

ANNOUNCEMENT OF ALLOTMENT RESULTS

SUMMARY

- The Offer Price has been determined at HK\$2.25 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%).
- Based on the Offer Price of HK\$2.25 per Offer Share, the net proceeds from the Share Offer to be received by the Company is estimated to be approximately HK\$95 million.
- A total of 1,210 valid applications pursuant to the Public Offer on **WHITE** and **YELLOW** Application Forms for a total of 23,586,000 Offer Shares were received, representing approximately 2.4 times of the total number of 9,868,000 Offer Shares initially available under the Public Offer.
- The Offer Shares initially offered under the Placing have been moderately over-subscribed. The final number of Offer Shares comprised in the Placing is 88,812,000 Offer Shares, representing 90% of the Share Offer.

Results of allocations in the Public Offer, including the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants (where supplied) and the number of Public Offer Shares successfully applied for under **WHITE** and **YELLOW** Application Forms will be made available at the times and dates and in the manner specified below:

- on the website of Tricor Investor Services Limited at www.tricor.com.hk/ipo/result on a 24-hour basis from 8:00 a.m. on Wednesday, 22 December 2010 to 12:00 midnight on Tuesday, 28 December 2010. The user will be required to key in the Hong Kong Identity card/passport/Hong Kong business registration certificate number provided in his/her/its application form to search for his/her its own allocation result;
- on the website of the Company at www.hengxin.com.sg and the website of the Stock Exchange at www.hkexnews.hk from Wednesday, 22 December 2010 onward;
- from the Company's Public Offer allocation results telephone enquiry line. Applicants may find out whether or not their applications have been successful and the number of the Public Offer Shares allocated to them, if any, by calling 3691-8488 between 9:00 a.m. and 6:00 p.m. from Wednesday, 22 December 2010 to Tuesday, 28 December 2010 (excluding Saturday, Sunday and public holidays); and
- from special allocation results booklets which set out the results of allocations will be available for inspection during opening hours of the designated branches of the receiving banker of the Public Offer from Wednesday, 22 December 2010 to Friday, 24 December 2010 at the addresses set out below in this announcement.

Wholly or partially successful applicants who have applied for 1,000,000 Public Offer Shares or more and have indicated on their **WHITE** Application Forms that they wish to collect their share certificates and/or refund cheques (where applicable) in person may collect their share certificates and/or refund cheques (where applicable) in person from Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wan Chai, Hong Kong, between 9:00 a.m. and 1:00 p.m. on Wednesday, 22 December 2010. Identification and (where applicable) authorisation documents acceptable to Tricor Investor Services Limited must be produced at the time of collection.

Share certificates and/or refund cheques (where applicable) for Public Offer Shares allotted to applicants using **WHITE** Application Forms which are either not available for personal collection or which are available but are not collected in person are expected to be despatched by ordinary post to their addresses as specified on their Application Forms promptly thereafter, by ordinary post and at their own risk.

Applicants who have applied for 1,000,000 Public Offer Shares or more using **YELLOW** Application Forms and have indicated on their Application Forms that they wish to collect their refund cheques (where applicable) in person may collect refund cheques (where applicable) in person from Tricor Investor Services Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wan Chai, Hong Kong, between 9:00 a.m. and 1:00 p.m. on Wednesday, 22 December 2010. Identification and (where applicable) authorisation documents acceptable to Tricor Investor Services Limited must be produced at the time of collection.

Refund cheques (where applicable) for applicants using **YELLOW** Application Forms which are either not available for personal collection or which are available but are not collected in person are expected to be despatched by ordinary post to their addresses as specified on their Application Forms promptly thereafter, by ordinary post and at their own risk.

Share certificates will only become valid certificates of title at 8:00 a.m. on Thursday, 23 December 2010 provided that the Share Offer has become unconditional in all respects and the Underwriting Agreement have not been terminated in accordance with their terms. For more information, please refer to the paragraph headed "Grounds for termination" in the section headed "Underwriting" in the Prospectus.

The Company will not issue any temporary documents of title. No receipts will be issued for application monies paid. Dealings in the Shares on the Stock Exchange are expected to commence at 9:30 a.m. on Thursday, 23 December 2010. Shares will be traded in board lots of 2,000 Shares each. The stock code of the Shares is 1085.

OFFER PRICE AND USE OF NET PROCEEDS FROM THE SHARE OFFER

The Offer Price has been determined at HK\$2.25 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%).

Based on the Offer Price of HK\$2.25 per Offer Share, the net proceeds from the Share Offer (after deducting underwriting commissions and other estimated offering expenses payable by the Company in connection with the Share Offer) to be received by the Company is estimated to be approximately HK\$95 million. The Company intends to apply such net proceeds as follows:

- approximately HK\$8.6 million or 9.1% of the net proceeds will be used to further expand its sales network into overseas market;
- approximately HK\$41.5 million or 43.6% of the net proceeds will be used to diversify its product portfolio to antennas, among which, (i) approximately HK\$10.4 million will be used for purchasing of machinery; (ii) approximately HK\$8.6 million will be used for acquisition of land and construction of buildings; (iii) approximately HK\$16.4 million will be used for research and development; and (iv) approximately HK\$6.1 million will be used for sales and marketing;
- approximately HK\$27.7 million or 29.1% of the net proceeds will be used to diversify its product portfolio to high temperature resistant cables, among which, (i) approximately HK\$13.8 million will be used for purchasing of manufacturing equipments; (ii) approximately HK\$2.6 million will be used for reconstruction of our warehouse, part of which shall be used as production plant; (iii) approximately HK\$7.8 million will be used for research and development; and (iv) approximately HK\$3.5 million will be used for sales and marketing;
- approximately HK\$8.6 million or 9.1% of the net proceeds will be used to enhance its research and development team; and
- approximately HK\$8.6 million or 9.1% of the net proceeds will be used as its general working capital.

To the extent that the net proceeds of the Share Offer are not immediately applied for the above purposes, it is the present intention of the Directors that such net proceeds will be placed on short-term deposits with authorised financial institutions and/or licensed banks.

The Company will not receive any of the proceeds from the sale of the Sale Shares by the Selling Shareholders. Based on the Offer Price of HK\$2.25 per Offer Share, the Selling Shareholders will receive approximately HK\$102 million, after deducting underwriting fees and other applicable expenses relating to the Sale Shares payable by the Selling Shareholders.

LEVEL OF APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED

As at the close of the application lists at 12:00 noon on Friday, 17 December 2010, a total of 1,210 valid applications (applications on **WHITE** and **YELLOW** Application Forms) and for a total of 23,586,000 Offer Shares were received, representing approximately 2.4 times of the total number of 9,868,000 Offer Shares initially available under the Public Offer.

Of the 1,210 valid applications on **WHITE** and **YELLOW** Application Forms for a total of 23,586,000 Offer Shares, a total of 1,209 applications in respect of a total of 21,086,000 Offer Shares were for Offer Shares with an aggregate subscription amount based on the maximum offer price of HK\$3.00 per Offer Share of HK\$5 million or below (exclusive of 1% brokerage, 0.003% SFC transaction levy and 0.005% Stock Exchange trading fee) which is equivalent to approximately 4.27 times of the total number of 4,934,000 Offer Shares initially available for allocation in Pool A of the Public Offer, and a total of 1 application in respect of a total of 2,500,000 Offer Shares were for Offer Shares with an aggregate subscription amount based on the maximum offer price of HK\$3.00 per Offer Share of more than HK\$5 million (exclusive of 1% brokerage, 0.003% SFC transaction levy and 0.005% Stock Exchange trading fee) which is equivalent to approximately 50.67% of the total number of 4,934,000 Offer Shares initially available for allocation in Pool B of the Public Offer. Since Pool B is undersubscribed, the surplus Public Offer Shares has been transferred to satisfy demand in Pool A and be allocated accordingly.

One application has been rejected due to bounced cheque. No multiple or suspected multiple applications or invalid applications have been identified. No application for more than 4,934,000 Shares has been identified.

THE PLACING

The Directors further announce that the Offer Shares initially offered under the Placing have been moderately over-subscribed. The final number of Offer Shares comprised in the Placing is 88,812,000 Offer Shares, representing 90% of the Share Offer.

The Directors confirm that no Offer Shares have been allocated to applicants who are Directors, existing Shareholders or connected persons of the Company within the meaning of the Listing Rules. None of the Sole Sponsor, the Sole Bookrunner, the Joint Lead Managers of the Share Offer, the Underwriters and their respective affiliated companies and connected clients (as set out in Appendix 6 to the Listing Rules) has taken up any Offer Shares for its own benefit under the Share Offer.

The Directors confirm that the Placing is in compliance with the placing guidelines for equity securities as set out in Appendix 6 to the Listing Rules and no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after the Share Offer. As such, the Directors confirm that there will not be any new substantial shareholder immediately after the Share Offer, and the number of Shares in public hands will satisfy the minimum percentage prescribed by Rule 8.08 of the Listing Rules.

BASIS OF ALLOTMENT UNDER THE PUBLIC OFFER

Valid applications made by the public on **WHITE** and **YELLOW** Application Forms will be conditionally allotted on the basis set out below:

Number of shares applied for	Number of valid applications	Basis of allocation/ballot	Approximate percentage allotted of the total number of shares applied for
POOL A			
2,000	348	2,000 shares	100.00%
4,000	113	2,000 shares plus 46 out of 113 applicants to receive an additional 2,000 shares	70.35%
6,000	383	2,000 shares plus 364 out of 383 applicants to receive an additional 2,000 shares	65.01%
8,000	54	4,000 shares plus 13 out of 54 applicants to receive an additional 2,000 shares	56.02%
10,000	129	4,000 shares plus 43 out of 129 applicants to receive an additional 2,000 shares	46.67%
12,000	3	4,000 shares plus 2 out of 3 applicants to receive an additional 2,000 shares	44.44%
14,000	2	6,000 shares	42.86%
16,000	7	6,000 shares plus 1 out of 7 applicants to receive an additional 2,000 shares	39.29%
18,000	4	6,000 shares plus 1 out of 4 applicants to receive an additional 2,000 shares	36.11%
20,000	24	6,000 shares plus 10 out of 24 applicants to receive an additional 2,000 shares	34.17%
30,000	33	8,000 shares plus 27 out of 33 applicants to receive an additional 2,000 shares	32.12%
40,000	19	12,000 shares	30.00%
50,000	18	14,000 shares	28.00%
60,000	2	16,000 shares	26.67%
70,000	9	18,000 shares	25.71%
80,000	10	20,000 shares	25.00%
90,000	1	22,000 shares	24.44%
100,000	28	22,000 shares plus 21 out of 28 applicants to receive an additional 2,000 shares	23.50%
200,000	13	46,000 shares plus 6 out of 13 applicants to receive an additional 2,000 shares	23.46%
300,000	3	70,000 shares	23.33%
500,000	2	116,000 shares	23.20%
700,000	1	162,000 shares	23.14%
900,000	1	208,000 shares	23.11%
1,000,000	2	230,000 shares	23.00%

1,209

Number of shares applied for	Number of valid applications	Basis of allocation/ballot	Approximate percentage allotted of the total number of shares applied for
POOL B			
2,500,000	<u>1</u>	2,500,000 shares	100.00%

The final number of Offer Shares under the Public Offer and the Placing are 9,868,000 Offer Shares and 88,812,000 Offer Shares respectively, representing 10% and 90% of the Offer Shares under the Share Offer respectively.

RESULTS OF ALLOCATIONS

Results of allocations in the Public Offer, including the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants (where supplied) and the number of Public Offer Shares successfully applied for under **WHITE** and **YELLOW** Application Forms will be made available at the times and dates and in the manner specified below:

- on the website of Tricor Investor Services Limited at www.tricor.com.hk/ipo/result on a 24-hour basis from 8:00 a.m. on Wednesday, 22 December 2010 to 12:00 midnight on Tuesday, 28 December 2010. The user will be required to key in the Hong Kong Identity card/passport/Hong Kong business registration certificate number provided in his/her/its application form to search for his/her its own allocation result;
- on the website of the Company at www.hengxin.com.sg and the website of the Stock Exchange at www.hkexnews.hk from Wednesday, 22 December 2010 onward;
- from the Company's Public Offer allocation results telephone enquiry line. Applicants may find out whether or not their applications have been successful and the number of the Public Offer Shares allocated to them, if any, by calling 3691-8488 between 9:00 a.m. and 6:00 p.m. from Wednesday, 22 December 2010 to Tuesday, 28 December 2010 (excluding Saturday, Sunday and public holidays); and
- from special allocation results booklets which set out the results of allocations will be available for inspection during opening hours of the designated branches of the receiving banker of the Public Offer from Wednesday, 22 December 2010 to Friday, 24 December 2010 at the addresses set out below.

Branches of Bank of Communications Co., Ltd. Hong Kong Branch

	Branch Name	Branch Address
Hong Kong Island	Hong Kong Branch	20 Pedder Street, Central
	King's Road Sub-Branch	67-71 King's Road
	Chaiwan Sub-Branch	G/F., 121-121A Wan Tsui Road
	Kennedy Town Sub-Branch	G/F., 113-119 Belcher's Street
Kowloon	Kowloon Sub-Branch	G/F., 563 Nathan Road
	Kwun Tong Sub-Branch	Shop A, G/F., Hong Ning Court, 55 Hong Ning Road
	Jordan Road Sub-Branch	1/F., Booman Bldg, 37U Jordan Road
	Ngau Tau Kok Sub-Branch	Shop G1 & G2, G/F., Phase I, Amoy Plaza, 77 Ngau Tau Kok Road
	Shamshuipo Sub-Branch	G/F., Shop 1, Golden Centre, 94 Yen Chow Street, Sham Shui Po
New Territories	Tai Po Sub-Branch	Shop No.1, G/F., Wing Fai Plaza, 29-35 Ting Kok Road
	Ma On Shan Sub-Branch	Shop Nos. 3038A & 3054-56, Level 3, Sunshine City Plaza
	Market Street Sub-Branch	G/F., 53 Market Street, Tsuen Wan