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ASIA INVESTMENT FINANCE GROUP LIMITED
亞投金融集團有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 33)

INSIDE INFORMATION
MEMORANDUM OF UNDERSTANDING
IN RELATION TO A PROPOSED ACQUISITION

This announcement is made by Asia Investment Finance Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

MEMORANDUM OF UNDERSTANDING

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that, on 10 January 2018 (after trading hours), the Company entered into a non-legally binding memorandum of understanding (the “**MOU**”) with China Universities Media Holdings Limited (中國高校傳媒控股有限公司) (the “**Intended Vendor**”) pursuant to which the Intended Vendor intended to sell and the Company intended to acquire the entire issued share capital of China Universities Media Limited (中國高校傳媒有限公司) (the “**Target**”) (the “**Proposed Acquisition**”).

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Intended Vendor and its ultimate beneficial owner are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

The Business of the Target

According to the information provided by the Intended Vendor, the Target is an IOT (Internet of Things) + Internet life service providers, a new media interactive integrated marketer, and a supply chain service providers among the Chinese campuses. The Target expects to complete the jointly-built strategic cooperation with campuses nationwide (new retailing, new finance, new media) by 2020, and become an operator and service provider among university campuses nationwide for the logistics joint procurement on electronic transaction platforms. The Target established the media platform of the video terminals and frameworks for supermarkets, dormitories and restaurants at universities with its centre in Shanghai and its extended geographic reach covering Nanjing, Hangzhou, Beijing, Wuhan, Harbin, Chongqing, Chengdu, Guangzhou and Gansu, etc., which enabling itself to be a campus media institute with the most resourceful advertising media, the largest scale and the highest professionalism among the Chinese universities at present. Under the guidance of “One Belt, One Road” policy, the Target will be “going global” in the next three years with an aim to share the servicing experiences and philosophy on quality campus life with countries along the “One Belt, One Road” route, and conglomerate into an operator and service provider.

Formal Agreement

The Company and the Intended Vendor will proceed with further negotiation. Subject to the Company being satisfied with the results of the due diligence on the Target, the parties will enter into a formal sale and purchase agreement (the “**Formal Agreement**”) within 6 months from the date of the MOU. If the Formal Agreement is entered into and the Proposed Acquisition is materialised, the Proposed Acquisition will constitute a notifiable transaction of the Company pursuant to the Listing Rules and the Company will comply with the relevant requirements under the Listing Rules as and when appropriate.

Consideration

The consideration for the Proposed Acquisition shall be subject to further negotiation between the parties to the MOU and the terms and conditions of the formal sale and purchase agreement. Under the MOU, the Company is not required to pay any amount to the Intended Vendor.

Exclusivity

During the period of six (6) months from the execution of the MOU (or such later date as the parties to the MOU may agree in writing), the Vendor shall not dispose any of the shares in the Target and/or its subsidiaries to any other third party, and shall not solicit with any third party with respect of the disposal of any of the shares in the Target and/or its subsidiaries (“**Exclusivity**”).

Due diligence

The parties to the MOU agree that the Company shall be provided with the financial records, title deeds of the Target and its subsidiaries, and any other relevant and necessary documents for the Company’s due diligence purpose.

Non-binding effect

Save for the provisions relating to confidentiality, Exclusivity and certain miscellaneous provisions, the MOU is not intended to be legally binding in nature.

REASONS FOR AND BENEFITS OF THE PROPOSED ACQUISITION

The Group is currently principally engaged in stockbroking, investment and asset management, money lending, credit guarantee and trading related businesses.

The Company continues its implementation of a prudent strategy in managing its existing business operations and has been looking for investment projects with potential and new business opportunities from time to time.

In light of the business strategy mentioned above, the Board is optimistic about the business of the Target and considers that the Proposed Acquisition, if materialises, can diversify the Group’s overall operating business. Accordingly, the Directors consider that the MOU is in the interest of the Company and the Shareholders as a whole.

Shareholders and potential investors of the Company should be aware that the Proposed Acquisition is subject to, among other matters, the signing of the Formal Agreement and the terms and conditions of which are yet to be agreed. As the Proposed Acquisition may or may not materialise, shareholders and potential investors of the Company should exercise caution when dealing in the Shares and other securities of the Company. If the Formal Agreement is entered into and the Proposed Acquisition materialises, the Proposed Acquisition will constitute a notifiable transaction of the Company pursuant to the Listing Rules and further announcement(s) will be made by the Company in that regard as and when appropriate.

By Order of the Board
Asia Investment Finance Group Limited
Wei Jiafu
Executive Director

Hong Kong, 10 January 2018

As at the date of this announcement, the Board comprises four executive Directors, namely Ms. Cheung Kwan, Mr. Wei Jiafu, Mr. Liu Hu and Mr. Wong Kwong Sum; one non-executive Director, Ms. Wang Angel Yunxiao; and four independent non-executive Directors, namely Mr. Anthony Espina, Mr. Wong Tin Yau, Kelvin, Mr. Ho Chun Chung, Patrick and Mr. Ge Ming.