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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)

COOPERATION AGREEMENT IN RELATION TO THE DIGITAL MOBILE TELEVISION PROJECT IN HEBEI

The Board is pleased to announce that on 18 July 2011, Beijing Champion, a wholly owned subsidiary of the Company, has entered into the Cooperation Agreement with 河北廣電移動數字電視有限責任公司 (Hebei Digital Mobile Television Broadcasting Co., Ltd.), a company approved by the national authority to operate terrestrial digital mobile television in the whole Hebei Province in China.

This announcement is made by Heng Xin China Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis with the purpose of keeping shareholders and potential investors of the Company informed of its latest business development.

COOPERATION AGREEMENT

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 18 July 2011, Beijing Champion Maxiumic Technologies Co., Ltd. (“**Beijing Champion**”), a wholly owned subsidiary of the Company, has entered into a cooperation agreement (the “**Cooperation Agreement**”) with 河北廣電移動數字電視有限責任公司 (Hebei Digital Mobile Television Broadcasting Co., Ltd. (“**HDMTV**”)), pursuant to which the parties will cooperate comprehensively to develop and improve the digital mobile television network in Hebei Province, and utilise digital mobile television network and terminal cover to enhance viewing population growth in digital television programs. At the same time, both parties will carry out business operations including advertising in order to expand digital mobile television services and regional coverage. The cooperation lasts for 15 years, from 1 July 2011 to 30 June 2026.

* For identification purposes only

Under the Cooperation Agreement, HDMTV will provide digital mobile television launcher platform, frequency resources, program resources and existing terminal equipment and Beijing Champion will operate television business in all areas where are covered by HDMTV. The initial 3 years after signing the Cooperation Agreement are the project development period and Beijing Champion will allocate resource utilisation and system maintenance fee of RMB4 million in the first year, RMB5 million in the second year and RMB6 million in the third year to HDMTV from the gross revenue generated from the project. After the 3-year development period, Beijing Champion will share 80% gross revenue from the project while HDMTV will share 20% gross revenue from the project of which the annual basic fee paid to HDMTV is not less than RMB5 million. The Cooperation Agreement sets out the general principles of cooperation between the parties. Detailed terms of further technical cooperation will be subject to definitive contracts to be entered into by the parties.

BENEFITS OF ENTERING INTO THE COOPERATION AGREEMENT

The Group has also entered into business cooperation agreements to provide cable digital television two-way conversion equipment and services, and develop and operate value-added services in Anhui, Hebei, Jiangxi and Shanxi Provinces, PRC, respectively. In addition, the Group's value-added service for digital cable television has been officially launched recently. With strong support from the PRC government to promote the integration of the telecommunication network, broadcasting TV network and internet (三網融合), the Board believes that the entering into of the Cooperation Agreement and the formation of alliance between HDMTV and the Group for their future cooperation and business arrangements will allow their respective advantages to complement with each other. Through the cooperation, the Group is able to penetrate its operational influence into the digital mobile television market. Further, by collaborating with the authorising Hebei provincial mobile broadcasting entity, the Group will become an operator engaging in the construction of a state-of-the-art digital mobile broadcasting delivery system.

GENERAL

HDMTV is a company approved by the national authority to operate terrestrial digital mobile television in the whole Hebei Province. Its operations cover, including but not limited to, wireless digital mobile television broadcasting projects for buses, electronic bus stop signs, buildings, outdoors, campuses, hospitals, railway stations, airports, public areas and etc. in 11 cities in Hebei Province which include Shijiazhuang, Qinhuangdao, Tangshan, Baoding, Xingtai, Handan, Cangzhou, Zhangjiakou, Hengshui, Chengde, Langfang, and 200 colleges and universities nationwide.

The entering into of the Cooperation Agreement is conducted in the usual and ordinary course of business of the Company and does not constitute a notifiable transaction for the Company under Chapter 19 of the Rules Governing the Listing of Securities on the Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited ("GEM Listing Rules").

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

Hong Kong, 18 July 2011

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 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 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