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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 THE JV COMPANY
AND
RESIGNATION OF DIRECTOR**

THE JV AGREEMENT

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

The Board announces that on 24 March 2011, after trading hours of the Stock Exchange, the Company entered into the JV Agreement relating to the formation of the JV Company which is proposed to be principally engaged in primarily to be engaged in provision of rapid and nimble small loans and credits to farmers, small and medium enterprises and individual enterprises and also in provision of the management and financial consultation for the development of enterprises in Jingde Town, Jiangxi Province, the PRC.

The registered capital of the JV Company will be RMB500,000,000. Pursuant to the JV Agreement, the Company will subscribe for up to 30% of equity interests of the JV Company for a consideration of up to RMB 150,000,000 in cash and each of the other seven joint venture partners will subscribe for 10% of equity interests of the JV Company for a consideration of RMB 50,000,000 in cash respectively.

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 the initial working capital of the JV Company.

RESIGNATION OF DIRECTOR

The Board announces that Mr. Li has tendered his resignation as the non-executive Director with effect from 24 March 2011 due to his personal interest in committing more of his time and efforts in the operation and implementing investment strategy of the Company. The Board is pleased to announce that Mr. Li is retained by the Company as vice president of the Company with effect from 25 March 2011. Mr. Li is primarily responsible for identifying potential investment opportunities including but not limited to new energy source investments in the PRC.

THE JV AGREEMENT

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

Date: 24 March 2011

- Parties:
- (i) The Company;
 - (ii) Jiangxi Wannian Yinlong Water Affairs Company Limited (江西萬年銀龍水務有限責任公司#);
 - (iii) Jiangxi Hanchen;
 - (iv) Beijing Puhao Investment Management Limited (北京普浩投資管理有限公司#);
 - (v) Jiangxi Youse Engineering Company Limited (江西有色工程有限公
司#);
 - (vi) Henan Qingquan Investment Limited (河南清泉投資有限公司#);
 - (vii) Jiangxi Shunyuen Enterprises Company Limited (江西順源實業有限責
任公司#); and
 - (viii) Shenzhen City Xinyu Tianfan Mining Development Limited (深圳市新
宇天帆礦業開發有限公司#).

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) Jiangxi Wannian Yinlong Water Affairs Company Limited (江西萬年銀龍水務有限責任公司[#]) is principally engaged in tap-water supply, sewage treatment and water supply and drainage related business, foreign investment, tap-water pipe installation and maintenance, water supply and drainage installation for buildings;
- (ii) Jiangxi Hanchen is principally engaged in investment holding;
- (iii) Beijing Puhao Investment Management Limited (北京普浩投資管理有限公司[#]) is principally engaged in investment management, asset management, financial consultant and investment consultant;
- (iv) Jiangxi Youse Engineering Company Limited (江西有色工程有限公司[#]) is principally engaged in project development and engineering construction;
- (v) Henan Qingquan Investment Limited (河南清泉投資有限公司[#]) is principally engaged in investment in and management of transportation and energy industries;
- (vi) Jiangxi Shunyuen Enterprises Company Limited (江西順源實業有限責任公司[#]) is principally engaged in wholesale of coal; industrial investment; domestic trading; and
- (vii) Shenzhen City Xinyu Tianfan Mining Development Limited (深圳市新宇天帆礦業開發有限公司[#]) is principally engaged in development and sale of minerals; establishment of enterprises or projects; investment consultation; export and import business operations.

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 registered capital of the JV Company will be RMB500,000,000. Pursuant to the JV Agreement, the Company will subscribe for up to 30% of equity interests of the JV Company for a consideration of up to RMB150,000,000 provided that the Company's value of investment in the JV Company should be in any event not exceeding 20% of the Company's net asset value at the time when such investment is made (the "**Restriction**"). For its initial stage of investment, the Company will subscribe for

RMB90 million registered capital of the JV Company. In case that the Company does not subscribe for up to 30% equity interests of the JV Company due to the Restriction, such shortfall will be subscribed by Jiangxi Hanchen in cash and each of the other seven joint venture partners will subscribe for 10% equity interests of the JV Company for a consideration of RMB 50,000,000 in cash respectively. The subscription in cash payable by the Company will be funded by the Company's internal resources.

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 the 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 and credits to farmers, small and medium enterprises and individual enterprises and also in provision of the management and financial consultation for the development of enterprises in Jingde Town, Jiangxi Province, 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 continuous to grow in a rapid pace, the demand for the financial services such as small loan and guarantee business 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 business in the PRC which is believed to provide better business development and returns to the Company and its Shareholder. The Directors further consider that each of the terms and conditions of the JV Agreement are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

RESIGNATION OF DIRECTOR

The Board announces that Mr. Li Chaobo (“**Mr. Li**”) has tendered his resignation as the non-executive Director with effect from 24 March 2011 due to his personal interest in committing more of his time and efforts in the operation and implementing investment strategy of the Company. The Board is pleased to announce that Mr. Li is retained by the Company as vice president of the Company with effect from 25 March 2011. Mr. Li is primarily responsible for identifying potential investment opportunities including but not limited to new energy source investments in the PRC. Prior to joining the Company, Mr. Li is the chairman of a couple of companies which are principally engaged in the investment and real estate investment and development in the PRC and Mr. Li has extensive investments experience and business network in the PRC.

Mr. Li has confirmed that he has no disagreement with the Board and there is no matter that needs to be brought to the attention of the shareholders of the Company and/or Stock Exchange in relation to his resignation.

DEFINITIONS

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

“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
“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
“Jiangxi Hanchen”	Jiangxi Hanchen Investment Group Company Limited (江西漢辰投資集團有限公司#), a company incorporated in the PRC with limited liability and the controlling shareholder of Jiangxi Hanchen Guarantee Company Limited (江西漢辰擔保有限公司#), which the Company has agreed to subscribe for 30% of equity interest in it
“JV Agreement”	the JV Company agreement dated 24 March 2011 and entered into between the Company and seven 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 Jingde Town Zhongjin Guoxin Small Credit Company Limited (景德鎮市中金國信小額貸款有限責任公司#)
“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, 24 March 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.