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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)

**SUPPLEMENTAL AGREEMENT
IN RELATION TO
A MAJOR AND CONNECTED TRANSACTION
AND
STRATEGIC COOPERATION WITH
FOSHAN GAS GROUP CO., LTD.**

SUPPLEMENTAL AGREEMENT IN RELATION TO THE ACQUISITION

On 29 October 2018 (after the trading hours of the Stock Exchange), the parties to the Agreement entered into the Supplemental Agreement to postpone the payment of the Refundable Deposit to a date within 5 business days after receiving the valuation report, which confirms that the valuation of the Target being not less than HK\$2,200,000,000, by the Purchaser from an independent valuer.

STRATEGIC COOPERATION WITH FOSHAN GAS GROUP

On 29 October 2018 (after trading hours of the Stock Exchange), the Company, the Purchaser and the Vendor, being the parties to the Agreement, and Foshan Gas Group entered into the Strategic Cooperation Agreement, pursuant to which Foshan Gas Group and/or its subsidiaries shall be engaged by the Purchaser as the main construction contractor for constructing the natural gas pipelines and network and 300 petroleum and natural gas stations with ancillary convenience stores in the administrative regions of the Government of Antananarivo Province, Tamatave and Tulear, subject to completion of the Acquisition.

Definitive agreement(s) shall be entered into by the Purchaser and Foshan Gas Group and/or its subsidiaries to specify the details of the engineering construction works, project fee and settlement method. In the event that no definitive agreements have been entered into by the Purchaser and Foshan Gas Group and/or its subsidiaries, or the Acquisition has not been completed, within 180 days from the date of the Strategic Cooperation Agreement, the Strategic Cooperation Agreement shall be terminated and of no effect.

Reference is made to the announcement of Hong Kong Finance Investment Holding Group Limited dated 11 September 2018 (the “Announcement”) 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 Announcement, unless otherwise stated.

SUPPLEMENTAL AGREEMENT IN RELATION TO THE ACQUISITION

Pursuant to the Agreement, the total consideration for the Acquisition of HK\$2,200,000,000 shall be satisfied as to (i) HK\$150,000,000 (or an equivalent amount in RMB) in cash (the “Refundable Deposit”) as a refundable deposit and part payment of the consideration to be paid within one month after the signing of the Agreement (i.e. 11 October 2018); and (ii) HK\$2,050,000,000 by issue of the Convertible Note. As the Company is still in the process of performing due diligence review on the Target, the parties to the Agreement entered into a supplemental agreement (the “Supplemental Agreement”) on 29 October 2018 to postpone the payment of the Refundable Deposit to a date within 5 business days after receiving the valuation report, which confirms that the valuation of the Target being not less than HK\$2,200,000,000, by the Purchaser from an independent valuer. Save as disclosed above, all other terms and conditions of the Agreement remain unchanged and in full force and effect in all respects.

STRATEGIC COOPERATION WITH FOSHAN GAS GROUP CO., LTD.

The Board is pleased to announce that on 29 October 2018 (after trading hours of the Stock Exchange), the Company, the Purchaser and the Vendor, being the parties to the Agreement, and 佛山市燃氣集團股份有限公司 (Foshan Gas Group Co., Ltd.*) (“Foshan Gas Group”) entered into a strategic cooperation agreement (the “Strategic Cooperation Agreement”), pursuant to which Foshan Gas Group and/or its subsidiaries shall be engaged by the Purchaser as the main construction contractor for constructing the natural gas pipelines and network and 300 petroleum and natural gas stations with ancillary convenience stores in the administrative regions of the Government of Antananarivo Province, Tamatave and Tulear, subject to completion of the Acquisition.

Definitive agreement(s) shall be entered into by the Purchaser and Foshan Gas Group and/or its subsidiaries to specify the details of the engineering construction works, project fee and settlement method. In the event that no definitive agreements have been entered into by the Purchaser and Foshan Gas Group and/or its subsidiaries, or the Acquisition has not been completed, within 180 days from the date of the Strategic Cooperation Agreement, the Strategic Cooperation Agreement shall be terminated and of no effect.

Foshan Gas Group is a company incorporated in the PRC whose shares are listed on the Shenzhen Stock Exchange (stock code: 002911). Foshan Gas Group and its subsidiaries are principally engaged in construction and operation of high-pressure natural gas pipeline and network, midstream distribution of natural gas, sales of pipeline natural gas to end-users, refueling of natural gas for automobiles and design and construction of gas engineering projects. Its main products include liquefied natural gas and compressed natural gas. It has the exclusive operating rights of pipeline nature gas business in four areas in Foshan City, namely Chancheng, Shunde, Sanshui and Gaoming. Foshan Gas Group has also established project operating companies in Zhaoqing, Yunfu and Nanxiong to facilitate its development of pipeline nature gas business in other cities in proximity to Foshan. “佛山市燃氣管網資源管理系統” (Foshan Gas Pipeline Network Resource Management System*) developed by Foshan Gas Group was awarded the golden prize of China Excellent Geographic Information Engineering Projects in 2010.

In view of the extensive experiences and expertise of Foshan Gas Group in the construction and operation of natural gas infrastructure, the Board considers that the cooperation with Foshan Gas Group shall facilitate the development of the Group's supply of natural gas and operation of petroleum and natural gas stations in Madagascar under the Gas Supply Rights and Petrol Station Operating Rights upon completion of the Acquisition.

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

Hong Kong, 29 October 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.

* *for identification purpose only*