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香港金融集團

HONG KONG FINANCE INVESTMENT HOLDING GROUP LIMITED
香港金融投資控股集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 7)

TERMINATION OF A MAJOR AND CONNECTED TRANSACTION

References are made to the announcements of Hong Kong Finance Investment Holding Group Limited dated 11 September 2018, 29 October 2018 and 28 November 2018 (the “Announcements”) in relation to the acquisition of the entire issued share capital of Madagascar Natural Gas Group Limited. Capitalized terms used herein shall have the same meanings as those defined in the Announcements, unless otherwise stated.

On 11 September 2018 (after the trading hours of the Stock Exchange), the Company and the Purchaser, a wholly-owned subsidiary of the Company, entered into the Agreement with the Vendor to acquire the Sale Shares, representing the entire issued share capital of the Target, for a consideration of HK\$2,200,000,000. The major assets of the Target include (i) the exclusive operating rights to construct natural gas pipelines and network, and to supply natural gas to residential, commercial and industrial premises, in the administrative regions of the Government of Antananarivo Province (the capital of Madagascar), Tamatave and Tulear, for 25 years (with a possible extension of 10 years upon mutual agreement by the respective contracting parties); and (ii) the operating rights to construct and operate a total of 300 petroleum and natural gas stations with ancillary convenience stores in the administrative regions of the Government of Antananarivo Province, Tamatave and Tulear for an operation period of 35 years.

Pursuant to the Agreement (as supplemented by the Supplemental Agreement), completion of the Acquisition shall take place on the date on which all the conditions precedent of the Acquisition (the “Conditions”) having been satisfied. If the Conditions shall not have been fulfilled by 15 December 2018 or such later date as the parties to the Agreement may agree in writing, the Agreement shall be terminated and of no effect. Since certain Conditions had not been fulfilled by 15 December 2018 and the Vendor has indicated its intention not to extend the long stop date for fulfillment of the Conditions, the parties to the Agreement mutually agreed not to proceed with the Acquisition and the agreements pertaining to the Acquisition were terminated with effect from 15 December 2018.

The Directors believe that the termination of the Agreement shall have no material adverse impacts on the business, operations and financial position of the Group.

By order of the Board
Hong Kong Finance Investment Holding Group Limited
Dr. Hui Chi Ming, G.B.S., J.P.
Chairman

Hong Kong, 17 December 2018

As at the date of this announcement, the Honorary Chairman and Senior Consultant of the Company is Dr. Yukio Hatoyama; the Board comprises eight 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. Ren Qian, Mr. Lam Kwok Hing, M.H., J.P., and Mr. Nam Kwok Lun; and four independent non-executive Directors, namely, Mr. Chen Weiming, Eric, Mr. Ngan Kam Biu, Stanford, Mr. Ng Chi Kin, David and Mr. Yim Kai Pung.