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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)

UPDATE ON BUSINESS DEVELOPMENT ON THE DIGITAL MOBILE TELEVISION PROJECT IN HEBEI

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.

Reference is made to the announcement of the Company dated 18 July 2011 in relation to 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**”)).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that following the entering into of the cooperation agreement with HDMTV on 18 July 2011, the Group has entered into a supplemental agreement with HDMTV on 12 August 2011, pursuant to which HDMTV will transfer the business operations of its existing 6,000 electronic displays in Hebei province to the Group. HDMTV will also be responsible for the coordination with the relevant authorities for the locations and sizes etc. of 60,000 electronic displays in Hebei province. The Group will be responsible for the procurement and installation of these 60,000 electronic displays in three years and contract to operate the related display advertising and all other value-added businesses. These 60,000 mobile displays will be installed in public places such as airports, railway stations, commercial centres, hospitals, universities and etc., inside bus cabins or on the bus stop boards in high traffic locations. It is anticipated that the display advertising business operation will appeal to different segments of consumers in Hebei province and provide an excellent opportunity for the Group to develop and diversify its businesses.

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

Hong Kong, 12 August 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 (“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 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