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JOY TOWN INC.
(Incorporated in the British Virgin Islands with limited liability)

Heng Fai Enterprises Limited
恒輝企業控股有限公司
(Incorporated in Hong Kong with limited liability)
(Stock Code: 185)

JOINT ANNOUNCEMENT

FURTHER DELAY IN DESPATCH OF THE COMPOSITE DOCUMENT

**IN RELATION TO
UNCONDITIONAL MANDATORY CASH OFFER BY
ALLIANCE CAPITAL PARTNERS LIMITED
FOR AND ON BEHALF OF JOY TOWN INC.
TO ACQUIRE ALL THE ISSUED SHARES OF
HENG FAI ENTERPRISES LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED OR AGREED
TO BE ACQUIRED BY JOY TOWN INC. AND PARTIES ACTING IN
CONCERT WITH IT)**

Financial Advisor to Joy Town Inc



Alliance Capital Partners Limited
同人融資有限公司

Reference is made to (i) the joint announcement issued by the Company and the Offeror, dated 6 May 2015 in relation to, amongst other things, the Share Purchase Agreement and the Share Offer (the “**Announcement**”); (ii) the delay in despatch of composite document announcement jointly issued by the Company and the Offeror, dated 26 May 2015 (the “**Delay in Despatch Announcement**”); (iii) the voluntary announcement issued jointly by the Company and the Offeror on the fulfilment or otherwise waiver of the conditions precedent in the Share Purchase Agreement, dated 24 June 2015, and (iv) the announcement issued jointly by the Company and the Offeror on the Share Sale Completion and the Share Offer, dated 29 June 2015. Unless otherwise stated, capitalised terms used herein have the same meanings as those defined in the Announcement.

Pursuant to the Delay in Despatch Announcement, the Executive consented to the making of the Share Offer and despatch of the Composite Document seven days after the Share Sale Completion or 2 July 2015, whichever was the earlier. The original intention of the Purchaser and the Vendors was to shorten the completion timetable and complete on the same day as the fulfillment or otherwise waiver of the conditions precedent to the Share Sale Completion on the Long Stop Date (being 24 June 2015). This was the basis upon which the original consent for an extension of time was sought. However, as additional time was required to settle the matters necessary for the Share Sale Completion, the parties eventually completed on 29 June 2015 in accordance with the Share Purchase Agreement.

Since the Share Sale Completion, further time is required to finalise the Composite Document, including, amongst other things, incorporating the annual results of the Company for the year ended 31 March 2015, which was published on 26 June 2015, into the Composite Document.

For the reasons set out above, an application has been made to the Executive pursuant to Rule 8.2 of the Takeovers Code for a further extension of time for the despatch of the Composite Document to 6 July 2015 and the Executive has indicated that it is minded to grant consent to such application.

Further announcement will be made when the Composite Document together with the forms of acceptance and transfer in respect of the Share Offer are despatched or in the event of any changes to the expected timetable.

By order of the Sole Director
JOY TOWN INC.
Huang Yan Ping
Director

By Order of the Board
HENG FAI ENTERPRISES LIMITED
Chan Tong Wan
Managing Director

Hong Kong, 2 July 2015

As at the date of this joint announcement, the sole director of the Offeror is Ms. Huang Yanping, who solely accepts full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group) and confirms, having made all reasonable enquiries, that to the best of her knowledge, opinions expressed in this joint announcement (other than those expressed by the Group) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.

As at the date of this joint 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.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement relating to the Group and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement relating to the Group have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.