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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 SUBSCRIPTIONS OF WEALTH MANAGEMENT PRODUCT**

#### **SUBSCRIPTIONS OF THE WEALTH MANAGEMENT PRODUCT**

The Board is pleased to announce that on 20 December 2016 and 10 April 2017, Hengxin (Jiangsu), a wholly-owned subsidiary of the Company, subscribed for the Wealth Management Product with GF Securities (an Independent Third Party) at the subscription amounts of RMB29 million (equivalent to approximately HK\$32.48 million) and RMB50 million (equivalent to approximately HK\$56 million), respectively.

#### **IMPLICATIONS UNDER THE LISTING RULES**

Pursuant to Rule 14.22 of the Listing Rules, the Subscriptions should be aggregated for the purpose of calculating the percentage ratios in respect of the Second Subscription. As one or more of the applicable percentage ratios in respect of the Second Subscription (after aggregation) are more than 5% but less than 25%, the Second Subscription constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements only but is exempted from shareholders' approval requirement under Chapter 14 of the Listing Rules. The First Subscription, on a standalone basis, does not constitute a notifiable transaction of the Company as all the applicable percentage ratios in respect thereof are less than 5%.

\* For identification purpose only

## SUBSCRIPTIONS OF THE WEALTH MANAGEMENT PRODUCT

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In relation to the Subscriptions, Hengxin (Jiangsu) and GF Securities entered into two subscription agreements on 20 December 2016 and 10 April 2017 with terms substantially the same save and except for the subscription amounts.

The principal terms of the Subscriptions are summarised below.

### 1. The First Subscription

<b>Date of subscription:</b>	20 December 2016
<b>Term of investment:</b>	21 December 2016 – 20 March 2017
<b>Name of Wealth Management Product:</b>	GF Securities Income Certificate “Income Treasure” No. 1 (廣發證券收益憑證「收益寶」1號)
<b>Investment portfolio:</b>	Main areas of investments include but not limited to equities, bonds, funds, deposits, indices, futures and commodities.
<b>Parties:</b>	Hengxin (Jiangsu), as the subscriber; and GF Securities, as the issuer
<b>Subscription amount:</b>	RMB29 million (equivalent to approximately HK\$32.48 million)
<b>Investment yield rate:</b>	3.8% per annum
<b>Interest calculation:</b>	$\text{Yield} = \text{principal of subscription} \times \text{annual investment yield rate} \times \text{actual interest-bearing days}/365$
<b>Type of return</b>	Guarantee principal and return

## 2. The Second Subscription

<b>Date of subscription:</b>	10 April 2017
<b>Term of investment:</b>	11 April 2017 – 10 July 2017
<b>Name of Wealth Management Product</b>	GF Securities Income Certificate “Income Treasure” No. 1 (廣發證券收益憑證「收益寶」1號)
<b>Investment portfolio:</b>	Main areas of investments include but not limited to equities, bonds, funds, deposits, indices, futures and commodities.
<b>Parties:</b>	Hengxin (Jiangsu), as the subscriber; and GF Securities, as the issuer
<b>Subscription amount:</b>	RMB50 million (equivalent to approximately HK\$56 million)
<b>Investment yield rate:</b>	4.23% per annum
<b>Interest calculation:</b>	Yield = principal of subscription × annual investment yield rate × actual interest-bearing days/365
<b>Type of return:</b>	Guarantee principal and return

### **BASIS OF DETERMINATION FOR THE CONSIDERATION**

The consideration for the Subscriptions represents the respective subscription amounts for the Wealth Management Product and was funded by the Group’s internal resources.

### **REASONS AND BENEFITS FOR THE SUBSCRIPTIONS OF THE WEALTH MANAGEMENT PRODUCT**

As the Wealth Management Product offers better returns to the Company as compared to the fixed-term deposit interest rates offered by commercial banks in the PRC and the Subscriptions will not affect the Group’s operational liquidity, the Directors (including the independent non-executive Directors) considered that the Subscriptions of the Wealth Management Product and the terms thereof are fair and reasonable and are in the best interests of the Company and the Shareholders as a whole.

### **INFORMATION ABOUT THE PARTIES**

#### **Hengxin (Jiangsu)**

Hengxin (Jiangsu) is a wholly-owned subsidiary of the Company incorporated in the PRC and is principally engaged in the research, design, development and manufacture of telecommunications and technological products, production of radio frequency coaxial cables for mobile communications and mobile communications systems exchange equipment.

## **GF Securities**

GF Securities is a joint stock company incorporated in the PRC and a company listed on the Shenzhen Stock Exchange (Stock Code: 000776.SZ) and the Stock Exchange (Stock Code: 1776). The principal activities of GF Securities are in the provision of capital market services covering areas of investment banking, wealth management, trading and institutional client services, and investment management. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, GF Securities and its ultimate beneficial owners are Independent Third Parties.

## **IMPLICATIONS UNDER THE LISTING RULES**

Pursuant to Rule 14.22 of the Listing Rules, the Subscriptions should be aggregated for the purpose of calculating the percentage ratios in respect of the Second Subscription. As one or more of the applicable percentage ratios in respect of the Second Subscription (after aggregation) are more than 5% but less than 25%, the Second Subscription constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements only but is exempted from shareholders' approval requirement under Chapter 14 of the Listing Rules. The First Subscription, on a standalone basis, does not constitute a notifiable transaction of the Company as all the applicable percentage ratios in respect thereof are less than 5%.

## **DEFINITIONS**

In this announcement, the following expressions have the following meanings unless the context otherwise requires:

“Board”	the board of Directors
“Company”	Hengxin Technology Ltd., a company incorporated in Singapore with limited liability, the Shares of which are primarily listed on the Main Board of the Stock Exchange and secondarily listed on the Main Board of The Singapore Exchange Securities Trading Limited
“connected person”	has the same meaning as given to this term under the Listing Rules
“Director(s)”	the director(s) of the Company
“First Subscription”	the subscription of the Wealth Management Product in the amount of RMB29 million by Hengxin (Jiangsu) on 20 December 2016
“GF Securities”	GF Securities Co., Ltd., a joint stock company incorporated in the PRC with limited liability and listed on the Shenzhen Stock Exchange (Stock Code: 000776.SZ) and the Stock Exchange (Stock Code: 1776)
“Group”	the Company and its subsidiaries
“Hengxin (Jiangsu)”	Jiangsu Hengxin Technology Co., Ltd. (江蘇亨鑫科技有限公司), a limited liability company established in the PRC on 26 June 2003 and a wholly-owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Third Party(ies)”	person(s) or company(ies) which is/are third party(ies) independent from the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“percentage ratios”	has the same meaning as given to this term under the Listing Rules
“PRC”	the People’s Republic of China, but for the purposes of this announcement only, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Second Subscription”	the subscription of the Wealth Management Product in the amount of RMB50 million by Hengxin (Jiangsu) on 10 April 2017
“Share(s)”	ordinary shares in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriptions”	the First Subscription and the Second Subscription
“Wealth Management Product”	GF Securities Income Certificate “Income Treasure” No. 1 (廣發證券收益憑證「收益寶」1號)
“%”	per cent.

*For illustration purpose only, amounts in RMB in this announcement have been translated into HK\$ at the rate of RMB1.00 = HK\$1.12.*

By Order of the Board  
**Hengxin Technology Ltd.**  
**Cui Wei**  
*Chairman*

Hong Kong, 10 April 2017

*As at the date of this announcement, the executive Directors are Mr. Du Xiping and Mr. Xu Guoqiang; the non-executive Directors are Mr. Cui Wei and Ms. Zhang Zhong; and the independent non-executive Directors are Mr. Tam Chi Kwan Michael, Dr. Li Jun and Mr. Pu Hong.*