

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)

OVERSEAS REGULATORY ANNOUNCEMENT
RESULTS OF A SUBSIDIARY

THIS IS NOT THE ANNOUNCEMENT OF THE FINANCIAL RESULTS OF HENG FAI ENTERPRISES LIMITED (THE “COMPANY”). THIS ANNOUNCEMENT IS MADE BY THE COMPANY PURSUANT TO RULE 13.10B OF THE LISTING RULES TO PROVIDE SHAREHOLDERS OF THE COMPANY WITH FINANCIAL INFORMATION ON A LISTED SUBSIDIARY OF THE COMPANY, GLOBAL MEDICAL REIT INC., WHICH HAS ANNOUNCED ITS UNAUDITED FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2015.

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Global Medical REIT, Inc. (“GMR”), a subsidiary company of the Company whose shares are traded on the Over-The-Counter in the United States of America, has announced its unaudited financial results for the six months ended 30 June 2015.

The summary of the unaudited financial results of the GMR for the six months ended 30 June 2015 together with the unaudited comparative figures for the corresponding period of last year are provided below:

INCOME STATEMENT (UNAUDITED)	3 months ended 30 June 2015 US\$	6 months ended 30 June 2015 US\$	3 months ended 30 June 2014 US\$	6 months ended 30 June 2014 US\$
Total revenue	455,900	918,038	113,825	113,825
EBITDA from established businesses ¹	289,426	597,257	(419,255)	(430,682)
Depreciation	(141,007)	(293,343)	(38,717)	(38,717)
Interest	(280,846)	(624,888)	(91,006)	(91,006)
Loss before taxation	(132,427)	(320,974)	(548,978)	(560,405)
Taxation	-	-	-	-
Loss for the period	(132,427)	(320,974)	(548,978)	(560,405)
Funds from operations (“FFO”)	8,580	(27,631)	(510,261)	(521,688)

BALANCE SHEET	As at 30 June 2015 (unaudited) US\$	As at 31 December 2014 (audited) US\$
Total assets	24,349,378	24,640,068
Total liabilities	(23,071,913)	(22,913,829)
Total shareholders’ equity	1,277,465	1,726,239
No. of shares outstanding	250,000	250,000
Net asset value per share ²	5.11	6.90

Notes:

1. On 10 November, 2014 GMR entered into a Management Agreement, with an effective date of April 1, 2014, with Inter-American Management, LLC (“IAM”), a subsidiary of the Company. Under the terms of the Management Agreement, IAM is responsible for designing and implementing GMR’s business strategy and administering its business activities and day-to-day operations. For performing these services, GMR will pay IAM 8% of rental revenue for property management services and a base management fee equal to the greater of (a) 2.0% per annum of the GMR’s net asset value, or (b) US\$30,000 per calendar month. For the 6 months ended 30 June, 2015, management fees charged by IAM was US\$180,000.
2. On November 7, 2014, GMR effected a share consolidation of the outstanding shares of its common stock at the ratio of 1-for-400 (the “Share Consolidation”). All references to shares of GMR’s common stock in this announcement refers to the number of shares of common stock after giving effect to the Share Consolidation (unless otherwise indicated).

During the six months ended 30 June 2015, GMR distributed six monthly dividends payments for an aggregate of US\$0.5112 per share (total dividend paid amounted to US\$127,800), which has achieved the targeted 8.0% annualized yield. GMR made its first monthly dividend payment in July 2014,

Subsequent to the previous financial year ended 31 August 2014, GMR has consistently distributed monthly dividends to its shareholders with annualized yield over 8.0%.

The consistent dividend payment track record to date underscores the validity of the business model of GMR which has to date acquired an acute care hospital in Omaha and an orthopedic surgery center in North Carolina. Both acquisitions by GMR have begun contributions to Funds From Operations for GMR. GMR has been able to sustain an annualized dividend yield of 8.0% even as it contemplates its migration to the New York Stock Exchange, an event which will allow GMR to obtain institutional funds to expand its asset base and leverage potential. The latter will, in turn, increase REIT management fees to be earned by the Company's 85%-held subsidiary, Inter-American Management, LLC, which will contribute positively to the income and shareholder value of the Company.

By Order of the Board
Heng Fai Enterprises Limited
Zhang Jingguo

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 4 August, 2015

As at the date of this announcement, the executive Directors are Mr. Zhang Jingguo, Mr. Zhang Guoqiang, Mr. Eric Jackson Chang; the non-executive Director is Ms. Huang Yanping and the independent non-executive Directors are Mr. Liu Da, Dr. Liu Qiao and Mr. Ma Yuntao.

Any forward-looking statements contained in this announcement are based upon 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. All information provided in this announcement is as of the date of this announcement, and GMR does not undertake any obligation to update any forward-looking statement, except as required under applicable law.