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CHINA FINANCIAL INTERNATIONAL INVESTMENTS LIMITED

中國金融國際投資有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 721)

FORMATION OF JV COMPANY

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

THE JV AGREEMENT

The Board announces that on 4 April 2011, after trading hours of the Stock Exchange, the Company and four other parties entered into the JV Agreement relating to the formation of the JV Company which is proposed to be principally engaged in provision of rapid and nimble small loans, small loans settlement services and consultation services in Tianjin, the PRC.

The authorised share capital of the JV Company will be RMB200,000,000 divided into 200,000,000 shares of RMB1.00 each. Pursuant to the JV Agreement, the Company will subscribe for 30% of equity interests of the JV Company for a cash consideration of RMB 60,000,000 and the other four joint venture partners will subscribe for 70%, in aggregate, of equity interests of the JV Company for cash consideration of RMB140,000,000, in aggregate. The subscription money of RMB60,000,000 in cash payable by the Company will be funded by the Company's internal resources and the subscription money from the subscriptions as announced by the Company on 30 March 2011.

The JV Company will be treated as an investment in the financial statements of the Company. The subscription money payable by each of the parties to the JV Agreement will be used as initial working capital of the JV Company.

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

THE JV AGREEMENT

Date: 4 April 2011

- Parties: (i) The Company;
- (ii) Tianjin Rongsheng Xinye Investment Development Company Limited (天津融昇鑫業投資發展有限公司#);
- (iii) Tianjin Saida Investment Holdings Company Limited (天津賽達投資控股有限公司#);
- (iv) Tianjin Jinde Kangcheng Investment Company Limited (天津金地康成投資有限公司#); and
- (v) Tianjin Fangzheng Investment Development Company Limited (天津方正投資發展有限公司#).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the principal business activities of each of the counterparties to the JV Agreement are as follows:

- (i) Tianjin Rongsheng Xinye Investment Development Company Limited (天津融昇鑫業投資發展有限公司#) is principally engaged in investment holding;
- (ii) Tianjin Saida Investment Holdings Company Limited (天津賽達投資控股有限公司#) is principally engaged in investment holding;
- (iii) Tianjin Jinde Kangcheng Investment Company Limited (天津金地康成投資有限公司#) is principally engaged in development, sale and leasing of real estate property and provision of investment consultation; and
- (iv) Tianjin Fangzheng Investment Development Company Limited (天津方正投資發展有限公司#) is principally engaged in development, and sale of real estate property, department store and wholesale and retail of construction material.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the counterparties and its ultimate beneficial owners is Independent Third Party.

The JV Company

The JV Company will be a company to be incorporated under the laws of the PRC with limited liability.

Share capital and shareholdings of the JV Company

The authorised share capital of the JV Company will be RMB200,000,000 divided into 200,000,000 shares of RMB1.00 each. Pursuant to the JV Agreement, the Company will subscribe for 30% of equity interests of the JV Company for a cash consideration of RMB60,000,000 and the other four joint venture partners will subscribe for 70%, in aggregate, of equity interests of the JV Company for cash consideration of RMB140,000,000, in aggregate. The subscription money of RMB60,000,000 in cash payable by the Company will be funded by the Company's internal resources and the subscription money from the subscriptions as announced by the Company on 30 March 2011.

The JV Company will be treated as an investment in the financial statements of the Company. The Company will not involve in the daily operation and management of the JV Company.

The subscription money payable by each of the parties to the JV Agreement will be used as initial working capital of the JV Company.

Principal business of the JV Company

The JV Company which is proposed primarily to be engaged in provision of rapid and nimble small loans, small loans settlement services and consultation services in Tianjin, the PRC.

REASONS FOR ENTERING INTO THE JV AGREEMENT

The Company is an investment holding company and its principal subsidiaries are engaged in the holding of equity or equity-related investments in listed and unlisted companies in Hong Kong and the PRC.

The Company is actively exploring opportunities to expand its investment horizon and to enhance the investment return of the Company and the Shareholders as a whole.

It is expected that the economic in the PRC will continuously grow in a rapid pace, the demand for the financial services such as small loan and guarantee businesses will continue to grow quickly and will have good profit margin.

As such the Directors is optimistic about the expansion of its investment in small loan and guarantee businesses in the PRC which is believed to provide better business development and returns to the Company and its Shareholder. The Directors further consider that the terms and conditions of each of the JV Agreement are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“associates”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Company”	China Financial International Investments Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the issued shares of which are listed on the Stock Exchange
“connected persons”	has the meaning ascribed to it in the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of the Company and connected persons of the Company
“JV Agreement”	The JV Company agreement dated 4 April 2011 and entered into between the Company and four other parties in relation to the formation of the JV Company
“JV Company”	a joint venture to be incorporated in the PRC with limited liability and the proposed name of which will be Tianjin Saida Small Credit Company Limited (天津賽達小額貸款股份有限公司 [#]) as to 30% of the entire issued share capital of which will be owned by the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China, which for the purposes of this announcement, excluding Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan

“Shareholders”	holders of the issued Shares
“Shares”	ordinary shares of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

The English transliteration of the Chinese names in this announcement, where indicated, is included for information only, and should not be regarded as the official English names of such Chinese names.

By order of the Board
China Financial International Investments Limited
Du Lin Dong
Chairman

Hong Kong, 4 April 2011

As at the date of this announcement, the executive Directors are Mr. Du Lin Dong, Mr. Liu Baorui and Mr. Pong Po Lam Paul, the non-executive Directors are, Mr. Ding Xiaobin, Mr. Fung Cheuk Nang Clement and Mr. Ma Jie and the independent non-executive Directors are Dr. Cheung Wai Bun Charles, Mr. Wan Hongchun and Mr. Zeng Xianggao.