



Heng Fai Enterprises Limited
恒輝企業控股有限公司
Hong Kong Stock Exchange: 185

Heng Fai Enterprises Ltd. – AHR distributes maiden dividend; Announces AHR share consolidation

HK-Listed Heng Fai Enterprises' U.S. Housing REIT On Track To Hit Annualised Yield Exceeding 8%; Announces AHR Share Consolidation

HONG KONG, 24 April 2014 – Heng Fai Enterprises Limited (“HFE” or the “Company”) said today that its U.S.-listed American Housing REIT Inc. (“AHR”) has distributed its first quarterly dividend with an indicative yield (annualised basis) that will exceed 8%, and announced that AHR proposed to consolidate its shares on a one-to-150 basis.

Hong Kong Stock Exchange-listed HFE, which owns of 99.6% of AHR (*Stock Code - ONTG:OTCBB*), said the REIT which owns a portfolio of single-family homes in Texas has paid a dividend on 23 April 2014 amounting US\$0.0017 per share on a pre-consolidated basis for the January-March 2014 quarter (“**Q12014**”).

On a post-consolidation basis, the adjusted dividend for Q12014 amounts to US\$0.255 per share, with an annualised yield of 8.39% based on the end-of-quarter invested capital. Based on the distribution in the latest quarter, AHR is on track to achieving its targeted yield.

AHR’s share consolidation is expected to reduce its share capital base from 41 million currently to approximately 274,000 shares, representing an indicative price of US\$12.16 per share, which comprises HFE’s investment in AHR to date.

AHR expects to distribute dividends on a quarterly basis to achieve an indicative yield in excess of 8% per annum even as it acquires more single-family homes with stable rental income.

HFE had unveiled in December 2013 a corporate strategy which combines seeding and growing a portfolio of high-yield Real Estate Investment Trusts (“**REITs**”), and managing these REITs to develop recurring income.

Apart from AHR, the Company currently controls another listed REIT, Global Medical REIT Inc. (“**GMR**”) (*Stock Code - GMRE:OTCBB*), which has announced its first acquisition of a medical facility in Omaha, Nebraska, as part of its strategy to build up a portfolio of high-yielding medical assets in the United States. HFE said GMR is expected to declare a maiden monthly dividend in July 2014.

To accelerate its REIT ownership and management strategy, HFE has announced its intention to seek a secondary listing on the Alternative Investment Market of the London Stock Exchange to raise additional capital for the Company to grow its REIT portfolio, strengthen its balance sheet for future expansion and raise its investor profile internationally.

The Company has on 14 April 2014 announced the appointment of Allenby Capital Limited as its adviser and broker for its proposed AIM listing.



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HFE's Managing Chairman, Mr. Chan Heng Fai, said: "AHR's first-ever distribution underscores our commitment to pay quarterly dividends in line with our guidance to deliver shareholders an indicative yield in excess of 8% on an annualised basis."

"The share consolidation also paves the way for us to attract investors, including institutions, to our accelerated growth strategy, riding on then positive trends in the U.S. housing and medical sectors. Our growth strategy is backed by a well-experienced management team committed to enhancing shareholder value," he added.

The Company will make further announcements as and when there are material updates to the consolidation.

End of release###

Issued on behalf of the Company by WeR1 Consultants Pte Ltd:

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About Heng Fai Enterprises Ltd.

Heng Fai Enterprises Limited, formerly known as Xpress Group Limited, has been listed on the Hong Kong Stock Exchange since 1972 and has a current market capitalisation of approximately HK\$1.4 billion (US\$183 million). The Chan family has majority control of the Company's share capital base.

The Company is led by directors with strong finance and property experience as well as an established track record on Wall Street, and in Hong Kong and Singapore.

Any forward-looking statements contained in this press release are based upon AHR and GMR's current assumptions and expectations concerning future events and financial performance and are made pursuant to the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. Such statements are subject to significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those reflected in such forward-looking statements.