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## HERITAGE INTERNATIONAL HOLDINGS LIMITED

漢基控股有限公司\*

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 412)

(Warrant Code: 1248)

### SUPPLEMENTAL ANNOUNCEMENT

Reference is made to the announcement of Heritage International Holdings Limited (the “**Company**”) dated 27 August 2012 (the “**Announcement**”) in relation to Placing of the Shares under the General Mandate. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement. The Company would like to provide further information relating to the proposed use of proceeds from the Placing.

As disclosed in the Company’s announcement dated 8 June 2012 (the “**First Announcement**”) relating to the acquisition of Richful Zone International Limited (the “**Acquisition**”), the Company expected to fund the Acquisition by internal resources. As at the date of the First Announcement, the Group had cash on hand of approximately HK\$57.2 million and the Company intended to apply such fund for the Acquisition.

Subsequent to the First Announcement, the Company commenced the due diligence works on Richful Zone Group (as defined in the First Announcement) and its assets in accordance with the conditions precedent to the corresponding agreement. As the aforesaid due diligence works would take time, the Company considered that leaving too much cash in idle was not in the interests of the Company and the Shareholders as a whole and the Group should conduct short term investment in liquid securities from time to time if attractive opportunities arise so as to better utilize the Group’s internal resources and seek for a positive return to the Company.

In early July 2012, the Company invested in shares of a listed company (the “**Securities Investment**”), representing approximately 1.36% of that listed company’s total issued share capital as at 20 July 2012, at a total investment cost of approximately HK\$49.1 million.

\* *For identification purposes only*

As at the date of the Announcement, the Group had approximately HK\$15 million of cash. Though the Company could easily liquidate the Securities Investment for settlement of the Acquisition's cash consideration, the Company would then realise a loss of approximately HK\$8.3 million with reference to the closing price of that listed company's shares as quoted on 27 August 2012, being the date of the Announcement.

As disclosed in the Announcement, the gross proceeds from the Placing will be approximately HK\$81.2 million and the net proceeds (after deducting the placing commission for the Placing and other expenses) of approximately HK\$77.9 million will be used for general working capital of the Group including the Group's operating expenses and cash buffer in the near future. Given the prevailing volatile market conditions and the above-mentioned decrease in market value of the Securities Investment, the Company considered it will be more preferred and will not preclude the possibility to fund the Acquisition's cash consideration, being HK\$50 million, by the Placing proceeds if necessary.

By Order of the Board of  
**Heritage International Holdings Limited**  
**Dr. Kwong Kai Sing, Benny**  
*Chairman*

Hong Kong, 7 September 2012

*As at the date of this announcement, the Company has five executive Directors, being Dr. Kwong Kai Sing, Benny, Mr. Ong Peter, Ms. Poon Chi Wan, Mr. Chow Chi Wah, Vincent and Dr. Wu Jian and four independent non-executive Directors, being Mr. To Shing Chuen, Mr. Ha Kee Choy, Eugene, Mr. Chung Yuk Lun and Mr. Lo Wong Fung.*