

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.



**ENTERING INTO OF A SUPPLEMENTAL AGREEMENT TO AMEND
THE AGREEMENT FOR A MAJOR AND
CONNECTED TRANSACTION,
A MAJOR TRANSACTION
AND AN EXEMPT CONTINUING CONNECTED TRANSACTION**

On 9 September 2016 (after trading hours), the parties to the Agreement entered into the Supplemental Agreement to amend certain terms of the Agreement. Principal terms of the Supplemental Agreement are summarized below.

Reference is made to the announcement of Hoifu Energy Group Limited (the “Company”) dated 2 September 2016 (the “Announcement”) in relation to, among other things, (i) the Acquisition, which constitutes a major and connected transaction for the Company under the Listing Rules; (ii) the Disposal, which constitutes a major transaction for the Company under the Listing Rules; and (iii) the Contracting, which constitutes an exempt continuing connected transaction for the Company under the Listing Rules. Capitalized terms used herein shall have the same meanings as those defined in the Announcement.

To reflect the change of the role of Guangdong Hoifu in the sale and purchase of the Equity Interest and to avoid the possible loss of control by the Group over the Target, namely Hebei Panbao Zeolite Technology Co., Ltd. as a result of the Contracting, the parties to the Agreement entered into a supplemental agreement on 9 September 2016 (after trading hours) to amend certain terms of the Agreement (the “Supplemental Agreement”). Principal terms of the Supplemental Agreement are summarized as follows:

CHANGE OF THE ROLE OF GUANGDONG HOIFU IN THE SALE AND PURCHASE OF THE EQUITY INTEREST

Pursuant to the Supplemental Agreement, Guangdong Hoifu shall not participate as a buyer or seller in the sale and purchase of the Equity Interest and shall not issue any Consideration Share to the Vendor. Instead of completing the sale and purchase of the Equity Interest through Guangdong Hoifu, the Purchaser has agreed to acquire, and the Vendor has agreed

to sell, the Equity Interest from/to each other directly. To reward Guangdong Hoifu/the Company as a referrer in the sale and purchase of the Equity Interest, the Purchaser has agreed to pay an introduction fee of RMB60.0 million (equivalent to approximately HK\$69.8 million) in cash to Guangdong Hoifu's or the Company's designed bank account(s), of which (i) RMB20.0 million (equivalent to approximately HK\$23.3 million) shall be paid after entered into of the Agreement by the Purchaser; and (ii) the remaining RMB40.0 million (equivalent to approximately HK\$46.5 million) shall be paid upon completion of the acquisition of the Equity Interest by the Purchaser from the Vendor.

PROFIT GUARANTEE

Pursuant to the Supplemental Agreement, instead of contracting the investment and operation of the Target to the Purchaser, the Purchaser shall be responsible for the investment and operation of the Target. The Purchaser, namely Hoifu United Group Limited, has provided a guarantee, and each of the directors of the Purchaser (namely Mr. Weng Tao, Mr. Ren Xie, Mr. Ji Hailin, Mr. Jiang Wenzhen and Mr. Deng Wenqun) has provided an irrevocable personal guarantee that Guangdong Hoifu's share of profits from the Target (the "Guaranteed Profit") shall not be less than RMB280 million for the first financial year from 1 September 2016 to 31 August 2017 and increase at an annual rate of 10% thereafter for a period of ten years up to the financial year from 1 September 2025 to 31 August 2026. The Guaranteed Profit shall be paid, in advance, by either the Target or the Purchaser to Guangdong Hoifu before 1 September of each year. The Guaranteed Profit for the first financial year shall be paid to Guangdong Hoifu upon completion of the acquisition of the Equity Interest by the Purchaser from the Vendor. The Guaranteed Profit for each year are set out as follows:

Period	Guaranteed Profit <i>approximately RMB'000</i>
1 September 2016 to 31 August 2017	280,000
1 September 2017 to 31 August 2018	308,000
1 September 2018 to 31 August 2019	338,800
1 September 2019 to 31 August 2020	372,680
1 September 2020 to 31 August 2021	409,948
1 September 2021 to 31 August 2022	450,943
1 September 2022 to 31 August 2023	496,037
1 September 2023 to 31 August 2024	545,641
1 September 2024 to 31 August 2025	600,205
1 September 2025 to 31 August 2026	660,225

Pursuant to the Supplemental Agreement, the long stop date of the Agreement has been extended from 30 September 2016 to 30 October 2016 or such later date as the parties to the Agreement may agree in writing. Save for the aforementioned, other terms and provisions of the Agreement remain unchanged. To the best of the Directors' knowledge, information and belief, the termination of the Acquisition (including the issue of the Consideration Shares), the Disposal and the Contracting will not have any adverse material impact on the existing business, operations or financial position of the Group.

By order of the Board
Hoifu Energy Group Limited
Dr. Hui Chi Ming, G.B.S., J.P.
Chairman

Hong Kong, 11 September 2016

For the purposes of this announcement, unless otherwise indicated, conversion of RMB into HK\$ is calculated at the exchange rate of HK\$1 to RMB0.86. The exchange rate is for illustrative purpose only and does not constitute a representation that any amount has been, could have been, or may be exchanged at this or any other rate at all.

As at the date of this announcement, the Honorary Chairman and Senior Consultant of the Company is Dr. Yukio Hatoyama; the Board comprises seven executive Directors, namely, Dr. Hui Chi Ming, G.B.S., J.P., Mr. Neil Bush, Dr. Chui Say Hoe, Mr. Xu Jun Jia, Mr. Cao Yu, Mr. Lam Kwok Hing and Mr. Nam Kwok Lun; and three independent non-executive Directors, namely, Mr. Chen Weiming, Eric, Mr. Kwan Wang Wai, Alan and Mr. Ng Chi Kin, David.