
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 licensed securities dealer, 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, licensed securities dealer or other agent through whom the sale or transfer 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)

PROPOSALS FOR

- (1) GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES,
- (2) RE-ELECTION OF RETIRING DIRECTORS, AND
- (3) NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting (“AGM”) of Heng Xin China Holdings Limited (the “Company”) to be held at Suite 3604, 36/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Tuesday, 5 June 2018 at 10:30 a.m. is set out on pages AGM-1 to AGM-5 of this circular. Whether or not you intend to attend the AGM and/or vote at the AGM in person, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company’s branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong, as soon as possible and in any event not later than 10:30 a.m. on Sunday, 3 June 2018 or not less than 48 hours before the time appointed for holding of any adjourned meeting (as the case may be). Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment if you so wish and in such event, the form of proxy previously submitted shall be deemed to be revoked.

This circular, for which the directors of the Company (“Directors”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (“Stock Exchange”) (“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 circular 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 circular misleading.

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.

4 May 2018

* for identification purpose only

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized 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.

Given the companies listed on GEM are generally small and mid-sized companies, 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” or “Annual General Meeting”	the annual general meeting of the Company to be convened and held at Suite 3604, 36/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Tuesday, 5 June 2018 at 10:30 a.m. 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 AGM-1 to AGM-5 of this circular
“associate(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company and as amended from time to time
“Company”	Heng Xin China Holdings Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on GEM
“Director(s)”	director(s) of the Company
“GEM”	GEM 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 People’s Republic of China
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with Shares up to 20% of the number of issued Shares as at the date of passing of the relevant resolution granting such mandate and adding thereto any Shares representing the number of the Shares repurchased by the Company pursuant to the authority granted under the Repurchase Mandate
“Latest Practicable Date”	30 April 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information included herein

DEFINITIONS

“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to repurchase such number of issued and fully paid Shares up to 10% of the number of issued Shares as at the date of passing of the relevant resolution granting such mandate
“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 the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers as approved by the Securities and Futures Commission of Hong Kong, as amended from time to time
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent.

References to time and dates in this circular are Hong Kong time and dates.

LETTER FROM THE BOARD



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)

Executive Directors:

Tan Sri Dato' Lim Tong Yong (*Chairman*)
Ms. Chan Ying (*Chief Executive Officer*)
Mr. Gao Yang
Mr. Gao Xixi
Mr. Jesus Shaozhu
Ms. Hui Shuk Wan
Mr. Wu Di

Independent non-executive Directors:

Ms. Lam Kong Ting Jielly
Mr. Lu Qinming
Mr. Xu Haiou
Mr. Chau Sen Chung

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

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

Suite 3604, 36/F., Central Plaza
18 Harbour Road, Wanchai
Hong Kong

4 May 2018

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
(1) GENERAL MANDATES TO ISSUE SHARES
AND TO REPURCHASE SHARES;
AND
(2) RE-ELECTION OF RETIRING DIRECTORS**

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM relating to, among other things, (i) granting to the Directors the Issue Mandate and the Repurchase Mandate; and (ii) re-election of retiring Directors. The notice of the AGM containing the proposed resolutions and other information is set out on pages AGM-1 to AGM-5 of this circular.

LETTER FROM THE BOARD

PROPOSED GRANTING OF GENERAL MANDATES

Ordinary resolutions will be proposed at the AGM to approve the granting of general mandates to the Directors:

- (a) to allot, issue or deal with Shares up to 20% of the number of issued Shares on the date of passing of such resolution (i.e. 1,660,907,602 Shares) on the basis that 8,304,538,010 Shares were in issue as at the Latest Practicable Date and assuming that no Share will be issued or repurchased by the Company from the Latest Practicable Date up to the date of the AGM;
- (b) to purchase Shares up to 10% of the number of issued Shares on the date of passing of such resolution (i.e. 830,453,801 Shares) on the basis that 8,304,538,010 Shares were in issue as at the Latest Practicable Date and assuming that no Share will be issued or repurchased by the Company from the Latest Practicable Date up to the date of the AGM; and
- (c) to extend the Issue Mandate by an amount representing the number of issued Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate. The Issue 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 AGM as set out on pages AGM-1 to AGM-5 of this circular.

With reference to the Issue 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.

RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Bye-law 87(1) of the Bye-laws, 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 less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years. Pursuant to Bye-law 86(2) of the Bye-laws, the Directors shall have the power from time to time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director so appointed by the Board shall hold office only until the next following general meeting of the Company (in the case

LETTER FROM THE BOARD

of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board) and shall then be eligible for re-election at that meeting. Pursuant to Bye-law 87(2) of the Bye-laws, any Director appointed pursuant to Bye-law 86(2) of the Bye-laws shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation. Accordingly, pursuant to Bye-law 87(1) of the Bye-laws, Tan Sri Dato' Lim Tong Yong, Mr. Gao Yang, Mr. Xu Haiou (“**Mr. Xu**”) and Mr. Chau Sen Chung (“**Mr. Chau**”) shall retire from office by rotation at the AGM and Ms. Chan Ying, who was appointed as Director by the Board after the annual general meeting held on 2 June 2017, shall retire at the AGM pursuant to Bye-law 86(2) of the Bye-laws. All the above retiring Directors, being eligible, will offer themselves for re-election.

Each of Mr. Xu and Mr. Chau, being independent non-executive Directors eligible for re-election at the AGM, has made an annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules. As an independent non-executive Director, each of Mr. Xu and Mr. Chau has demonstrated his ability to provide an independent view to the Company's matters. The Board is of the view that each of Mr. Xu and Mr. Chau is able to continue to fulfill his role as an independent non-executive Director and thus recommends him for re-election at the AGM. Further, the Board is also of the view that each of Mr. Xu and Mr. Chau meets the independence guidelines set out in Rule 5.09 of the GEM Listing Rules and is independent in accordance with the terms of the guidelines.

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 retiring Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular. At the AGM, ordinary resolutions will be proposed to approve the re-election of the retiring Directors.

ANNUAL GENERAL MEETING

Set out on pages AGM-1 to AGM-5 of this circular is the notice convening the AGM to consider and, if appropriate, to approve, among other things, the ordinary resolutions in relation to the re-election of the retiring Directors, the Issue Mandate (and any extension thereof) and the Repurchase Mandate.

A form of proxy for use at the AGM is enclosed with this circular. To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and returned, 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, to the Company's branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, as soon as possible but in any event not later than 10:30 a.m. on Sunday, 3 June 2018 or not less than 48 hours before the time appointed for holding of any adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM or any adjourned meeting if you so wish and in such event, the form of proxy previously submitted shall be deemed to be revoked.

LETTER FROM THE BOARD

VOTING AT ANNUAL GENERAL MEETING BY WAY OF POLL

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, all the resolutions set out in the notice of the AGM will be voted by poll. The Company will announce the results of the poll in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

So far as the Directors are aware and having made all reasonable enquiries, as at the Latest Practicable Date, no Shareholder is required to abstain from voting on any resolutions to be proposed at the AGM.

CLOSURE OF REGISTER OF MEMBERS

To ascertain the Shareholders' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Wednesday, 30 May 2018 to Tuesday, 5 June 2018, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the entitlement to attend and vote at the AGM, all transfer of Shares accompanied by the relevant shares certificate(s) must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong by 4:30 p.m. on Tuesday, 29 May 2018.

RECOMMENDATION

The Directors consider that the grant of the Issue Mandate, the Repurchase Mandate, and the re-election of retiring Directors are all in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the AGM as set out in the notice of AGM.

GENERAL

Your attention is also drawn to the appendices to this circular.

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,
By Order of the Board
HENG XIN CHINA HOLDINGS LIMITED
Lim Tong Yong
Chairman

** for identification purpose only*

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 approval of the Repurchase Mandate.

1. PROVISIONS OF THE GEM LISTING RULES**(a) Shareholders' approval**

All proposed repurchase of securities on GEM by a company with its primary listing on GEM must be approved in advance by an ordinary resolution, either by way of general mandate or by special approval in relation to a particular transaction.

(b) Source of funds

Any repurchases must be financed out of funds legally available for the purpose and in accordance with the company's constitutional documents and the laws of the jurisdiction in which the company is incorporated or otherwise established.

(c) Core connected person

Under the GEM Listing Rules, a company shall not knowingly repurchase shares from a core connected person (as defined under the GEM Listing Rules) and a core connected person shall not knowingly sell his shares to the company. As at the Latest Practicable Date and to the best of the knowledge of the Directors who have made all reasonable enquiries, none of the Directors or their close associates (as defined under the GEM Listing Rules) has a present intention to sell Shares to the Company or has undertaken not, in the event that the Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company.

2. 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 number of issued Shares as at the date of passing the relevant resolution. As at the Latest Practicable Date, the authorised share capital of the Company was HK\$100,000,000 and the paid-up share capital was HK\$83,045,380.10, representing 8,304,538,010 Shares in issue. On the basis of 8,304,538,010 Shares in issue (assuming no Shares will be issued or repurchased by the Company from the Latest Practicable Date up to the date of the AGM), the Company would be authorised under the Repurchase Mandate to repurchase a maximum of 830,453,801 Shares during the period in which the Repurchase Mandate remains in force.

3. REASONS FOR THE REPURCHASE

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 repurchase 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 a repurchase will benefit the Company and the Shareholders.

4. IMPACT OF REPURCHASES

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 31 December 2017) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such 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.

5. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Bye-laws, the GEM Listing Rules, and the applicable laws of Bermuda. The Company may not purchase securities on GEM 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.

6. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, their close associates (as defined in the GEM Listing Rules) have any present intention to sell any Shares to the Company under the Repurchase Mandate if the same is approved by the Shareholders.

No core connected person (as defined in the GEM Listing Rules) of the Company has notified the Company that he/she/it 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.

7. 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 and the applicable laws of Bermuda.

8. EFFECT OF TAKEOVERS CODE

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. 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 Rule 26 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 Shares (based on the information available to the Directors as at the Latest Practicable Date), before and after such repurchase would be as follows:

Name of Shareholders	Number of Shares	Percentage of existing shareholding	Percentage of shareholding if the Repurchase Mandate is exercised in full
Lim Tong Yong	865,596,000	10.42%	11.58%
Ascent Star Corporation Limited	840,000,000	10.11%	11.24%

The Directors are not aware of any consequences which may arise under the Takeovers Code as a consequence of any repurchase made under the Repurchase Mandate.

The Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in the number of Shares in the hands of public falling below the prescribed minimum percentage of 25% as required by the GEM Listing Rules.

9. SHARE REPURCHASE MADE BY THE COMPANY

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

10. SHARE PRICES

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

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2017		
April	0.085	0.060
May	0.073	0.061
June	0.065	0.041
July	0.071	0.041
August	0.065	0.047
September	0.055	0.020
October	0.041	0.023
November	0.046	0.034
December	0.040	0.031
2018		
January	0.038	0.032
February	0.041	0.030
March	0.044	0.035
April (up to and including the Latest Practicable Date)	0.038	0.012

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, will offer themselves for re-election at the AGM pursuant to Bye-law 86(2) or 87(1) of the Bye-laws, are set out below:

1. **Tan Sri Dato' Lim Tong Yong, an executive Director**

Tan Sri Dato' Lim Tong Yong (“**Tan Sri Dato' Lim**”), aged 68, was appointed as the chairman of the Board and an executive Director on 17 February 2016. He is also a director of several subsidiaries of the Company. Tan Sri Dato' Lim was conferred an honorary title of Tan Sri by His Majesty the King of Malaysia. He obtained his Bachelor Degree from Nanyang University, Singapore in 1971. Using his knowledge and experience in the palm oil industry, Tan Sri Dato' Lim established Paos Industries Sdn Bhd in 1987 and subsequently, he established Paos Holdings Berhad in 1997. Paos Holdings Berhad has been listed on the main board of Bursa Malaysia Berhad since 2000, which principally engaged in the downstream of the palm oil industry, producing palm oil and value-added products of palm oil, such as finished soap, animal feed, cocoa butter substitute and soap chips. Currently, Paos Industries Sdn Bhd is a wholly-owned subsidiary of Paos Holdings Berhad while Tan Sri Dato' Lim is the substantial shareholder of Paos Holdings Berhad. He was the major shareholder of Pantai Holdings Berhad, the largest chain of private hospital in Malaysia. In addition, Tan Sri Dato' Lim also involved in various industries, such as medical, hemodialysis products, investment bank, chemical products, biodiesel, palm oil refineries, soy lecithin, hotel and tourism.

Tan Sri Dato' Lim has entered into a service contract with the Company for an initial term of one year commencing from 17 February 2016, which is renewable automatically for successive terms of one year each commencing from the day next after the expiry of the then current term of appointment, subject to termination by either party by serving prior notice to the other party no less than three months' notice in writing. He is subject to the provisions of retirement by rotation at least once every three years in accordance with the Bye-laws. Tan Sri Dato' Lim is entitled to a Director's fee of HK\$80,000 per month, which is determined by the remuneration committee of the Company (the “**Remuneration Committee**”) with reference to his experience, duties and responsibilities and the prevailing market conditions.

Save as disclosed above, as at the Latest Practicable Date, Tan Sri Dato' Lim did not (i) hold any directorships in other listed company in the last three years; (ii) have any other major appointments and professional qualifications; (iii) hold any other position with the Company or other members of the Group; and (iv) have any relationship with any other Directors, senior management, substantial or controlling shareholders (within the meaning of the GEM Listing Rules) of the Company.

As at the Latest Practicable Date, Tan Sri Dato' Lim is interested in 865,596,000 Shares. Save as disclosed above, Tan Sri Dato' Lim did not have or was not deemed to have any other interests or short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

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

Save as disclosed above, there was no other information which was required to be disclosed pursuant to any of the requirements of Rule 17.50(2) of the GEM Listing Rules (particularly in relation to sub-paragraphs (h) to (v) therein) and there was no other matters that need to be brought to the attention of the Shareholders in respect of the re-election of Tan Sri Dato' Lim.

2. Ms. Chan Ying, an executive Director

Ms. Chan Ying (“**Ms. Chan**”), aged 36, was appointed as an executive Director and the chief executive officer of the Company on 30 April 2018. She obtained a bachelor degree in Economics and Social Science and Policy from The University of New South Wales and a master degree in International Business from Monash University. Ms. Chan has extensive experience in media and administrative management field. She is currently the vice president of Xinhua News Media Holdings Limited (Stock Code: 309), a company whose shares are listed on the Main Board of the Stock Exchange.

Ms. Chan will enter into a service contract with the Company for an initial term of one year commencing from 30 April 2018, which is automatically renewable for successive terms of one year each commencing from the day next after the expiry of the then current term of appointment, subject to termination by either party by serving prior notice to the other party no less than three months’ notice in writing. She is subject to retirement at the next following annual general meeting of the Company and at which she will be eligible for re-election and thereafter subject to retirement by rotation in accordance with the Bye-laws. Ms. Chan’s director remuneration will be determined with reference to her duties and responsibilities at a later stage.

Save as disclosed above, as at the Latest Practicable Date, Ms. Chan did not (i) hold any directorships in other listed company in the last three years; (ii) have any other major appointments and professional qualifications; (iii) hold any other position with the Company or other members of the Group; (iv) have any relationship with any other Directors, senior management, substantial or controlling shareholders (within the meaning of the GEM Listing Rules) of the Company; and (v) have any interests or short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO).

Save as disclosed above, there was no other information which was required to be disclosed pursuant to any of the requirements of Rule 17.50(2) of the GEM Listing Rules (particularly in relation to sub-paragraphs (h) to (v) therein) and there was no other matters that need to be brought to the attention of the Shareholders in respect of the re-election of Ms. Chan.

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

3. **Mr. Gao Yang, an executive Director**

Mr. Gao Yang (“**Mr. Gao**”), aged 63, was appointed as an independent non-executive Director on 9 November 2015 and re-designated as an executive Director on 18 December 2015. He is also the compliance officer of the Company and a director of several subsidiaries of the Company. Mr. Gao graduated from 全國法院幹部業餘法律大學 National Judicial Official Amateur Legal University* (the predecessor of National Judges College), majoring in law. He has extensive legal knowledge and has accumulated extensive experience in judgement. Mr. Gao had been worked in the Beijing court system for almost 20 years and has held various positions such as clerk of the court, assistant judge, judge, deputy chief judge of the Criminal Court and chief judge of the Economic Court. He also worked as general manager for several companies during 1991 to 2015.

The Company has entered into a service contract with Mr. Gao in relation to his appointment as executive Director commencing from 18 December 2015 for an initial 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, subject to termination by either party by serving prior notice to the other party no less than three months. He is subject to the provisions of retirement by rotation at least once every three years in accordance with the Bye-laws. Mr. Gao is entitled to a Director’s fee of HK\$80,000 per month, which is determined by the Remuneration Committee with reference to his experience, duties and responsibilities and the prevailing market conditions.

Save as disclosed above, as at the Latest Practicable Date, Mr. Gao did not (i) hold any directorships in other listed company in the last three years; (ii) have any other major appointments and professional qualifications; (iii) hold any other position with the Company or other members of the Group; (iv) have any relationship with any other Directors, senior management, substantial or controlling shareholders (within the meaning of the GEM Listing Rules) of the Company; and (v) have any interests or short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO).

Save as disclosed above, there was no other information which was required to be disclosed pursuant to any of the requirements of Rule 17.50(2) of the GEM Listing Rules (particularly in relation to sub-paragraphs (h) to (v) therein) and there was no other matters that need to be brought to the attention of the Shareholders in respect of the re-election of Mr. Gao.

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

4. Mr. Xu Haiou, an independent non-executive Director

Mr. Xu Haiou (“**Mr. Xu**”), aged 50, was appointed as an independent non-executive Director on 15 June 2016. He is also a member of each of the audit committee of the Company and the Remuneration Committee. Mr. Xu holds a degree of bachelor of business studies with a major in finance, from Massey University of New Zealand. He has over 10 years’ experience in banking credit and investment management businesses and 10 years’ experience in private equity funds management. Mr. Xu had worked in 深圳市奇納實業發展有限公司 (Shenzhen Qina Industrial Development Co., Ltd.*) during the period of 2010 to September 2013 as deputy general manager and was involved in helping that company to apply for personal SAFE foreign currency exchange franchise business, and the establishment of “Excellent Exchange” currency exchange brand. In 2013, he founded and served as the general manager of 深圳百新貿易有限公司 (Shenzhen G&F Trading Co., Ltd.), which is a company principally engaged in operation of convenience store chain business in Shenzhen port, metro and hospitals.

Mr. Xu has entered into a service contract with the Company for an initial term of one year commencing from 15 June 2016, which is automatically renewable for successive terms of one year each which may be terminated by either party giving not less than three months’ prior notice. He is subject to the provisions of retirement by rotation at least once every three years in accordance with the Bye-laws. Mr. Xu is entitled to a Director’s fee of HK\$240,000 per annum, which is determined by the Board by reference to his experience, duties and responsibilities, the prevailing market conditions and the recommendation from the Remuneration Committee.

Save as disclosed above, as at the Latest Practicable Date, Mr. Xu did not (i) hold any directorships in other listed company in the last three years; (ii) have any other major appointments and professional qualifications; (iii) hold any other position with the Company or other members of the Group; (iv) have any relationship with any other Directors, senior management, substantial or controlling shareholders (within the meaning of the GEM Listing Rules) of the Company; and (v) have any interests or short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO).

Save as disclosed above, there was no other information which was required to be disclosed pursuant to any of the requirements of Rule 17.50(2) of the GEM Listing Rules (particularly in relation to sub-paragraphs (h) to (v) therein) and there was no other matters that need to be brought to the attention of the Shareholders in respect of the re-election of Mr. Xu.

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

5. Mr. Chau Sen Chung, an independent non-executive Director

Mr. Chau Sen Chung (“**Mr. Chau**”), aged 58, was appointed as an independent non-executive Director on 31 August 2016. He is also a member of each of the nomination committee of the Company and the Remuneration Committee. Mr. Chau obtained a Bachelor degree from 華東師範大學 (East China Normal University) with a major in Mathematics. He had served as 上海市公共關係協會常務副秘書長 (the Deputy Secretary-General of Shanghai Public Relations Association) in 上海市委統戰部工商處 (the Economic Section of the United Front Work Department of Shanghai Committee of the Chinese People’s Political Consultative Conference) and had also served as the chief representative of the Shanghai representative office of 英國聯合多美集團公司 (Allied Domecq PLC), responsible for managing the wine trading business in provinces in Huadong region. Mr. Chau is currently a director of 暢邑 (上海) 國際貿易有限公司 (Changyi (Shanghai) International Trade Co., Ltd.). He has extensive experience in wine trading. In addition, Mr. Chau involved in clubhouse catering business since 2014 and entrenched well-developed relationships and network.

Mr. Chau has entered into a service contract with the Company for an initial term of one year commencing from 31 August 2016, which is automatically renewable for successive terms of one year each which may be terminated by either party giving not less than three months’ prior notice. He is subject to the provisions of retirement by rotation at least once every three years in accordance with the Bye-laws. Mr. Chau is entitled to a Director’s fee of HK\$240,000 per annum, which is determined by the Board by reference to his experience, duties and responsibilities, the prevailing market conditions and the recommendation from the Remuneration Committee.

Save as disclosed above, as at the Latest Practicable Date, Mr. Chau did not (i) hold any directorships in other listed company in the last three years; (ii) have any other major appointments and professional qualifications; (iii) hold any other position with the Company or other members of the Group; (iv) have any relationship with any other Directors, senior management, substantial or controlling shareholders (within the meaning of the GEM Listing Rules) of the Company; and (v) have any interests or short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO).

Save as disclosed above, there was no other information which was required to be disclosed pursuant to any of the requirements of Rule 17.50(2) of the GEM Listing Rules (particularly in relation to sub-paragraphs (h) to (v) therein) and there was no other matters that need to be brought to the attention of the Shareholders in respect of the re-election of Mr. Chau.

** for identification purpose only*

NOTICE OF ANNUAL GENERAL MEETING



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)

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**meeting**”) of Heng Xin China Holdings Limited (the “**Company**”) will be held at Suite 3604, 36/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Tuesday, 5 June 2018 at 10:30 a.m. (or any adjournment thereof) for purpose of transacting the following businesses:

1. To receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors of the Company (the “**Directors**”) and the independent auditor of the Company for the year ended 31 December 2017.
2.
 - (a) To re-elect Tan Sri Dato’ Lim Tong Yong as a Director.
 - (b) To re-elect Ms. Chan Ying as a Director.
 - (c) To re-elect Mr. Gao Yang as a Director.
 - (d) To re-elect Mr. Xu Haiou as a Director.
 - (e) To re-elect Mr. Chau Sen Chung as a Director.
 - (f) To authorize the board of Directors (the “**Board**”) to fix the Directors’ remuneration.
3. To re-appoint ZHONGHUI ANDA CPA Limited as the auditor of the Company and authorize the Board to fix its remuneration.

As special businesses, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

4. “**THAT:**
 - (a) subject to paragraph (c) of this resolution, pursuant to the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by 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;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) of this resolution 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 number of Shares 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) of this resolution, 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 number of issued Shares on the date of the passing of this resolution; and
 - (bb) (provided that resolution numbered 6 is passed) the aggregate number of Shares repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate number of issued Shares on the date of the passing of this resolution),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly;

- (d) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (c) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (c) above as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same; and
- (e) 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

NOTICE OF ANNUAL GENERAL MEETING

- (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 of members of the Company 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) Subject to paragraph (b) of this resolution, 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 and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares which may be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the number of issued Shares as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly;
- (c) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (b) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (b) above as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purposes of this resolution:

“**Relevant Period**” means the period from 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 numbered 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 and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to resolution numbered 4 above be and is hereby extended by the addition thereon of an amount representing the aggregate number of Shares repurchased by the Company subsequent to the passing of this resolution, provided that such amount shall not exceed 10 per cent. of the aggregate number of issued Shares on the date of the passing of resolution numbered 5.”

By Order of the Board
HENG XIN CHINA HOLDINGS LIMITED
Lim Tong Yong
Chairman

Hong Kong, 4 May 2018

Registered Office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place of business
in Hong Kong:*
Suite 3604, 36/F., Central Plaza
18 Harbour Road, Wanchai
Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or, if he/she/it is the holder of two or more Shares, more proxies to attend the meeting and, subject to the provisions of the bye-laws of the Company, to vote instead of him/her/it. 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 branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, in accordance with the instructions printed thereon not later than 10:30 a.m. on Sunday, 3 June 2018 or not less than 48 hours before the time appointed for holding of any adjourned meeting (as the case may be). 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/she/it so wish. In such event, the form of proxy previously submitted shall be deemed to be revoked.
3. In order to determine the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Wednesday, 30 May 2018 to Tuesday, 5 June 2018, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the entitlement to attend and vote at the meeting, all transfer of Shares accompanied by the relevant shares certificate(s) must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong by 4:30 p.m on Tuesday, 29 May 2018.
4. 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/she/it 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.
5. References to the time and dates in this notice are to Hong Kong times and dates.
6. As at the date of this notice, the Board comprises Tan Sri Dato' Lim Tong Yong (Chairman), Ms. Chan Ying (Chief Executive Officer), Mr. Gao Yang, Mr. Gao Xixi, Mr. Jesus Shaozhu, Ms. Hui Shuk Wan and Mr. Wu Di as executive Directors and Ms. Lam Kong Ting Jielly, Mr. Lu Qinming, Mr. Xu Haiou and Mr. Chau Sen Chung as independent non-executive Directors.

** for identification purpose only*