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Anxin-China Holdings Limited

中國安芯控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1149)

COMPLETION OF SHARE TRANSACTION INVOLVING ISSUE OF NEW SHARES

Reference is made to the announcement dated 17 March 2012 of Anxin-China Holdings Limited (the “**Company**”) in relation to a share transaction involving the issue of new shares (the “**Announcement**”). Unless the context otherwise requires, terms used in this announcement have the same meanings as defined in the Announcement.

The Board is pleased to announce that the sale and purchase of the Sale Share pursuant to the Share Purchase and Services Agreement was completed on 4 May 2012, and the sale and purchase of technology pursuant to the Suzhou I-China Agreement was completed simultaneously.

COMPLETION OF SHARE PURCHASE AND SERVICES AGREEMENT

Upon Completion on 4 May 2012, the Target Company has become a wholly-owned subsidiary of the Company. Pursuant to the Share Purchase and Services Agreement, the consideration for the Sale Share, being US\$14,841,000, was satisfied on the Completion Date as to US\$7,341,000 by cash and as to US\$7,500,000 by the Company's allotment and issuance of the 1st Tranche Consideration Shares, being 32,353,765 new Shares, to the Vendor. Twenty percent of the 1st Tranche Consideration Shares, being 6,470,751 new Shares, were placed in escrow ("**Escrowed Shares**") and shall be released to the Vendor after a transition period of three months from the Completion Date ("**Transition Period**").

As the Target Company had issued one share to the Vendor as consideration for the Vendor transferring the Intellectual Properties to the Target Company, the entire issued shares of the Target Company had been increased from one share as at the date of the Share Purchase and Services Agreement to two shares as at the Completion Date. Therefore, the parties to the Share Purchase and Services Agreement agreed that the Sale Share should be two shares of the Target Company, representing the entire equity interest in the Target Company as at the Completion Date. As the registration formality for assignment of a PRC patent application had not been completed and an unregistered intellectual property had not been assigned as at the Completion Date, the parties agreed that such assignments shall be completed within the Transition Period and secured by the Escrowed Shares. The parties have also agreed that during the Transition Period, Mango shall, free of charge, cooperate with the Company in the development of a project for the application of software, and the scope of such cooperation shall be mutually determined by the Company and Mango. The parties documented the above agreements in a letter dated 4 May 2012.

COMPLETION OF SUZHOU I-CHINA AGREEMENT

Upon completion of the Suzhou I-China Agreement on 4 May 2012, the technology specified in this agreement was transferred from Suzhou I-China to the Group, and the aggregate consideration for the technology, selected employees and selected customer relationship under this agreement, being RMB1,000,000, was paid to Suzhou I-China. Since the transfer of selected employees and selected customer relationship from Suzhou I-China to the Group had not been completed, the parties entered into a supplemental agreement to the Suzhou I-China Agreement on 4 May 2012, pursuant to which Suzhou I-China has agreed that it shall return RMB1,000,000 to the Group if, for any reason attributable to Suzhou I-China, the transfers of selected employees and selected customer relationship are not completed within three months from 4 May 2012.

By Order of the Board
Anxin-China Holdings Limited
Mr. Liu Zhongkui
Chairman

Hong Kong, 4 May 2012

As at the date of this announcement, the Board comprises Mr. Liu Zhongkui (Chairman), Mr. Lin Supeng and Mr. Yang Ma as executive directors; and Mr. Xie Baitang, Mr. Cheung Chuen and Mr. Chen Feng as independent non-executive directors.