

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

(Incorporated in Hong Kong with limited liability)

(Stock Code: 185)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under part XIVA of the SFO.

The Board wishes to inform the shareholders of the Company and potential investors that based on the preliminary assessment of the Group's unaudited management accounts for the six months ended 30 September 2014 and information currently available to the Board, the Group expects to record a consolidated net profit for the six months ended 30 September 2014 as compared to loss for the six months ended 30 September 2013.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Heng Fai Enterprises Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

The board of directors (the “**Board**”) of the Company wishes to inform its shareholders and potential investors that the Company and its subsidiaries (the “**Group**”) is expected to record a consolidated net profit for the six months ended 30 September 2014 as compared to loss for the six months ended 30 September 2013. Based on the preliminary assessment of the Group’s unaudited management accounts for the six months ended 30 September 2014 and information currently available to the Board, the profit was mainly attributable to (i) increase in revenue as a result of the new strategy which combines seeding and growing a portfolio of high-yield Real Estate Investment Trusts and providing property development management services; (ii) gain on changes in fair value of financial assets at fair value through profit or loss of approximately HK\$10 million (2013: loss of approximately HK\$11.3 million); and (iii) reduction in staff costs and other administrative expenses of approximately HK\$11 million.

The Company is still in the process of finalising the interim results of the Group for the six months ended 30 September 2014. The positive profit alert announcement is only based on the preliminary assessment of the Group’s unaudited management accounts for the six months ended 30 September 2014 and information currently available to the Board subject to finalisation and necessary adjustments, which has not been confirmed nor reviewed by the audit committee of the Company. Separate announcement may be made by the Company as and when it is appropriate, should there be any material changes to the management accounts of the Group.

The interim results announcement of the Company for the six months ended 30 September 2014 is expected to be published by the end of November 2014. Shareholders of the Company and potential investors are advised to read the interim results announcement of the Company when it is published.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

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

Hong Kong SAR, 14 November 2014

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.