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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)

ANNOUNCEMENT

VOLUNTARY DELISTING OF THE SHARES OF HENGXIN TECHNOLOGY LTD. FROM SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

The Board wishes to announce that it has sought the proposed Delisting of the Company's Shares from the SGX-ST and received a confirmation from the SGX-ST on 24 October 2017 that it has no objection to the proposed Delisting subject to certain conditions.

INTRODUCTION

The board (the "**Board**") of directors (the "**Director(s)**") of Hengxin Technology Ltd. (the "**Company**") wishes to announce that it intends to voluntarily delist the Company from a secondary listing on the Official List of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (the "**Delisting**").

RATIONALE FOR THE PROPOSED DELISTING

The Company has sought the Delisting of the shares of the Company (the "**Shares**") from SGX-ST for the following reasons:

- (a) The trading volume of the Shares on the SGX-ST has been generally thin. The trading volume of the Shares on The Stock Exchange of Hong Kong Limited (the "**HKSE**") significantly exceeds the Company's trading volume on the SGX-ST. For illustration purposes, the average daily trading volume of the Shares for the 12 months from October 2016 to September 2017 was 19,519 Shares on the SGX-ST and 130,126 Shares on the HKSE.

* For identification purpose only

- (b) By virtue of having the secondary listing on the SGX-ST, the Company is required to comply with the requirements set out in Rules 217 and 751 of the listing manual of the SGX-ST (the “**Listing Manual**”) (including such other listing requirements that the SGX-ST may impose from time to time) in addition to the Rules Governing the Listing of Securities on the HKSE. The Board believes that the proposed Delisting will eliminate the additional administrative overhead and costs of compliance associated with such SGX-ST requirements (which in its bona fide opinion, outweigh the benefits of the Company’s secondary listing on the SGX-ST), and allow the Company to streamline its compliance obligations, reduce its legal and compliance costs and focus its resources on its business operations for future development.
- (c) The Company believes that its primary listing on the HKSE is sufficient to meet its future debt and equity fund raising requirements to meet its operations needs and future development.
- (d) With the low trading volume and the ability of persons holding Shares in scripless form (the “**CDP Depositors**”) through The Central Depository (Pte) Limited (the “**CDP**”) to trade Shares in Hong Kong, the Company believes that it is no longer necessary to maintain a secondary listing on the SGX-ST.

For the reasons above, the Board believes that the proposed Delisting is in the interests of the Company and its shareholders as a whole.

PROVISIONS OF THE LISTING MANUAL OF THE SGX-ST PERTAINING TO VOLUNTARY DELISTINGS

Before the secondary listing’s regulatory framework came into force on 3 November 2014, the Company was not subject to the continuing listing obligations in Chapters 9, 10 and 13 of the Listing Manual. After 3 November 2014, the Company will continue not to be subject to these obligations.

However, when the SGX-ST approved the Company’s conversion from a primary listing on the SGX-ST to a secondary listing (the “**Conversion**”), the Company was requested to provide a written undertaking that it would comply in full with the delisting requirements in the Listing Manual if it was delisted within three (3) years from the Conversion. This undertaking expired on 8 September 2017, following which the Company will no longer be required to comply with any other continuing listing obligations of the SGX-ST (apart from Rules 217 and 751 of the Listing Manual). Rules 1307 and 1309 of the Listing Manual are, therefore, not applicable to the proposed Delisting. Hence as for the proposed Delisting, (i) no general meeting of the Company will be required to be convened to obtain the approval of the shareholders of the Company, (ii) no exit alternative will be required to be offered to the shareholders of the Company, and (iii) no independent financial adviser will be required to be appointed.

An application has been made by the Company to the SGX-ST to seek its approval for the proposed Delisting. In the application, the Delisting is proposed to take place on or about 5 February 2018 (the “**Delisting Date**”). On 24 October 2017, the SGX-ST advised that it has no objection to the proposed Delisting, subject to the following conditions:

- (i) an immediate announcement of the proposed Delisting to be disseminated via SGXNet;

- (ii) a notice to the CDP Depositors (the “**Notice**”) to be sent and mailed to the CDP Depositors at least three (3) months before the Delisting Date;
- (iii) clear disclosure in the Notice on the actions required by the CDP Depositors including any costs to be incurred by them for the transition. In this respect, the SGX-ST notes the Company’s representation that it will bear the transfer fees with respect to the share transfer process from the CDP to the Central Clearing and Settlement System (“**CCASS**”) or a CCASS participant (the “**Share Transfer Process**”) for the CDP Depositors who effect the share transfer before the Delisting Date. The Company should also inform its shareholders that the CDP Depositors who do not take any action prior to the stipulated deadline will have to make their own arrangements to lodge their Shares with CCASS or a CCASS participant if they wish to sell or trade their Shares on the HKSE;
- (iv) a notice to the CPF Agent Banks (defined below) to be sent and mailed at least three (3) months before the Delisting Date notifying the CPF Agent Banks of the Delisting and relevant information; and
- (v) the Company providing to the SGX-ST a representation that it will bear the fees with respect to the Share Transfer Process for CDP Depositors and CPFIS Investors (defined below) who take action prior to the stipulated deadline.

The SGX-ST’s agreement to the proposed Delisting is not an indication of the merits of the proposed Delisting or the Company and/or its subsidiaries.

IMPLICATIONS OF DELISTING FOR SHAREHOLDERS

The proposed Delisting will result in the Shares being removed from the Official List of the SGX-ST. After the Delisting, Shares will only be traded on the HKSE. Shareholders’ voting rights and entitlement to dividends will not be affected by the Delisting.

ACTIONS TO BE TAKEN BY CDP DEPOSITORS

CDP Depositors may continue to trade their Shares on the SGX-ST until the last day of trading which is tentatively on 19 January 2018 based on the indicative Delisting timetable below.

CDP Depositors who wish to trade their Shares on the HKSE may transfer their Shares from CDP to CCASS or a CCASS participant at any time from the date of this announcement.

In order for the CDP Depositors to transfer their Shares from the CDP to CCASS or a CCASS participant, they will need to do the following:

- (i) to have an account with CCASS or a CCASS participant (which includes any securities brokers (a) from a member firm of the HKSE duly authorised to buy or sell stocks listed on the HKSE, or (b) licensed in Singapore and who is able to trade on, or offer a trading facility for, the HKSE (each of (a) and (b), a “**Relevant Broker**”)); and
- (ii) to instruct your Relevant Broker, CCASS, or the relevant CCASS participant who will assist you with the Share Transfer Process.

CDP Depositors who currently do not have a trading account with a Relevant Broker should contact a Relevant Broker to enquire if they would be able to assist them in trading the Shares on the HKSE.

To facilitate the Share Transfer Process, the Company intends to:

- (i) assist the CDP Depositors who (a) currently do not have a trading account with a Relevant Broker; and/or (b) may be unsure as to how to open a trading account which will allow them to carry out the Share Transfer Process. To this end, the Company has arranged for the services of UOB Kay Hian Private Limited (“UOBKH”) to assist the CDP Depositors with opening a trading account to trade the Shares on the HKSE. Please note that UOBKH is not able to assist with opening a trading account if (a) the CDP Depositor is a citizen or resident of the United States of America and/or (b) the Share Transfer Process involves a change in the beneficial ownership of the Shares; and
- (ii) bear all fees and expenses imposed by CDP¹ and the Company’s share registrars² as well as the handling fees imposed by UOBKH³ in connection with the Share Transfer Process for those CDP Depositors who choose to accept the Company’s assistance in appointing UOBKH as their broker to facilitate the Share Transfer Process before the Delisting Date in accordance with the indicative Delisting timetable set out below.

Notes:

1. The fees and expenses imposed by CDP comprise (a) the withdrawal fee of S\$10.70 (inclusive of 7% GST) per request for a transfer of not more than 1,000 Shares or S\$26.75 (inclusive of 7% GST) per request for a transfer of more than 1,000 Shares, and (b) the CDP scrip fee of S\$2.14 per share certificate.
2. The fees and expenses imposed by the Company’s share registrars comprise (a) (in Singapore) Boardroom Corporate & Advisory Services Pte. Ltd.’s removal and transfer fee of S\$32.10 (inclusive of 7% GST) and (b) (in Hong Kong) Tricor Investor Services Limited’s fee of HK\$302.50 for each new share certificate required and postage of HK\$20.00.
3. The fees and expenses imposed by UOBKH comprise the opening of a trading account with UOBKH and the process of withdrawal of Shares from CDP to CCASS or a CCASS participant.

The Relevant Broker appointed by a CDP Depositor (other than UOBKH) may charge separate fees for handling the Share Transfer Process. For the avoidance of doubt, the Company will not bear any charges which may be imposed by such Relevant Broker, CCASS or a CCASS participant (other than UOBKH) relating to the Share Transfer Process.

CDP Depositors who do not take any action in respect of the Delisting, and who still have Shares held with CDP as at the Delisting Date (the “**Remaining Depositors**”) will have their Shares withdrawn from the CDP (all fees and expenses imposed by CDP in this regard and as detailed in Note 1 above will still be borne by the Company). Physical share certificates representing the relevant Shares will be despatched by ordinary mail by the Company’s principal share registrar in Singapore to these Remaining Depositors based on their addresses recorded in the CDP’s depository register, and the names of these Remaining Depositors will be entered into the Company’s share register in Singapore as the respective holders of the relevant Shares. Despatch of share certificate(s) will be made at the risk of the Remaining Depositors. These Remaining Depositors will have to make their own arrangements and bear their own costs and expenses (including without limitation the fees and expenses set out in Note 2 and, if applicable, Note 3 above) to lodge their Shares with CCASS or a CCASS participant if they wish to sell or trade their Shares on the HKSE.

NOTICE TO CDP DEPOSITORS

The Company will despatch the Notice to the CDP Depositors on or about 27 October 2017. In the meantime, CDP Depositors are advised to exercise caution when dealing in the Shares and refrain from taking any action in relation to their Shares which may be prejudicial to their interests.

ACTIONS TO BE TAKEN BY CPFIS INVESTORS

Investors who have purchased Shares using their Central Provident Fund (“CPF”) contributions pursuant to the CPF Investment Scheme (the “CPFIS” and such investors, “CPFIS Investors”) may continue to trade their Shares on the SGX-ST until the last day of trading which is tentatively on 19 January 2018 based on the indicative Delisting timetable below.

For CPFIS Investors who have met the CPF withdrawal criteria, and have applied to CPF to withdraw and transfer their Shares to their personal CDP account, please refer to the section above entitled “ACTIONS TO BE TAKEN BY CDP DEPOSITORS”.

CPFIS Investors whose Shares are held with CDP through their respective agent banks included under the CPFIS (the “CPF Agent Banks”) as at the Delisting Date will have their Shares withdrawn from the CDP (all fees and expenses imposed by CDP in this regard and as detailed in Note 1 above will still be borne by the Company). Physical share certificates representing the relevant Shares belonging to CPFIS Investors will then be forwarded to UOBKH for safe-keeping. For CPFIS Investors who wish to sell or trade their Shares on the HKSE thereafter, they may do so by opening a trading account with UOBKH to commence the Share Transfer Process. The Company will bear all fees and expenses imposed by the Company’s share registrars and UOBKH in connection with the Share Transfer Process if the Share Transfer Process is commenced by a certain deadline which will be notified by the CPF Agent Banks to the CPFIS Investors in due course.

The CPF Agent Banks will provide more information to the CPFIS Investors in due course. In the meantime, CPFIS Investors are advised to exercise caution when dealing in the Shares and refrain from taking any action in relation to their Shares which may be prejudicial to their interests. If they are in any doubt as to the action they should take, CPFIS Investors are advised to contact and consult their respective CPF Agent Banks and/or seek other independent professional advice.

INDICATIVE DELISTING TIMETABLE

Despatch of Notice to CDP Depositors	:	27 October 2017
Last day for CDP Depositors to open a trading account with UOBKH (if applicable)	:	1 December 2017
Last day for CDP Depositors to submit the Request for Withdrawal of Securities Form and supporting documents to UOBKH (if applicable)	:	1 December 2017
Last day for CDP Depositors to submit the Request for Withdrawal of Securities Form and supporting documents to CDP	:	2 January 2018

Last day of trading of Shares on the SGX-ST	:	19 January 2018
Commencement of suspension of trading of Shares on the SGX-ST	:	22 January 2018 (with effect from 9:00 a.m. (Singapore time))
Delisting from the SGX-ST	:	5 February 2018

The above timetable is indicative only and may be subject to change. The Company will update its shareholders accordingly by way of subsequent announcement(s).

FURTHER INFORMATION

Shareholders of the Company who have any enquiries in relation to the opening of a trading account with UOBKH to trade Shares on the HKSE may contact UOBKH at:

Client Services Hotline: +65 6536 9338
Monday to Friday
From 8:30 a.m. to 6:00 p.m. (Singapore time)

FURTHER ANNOUNCEMENTS

The Company will issue further announcements to inform its shareholders of, *inter alia*, the reminder on the actions to be taken by the CDP Depositors in connection with the proposed Delisting and the expected effective Delisting Date.

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

Singapore, 24 October 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.