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**TERMINATION OF A VERY SUBSTANTIAL ACQUISITION AND  
CONNECTED TRANSACTION  
MAJOR AND CONNECTED TRANSACTION  
AND  
RESUMPTION OF TRADING**

**TERMINATION OF THE VSA & CONNECTED TRANSACTION**

Having considered the Listing Division of the Stock Exchange's advice and ruling that the VSA & Connected Transaction would constitute a reverse takeover under Rule 14.06(6) of the Listing Rules and the Company would be treated as if it were a new listing applicant under Rule 14.54 of the Listing Rules if it proceeds with the VSA & Connected Transaction, the Company has reconsidered its position and entered into the Termination Agreement with the relevant parties to terminate the Previous Agreement on 4 August 2015.

To the best of the Directors' knowledge, information and belief, the termination of the Previous Agreement will not have any adverse material impact on the business, operations or financial position of the Group.

## **MAJOR AND CONNECTED TRANSACTION**

On 4 August 2015 (after trading hours), the Purchaser, a wholly-owned subsidiary of the Company, the Company, the Vendor, the Target and Madagascar Southern Petroleum entered into the Agreement, pursuant to which the Purchaser has agreed to acquire, and the Vendor has agreed to sell, the Sale Shares, representing the entire issued share capital of the Target, for a total consideration of HK\$750,000,000, subject to adjustment, which will be satisfied as to HK\$50,000,000 by payment of cash and HK\$700,000,000 by the issue of the Consideration Shares at an issue price of HK\$1.2 per Consideration Share.

The major assets of the Target include (i) 5% equity interest in Madagascar Southern Petroleum, a company which owns 100% interest of the exploration, exploitation and operation rights as well as the profit sharing rights of Oilfield Block 3112; and (ii) the preferential discount of at least 30% to the market price for natural gas products offered by Madagascar Southern Petroleum.

As all applicable percentage ratios (as defined under Chapter 14 of the Listing Rules) in respect of the Acquisition exceed 25% but less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules. Dr. Hui, the beneficial owner of the Vendor, is a Director and controlling Shareholder and thus a connected person of the Company under the Listing Rules. Therefore, the Acquisition also constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules and is subject to the reporting, announcement and independent shareholders' approval requirements under the Listing Rules. A 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. Dr. Hui and his 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 formed to advise the Independent Shareholders on the Acquisition and an independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders on the Acquisition.

A circular containing, among other things, further details of the Acquisition and other disclosures in connection with the Acquisition 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 30 September 2015 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 8 June 2015, 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 August 2015.

## **TERMINATION OF THE VSA & CONNECTED TRANSACTION**

Reference is made to the announcements of the Company dated 8 June 2015, 2 July 2015 and 24 July 2015 in relation to, among other things, the proposed acquisition of the entire equity interest in Madagascar Natural Gas Group Limited, which constitutes a very substantial acquisition and connected transaction for the Company under the Listing Rules.

As disclosed in the announcement of the Company dated 24 July 2015, the Company received a letter from the Listing Division of the Stock Exchange dated 22 July 2015 stating that it considered that the VSA & Connected Transaction would constitute a reverse takeover under Rule 14.06(6) of the Listing Rules and the Company would be treated as if it were a new listing applicant under Rule 14.54 of the Listing Rules if it proceeds with the VSA & Connected Transaction. Having considered the Listing Division of the Stock Exchange's advice and ruling on the VSA & Connected Transaction, the Company has reconsidered its position and entered into the Termination Agreement with the relevant parties to terminate the Previous Agreement on 4 August 2015.

Under the Termination Agreement, each of the contracting parties to the Previous Agreement releases and discharges one another from its obligations, liabilities and duties under the Previous Agreement, and from all actions, claims, demands, damages, proceedings, costs and expenses arising from such obligations, liabilities and duties. The Previous Agreement has been finally and irrevocably terminated by the Termination Agreement.

To the best of the Directors' knowledge, information and belief, the termination of the Previous Agreement will not have any adverse material impact on the business, operations or financial position of the Group.

## **MAJOR AND CONNECTED TRANSACTION**

The Board is pleased to announce that the Purchaser, a wholly-owned subsidiary of the Company, entered into the Agreement with, among others, the Vendor on 4 August 2015 (after trading hours) to acquire the Sale Shares. Details of the Acquisition are set out as follows:

### **THE AGREEMENT**

#### **Date**

4 August 2015

#### **Parties to the Agreement**

Purchaser : Hoifu Energy Investments Holding Limited, a company incorporated in the British Virgin Islands with limited liability and is wholly-owned by the Company.

Vendor	:	Madagascar Natural Gas Group Limited (馬達加斯加天然氣集團有限公司), an investment holding company incorporated in the British Virgin Islands with limited liability and is beneficially wholly-owned by Dr. Hui. As at the date of this announcement, Dr. Hui and his associates are beneficially interested in approximately 57.9% of the issued share capital of the Company.
Issuer	:	the Company
Target	:	Oriental Bliss Holdings Limited
Others	:	Madagascar Southern Petroleum

### **Assets to be acquired**

The assets to be acquired under the Agreement are the Sale Shares, being 100 ordinary shares of US\$1 each in the issued share capital of the Target, representing the entire issued share capital of the Target.

### **Consideration**

The total consideration for the Acquisition is HK\$750,000,000, subject to adjustment as detailed below, which shall be settled in the following manner:

- (i) HK\$50,000,000 shall be paid in cash, in any currency, by the Purchaser to the Vendor as a refundable deposit on or before completion of the Acquisition; and
- (ii) HK\$700,000,000 shall be satisfied by the issue of the Consideration Shares by the Company to the Vendor upon completion of the Acquisition.

The consideration of the Acquisition shall be adjusted downwards on a dollar-for-dollar basis, by reducing the number of Consideration Shares to be issued, in the event that the valuation of the Target to be carried out by an independent valuer to be appointed by the Purchaser is less than HK\$750,000,000. No adjustments are required in the event that the valuation of the Target is higher than HK\$750,000,000.

The consideration of the Acquisition was determined after arm's length negotiations between the Purchaser and the Vendor with reference to an indicative value of 100% interest of the Oilfield Block 3112 of HK\$15 billion based on the preliminary valuation conducted by Greater China Appraisal Limited, an independent Competent Evaluator (as defined in Chapter 18 of the Listing Rules) appointed by the Company, in accordance with the requirements under Petroleum Resources Management System and Chapter 18 of the Listing Rules.

It is anticipated that the cash consideration of the Acquisition will be financed by internal resources of the Group. Having considered the existing cash available to the Company and the minimum public float requirement under the Listing Rules, the Company considers that the settlement method and the respective portion of the consideration of the Acquisition is in the interest of the Company. Given that the consideration of the Acquisition shall be

adjusted downwards, on a dollar-for-dollar basis, in the event that the fair value of the Target to be valued by an independent professional valuer is less than HK\$750,000,000, 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 consideration of the Acquisition is fair and reasonable.

The issue price of HK\$1.2 per Consideration Share represents (i) a discount of approximately 14.29% to the closing price of HK\$1.400 per Share as quoted on the Stock Exchange on the Last Trading Day; (ii) a discount of approximately 11.11% to the average closing price of HK\$1.350 per Share for the last five trading days immediately prior to and including the Last Trading Day; (iii) a discount of approximately 7.12% to the average closing price of HK\$1.292 per Share for the last ten trading days immediately prior to and including the Last Trading Day; and (iv) a premium of approximately 521.76% over the net asset value of approximately HK\$0.193 per Share, calculated based on the audited consolidated net asset attributable to owners of the Company of approximately HK\$320,285,000 as at 31 December 2014 and 1,658,250,601 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, the Purchaser and the Vendor with reference to the prevailing market price of the Shares in the last 10 days up to and including the Last Trading Day (the "Relevant Period") and the current market conditions. Having considered that the issue price of the Consideration Shares falls within the range of the closing prices of the Shares during the Relevant Period of HK\$1.20 and HK\$1.43 and represents a premium of approximately 521.76% over the net asset value per Share, 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 issue price of the Consideration Shares is fair and reasonable although it was set at a discount to the closing price of the Shares on the Last Trading Day.

### **Consideration Shares**

The Consideration Shares represent (i) approximately 35.2% of the existing issued share capital of the Company; and (ii) approximately 26.0% 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.

## **Conditions precedent**

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

- (i) the passing of the relevant resolution(s) at the SGM by the Independent Shareholders for approving the Agreement and the transactions contemplated thereunder (including the issue of the Consideration Shares);
- (ii) the listing of, and permission to deal in, the Consideration Shares having been granted by the Listing Committee of the Stock Exchange; and
- (iii) the Purchaser having been satisfied with the results of the valuation of the Target to be carried out by a valuer to be appointed by the Purchaser.

Completion of the Acquisition shall take place on the date on which all the conditions precedent of the Acquisition having been satisfied. If the conditions shall not have been fulfilled by 31 October 2015 or such later date as the parties to the Agreement may agree in writing, the Agreement shall terminate and of no effect.

## **INFORMATION ON THE TARGET**

The Target is a company incorporated in the British Virgin Islands with limited liabilities in 2015. As at the date of the Agreement, Madagascar Southern Petroleum was owned as to 95% by Global Resources Investment Holding Company Limited, a company beneficially wholly-owned by Dr. Hui, and 5% by the Target. The Target owns (i) 5% equity interest in Madagascar Southern Petroleum, a company incorporated in the British Virgin Islands with limited liability on 16 March 2006 and owns 100% interest of the exploration, exploitation and operation rights as well as the profit sharing rights of Oilfield Block 3112; and (ii) the preferential discount of at least 30% to the market price for natural gas products offered by Madagascar Southern Petroleum. Up to the date of the Agreement, the total costs of Dr. Hui for acquiring and developing Oilfield Block 3112 amounted to approximately HK\$616 million, and thus the original acquisition cost of the Target to Dr. Hui was approximately HK\$30.8 million.

## **Oilfield Block 3112**

On 12 October 2006, Madagascar Southern Petroleum entered into the Production Sharing Contract with OMNIS in respect of Oilfield Block 3112, an onshore site with total area of approximately 9,290 square kilometers located at the southwest of Madagascar. Pursuant to the Production Sharing Contract, Madagascar Southern Petroleum is vested with the relevant rights to engage in oil and gas exploration for 8 years (with possible extensions of 2 years and 5 years for oil and gas respectively) and exploitation and operation of oil for 25 years (with possible extension of 5 years) and gas for 35 years (with possible extension of 10 years) at Oilfield Block 3112. Depending on the production volume of petroleum and gas production of Oilfield Block 3112, Madagascar Southern Petroleum will share the remaining petroleum and gas profit after government royalty and recovery of petroleum and gas exploitation costs according to the sharing ratios in the range of 40.0% to 72.5% as set out in the Production Sharing Contract.



Madagascar Southern Petroleum has completed the exploration work obligations required under the Production Sharing Contract. With the resources contributed by Madagascar Southern Petroleum to the exploration, development and operation of Oilfield Block 3112 for years, satisfactory oil and gas exploration results have been discovered and achieved and Oilfield Block 3112 is now ready to produce and supply oil and gas. Oilfield Block 3112 started its production in January 2015 and is currently supplying natural gas at a rate of 2,800 cubic meters per hour. The natural gas produced in Oilfield Block 3112 is currently supplied to the power plant built by Madagascar Southern Petroleum for power generation and other local customers. Madagascar Southern Petroleum and 中國能源建設集團廣西電力工程建設有限公司 (China Energy Guangxi Power Engineering Construction Co., Ltd.\*), a member of 中國能源建設集團有限公司 (China Energy Engineering Group Co., Ltd.\*), which is a state-owned energy engineering group under the direct administration of the State-owned Assets Supervision and Administration Commission of the State Council, entered into a well drilling agreement, pursuant to which China Energy Guangxi Power Engineering Construction Co., Ltd. shall be responsible for drilling 50 production and development wells with depth in the range of 1,500 meters and 3,500 meters in Oilfield Block 3112. It is expected that the drilling of 25 production and development wells will be completed by June 2016 and the remaining production and development wells will be completed by June 2017. Subject to completion of the Acquisition, 5% of the drilling and related fees would be borne by the Group and settled by the issue of new Shares at an issue price equal to the average closing price of the Shares for the three trading days immediately preceding the settlement date of the project, while the remaining 95% of the project fee would be borne by Madagascar Southern Petroleum and settled by equities of Madagascar Southern Petroleum.

According to the competent person's report dated 18 March 2014 prepared by the competent person and experts of Greater China Appraisal Limited and Greater China Mineral & Energy Consultants Limited in accordance with the requirements under Petroleum Resources Management System and Chapter 18 of the Listing Rules and the supplementary report issued by Greater China Appraisal Limited on 27 April 2015, Oilfield Block 3112 has the potential to contain 22.94 billion cubic meters of reserves under the 1P category, 37.48 billion cubic meters of reserves under the 2P category and 52.02 billion cubic meters of reserves under the 3P category.

Based on the unaudited management accounts of the Target, the net loss before and after taxation of the Target from 11 May 2015 (date of incorporation) to 31 July 2015 amounted to HK\$9,500 and HK\$9,500 respectively. As at 31 July 2015, the Target had total assets of approximately HK\$750 million, mainly comprised the MSP Equity Interest, and total liabilities of HK\$9,500. The net asset value of the Target amounted to approximately HK\$750 million as at 31 July 2015.

## **REASONS FOR THE ACQUISITION**

The Company is an investment holding company and the Group is principally engaged in the businesses of petrochemical production, oil and gas exploration and production, mineral mining and provision of financial services. Upon completion of the Acquisition, the Target will become an indirect wholly-owned subsidiary of the Company and its results will be consolidated into the Group's accounts.

The Group has been participating in the oil and gas business in Tunisia and Madagascar. Given the continuous growth in the worldwide oil and gas consumption, 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 optimistic about the future development of oil and gas exploration, exploitation and operation business and would continue to explore business opportunities in the area of, among others, exploration, production and operation of oil and gas. In light of the results of the oil and gas reserve assessment performed by the competent person and experts of Greater China Appraisal Limited and Greater China Mineral & Energy Consultants Limited on Oilfield Block 3112 in accordance with the requirements under Petroleum Resources Management System and Chapter 18 of the Listing Rules, 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 optimistic about the development and prospects of the exploration, exploitation and operation of Oilfield Block 3112 and consider that the Acquisition represents a good opportunity for the Group to increase its oil and gas reserves and investments in the oil and gas exploitation and operation.

In view of the above, 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 are fair and reasonable so far as the Independent Shareholders are concerned and the entering into of the Agreement is justifiable and in the interests of the Company and the Shareholders as a whole.

## SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is a summary of the shareholding structure of the Company as at the date of this announcement and, for illustrative purposes only, upon completion of the Acquisition, assuming there being no other changes in the issued share capital and the shareholding structure of the Company after the date of this announcement.

	As at the date of this announcement		Immediately after the issue of the Consideration Shares	
	Number of Shares	%	Number of Shares	%
Triumph Energy Group Limited (Note 1)	838,163,143	50.54	838,163,143	37.39
Taiming Petroleum Group Limited (Note 1)	114,018,000	6.88	114,018,000	5.09
Wisdom On Holdings Limited (Note 2)	8,410,000	0.51	8,410,000	0.38
the Vendor	—	—	583,333,334	26.02
	960,591,143	57.93	1,543,924,477	68.88
Other public Shareholders	697,659,458	42.07	697,659,458	31.12
	<u>1,658,250,601</u>	<u>100.00</u>	<u>2,241,583,935</u>	<u>100.00</u>



*Notes:*

1. Triumph Energy Group Limited is owned as to 51.06% by Taiming Petroleum Group Limited, which is wholly-owned by Dr. Hui, 29.89% by AMA Energy Group Limited, which is owned as to 91.70% by Dr. Hui and 8.30% by Mr. Zheng Kangbao, and 19.05% 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 Mr. Zheng Kangbao 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 Holding Limited, a company wholly-owned by Dr. Hui, as at the date of this announcement.

## **GENERAL**

As all applicable percentage ratios (as defined under Chapter 14 of the Listing Rules) in respect of the Acquisition exceed 25% but less than 100%, the Acquisition constitutes a major transaction for the Company under the Listing Rules. Dr. Hui, the beneficial owner of the Vendor, is a Director and controlling Shareholder and thus a connected person of the Company under the Listing Rules. Therefore, the Acquisition also constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules and is subject to the reporting, announcement and independent shareholders' approval requirements under the Listing Rules. A 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. Dr. Hui and his associates will abstain from voting for the approval of the Agreement and the transactions contemplated thereunder at the SGM. Given the interest of Dr. Hui in the Acquisition, Dr. Hui abstained from voting on the relevant board resolutions of the Company in approving the Agreement and the transactions contemplated thereunder.

An Independent Board Committee will be formed to advise the Independent Shareholders on the Acquisition and an independent financial adviser will be appointed to advise the independent board committee and the Independent Shareholders on the Acquisition. A circular containing, among other things, further details of the Acquisition and other disclosures in connection with the Acquisition 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 30 September 2015 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 8 June 2015, 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 August 2015.

## DEFINITIONS

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

“Acquisition”	the acquisition of the Sale Shares by the Purchaser from the Vendor in accordance with the terms and conditions of the Agreement
“Agreement”	the sale and purchase agreement dated 4 August 2015 entered into among the Purchaser, the Vendor, the Company, the Target and Madagascar Southern Petroleum in relation to the Acquisition
“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
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration Share(s)”	583,333,334 Shares 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
“Director(s)”	the director(s) of the Company
“Dr. Hui”	Dr. Hui Chi Ming, Chairman of the Board, an executive Director and a controlling Shareholder
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“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 Acquisition
“Independent Shareholder(s)”	Shareholders other than Dr. Hui and his associates who are interested in the Acquisition
“Last Trading Day”	5 June 2015, being the last trading day before the publication of this announcement

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Madagascar”	the Republic of Madagascar
“Madagascar Southern Petroleum”	Madagascar Southern Petroleum Company Limited (馬達加斯加南方石油有限公司*), a company incorporated in the British Virgin Islands with limited liability
“MSP Equity Interest”	5% equity interest in Madagascar Southern Petroleum
“Oilfield Block 3112”	an onshore block of land of approximately 9,290 square kilometers in the southwest part of Madagascar
“OMNIS”	Office Des mines Nationales Et Des Industries Strategiques (English translation being: The National Office for Mining and Strategic Industries), a state-owned agency of Madagascar commissioned to manage and oversee the national petroleum and mineral resources of Madagascar
“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
“Previous Agreement”	the sale and purchase agreement dated 5 June 2015 (as amended and supplemented by the supplemental agreement dated 15 June 2015) entered into among the Purchaser, Madagascar Natural Gas Investment Group Limited, the Company and China National Chemical Hualu Engineering & Technology Co., Ltd. in relation to the VSA & Connected Transaction and the appointment of China National Chemical Hualu Engineering & Technology Co., Ltd. for engineering construction services in relation to the establishment of the natural gas pipelines and network and 300 petroleum and natural gas stations with ancillary convenience stores in Antananarivo Province, Tamatave and Tulear
“Production Sharing Contract”	the production sharing contract dated 12 October 2006 entered into between Madagascar Southern Petroleum and OMNIS, pursuant to which Madagascar Southern Petroleum was granted certain oil and gas exploration, exploitation and operation rights and profit sharing right in respect of Oilfield Block 3112
“Purchaser”	Hoifu Energy Investments Holding Limited (凱富能源投資控股有限公司), a company incorporated in the British Virgin Islands with limited liability and is wholly-owned by the Company

“Sale Shares”	100 ordinary shares of US\$1 each in the issued share capital of the Target, representing the entire issued share capital of the Target
“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”	Oriental Bliss Holdings Limited, a company incorporated in the British Virgin Islands with limited liability
“Termination Agreement”	a termination agreement dated 4 August 2015 entered into between the Purchaser, Madagascar Natural Gas Investment Group Limited, the Company and China National Chemical Hualu Engineering & Technology Co., Ltd. to terminate the Previous Agreement
“US\$”	United States dollar, the lawful currency of the United States of America
“Vendor”	Madagascar Natural Gas Group Limited (馬達加斯加天然氣集團有限公司), a company incorporated in the British Virgin Islands with limited liability
“VSA & Connected Transaction”	the proposed acquisition of the entire equity interest in the Vendor by the Purchaser from Madagascar Natural Gas Investment Group Limited in accordance with the terms and conditions of the Previous Agreement
“%”	per cent

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

Hong Kong, 4 August 2015

*For the purposes of this announcement, unless otherwise indicated, conversion of US\$ into HK\$ is calculated at the exchange rate of US\$1 to HK\$7.75. 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 five executive Directors, namely, Dr. Hui Chi Ming, G.B.S., J.P., Mr. Neil Bush, Dr. Chui Say Hoe, 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*