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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 TWO JOINT VENTURE COMPANIES

This announcement is made by the Company on a voluntary basis to keep the Shareholders informed of the updated business development of the Company.

THE JV AGREEMENT I

The Board announces that on 29 June 2011, after trading hours of the Stock Exchange, the Company entered into the JV Agreement I with Shenzhen Xinyu Tianfan and Jiangsu Yadi relating to the formation of the JV Company I which is proposed to be principally engaged in provision of rapid and nimble small loans and enterprises development, management and financial consultation services to three Rural (farmers, villages and agricultural industry), sole proprietors and small and medium enterprises, in Jiangning district, Nanjing, Jiangsu Province, the PRC.

The registered capital of the JV Company I will be RMB100,000,000, of which the Company will subscribe for 30% of equity interests of the JV Company I for a cash consideration of RMB30,000,000 and Shenzhen Xinyu Tianfan and Jiangsu Yadi will subscribe for 70%, in aggregate, of equity interests of the JV Company I for cash consideration of RMB70,000,000. The subscription money of RMB30,000,000 in cash payable by the Company will be funded by the Company's internal resources.

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

THE JV AGREEMENT II

The Board further announces that on 29 June 2011, after trading hours of the Stock Exchange, the Company and five other parties (including Shenzhen Xinyu Tianfan and Jiangsu Yadi) entered into the JV Agreement II relating to the formation of the JV Company II which is proposed to be principally engaged in provision of (i) rapid and nimble small loans and enterprise development, management and financial consultation services to technology enterprises, small and medium enterprises and sole proprietors; and (ii) financial guarantee and (iii) special purpose loan for registered capital injection (up to 30% of the total amount of authorised registered capital of a company) to small and medium technology enterprises in Jiangning district (mainly focusing on Nanjing Jiangning Economic Technical Development Zone) (南京江寧經濟技術開發區#), Nanjing, Jiangsu Province, the PRC, which is state-level economic development zone.

The registered capital of the JV Company II will be RMB200,000,000, of which the Company will subscribe for 30% of equity interests of the JV Company II for a cash consideration of RMB60,000,000 and the other five joint venture partners will subscribe for 70%, in aggregate, of equity interests of the JV Company II for cash consideration of RMB140,000,000. The subscription money of RMB60,000,000 in cash payable by the Company will be funded by the Company's internal resources.

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

This announcement is made by the Company on a voluntary basis to keep the Shareholders informed of the updated business development of the Company.

THE JV AGREEMENT I

The Board announces that on 13 June 2011, the Company was informed jointly by Nangjing City Jiangning District Development and Reform Bureau(南京市江寧區發展和改革局#) and Nangjing City Jiangning District Financial Development Office (南京市江寧區金融發展辦公室#) in writing that the Company, Shenzhen Xinyu Tianfan and Jiangsu Yadi had jointly successfully bidden the tender for setting up small loan company for three Rural (farmers, villages and agricultural industry), sole proprietors and small and medium enterprises in Jiangning district, Nanjing, Jiangsu Province, the PRC. Accordingly, the Company, Shenzhen Xinyu Tianfan and Jiangsu Yadi entered into the JV Agreement I.

The JV Agreement I

Date: 29 June 2011

- Parties:
- (i) The Company;
 - (ii) Shenzhen Xinyu Tianfan; and
 - (iii) Jiangsu Yadi

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 I are as follows:

- (i) Shenzhen Xinyu Tianfan is principally engaged in development and sale of minerals; establishment of enterprises or projects; investment consultation; export and import business operations; and
- (ii) Jiangsu Yadi is principally engaged in research and development and sales of motorcycles, mopeds, electric vehicles, scooters and parts; research and development, manufacturing and sales of auto parts and self-managed and agency of import and export business for various kinds of goods and technologies.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, save for the fact that Shenzhen Xinyu Tianfan, who also entered into certain joint venture agreements with the Company in respect of formation of joint venture companies in other areas of the PRC, each of the counterparties and its ultimate beneficial owners are Independent Third Parties.

The JV Company I

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

Registered Capital and shareholding of the JV Company I

The registered capital of the JV Company I will be RMB100,000,000, of which the Company will subscribe for 30% of equity interests of the JV Company I for a cash consideration of RMB30,000,000 and Shenzhen Xinyu Tianfan and Jiangsu Yadi will subscribe for 70%, in aggregate, of equity interests of the JV Company I for cash consideration of RMB70,000,000. The subscription money of RMB30,000,000 in cash payable by the Company will be funded by the Company's internal resources.

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

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

Principal business of the JV Company I

The JV Company I which is proposed to be principally engaged in provision of rapid and nimble small loans and enterprise development, management and financial consultation services to three Rural (farmers, villages and agricultural industry), sole proprietors and small and medium enterprises in Jiangning district, Nanjing, Jiangsu Province, the PRC.

THE JOINT VENTURE AGREEMENT II

The Board further announces that on 27 June 2011, the Company was informed by Nanjing Jiangning Economic Technical Development District Management Committee(南京江寧經濟技術開發區管理委員會#) in writing that the Company jointly with five other parties had successfully bidden the tender for setting up small loan company for the enterprises in Jiangning district (mainly focus on Nanjing Jiangning Economic Technical Development Zone) (南京江寧經濟技術開發區#), Nanjing, Jiangsu province, the PRC, which is state-level economic development zone. Accordingly, the Company and the other five parties entered into the JV Agreement II.

The JV Agreement II

Date: 29 June 2011

Parties: (i) The Company;

(ii) Nanjing Jiangning Economic Technical Development Company (南京江寧經濟技術開發總公司#);

(iii) Shenzhen Xinyu Tianfan;

(iv) Jiangsu Yadi;

(v) Nanjing Mingyue Construction Group Company Limited (南京明月建設集團有限公司#); and

(vi) Jiangxi Hanchen.

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 II are as follows:

(i) Nanjing Jiangning Economic Technical Development Company (南京江寧經濟技術開發總公司#) is a state-owned enterprise which is principally engaged in investments in and development of high-tech industry; construction, investment and management of municipal infrastructure; land development; construction and installation works; property management; property rental and provision of various economic project development services;

- (ii) Shenzhen Xinyu Tianfan is principally engaged in development and sale of minerals; establishment of enterprises or projects; investment consultation and export and import business operations;
- (iii) Jiangsu Yadi is principally engaged in research and development and sales of motorcycles, mopeds, electric vehicles, scooters and parts; research and development, manufacturing and sales of auto parts and self-managed and agency of import and export business for various kinds of goods and technologies;
- (iv) Nanjing Mingyue Construction Group Company Limited (南京明月建設集團有限公司[#]) is principally engaged in development and sales of real estate; investment management and property rental; and
- (v) Jiangxi Hanchen is principally engaged in investment holding.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, save for (i) Shenzhen Xinyu Tianfan and Jiangsu Yadi entered into the JV Agreement I as above; and (ii) each Shenzhen Xinyu Tianfan, Jiangxi Hanchen also entered into other joint venture agreements with the Company in respect of formation of joint venture companies in other areas of the PRC, each of the counterparties and its ultimate beneficial owners are Independent Third Parties.

The JV Company II

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

Registered Capital and shareholding of the JV Company II

The registered capital of the JV Company II will be RMB200,000,000, of which the Company will subscribe for 30% of equity interests of the JV Company II for a cash consideration of RMB60,000,000 and the other five joint venture partners will subscribe for 70%, in aggregate, of equity interests of the JV Company II for cash consideration of RMB140,000,000. The subscription money of RMB60,000,000 in cash payable by the Company will be funded by the Company's internal resources.

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

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

Principal business of the JV Company II

The JV Company II which is proposed to be principally engaged in provision of (i) rapid and nimble small loans and enterprise development, management and financial consultation services to technology enterprises, small and medium enterprises and sole proprietors; and (ii) financial guarantee and (iii) special purpose loan for registered capital injection (up to 30% of the total amount of authorised registered capital of a company) to small and medium technology enterprises in Jiangning district (mainly focusing on Nanjing Jiangning Economic Technical Development Zone) (南京江寧經濟技術開發區#), Nanjing, Jiangsu Province, the PRC, which is state-level economic development zone.

REASONS FOR ENTERING INTO THE JV AGREEMENTS

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.

The Board takes the view that the economy in the PRC will continuously grow in a rapid pace, the demand for the financial services such as small loan business and guarantee business will continue to grow quickly and will have good profit margin. Since late 2010, the Company has commenced its investment in small loan business and guarantee business in the PRC. The formations of the JV Company I and the JV Company II are in line with the Company's investment strategy.

The Board further takes the view that the investment will generate good return. To the best of the Directors' knowledge information and belief, Jiangning district is the most economically developed area in Nanjing, Jiangsu Province, the PRC. The local government of Jiangning district, Nanjing, Jiangsu Province, the PRC, focuses on development in various industries in the area, such as telecommunications, vehicles and parts manufacturing, alternative energy production, computer software developments, etc. Jiangning district, Nanjing, Jiangsu Province, the PRC, is also one of the major development areas under the 10th and 11th five-year development plan of the PRC government. With its robust economic condition and encouragement by the local government in various industrial sectors development, the Directors believe that demand for small loan services, financial guarantees, and enterprise development, management and financial consultation services will grow rapidly in Jiangning district, Nanjing, Jiangsu Province, the PRC, and the formations of the JV Company I and the JV Company II will be profitable investments.

The Directors further consider that the terms and conditions of each of the JV Agreement I and the JV Agreement II are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

DEFINITIONS

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

“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”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of the Company and connected persons of the Company
“Jiangsu Yadi”	Jiangsu Yadi Technology Development Company Limited (江蘇雅迪科技發展有限公司#), a company incorporated in the PRC with limited liability
“Jiangxi Hanchen”	Jiangxi Hanchen Investment Group Company Limited Shareholder (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; a joint venture partner of the Company in certain joint ventures of the Company which are treated as investments in the financial statement of the Company
“JV Agreement I”	the agreement dated 29 June 2011 and entered into between the Company and two other parties in relation to the formation of the JV Company I
“JV Agreement II”	the agreement dated 29 June 2011 and entered into between the Company and five other parties in relation to the formation of the JV Company II

“JV Company I”	a joint venture to be incorporated in the PRC with limited liability and the proposed name of which will be Nanjing Jiangning Zhongtou Jinsheng Village Small Loan Company Limited (南京江寧中投金盛農村小額貸款有限公司#) as to 30% of the entire issued share capital of which will be owned by the Company
“JV Company II”	a joint venture to be incorporated in the PRC with limited liability and the proposed name of which will be Nanjing Jiangning Zhongtou Mingyang Technology Small Loan Company Limited (南京江寧中投明陽科技小額貸款有限公司#) 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 PRC and Taiwan
“Shareholders”	holders of the issued Shares
“Shares”	ordinary shares of HK\$0.01 each in the share capital of the Company
“Shenzhen Xinyu Tianfan”	Shenzhen Xinyu Tianfan Mineral Development Company Limited (深圳市新宇天帆礦業開發有限公司#), a company incorporated in the PRC with limited liability, one of the counterparties to the joint ventures of the Company which are treated as investment in the financial statement of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“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 and executive Director

Hong Kong, 30 June 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 and Mr. Ma Jie and the independent non-executive Directors are Dr. Cheung Wai Bun Charles, Mr. Wan Hongchun and Mr. Zeng Xianggao.