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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)

ANNOUNCEMENT **UPDATE ON THE STATUS OF THE GRANT OF THE EQUITY LINE OF THE** **COMPANY AND ISSUE OF WARRANTS**

The Board is pleased to announce that on 17 February 2011, pursuant to the terms of the Agreement, the Company issued to (1) the Investor the Warrants; and (2) GEMML the promissory note for the Commitment Fee.

Reference is made to the circular of the Company dated 20 January 2011 (“**Circular**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Circular.

The Board is pleased to announce that on 14 February 2011, all conditions precedent were fulfilled, and therefore, on 17 February 2011, in accordance with the terms of the Agreement, the Company issued to (1) the Investor the Warrants; and (2) GEMML the promissory note for the Commitment Fee. The Warrants carry the rights to subscribe for up to a total of 95 million Warrant Shares at the Warrant Exercise Price at any time on or after the first anniversary of the date of grant of the Warrants to the fifth anniversary of the date of grant of the Warrants.

As at the date of this announcement, the Company had 2,482,441,991 Shares in issue. The 95 million Warrant Shares, if allotted and issued, represent approximately 3.83% of the issued Shares or approximately 3.69% of the issued share capital of the Company as enlarged by the allotment and issue of 95 million Warrant Shares.

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

Hong Kong, 17 February 2011

* *For identification purposes only*

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. 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 Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the issuer. 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 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.