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Heng Fai Enterprises Limited
恒輝企業控股有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 185)

DISCLOSEABLE TRANSACTION
DISPOSAL OF PROPERTIES

On 25 March, 2015, the Vendor entered into the Agreement with the Purchaser to grant to the Purchaser the option to acquire the Properties at an aggregate consideration of S\$15,000,000 (approximately HK\$85,050,000).

The Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

China Credit Singapore Pte Ltd, a wholly-owned subsidiary of Heng Fai Enterprises Limited (“Company”), entered into a conditional option agreement (“Agreement”) with the Purchaser to grant to the Purchaser the option to acquire the properties situated at No. 35 & No. 36 North Canal Road, Singapore 059291 and Singapore 059292 respectively (“Properties”) at a consideration of S\$15,000,000 (approximately HK\$85,050,000) (“Disposal”).

THE PROPERTIES

Date of the Agreement:	25 March 2015
Vendor:	China Credit Singapore Pte Ltd, a wholly-owned subsidiary of the Company
Purchaser:	JMD Investment Pte Ltd, which is and whose beneficial owners are, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, third parties independent of the Company and connected persons of the Company. The purchaser’s principal activity is engaged in the investment holding.
Properties:	(1) No. 35 North Canal Road, Singapore 059291; and (2) No. 36 North Canal Road, Singapore 059292.
Option money:	S\$150,000 (approximately HK\$851,000) being 1% option fees paid by the Purchaser
Sale price (including the Option money)	S\$15,000,000 (approximately HK\$85,050,000) payable in cash

Date of completion: on 8 July 2015

Conditions for completion: subject to the exercise of the Option on or before 15 April, 2015 and conditional on good title and satisfactory replies to Purchaser's solicitors' legal requisitions from the various Government Departments of Singapore and compliance with statutory rules and to the Law Society of Singapore's Conditions of Sale 2012

Upon exercise of the right on the Agreement, the Purchaser shall pay S\$1,500,000 (approximately HK\$8,505,000) (including the Option money) to the Vendor and the balance of the Sale price shall be paid at the date of completion.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Company and its subsidiaries ("Group") are principally engaged in property development, property investment and trading, REIT and Property Development Management, hotel operations and securities trading and investment.

The Properties have a total gross floor area of approximately 9,650 sq. ft. and one of the unit (No. 35) is currently vacant and the other unit (No. 36) is currently being rented out to a tenant under a tenancy agreement, expiry on 7 April, 2015 for a monthly rent of S\$11,500 (approximately HK\$65,000).

The terms of the Agreement and the sale price for the Properties have been determined after arm's length negotiations between the parties by reference to the recent transaction of the similar type of units in the property market. No independent valuation was carried out for the Properties. The Directors are of the view that the Disposal are in the interest of the Group and the terms of Disposal in the Agreement are in normal commercial terms, which are fair and reasonable and in the interests of the shareholders of the Company as a whole as it provides an opportunity to the Company in realizing its asset with a profit. If the option is exercised, it is estimated that a gain on disposal of approximately S\$1,350,000 (approximately HK\$7,655,000) (subject to audit) will be recorded by the Group. If the conditions of the Agreement cannot be fulfilled on 15 April 2015, the option money will be forfeited to the Vendor and the option will be expire and shall be null and void and neither party shall have any claims against the others.

The proceeds received upon completion of the Disposal will be used as working capital of the Group.

GENERAL

The Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

By Order of the Board
Heng Fai Enterprises Limited
Chan Tong Wan
Managing Director

Hong Kong SAR, 26 March, 2015

As at the date of this announcement, the executive Directors are Mr. Chan Heng Fai, Mr. Chan Tong Wan, Ms. Chan Yoke Keow; the non-executive Directors are Dr. Lam, Lee G. and Mr. Fong Kwok Jen and the independent non-executive Directors are Mr. Wong Tat Keung, Mr. Wong Dor Luk, Peter and Mr. Chan King Fai.