	(55,000,000)	—	22,020,000	30,302,200	152,958,300	205,280,500	13%

Apart from the Share Option Scheme, the Company has no other share option scheme currently in force. None of the grantees has been granted with options which exceed the limit of 1% of the issued share capital of the Company in the 12-month period up to and including the respective dates of grant as set out in rule 23.03(4) of the GEM Listing Rules.

LETTER FROM THE BOARD

The Refreshment of Scheme Limit is conditional upon: (i) the passing of an ordinary resolution by the Shareholders at the AGM; and (ii) the GEM Listing Committee of the Stock Exchange granting the approval of listing of, and permission to deal in, any new Shares which may be issued upon exercise of option(s) to be granted under the Share Option Scheme under the Refreshed Scheme Limit, representing a maximum of 10% of the Shares in issue as at the date of approval of the relevant resolution at the AGM.

Application will be made to the Stock Exchange for the listing of and permission to deal in any Shares, representing 10% of the share capital of the Company in issue as at the date of the AGM which may fall to be issued upon the exercise of any options that may be granted under the Refreshed Scheme Limit.

4. RE-ELECTION OF THE DIRECTORS

Pursuant to Bye-law 87(1), at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not greater than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. Mr. Li Tao shall retire by rotation at the AGM in accordance with Bye-law 87(1).

Pursuant to Bye-law 86(2), the Directors shall have the power from time to time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed by the Board shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to their number) and shall then be eligible for re-election at that meeting. Pursuant to Bye-law 87(2), any Director appointed pursuant to Bye-law 86(2) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation. Mr. Feng Yongming, Mr. Leung Wo Ping *JP* and Mr. Hu Dingdong, shall hold office only until the AGM and, being eligible, will offer themselves for re-election at the AGM.

Pursuant to Rule 17.46A of the GEM Listing Rules, a listed issuer shall disclose the details required under Rule 17.50(2) of the GEM Listing Rules of any directors proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting (including, but not limited to, an annual general meeting). Biographies and other details of the above re-electing Directors are set out in Appendix II to this circular. At the AGM, ordinary resolutions will be proposed to approve their re-election.

LETTER FROM THE BOARD

5. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the AGM is set out on pages 17 to 21 of this circular. At the AGM, ordinary resolutions will be proposed to, inter alia, receive the audited consolidated financial statements of the Company for the year ended 30 June 2009, approve the re-appointment of auditors, the granting of the general mandates to issue and repurchase Shares, the Refreshment of Scheme Limit; and the re-election of the retiring Directors.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the GEM website (www.hkgem.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority, at the Share Registrar of the Company in Hong Kong, Union Registrars Limited, 18/F, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM if you so wish.

6. PROCEDURES FOR DEMANDING A POLL

Pursuant to Rule 17.47(4) of the GEM Listing Rules which became effective on 1 January 2009, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the Company will procure that the chairman of the AGM shall demand voting on all resolutions set out in the notice of the AGM be taken by way of poll.

7. RECOMMENDATION

The Directors are of the opinion that the proposed: (i) granting of the general mandates to issue and repurchase Shares; (ii) Refreshment of Scheme Limit; and (iii) re-election of the Directors are in the best interests of the Company and the Shareholders as a whole and therefore recommend all the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

Yours faithfully,

By Order of the Board

HENG XIN CHINA HOLDINGS LIMITED

Xiao Yan

Chief Executive Officer

The following is an explanatory statement required by the GEM Listing Rules to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the AGM in relation to the granting of the Repurchase Mandate.

1. NUMBER OF SHARES SUBJECT TO THE REPURCHASE MANDATE

It is proposed that the Repurchase Mandate will authorise the repurchase by the Company of up to 10% of the Shares in issue as at the date of passing the relevant resolution. As at Latest Practicable Date, the authorised share capital of the Company was HK\$100,000,000 and the paid-up share capital was HK\$15,295,830 representing 1,529,583,000 Shares in issue. On the basis of the 1,529,583,000 Shares in issue (assuming no Shares will be issued or repurchased by the Company after the Latest Practicable Date and prior to the AGM), the Company would be authorised under the Repurchase Mandate to repurchase a maximum of 152,958,300 Shares during the period in which the Repurchase Mandate remains in force.

2. REASONS FOR THE REPURCHASE MANDATE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and Shareholders as a whole to have a general authority to enable the Directors to purchase Shares on the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings (in each case on a per Share basis) and will only be made when the Directors believe that such repurchases will benefit the Company and Shareholders.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements for the year ended 30 June 2009) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on its gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the memorandum of association and Bye-laws, the GEM Listing Rules, and the applicable laws of Bermuda. The Company may not purchase securities on the GEM of the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

4. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, their associates have any present intention to sell any Shares to the Company under the Repurchase Mandate if such is approved by the Shareholders.

No connected person (as defined in the GEM Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the GEM Listing Rules, the memorandum of association and the Bye-laws and the applicable laws of Bermuda.

6. THE HONG KONG CODE ON TAKEOVERS AND MERGERS

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code approved by the Securities and Futures Commission of Hong Kong as amended from time to time. As a result, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase in the Shareholder's interests, could obtain or consolidate control of the Company and becomes obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

If the Repurchase Mandate were exercised in full, the shareholding percentage of the Shareholders, who have an interest in 10% or more of the issued share capital of the Company (based on the number of the Shares they held as at the Latest Practicable Date), before and after such repurchase would be as follows:

Name of shareholder	Number of shares	Percentage of existing shareholding	Percentage of shareholding if the Repurchase Mandate is exercised in full
Choi Chung Lam (<i>Note</i>)	167,530,706	10.95%	11.50%
Team Effort Investments Limited	165,530,706	10.82%	11.35%

Note:

Team Effort Investments Limited is wholly owned by Mr. Choi Chung Lam. Mr. Choi Chung Lam personally owns 2,000,000 Shares and is also deemed to be interested in the 165,530,706 Shares held by Team Effort Investments Limited.

The Directors have no present intention to exercise the Repurchase Mandate to such an extent as would result in the number of listed Shares which are in the hands of the public falling below 25%, being the minimum prescribed public float requirement as required by the Stock Exchange.

7. SHARE REPURCHASES MADE BY THE COMPANY

No purchases of Shares have been made by the Company, whether on the GEM or otherwise, in the six months preceding the Latest Practicable Date.

8. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the GEM during each of the twelve months preceding the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2008		
September	0.770	0.285
October	0.420	0.127
November	0.240	0.148
December	0.400	0.150
2009		
January	0.370	0.221
February	0.415	0.243
March	0.455	0.275
April	0.650	0.445
May	0.790	0.520
June	0.840	0.580
July	0.800	0.580
August	0.820	0.590
September (up to and including the Latest Practicable Date)	0.770	0.640

APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

The details of the Directors who will retire from office at the AGM and being eligible, offer themselves for re-election at the AGM, are set out below:

Mr. Feng Yongming

Mr. Feng Yongming (“**Mr. Feng**”), aged 43, joined the Group in January 2009 as an assistant to Chief Executive and has been appointed as an executive Director on 1 March 2009. Mr. Feng is currently the chairman of Shenzhen Champion Maxium Technology Limited, an indirect wholly-owned subsidiary of the Company. From 2005 to 2007, he was the director of Huzhou Maxium IC Design Co., Limited, an indirect wholly-owned subsidiary of the Company since September 2008. From 1998 to 2005, Mr. Feng held senior positions in investment and securities firms in China. He has extensive experience in the management of the Group’s businesses, financial management and investment. Mr. Feng holds a bachelor of arts in economics from the University of International Business and Economics in Beijing, China and master of administration degree from the School of Business, Carleton University in Canada.

Mr. Feng has entered into a service contract with the Company for a fixed term of one year renewable automatically for successive terms of one year each commencing from the day next after the expiry of the then current term of appointment. Mr. Feng is subject to retirement by rotation and re-election at general meeting pursuant to the Bye-laws. The service contract shall continue until terminated by either party giving not less than three months’ prior notice. According to the service contract between the Company and Mr. Feng, Mr. Feng is entitled to an annual remuneration of HK\$840,000 which was determined by the Board with reference to his duties and responsibilities within the Company.

Mr. Feng does not have any relationship with any Directors, senior management, management shareholders, substantial shareholders, or controlling shareholders of the Company (within the meaning of the GEM Listing Rules). Mr. Feng has not held any directorships in any listed company in the past three years. As at the Latest Practicable date, Mr. Feng does not have any interest in the Shares within the meaning of Part XV of the SFO. He has been granted and is interested in share options to subscribe for 1,000,000 Shares exercisable at HK\$0.37 per Share.

Save as disclosed above, there is no information relating to Mr. Feng that is required to be disclosed pursuant to Rules 17.50(2)(h) to (v) of the GEM Listing Rules and there are no other matters that needs to be brought to the attentions of the Shareholders.

APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

Mr. Leung Wo Ping JP

Mr. Leung Wo Ping JP (“**Mr. Leung**”), aged 65, has been an independent non-executive Director and the chairman of the Audit Committee, Nomination Committee and Remuneration Committee of the Company with effect from 11 August 2009. Mr. Leung is a Fellow of the Institute of Chartered Accountants in England of Wales. He is a tax professional, having engaged in UK tax, Hong Kong tax and international tax planning for almost 30 years. Currently, he is a director of CCIF CPA Limited, one of the major accounting firms in Hong Kong. Apart from his professional work, Mr. Leung has actively participated in community affairs since 1983. He had been a Regional Councillor for 5 years and a District Councillor for 18 years. He is also a Councillor of the New Territories Heung Yee Kuk. He currently serves on various Boards and Committees including the Hospital Authority’s Hospital Governing Committee of Tai Po Hospital, United Christian Nethersole Community Health Service Management Committee and the Human Organ Transplant Board. He was a District Advisor to the Hong Kong Branch of Xinhua News Agency before 1997. Mr. Leung was awarded a Badge of Honour by Her Majesty Queen Elizabeth in 1994 for service to the community. He was also appointed as a Justice of the Peace by the Government of the Hong Kong Special Administrative Region in 2000.

Mr. Leung has entered into a service contract with the Company for a fixed term of one year renewable automatically for successive terms of one year each commencing from the day next after the expiry of the then current term of appointment. Mr. Leung is subject to retirement by rotation and re-election at general meeting pursuant to the Bye-laws. The service contract shall continue until terminated by either party giving not less than three months’ prior notice. According to the service contract between the Company and Mr. Leung, Mr. Leung is entitled to an annual remuneration of HK\$144,000 which was determined by the Board with reference to his duties and responsibilities within the Company.

Mr. Leung has not previously held any positions with the Company or its subsidiaries and he does not have any relationship with any Directors, senior management, management shareholders, substantial shareholders, or controlling shareholders of the Company (within the meaning of the GEM Listing Rules). Mr. Leung has not held any directorships in any listed company in the past three years. As at the Latest Practicable date, Mr. Leung does not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there is no information relating to Mr. Leung that is required to be disclosed pursuant to Rules 17.50(2)(h) to (v) of the GEM Listing Rules and there are no other matters that needs to be brought to the attentions of the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING



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 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, 27 October 2009 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 auditors of the Company for the year ended 30 June 2009;
- (2) To re-elect the following directors of the Company and authorise the board of directors to fix their remunerations:
 - (i) Mr. Feng Yongming;
 - (ii) Mr. Li Tao;
 - (iii) Mr. Leung Wo Ping *JP*; and
 - (vi) Mr. Hu Dingdong;
- (3) To re-appoint Messrs. Morison Heng as the auditor of the Company and authorize the board of directors to fix their remuneration;

* *For identification purpose only*

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL BUSINESS

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

- (4) **“THAT:**
- (a) subject to paragraph (c) below, 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) above 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) above, 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. 6 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),

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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.”

(5) **“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;

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- (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.”

- (6) “**THAT** subject to the ordinary resolutions nos. 4 and 5 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. 4 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. 5.”
- (7) “**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

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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, 2 October 2009

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.