

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.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Shares or other securities in the Company.



(1) MAJOR AND CONNECTED TRANSACTION IN RELATION TO THE ACQUISITION OF 45% EQUITY INTEREST IN HEBEI PANBAO ZEOLITE TECHNOLOGY CO., LTD.

(2) MAJOR TRANSACTION IN RELATION TO THE DISPOSAL OF 45% EQUITY INTEREST IN HEBEI PANBAO ZEOLITE TECHNOLOGY CO., LTD.

(3) EXEMPT CONTINUING CONNECTED TRANSACTION AND

(4) RESUMPTION OF TRADING

THE TRANSACTIONS

On 31 August 2016 (after trading hours), Guangdong Hoifu, a wholly-owned subsidiary of the Company, the Company, the Vendor, the Purchaser and the Target entered into the Agreement, pursuant to which (i) Guangdong Hoifu has agreed to acquire, and the Vendor has agreed to sell, the Equity Interest for a total consideration of RMB200 million, which will be satisfied as to RMB139.80 million by payment of cash and RMB60.20 million by the issue of 100,000,000 Consideration Shares at an issue price of HK\$0.7 per Consideration Share; and (ii) Guangdong Hoifu has agreed to sell, and the Purchaser has agreed to acquire, the Equity Interest for a total consideration of RMB260 million, which will be satisfied by payment of cash. The Acquisition and the Disposal shall be completed simultaneously.

As the Vendor is a substantial shareholder of the Target, being a non-wholly-owned subsidiary of the Company, the Vendor is a connected person of the Company at the subsidiary level under the Listing Rules. Accordingly, the issue and allotment of the Consideration Shares to the Vendor constitutes a non-exempt connected transaction for the Company under Chapter 14A of the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14A of the Listing Rules. Furthermore, as certain applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Acquisition exceed 25% but are less than 100%, the Acquisition (including the issue and allotment of the Consideration Shares) constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to reporting, announcement, circular and Shareholders' approval requirements.

As certain applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Disposal exceed 25% but are less than 75%, the Disposal constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to reporting, announcement, circular and Shareholders' approval requirements.

EXEMPT CONTINUING CONNECTED TRANSACTION

Pursuant to the Agreement, upon Completion, the management and operation of the Target will be contracted to the Purchaser, which will be responsible for the investment and operation of the Target for a term of ten years up to 31 August 2026. The Purchaser shall pay an annual contracting fee to Guangdong Hoifu each year during the contracting period.

As the Purchaser will be a substantial shareholder of the Target, being a non-wholly-owned subsidiary of the Company, upon Completion, the Purchaser is considered as a connected person of the Company at the subsidiary level under the Listing Rules and therefore the Contracting constitutes a continuing connected transaction of the Company under the Listing Rules. However, given that (i) the Board has approved the Agreement and the transactions contemplated thereunder (including the Contracting); and (ii) the independent non-executive Directors have confirmed that the terms of the Contracting are fair and reasonable and the Contracting is on normal commercial terms or better and in the interests of the Company and the Shareholders as a whole, the Contracting constitutes an exempt continuing connected transaction for the Company under Rule 14A.101 of the Listing Rules and is subject to the reporting and announcement requirements but exempt from the circular, independent financial advice and shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

The SGM will be held for the Independent Shareholders to consider and, if thought fit, approve, by way of poll, the Agreement and the transactions contemplated thereunder. As at the date of this announcement, the Purchaser and its associates hold 50,000,000 Shares, representing approximately 2.97% of the total issued share capital of the Company. The Purchaser and its associates will abstain from voting for the approval of the Agreement and the transactions contemplated thereunder at the SGM.

An Independent Board Committee will be established to advise the Independent Shareholders regarding the Agreement and the transactions contemplated thereunder and an independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, further details of the Transactions and other disclosures in connection with the Transactions required pursuant to the Listing Rules, the advices from the Independent Board Committee and the independent financial adviser together with a notice of the SGM will be dispatched to the Shareholders on or before 19 September 2016 so as to allow sufficient time for the preparation of the relevant information for inclusion in the circular.

TRADING HALT AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted from 9:00 a.m. on 1 September 2016, pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 5 September 2016.

THE TRANSACTIONS

The Board is pleased to announce that Guangdong Hoifu, a wholly-owned subsidiary of the Company, entered into the Agreement with, among others, the Vendor and the Purchaser on 31 August 2016 (after trading hours) to acquire the Equity Interest from the Vendor and, simultaneously, to sell the Equity Interest to the Purchaser, an independent third party. Details of the Transactions are set out as follows:

THE AGREEMENT

Date

31 August 2016

Parties to the Agreement

(1) The Vendor, as a vendor

The Vendor holds the Equity Interest as at the date of this announcement. As the Vendor is a substantial shareholder of the Target, which is a non-wholly-owned subsidiary of the Company, the Vendor is a connected person of the Company at subsidiary level under the Listing Rules.

(2) The Purchaser, as the ultimate purchaser of the Equity Interest

The Purchaser is a company incorporated in Bermuda with limited liability and is principally engaged in the business of investment. As at the date of this announcement, the Purchaser and its associates hold 50,000,000 Shares, representing approximately 2.97% of the total issued share capital of the Company. Save as disclosed above, to the

best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner(s) are third parties independent of the Company and connected persons of the Company.

- (3) 廣東凱富能源有限公司 (Guangdong Hoifu Energy Limited*), a wholly-owned subsidiary of the Company, as an intermediate purchaser of the Equity Interest.
- (4) The Company, as the issuer of the Consideration Shares.
- (5) The Target, which is owned as to 55% by the Group and 45% by the Vendor as at the date of this announcement.

Subject of the Transactions

The asset to be acquired and disposed by Guangdong Hoifu under the Agreement is the Equity Interest, being 45% equity interest of the Target. Pursuant to the Agreement, the Acquisition and the Disposal shall be completed simultaneously and the Equity Interest shall be transferred directly from the Vendor to the Purchaser or its designated representative(s) upon Completion.

Consideration

Consideration for the Acquisition

The consideration for the Acquisition is RMB200 million (equivalent to approximately HK\$232.56 million), which shall be settled in the following manner:

- (i) RMB139.80 million (equivalent to approximately HK\$162.56 million) shall be paid in cash by Guangdong Hoifu to the Vendor's designed bank account(s) upon Completion and after Guangdong Hoifu or the Company having received RMB240.00 million from the Purchaser as part of the consideration of the Disposal; and
- (ii) RMB60.20 million (equivalent to approximately HK\$70.00 million) shall be satisfied by the issue of 100,000,000 Consideration Shares by the Company to the Vendor within 10 days from the date of Completion.

Consideration for the Disposal

The consideration for the Disposal is RMB260 million (equivalent to approximately HK\$302.33 million), which shall be settled in the following manner:

- (i) RMB20.00 million (equivalent to approximately HK\$23.26 million) shall be paid in cash by the Purchaser to Guangdong Hoifu within three days from the date of the Agreement as a refundable deposit; and
- (ii) RMB240.00 million (equivalent to approximately HK\$279.07 million) shall be paid in cash by the Purchaser to Guangdong Hoifu's or the Company's designed bank account(s) upon Completion.

The considerations for the Transactions were determined after arm's length negotiations between Guangdong Hoifu, the Vendor and the Purchaser, taking into account the financial position and performance of the Target, the guarantees provided by the Vendor as set out in the section headed "Guarantees provided by the Vendor" below and the payment methods of the considerations. The Directors (excluding the members of the Independent Board Committee who will form their views after receiving and considering the advice from the independent financial adviser) consider that the considerations of the Transactions are fair and reasonable and in the interest of the Company.

Consideration Shares

The Consideration Shares to be issued to the Vendor represent (i) approximately 5.93% of the existing issued share capital of the Company; and (ii) approximately 5.60% of the issued share capital of the Company as enlarged by the issue of the Consideration Shares.

The Consideration Shares will rank *pari passu* in all respects with all other Shares in issue on the issue date and will entitle the holder(s) to all dividends and other distributions, rights or entitlements the record date for which falls after the relevant issue date of the Consideration Shares. The Consideration Shares shall be issued under a specific mandate to be approved by the Independent Shareholders at the SGM. Application will be made by the Company for the listing of, and permission to deal in, the Consideration Shares on the Stock Exchange.

Issue price of the Consideration Shares

The issue price of HK\$0.70 per Consideration Share represents (i) a premium of approximately 4.48% over the closing price of HK\$0.67 per Share as quoted on the Stock Exchange on the Last Trading Day; (ii) a premium of approximately 3.55% over the average closing price of HK\$0.676 per Share for the last five trading days immediately prior to and including the Last Trading Day; (iii) a premium of approximately 3.09% to the average closing price of HK\$0.679 per Share for the last ten trading days immediately prior to and including the Last Trading Day; and (iv) a premium of approximately 233.33% over the net asset value of approximately HK\$0.21 per Share, calculated based on the unaudited consolidated net asset attributable to owners of the Company of approximately HK\$354,142,000 as at 30 June 2016 and 1,685,566,601 Shares in issue as at the date of this announcement.

The issue price of the Consideration Shares was arrived at after arm's length negotiations between the Company, Guangdong Hoifu and the Vendor with reference to the prevailing market price of the Shares and the current market conditions.

Conditions precedent

Completion of the Agreement shall be conditional upon, inter alia:

- (i) the shareholder(s) and board of directors of each of Guangdong Hoifu and the Purchaser and the Board having approved the Agreement and the transactions contemplated under the Agreement;
- (ii) the Independent Shareholders having approved the relevant resolution(s) in respect of the Agreement and the transactions contemplated thereunder (including the issue of the Consideration Shares) at the SGM;
- (iii) the Listing Committee of the Stock Exchange having granted approval for the listing of, and permission to deal in, the Consideration Shares; and
- (iv) Guangdong Hoifu and the Purchaser being satisfied with the results of the financial and legal due diligence on the Target to be carried out by independent auditors and legal advisor appointed by Guangdong Hoifu and the Purchaser.

Completion of the Transactions shall take place on the date on which all the conditions precedent of the Agreement having been satisfied. If the conditions shall not have been fulfilled by 30 September 2016 or such later date as the parties to the Agreement may agree in writing, the Agreement shall terminate and of no effect.

Guarantees provided by the Vendor

The Vendor provides an irrevocable personal guarantee that (i) the net profit of the Target for the financial year ending 31 December 2016 shall not be less than RMB30 million; and (ii) the accumulated profit and net assets of the Target as at the date of Completion shall not be less than RMB60 million. The Vendor shall compensate the Target for any shortfall in profit or net assets on dollar-for-dollar basis.

EXEMPT CONTINUING CONNECTED TRANSACTION

Upon Completion, the management and operation of the Target will be contracted to the Purchaser, which will be responsible for the investment and operation of the Target for a term of ten years up to 31 August 2026. During the contracting period, Guangdong Hoifu and the Company will not bear any responsibility for investments in, and operation of, the Target or share any business risk, profits and legal liability arising therefrom. The Purchaser shall pay an annual contracting fee to Guangdong Hoifu before 1 September of each year during the contracting period. The contracting fee will be RMB280 million for the first year,

which shall be paid by the Purchaser to Guangdong Hoifu in cash upon Completion, and increase at an annual rate of 10% thereafter. The annual contracting fee during the contracting period are set out as follows:

	Contracting Fee <i>approximately</i> <i>RMB'000</i>
the first year	280,000
the second year	308,000
the third year	338,800
the fourth year	372,680
the fifth year	409,948
the sixth year	450,943
the seventh year	496,037
the eighth year	545,641
the ninth year	600,205
the tenth year	660,225

The Purchaser 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, for the payment of the annual contracting fee by the Purchaser to Guangdong Hoifu.

INFORMATION ON THE TARGET

The Target is a limited liability company established under the laws of the PRC in 2006. In February 2015, the Group completed its acquisition of the entire equity interest in the Target at a consideration of RMB30 million and the Vendor injected RMB27 million into the capital of the Target upon completion of the acquisition by the Group. Since then, the Target is owned as to 55% by Guangdong Hoifu and 45% by the Vendor.

The principal activities of the Target are mining and production of zeolite, which is the main raw material for the production of lightweight orthopedics materials, far infrared materials, large solar energy storage materials, building materials, catalytic materials, micro and nano materials, and related products. The Target has obtained the mining license of zeolite from the Bureau of Land and Resources of Zhangjiakou Municipal for the period from 23 April 2014 to 23 February 2017 in a zeolite mine located in Chicheng County, Zhangjiakou City, Hebei Province, the PRC with a total area of approximately 0.135 square kilometers and mining depth ranged between 1,450 meters and 1,300 meters.

The financial information of the Target, which have been prepared in accordance with accounting principles generally accepted in the PRC, is summarized as follows:

	For the year ended 31	
	December	
	2015	2014
	<i>RMB'000</i>	<i>RMB'000</i>
	(audited)	(unaudited)
Turnover	107,371	9,043
Net profit before taxation	20,389	149
Net profit after taxation	<u>15,185</u>	<u>149</u>

As at 30 June 2016, the unaudited net asset value of the Target was approximately RMB120.40 million.

REASONS FOR ENTERING INTO THE AGREEMENT

The Company is an investment holding company and the principal activities of the Group are (i) trading of natural resources and petrochemical; (ii) mineral mining, oil and gas exploration and production; and (iii) provision of financial services. Guangdong Hoifu, a wholly-owned subsidiary of the Company, holds 55% of the equity interest in the Target as at the date of this announcement. The Directors consider that the Transactions provide a good opportunity for the Company to realize a gain from short-term trading of the Equity Interest and generate net proceeds for the Group to strengthen its financial position for future business development and investment. The issue of the Consideration Shares shall provide an opportunity for the Company to broaden its Shareholder base and the Contracting shall secure a stable income for the Group during the contracting period. Therefore, the Directors (excluding the members of the Independent Board Committee who will form their views after receiving and considering the advice from the independent financial adviser) are of the opinion that the terms of the Agreement and the transactions contemplated thereunder are fair and reasonable so far as the Independent Shareholders are concerned and the entering into of the Agreement is in the interests of the Company and the Shareholders as a whole.

There shall be no changes in the Group's interest in the Target after completion of the Transactions and the Target shall remain as a non-wholly owned subsidiary of the Company. Upon completion of the Disposal, a gain on disposal of approximately RMB205,820,000, being the difference between the consideration of the Disposal of RMB260,000,000 and the net assets value attributable to the Equity Interest of approximately RMB54,180,000 as at 30 June 2016, will be recognised by the Group.

USE OF PROCEEDS FROM THE TRANSACTIONS

The gross sales proceeds from the Transactions will be approximately HK\$302.33 million while the net proceeds from the Transactions, being the gross proceeds net of the cash payment of approximately HK\$162.56 million as part of the consideration for the Acquisition and other related expenses of approximately HK\$1.00 million, is estimated to be approximately HK\$138.77 million, which is intended to be used for general working capital and future business development and investments of the Group.

SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is a summary of the shareholding in the Company as at the date of this announcement and, for illustrative purposes only, upon the issue of the Consideration Shares, assuming there being no other changes in the issued share capital and the shareholding structure of the Company after the date of this announcement. The Acquisition, which involves the issue and allotment of the Consideration Shares as part of the consideration, will not result in a change of control of the Company.

	As at the date of this announcement		Immediately after the issue of the Consideration Shares	
	<i>Number of Shares</i>	<i>approximately %</i>	<i>Number of Shares</i>	<i>approximately %</i>
Triumph Energy Group Limited <i>(Note 1)</i>	847,449,143	50.28	847,449,143	47.46
Taiming Petroleum Group Limited <i>(Note 1)</i>	74,018,000	4.39	74,018,000	4.15
Wisdom On Holdings Limited <i>(Note 2)</i>	<u>8,410,000</u>	<u>0.50</u>	<u>8,410,000</u>	<u>0.47</u>
	929,877,143	55.17	929,877,143	52.08
The Vendor	—	—	100,000,000	5.60
Other public Shareholders	<u>755,689,458</u>	<u>44.83</u>	<u>755,689,458</u>	<u>42.32</u>
	<u><u>1,685,566,601</u></u>	<u><u>100.00</u></u>	<u><u>1,785,566,601</u></u>	<u><u>100.00</u></u>

Notes:

1. Triumph Energy Group Limited is owned as to (i) 51.71% by Taiming Petroleum Group Limited, which is wholly-owned by Dr. Hui Chi Ming, a Director; (ii) 29.49% by AMA Energy Group Limited, which is owned as to 91.70% by Dr. Hui Chi Ming and 8.30% by Taiming Petroleum Group Limited; and (iii) 18.80% by Simply Superb Holdings Limited, which is owned as to 39.00% by Mr. Huang Huafeng, 44.20% by Mr. Xu Zhenhui, 9.70% by Taiming Petroleum Group Limited and 7.10% by Mr. Liu Hao as at the date of this announcement.
2. Wisdom On Holdings Limited is wholly-owned by Hoifu Petroleum Group Investment Limited, a company wholly-owned by Dr. Hui Chi Ming, as at the date of this announcement.

LISTING RULES IMPLICATIONS

As the Vendor is a substantial shareholder of the Target, being a non-wholly-owned subsidiary of the Company, the Vendor is a connected person of the Company at the subsidiary level under the Listing Rules. Accordingly, the issue and allotment of the Consideration Shares to the Vendor constitutes a non-exempt connected transaction for the Company under Chapter 14A of the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14A of the Listing Rules. Furthermore, as certain applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Acquisition exceed 25% but are less than 100%,

the Acquisition (including the issue and allotment of the Consideration Shares) constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to reporting, announcement, circular and Shareholders' approval requirements.

As certain applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Disposal exceed 25% but are less than 75%, the Disposal constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to reporting, announcement, circular and Shareholders' approval requirements.

As the Purchaser will be a substantial shareholder of the Target, being a non-wholly-owned subsidiary of the Company, upon Completion, the Purchaser is considered as a connected person of the Company at the subsidiary level under the Listing Rules and therefore the Contracting constitutes a continuing connected transaction of the Company under the Listing Rules. Pursuant to Rule 14A.101 of the Listing Rules, a connected transaction between the listed issuer's group and a connected person at the subsidiary level on normal commercial terms or better is exempt from the circular, independent financial advice and shareholders' approval requirements if (i) the listed issuer's board of directors have approved the transactions; and (ii) the independent non-executive directors have confirmed that the terms of the transaction are fair and reasonable, the transaction is on normal commercial terms or better and in the interests of the listed issuer and its shareholders as a whole.

Given that (i) the Board has approved the Agreement and the transactions contemplated thereunder (including the Contracting); and (ii) the independent non-executive Directors have confirmed that the terms of the Contracting are fair and reasonable and the Contracting is on normal commercial terms or better and in the interests of the Company and the Shareholders as a whole, the Contracting constitutes an exempt continuing connected transaction for the Company under Chapter 14A of the Listing Rules and is subject to the reporting and announcement requirements but exempt from the circular, independent financial advice and shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

The SGM will be held for the Independent Shareholders to consider and, if thought fit, approve, by way of poll, the Agreement and the transactions contemplated thereunder, including the issue and allotment of the Consideration Shares. As at the date of this announcement, the Purchaser and its associates hold 50,000,000 Shares, representing approximately 2.97% of the total issued share capital of the Company. The Purchaser and its associates will abstain from voting for the approval of the Agreement and the transactions contemplated thereunder at the SGM. Save as disclosed above, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, no other Shareholders have any material interest in the Transactions as at the date of this announcement and, thus, no other Shareholders are required to abstain from voting for the approval of the Agreement and the transactions contemplated thereunder at the SGM. As none of the Directors is considered to have a material interest in the transactions contemplated under the Agreement, no Directors were required to abstain from voting on the relevant resolution(s) approving the Agreement at the meeting of the Board.

An Independent Board Committee will be established to advise the Independent Shareholders regarding the Agreement and the transactions contemplated thereunder and an independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard. A circular containing, among other things, further details of the Transactions and other disclosures in connection with the Transactions required pursuant to the Listing Rules, the advices from the Independent Board Committee and the independent financial adviser, together with a notice of the SGM will be dispatched to the Shareholders on or before 19 September 2016 so as to allow sufficient time for the preparation of the relevant information for inclusion in the circular.

TRADING HALT AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted from 9:00 a.m. on 1 September 2016, pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 5 September 2016.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“Acquisition”	the acquisition of the Equity Interest by Guangdong Hoifu from the Vendor in accordance with the terms and conditions of the Agreement
“Agreement”	the agreement dated 31 August 2016 entered into among Guangdong Hoifu, the Vendor, the Purchaser, the Target and the Company in relation to the Transactions and the Contracting
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Hoifu Energy Group Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the Transactions
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration Share(s)”	Share(s) to be issued by the Company, as part of the consideration for the Acquisition, to the Vendor in accordance with the terms and conditions of the Agreement
“Contracting”	contracting of the investment and operation of the Target to the Purchaser for a term of ten years up to 31 August 2026 pursuant to the Agreement

“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Equity Interest by Guangdong Hoifu to the Purchaser in accordance with the terms and conditions of the Agreement
“Equity Interest”	45% equity interest of the Target
“Group”	the Company and its subsidiaries
“Guangdong Hoifu”	廣東凱富能源有限公司 (Guangdong Hoifu Energy Limited*), a company established under the laws of the PRC and is wholly-owned by the Company
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Purchaser”	Hoifu United Group Limited, a company incorporated in Bermuda with limited liability
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the committee of the Board comprising all the independent non-executive Directors established for the purpose of giving recommendations to the Independent Shareholders in respect of the Agreement and the transactions contemplated thereunder
“Independent Shareholder(s)”	Shareholders other than the Purchaser and its associates who are interested in the Transactions
“Last Trading Day”	31 August 2016, being the last trading day before the publication of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Vendor”	Ms. Zhang Ling
“PRC”	the People’s Republic of China, and for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SGM”	the special general meeting of the Company to be convened for the purpose of considering, and if though fit, approving the Agreement and the transactions contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.1 each in the issued share capital of the Company

“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target”	河北攀寶沸石科技有限公司 (Hebei Panbao Zeolite Technology Co., Ltd.*), a limited liability company established under the laws of the PRC
“Transactions”	the Acquisition and the Disposal
“%”	per cent

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

Hong Kong, 2 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 then 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.

** for identification purpose only*