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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)

FRAMEWORK AGREEMENT IN RELATION TO THE GROUND WIRELESS DIGITAL TELEVISION OPERATING PLATFORM IN HUBEI

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules.

The Board is pleased to announce that Beijing Jinqiao has on 20 August 2009 entered into a Framework Agreement with 湖北省楚天中視網絡有限責任公司 (HCCTVN), pursuant to which Beijing Jinqiao will be the main contractor for HCCTVN's construction project of the ground wireless digital television operating platform in Hubei Province, PRC. The Group is expected to generate revenue of approximately RMB2,000 million (equivalent to approximately HK\$2,280 million) over five years from the Framework Agreement.

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THE FRAMEWORK AGREEMENT

The major terms of the Framework Agreement are as follows:

- Contracting parties:
- (1) Beijing Jinqiao
 - (2) 湖北省楚天中視網絡有限責任公司 (HCCTVN)
- Main term:
- Beijing Jinqiao will be the main contractor for HCCTVN's construction project of the ground wireless digital television operating platform in Hubei Province, PRC for 5 years providing the software, hardware and integrated technical solutions to all the headed devices (including core software and encoders), transmission stations and the ended devices (such as digital television set-top boxes).

* For identification purposes only

Aggregate contracting revenue: RMB 2,000,000,000 (equivalent to approximately HK\$2,280,000,000)

Expected total subscribers served by HCCTVN: Approximately 5,000,000 over 5 years

Further operational service and purchasing contracts will be entered into between the parties to specify such details as the total system design equipment and system specifications and progress delivery schedules.

REASONS FOR, AND BENEFITS OF, ENTERING INTO THE FRAMEWORK AGREEMENT

The Group is principally engaged in the research, design, development on and manufacturing of electronic message security products, integrated circuits, radio frequency identification (“RFID”) chips and related devices and systems, and the integrated circuit solutions and the related services.

Further to the Hunan project in which the Group has been engaged in since late 2008, the Framework Agreement marks further involvement by the Group in supplying to the ground wireless digital televisions operators in the vast PRC ground wireless digital television market. With the success of the Group’s business model in Hunan, the Directors believe that the Framework Agreement provides excellent opportunities for the Group to further develop and expand its businesses and strengthen its market position in the PRC.

The Directors believe that more detailed contracts will be entered into in the coming months. Expected revenues for the balance of 2009 will be approximately RMB100 million (equivalent to approximately HK\$114 million). The project will run for five years and is expected to generate revenues to the Group in the amount of RMB2,000 million (equivalent to approximately HK\$2,280 million).

GENERAL

As the Framework Agreement is a significant development in the Group’s businesses, the Directors consider that it is appropriate to make public disclosure to enable the Shareholders and the public to appraise the position of the Group pursuant to Rule 17.10 of the GEM Listing Rules.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, HCCTVN and its ultimate beneficial owner are third parties independent of the Company and its connected persons at the date of this announcement.

DEFINITIONS

Unless the context requires otherwise, the following words and phrases used in this announcement have the following meanings:

“Board”	the board of Directors
“Beijing Jinqiao”	北京金橋恒泰科技有限公司 (Beijing Jinqiao Hengtai Technology Company Limited), an indirect 93% owned subsidiary of the Company
“Company”	Heng Xin China Holdings Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on GEM
“connected person”	has the meaning set out in the GEM Listing Rules

“Directors”	the directors of the Company
“Framework Agreement”	a strategic cooperation framework agreement dated 20 August 2009 entered into between Beijing Jinqiao and HCCTVN
“GEM”	the Growth Enterprise Market operated by 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
“HCCTVN”	湖北省楚天中視網絡有限責任公司 (Hubei Chutian CTV Network Co., Ltd.), a limited liability company established under the laws of PRC
“PRC”	the Peoples’ Republic of China, which for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“Shareholders”	the holders of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

In this announcement, for reference only, the translation of Renminbi into Hong Kong dollars is based on the exchange rate of RMB1=HK\$1.14.

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

Hong Kong, 20 August 2009

As at the date of this announcement, the Board comprises Mr. Xiao Yan (CEO), Mr. Feng Yongming and Mr. Li Tao as executive Directors; 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 Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited 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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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