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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)

**ANNOUNCEMENT
BUSINESS UPDATE**

The board of directors (the “**Board**”) of Hong Kong Finance Investment Holding Group Limited (the “**Company**”) is pleased to announce that Hong Kong Finance Business Development Group Limited (“**HKFB**”), a wholly-owned subsidiary of the Company, entered into an exclusive operating agreement (the “**Agreement**”) with the Kikori District Development Authority of Papua New Guinea (the “**District Authority**”) on 17 April 2020. Pursuant to the Agreement, the District Authority has granted an exclusive operating right to HKFB for conducting continuous and effective sand mining and export business in the waters and rivers of the Kikori Delta in the Gulf of Papua (the “**Kikori Delta**”) with a total area of 23,300 square kilometers. HKFB is also granted the exclusive right to invest and operate port and terminal facilities in the Kikori Delta. Furthermore, HKFB is authorized to manage and maintain, including dredging, widening and cleaning, the fairway of the Kikori Delta exclusively. The District Authority also authorized HKFB to be responsible for planning and introducing investors, developers and contractors for the above-mentioned projects.

Consents and approvals for the operation of the abovementioned projects have been obtained from the District Authority and the Conservation and Environmental Protection Authority of Papua New Guinea. HKFB will invest capital of approximately US\$20 million for developing and operating the abovementioned projects.

The Board considers that the exclusive operating rights for conducting continuous and effective sand mining and export business and port and terminal facility construction and operation in the Kikori Delta shall place HKFB at an immensely more advantageous position for developing such business and the entering into of the Agreement is in the interests of the Company and the Shareholders as a whole.

The Company is in negotiation with various parties for the cooperation of the sand mining and export business and port and terminal facility construction and operation, and certain potential investors and customers have already expressed their intention to participate in the projects.

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 April 2020

As at the date of this announcement, the Honorary Chairman and Senior Consultant of the Company is Dr. Yukio Hatoyama; the senior consultants of the Company comprise Dr. Wang Tao, Mr. Fu Chenyu and Mr. Lalaharisaina Joelivalerien; 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. Chan Tsang Mo, Mr. Ngan Kam Biu, Stanford, Mr. Tam Chak Chi and Mr. Ma Kin Ling.