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HENGXIN TECHNOLOGY LTD.

亨鑫科技有限公司*

(carrying on business in Hong Kong as HX Singapore Ltd.)

(Incorporated in Singapore with limited liability)

(Singapore Registration No.: 200414927H)

(Hong Kong Stock Code: 1085)

(Singapore Stock Code: I85)

DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITION OF PROPERTIES

Reference is made to the information in the Company's prospectus dated 14 December 2010 set out on pages 38 to 43 and the announcement made by the Company on the SGX-ST on 6 August 2010 in relation to the No. 5 Land which is being held by an independent third party but is currently used by one of the Company's subsidiaries.

The Board is pleased to announce that on 23 April 2014, Jiangsu Hengxin, a direct wholly-owned subsidiary of the Company, as the purchaser, entered into the Agreement with Ruidi, as the vendor, pursuant to which Jiangsu Hengxin agreed to purchase and Ruidi agreed to sell the Properties for a total consideration of approximately RMB43.0 million (equivalent to approximately HK\$53.8 million).

Implications under the Listing Rules

As one of the applicable percentage ratios in respect of the Acquisition is more than 5% but less than 25%, the Acquisition contemplated under the Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements but exempt from Shareholders' approval requirement under the Listing Rules.

Reference is made to the information in the Company's prospectus dated 14 December 2010 set out on pages 38 to 43 and the announcement made by the Company on the SGX-ST on 6 August 2010 in relation to the No. 5 Land which is being held by an independent third party but is currently used by one of the Company's subsidiaries.

INTRODUCTION

The Board is pleased to announce that on 23 April 2014, Jiangsu Hengxin, a direct wholly-owned subsidiary of the Company, as the purchaser, entered into the Agreement with Ruidi, as the vendor, pursuant to which Jiangsu Hengxin agreed to purchase and Ruidi agreed to sell the Properties for a total consideration of approximately RMB43.0 million (equivalent to approximately HK\$53.8 million).

THE AGREEMENT

Date : 23 April 2014 (after trading hours)

Parties : Jiangsu Hengxin (as purchaser)
Ruidi (as vendor)

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Ruidi and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

PROPERTIES

The Properties comprise the following:

Property description	Type of property	Permitted land use	Location	Gross area (square metres)	Land use right expiry
No. 5 Land	Land use right	Industrial	Located at the south side of and along Tao Du Road in Dingshu Town, Yixing City, Jiangsu Province, the PRC	19,946.8	31 Dec 2051
Dormitory land parcel	Land use right	Residential	Located at the junction of Tong Shu Road and Fan Li Road in Dingshu Town, Yixing City, Jiangsu Province, the PRC	11,174.0	25 Apr 2064
Dormitory	Dormitory building	Residential	As above	9,867.4	Not applicable

CONSIDERATION AND PAYMENT TERMS

The Consideration for the Acquisition was arrived based on a willing buyer willing seller basis with reference to the valuation conducted by an independent valuer which had been jointly appointed by the parties. The valuation was being conducted based on the prevailing market value of comparable properties nearby the Properties.

Payment shall be made in full within 7 days upon signing of the Agreement, and will be funded by the Group's internal resources.

COMPLETION

Completion of the Acquisition shall take place immediately upon the transfer of title to the Properties from Ruidi to Jiangsu Hengxin.

REASONS FOR THE ACQUISITION OF THE PROPERTIES

The No. 5 Land is currently being occupied by the Group as a workshop and a research and development centre. Pursuant to the Board's resolution dated 5 August 2010, it was resolved that the Company would use its best endeavours to obtain the land use rights of the No. 5 Land at an auction at market price or at a reasonable price as the Board thinks fit. The valuation serves as the reference point for a suitable market price in which the Company is entitled to complete the acquisition of the No. 5 Land.

The Company is also seeking to acquire a dormitory for all of its foreign employees to be situated in one location. As the dormitory is currently located near its main manufacturing base in Dingshu Town, Yixing City, Jiangsu Province, the PRC and additional buildings could be constructed on the same land parcel to house more employees (when the need arises), it is to the Company's long term benefit to acquire its own permanent dormitory with an extended land plot for consolidating and housing its foreign employees.

The Directors are of the view that the terms and conditions for the Acquisition are on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE GROUP

The principal activities of the Group are in the development, manufacture and sale of radio frequency coaxial cables series, antennas and other telecommunication equipment and accessories for mobile communications.

INFORMATION OF RUIDI

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, as at the date of this announcement, Ruidi is a company which is engaged in the business of copper processing and manufacture of coaxial cables.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios for the Acquisition is more than 5% but less than 25%, the Acquisition contemplated under the Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements but exempt from Shareholders' approval requirement under the Listing Rules.

None of the Directors have any material interests in the Acquisition, thus no Directors were required to abstain from voting on the Board resolutions for approving the aforesaid transaction.

DEFINITIONS

In this announcement, the following terms shall have the meanings set out below, unless the context otherwise requires:

“Acquisition”	the acquisition of the Properties pursuant to and in accordance with the Agreement;
“Agreement”	the sale and purchase agreement dated 23 April 2014 entered into between Jiangsu Hengxin and Ruidi for the Acquisition;
“Board”	the Board of Directors of the Company;
“Company”	Hengxin Technology Ltd., a limited liability company incorporated in the Republic of Singapore, the shares of which are listed on the main board of the Stock Exchange and SGX-ST;
“connected person(s)”	has the same meaning as ascribed to this term under the Listing Rules;
“Consideration”	approximately RMB43.0 million (equivalent to approximately HK\$53.8 million, being the total purchase price of the Properties pursuant to the terms and conditions of the Agreement;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Jiangsu Hengxin”	Jiangsu Hengxin Technology Co., Ltd (江蘇亨鑫科技有限公司), a direct wholly-owned subsidiary of the Company and a company incorporated in the PRC with limited liability;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“No. 5 Land”	a plot of land located at the south side of and along Tao Du Road in Dingshu Town, Yixing City, Jiangsu Province, the PRC with a gross area of approximately 19,946.8 square metres;
“percentage ratios”	has the same meaning as ascribed to this term under Chapter 14 of the Listing Rules;
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan);
“Properties”	the No. 5 Land, dormitory and the dormitory land parcel, collectively;
“RMB”	Renminbi, the lawful currency of the PRC;

“Ruidi”	Yixing Ruidi Copper Co., Ltd (宜興瑞迪銅業有限公司), a company incorporated in the PRC with limited liability;
“SGX-ST”	Singapore Exchange Securities Trading Limited;
“Shareholder(s)”	Shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“%”	per cent.

In this announcement, amount quoted in RMB has been converted to HK\$ at the rates of HK\$1.00: RMB0.80. Such exchange rates have been used where applicable, for the purposes of illustration only and does not constitute a representation that any amount were or may have been exchanged at this or any other rates or at all.

By order of the Board of
Hengxin Technology Ltd.
Cui Genxiang
Executive Chairman

Hong Kong, 23 April 2014

As at the date of this announcement, the executive Directors of the Company are Mr. Cui Genxiang and Mr. Xu Guoqiang; the non-executive Director of the Company is Ms. Zhang Zhong; and the independent non-executive Directors of the Company are Mr. Tay Ah Kong Bernard, Mr. Chee Teck Kwong Patrick and Mr. Tam Chi Kwan Michael.

* *For identification purpose only*