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中投國際

CHINA INVESTMENT FUND INTERNATIONAL HOLDINGS LIMITED

中國投資基金國際控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 612)

**PROPOSED OPEN OFFER ON THE BASIS OF ONE (1) OFFER SHARE
FOR EVERY TEN (10) EXISTING SHARES
HELD ON THE RECORD DATE**

Underwriter to the Open Offer



軟庫中華金融服務有限公司
SBI China Capital Financial Services Limited

PROPOSED OPEN OFFER

The Company proposes to raise not less than approximately HK\$62.0 million and not more than approximately HK\$66.0 million before expenses by issuing not less than 110,702,000 Offer Shares and not more than 117,792,552 Offer Shares at the Subscription Price of HK\$0.56 per Offer Share on the basis of one (1) Offer Share for every ten (10) existing Shares held on the Record Date and payable in full on application.

* For identification purpose only

The Open Offer is only available to the Qualifying Shareholders and will not be extended to the Non-Qualifying Shareholders. To qualify for the Open Offer, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and must not be a Non-Qualifying Shareholder. The last day of dealings in the Shares on the Stock Exchange on a cum-entitlement basis will be Tuesday, 9 May 2017. The Shares will be dealt in on an ex-entitlement basis on the Stock Exchange from Wednesday, 10 May 2017. In order for a transferee of Share(s) to be registered as a Shareholder on the Record Date, a transfer of Share(s) (with the relevant share certificates) must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong by 4:30 p.m. on Thursday, 11 May 2017.

The register of members of the Company will be closed from Friday, 12 May 2017 to Tuesday, 18 May 2017, both days inclusive, to determine the eligibility of the Open Offer. No transfer of Shares will be registered during this book closure period.

The gross proceeds of the Open Offer (before expenses) will be not less than approximately HK\$62.0 million and not more than approximately HK\$66.0 million and the estimated net proceeds of the Open Offer (after deducting the costs and expenses in relation to the Open Offer and the underwriting commission fees) will be not less than approximately HK\$60.5 million and not more than approximately HK\$64.5 million. The Company intends to apply the proceeds from the Open Offer for future investment activities when such investment opportunities arise and for working capital purposes. Although there is no specific investment target identified as at the date of this announcement, the Company intends to invest in stock and future markets which would provide an opportunity to the Group to broaden its revenue base. The Company will continue to identify any investment opportunities which offer reasonable returns and fall within the acceptance risk profile and manage the investment portfolio in accordance with the Company's investment objective and policy.

As at the date of this announcement, save for the 70,905,520 outstanding Options, the Company does not have any outstanding derivatives, options, warrants or securities in issue which are convertible or exchangeable into Shares.

On 26 April 2017 (after the trading hours of the Stock Exchange), the Company entered into the Underwriting Agreement with the Underwriter in relation to the underwriting and the relevant arrangements in respect of the Open Offer. Subject to the Irrevocable Undertakings and the terms and conditions of the Underwriting Agreement, the Open Offer will be fully underwritten by the Underwriter.

WARNING OF THE RISKS OF DEALINGS IN THE SHARES

The Open Offer is conditional upon, among others, the Underwriting Agreement becoming unconditional and the Underwriter not terminating the Underwriting Agreement in accordance with its terms. Accordingly, the Open Offer may or may not proceed. Shareholders should also note that the Shares will be dealt in on an ex-entitlement basis commencing from Wednesday, 10 May 2017 and that dealings in such Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled. Any Shareholder or other person dealing in such Shares up to the date on which all conditions to which the Open Offer is subject are fulfilled (which is currently expected to be Tuesday, 6 June 2017) will accordingly bear the risk that the Open Offer does not become unconditional and may not proceed. Shareholders and potential investors are advised to exercise due caution when dealing with the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

GENERAL

As the Open Offer will not increase the issued share capital or the market capitalisation of the Company by more than 50% within 12-month period immediately preceding this announcement, the Open Offer is not subject to the approval of the Shareholders pursuant to Rule 7.24(5) of the Listing Rules.

The Company will send the Prospectus Documents containing, among other things, the Prospectus setting out details of the Open Offer, the PAL(s) and the EAF(s) to the Qualifying Shareholders. The Prospectus, but not the PAL(s) and the EAF(s), will be sent to the Non-Qualifying Shareholders (if any) for their information only.

OPEN OFFER

Issue Statistics

Basis of the Open Offer	:	One (1) Offer Share for every ten (10) existing Shares held on the Record Date
Number of Shares in issue as at the date of this announcement	:	1,107,020,000 Shares

Number of Shares in issue assuming all the Option Shares being allotted and issued on or before the Record Date	:	1,177,925,520 Shares
Number of Offer Shares	:	Not less than 110,702,000 Offer Shares and not more than 117,792,552 Offer Shares
Aggregate nominal value of the Offer Shares	:	Not less than HK\$5,535,100 and not more than HK\$5,889,627.6
Subscription Price	:	HK\$0.56 per Offer Share
Number of Offer Shares to be underwritten by the Underwriter	:	Not less than 110,702,000 Offer Shares and not more than 117,792,552 Offer Shares (i.e. all of the Offer Shares)
Number of Shares in issue immediately after completion of Open Offer	:	Not less than 1,217,722,000 Shares and not more than 1,295,718,072 Shares

As at the date of this announcement, save for the outstanding 70,905,520 Options, the Company does not have any outstanding derivatives, options, warrants or securities in issue which are convertible or exchangeable into Shares.

Assuming (i) no further issue of new Shares or repurchase of Shares and; (ii) all 70,905,520 Options being exercised and the 70,905,520 Option Shares being allotted and issued on or before the Record Date, the maximum of 117,792,552 Offer Shares will be allotted and issued which represents (i) approximately 10.6% of the Company's issued share capital as at the date of this announcement; and (ii) approximately 9.1% of the Company's issued share capital of 1,295,718,072 Shares as enlarged by the allotment and issue of the 70,905,520 Option Shares and the 117,792,552 Offer Shares (being the maximum number of Offer Shares to be allotted and issued under the Open Offer) immediately after completion of the Open Offer.

The Open Offer is not subject to any Shareholders' approval and the Offer Shares are not issued under the general mandate granted to the Directors.

Subscription Price

The Subscription Price of HK\$0.56 per Offer Share will be payable in full upon application for the Offer Shares under the Open Offer. The Subscription Price represents:

- (1) a discount of approximately 20.0% to the closing price of HK\$0.70 per Share as quoted on the Stock Exchange on the date of the Underwriting Agreement;
- (2) a discount of approximately 20.0% to the average of the closing prices of approximately HK\$0.70 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day;
- (3) a discount of approximately 16.4% to the theoretical ex-entitlement price of approximately HK\$0.67 per Share as adjusted for the effects of the Open Offer, based on the closing price of HK\$0.68 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (4) a premium of approximately 700.0% over the audited consolidated net asset value per Share of approximately HK\$0.07 based on the latest audited net asset value attributable to owners of the Company as at 31 December 2016 and the Shares in issue as at the date of this announcement.

The Subscription Price was determined after arm's length negotiations between the Company and the Underwriter with reference to, among other factors, the market price and trading liquidity of the Shares under the prevailing market conditions as well as the recent financial conditions of the Group. The Directors (including the independent non-executive Directors) consider the terms of the Open Offer, including the determination of the Offer Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Open Offer offers each Qualifying Shareholder the opportunity to maintain its respective pro rata shareholdings in the Company and enable them to participate in the future growth of the Group. Assuming none of the options have been exercised on or before the Record Date, the net price (after deducting the relevant expenses) per Offer Share will be approximately HK\$0.547.

Qualifying Shareholders

The Company will send (i) the Prospectus Documents to the Qualifying Shareholders; and (ii) the Prospectus, for information only, to the Non-Qualifying Shareholders.

The Open Offer is only available to the Qualifying Shareholders. To qualify for the Open Offer, a Shareholder must be registered as a member of the Company as at the close of business on the Record Date, and not be a Non-Qualifying Shareholder.

In order for a transferee of Share(s) to be registered as a Shareholder on the Record Date, a transfer of Share(s) (together with the relevant share certificates) must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong by 4:30 p.m. on Thursday, 11 May 2017.

The invitation to apply for the Offer Shares to be made to the Qualifying Shareholders will not be transferable or capable of renunciation and there will not be any trading of entitlements of the Offer Shares on the Stock Exchange.

Closure of register of members

The register of members of the Company will be closed from Friday, 12 May 2017 to Tuesday, 18 May 2017, both days inclusive, to determine the eligibility of the Open Offer. No transfer of Shares will be registered during this book closure period.

Overseas Shareholders and Non-Qualifying Shareholders

If, at the close of business on the Record Date, a Shareholder's address on the register of members of the Company is in a place outside of Hong Kong, that Shareholder may not be eligible to take part in the Open Offer. The Prospectus Documents will not be registered or filed under the applicable securities or equivalent legislation of any jurisdictions other than Hong Kong.

Prior to the despatch of the Prospectus Documents, the Company will make enquiries to its legal advisers of the relevant jurisdictions as to whether the offer or issue of Offer Shares to the Overseas Shareholders may contravene the applicable securities legislation of the relevant overseas places or the requirements of the relevant regulatory bodies or stock exchanges pursuant to Rule 13.36(2)(a) of the Listing Rules.

If, after making such enquiries, the Board is of the opinion that it would be necessary or expedient, on account either of the legal restrictions under the laws of the relevant place or any requirement of the relevant regulatory body or stock exchange in that place, not to offer the Offer Shares to such Overseas Shareholders, the Open Offer will not be available to such Overseas Shareholder(s), the Open Offer will not be extended to such Overseas Shareholders who will become the Non-Qualifying Shareholders. The results of the enquiries and the basis of any exclusion of the Overseas Shareholders will be included in the Prospectus. If they are excluded, the Company will send copies of the Prospectus to the Non-Qualifying Shareholders for their information only, but will not send any PALs or EAF(s) to them.

Those Qualifying Shareholders who do not take up the Offer Shares to which they are entitled and the Non-Qualifying Shareholders should note that their shareholdings in the Company will be diluted upon completion of the Open Offer.

Status of the Offer Shares

The Offer Shares when allotted, issued and fully paid, shall rank pari passu in all respects with the then existing Shares in issue on the date of allotment and issue of the Offer Shares, including the right to receive all future dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the Offer Shares.

Application for excess Offer Shares

The Offer Shares to which the Non-Qualifying Shareholders would otherwise have been entitled, any entitlement of the Offer Shares which have not been accepted by the Qualifying Shareholders, and the Offer Shares created by aggregation of fractional Offer Shares, will be available for excess application by the Qualifying Shareholders. The Qualifying Shareholders are entitled to apply for any Offer Shares in excess of their own entitlements by completing an EAF, but are not assured of being allocated any Offer Shares in excess of their entitlements under the PAL.

The Company will allocate the excess Offer Shares of assured entitlement at their discretion on a fair and equitable basis and on a pro-rata basis to excess Offer Shares being applied for under each application. The basis of allocation of such excess Offer Shares will be disclosed in the Prospectus.

However, no preference will be given to topping-up odd lots to whole board lots. Shareholders who have been offered odd lots of the Offer Shares should note that there is no guarantee that such odd lots of the Offer Shares will be topped up to create whole board lots pursuant to applications for excess Offer Shares. Any Offer Shares not applied for by the Qualifying Shareholders and not taken by excess application will be taken up by the Underwriter.

The PAL and the EAF will be enclosed with the Prospectus entitling the Qualifying Shareholders to whom it is addressed to accept the Offer Shares as shown therein subject to payment in full by the Latest Time for Acceptance. Application may be made only by the Qualifying Shareholders by completing an EAF and lodging the same with a separate remittance for the excess Offer Shares being applied for.

Shareholders with their Shares held by a nominee company should note that the Board will regard the nominee company as a single Shareholder according to the register of members of the Company. Accordingly, the Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Offer Shares will not be extended to beneficial owners of the Shares individually. Shareholders with their Shares held by a nominee company are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date. Shareholders and investors should consult their professional advisers if they are in any doubt as to their status.

Shareholders whose Shares are held by their nominee(s) and who would like to have their names registered on the register of members of the Company prior to the Record Date must lodge all necessary documents with the Company's branch share registrar and transfer office in Hong Kong for completion of the relevant registration by 4:30 p.m. on Thursday, 11 May 2017.

Fractions of Offer Shares

The Company will not allot and will not accept applications for any fractions of Offer Shares. All fractions of the Offer Shares will be aggregated (and rounded down to the nearest whole number). Any Offer Shares created from the aggregation of fractions of the Offer Shares will be available for excess application by the Qualifying Shareholders. Should there be no excess application by the Qualifying Shareholders, those Offer Shares created from the aggregation of fractions of the Offer Shares will be taken up by the Underwriter.

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Offer Shares. Dealings in the Offer Shares will be subject to the payment of stamp duty, Stock Exchange trading fee and any other applicable fees and charges in Hong Kong.

None of the securities of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is proposed to be sought.

Subject to the granting of the listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational

Procedures in effect from time to time. Dealings in the Offer Shares on the Stock Exchange may be settled through CCASS. Shareholders should seek advice from their stockbroker or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Share Certificates for Offer Shares and refund cheques

Subject to the fulfillment of the conditions of the Open Offer as set out in the section headed “Conditions of the Open Offer” below, share certificates for all fully-paid Offer Shares (including the excess Offer Shares, if any) are expected to be posted on or before Tuesday, 13 June 2017 by ordinary post to the Qualifying Shareholders who have validly accepted and (where applicable) applied for, and paid for the Offer Shares at their own risk. Refund cheques in respect of wholly or partially unsuccessful applications for Offer Shares (including the excess Offer Shares, if any) are also expected to be posted on or before Tuesday, 13 June 2017 by ordinary post at their own risk.

UNDERWRITING ARRANGEMENT

Underwriting Agreement

Date: 26 April 2017

Issuer: The Company

Underwriter: SBI China Capital Financial Services Limited

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Underwriter and its associates are Independent Third Parties

Number of Offer Shares: Not less than 110,702,000 Offer Shares and not more than 117,792,552 Offer Shares

Number of Underwritten Shares: Not less than 110,702,000 Offer Shares and not more than 117,792,552 Offer Shares

The Open Offer is fully underwritten by the Underwriter

Commission: HK\$750,000

The commission was determined between the Company and the Underwriter by reference to the market rate. The Directors (including the independent non-executive Directors) consider the terms of the Underwriting Agreement including the commission to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Rescission and termination of the Underwriting Agreement

If any time prior to the Latest Time for Termination:

- (1) the success of the Open Offer would be materially and adversely affected by the development, occurrence or enforcement of:
 - (a) any new law or regulation or any change in existing laws or regulations which in the reasonable opinion of the Underwriter has or is likely to have a material adverse effect on the financial position of the Group as a whole;
 - (b) any significant change (whether or not permanent) in local, national or international economic, financial, political or military conditions which in the reasonable opinion of the Underwriter is or would be materially adverse to the success of the Open Offer;
 - (c) any significant change (whether or not permanent) in local, national or international securities market conditions or currency exchange rates or exchange controls which in the reasonable opinion of the Underwriter is or would be materially adverse to the success of the Open Offer, or makes it impracticable or inadvisable or inexpedient to proceed therewith;
 - (d) any suspension of dealings in the Shares for any period longer than ten consecutive business days after the date of the Underwriting Agreement (other than as a result of the Open Offer); or
 - (e) any moratorium, suspension or material restriction on trading in shares or securities generally on the Stock Exchange due to exceptional financial circumstances or otherwise at any time prior to the Latest Time for Termination; or
- (2) any breach of any of the representations, warranties or undertakings in any material respect by the Company contained in the Underwriting Agreement comes to the knowledge of the Underwriter; or

- (3) any event occurs or any matter arises on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which if it had occurred or arisen before the date of the Underwriting Agreement would have rendered any of the representations, warranties and undertakings contained in the Underwriting Agreement untrue or incorrect in any material respect in such a manner as would in the absolute opinion of the Underwriter materially and adversely affect the financial position or business of the Group as a whole; or
- (4) there is any such material adverse change in the general affairs, management, business, stockholders' equity or in the financial or trading position of the Group as a whole which in the absolute opinion of the Underwriter is materially adverse to the success of the Open Offer; or
- (5) there is any change in the composition of the Board which in the reasonable opinion of the Underwriter may affect the management and general affairs of the Company;

the Underwriter shall be entitled, by notice in writing to the Company served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

If the Underwriter terminates the Underwriting Agreement, the Open Offer will not proceed.

CONDITIONS OF THE OPEN OFFER

The obligations of the Underwriter under the Underwriting Agreement are conditional on the following conditions precedent having been fulfilled:

- (1) the delivery to the Stock Exchange and registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) not later than the Prospectus Posting Date and otherwise in compliance with the Listing Rules and the section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong);
- (2) the posting of the Prospectus Documents to Qualifying Shareholders and the posting of the Prospectus (without the PAL or the EAF) stamped "For Information Only" to the Non-Qualifying Shareholders, if any, for information purpose only on or before the Prospectus Posting Date;

- (3) the Listing Committee of the Stock Exchange granting or agreeing to grant and not having withdrawn or revoked the listing of, and permission to deal in, the Shares and the Offer Shares, either unconditionally or subject to such conditions which the Underwriter in its opinion accepts and satisfies (if any);
- (4) compliance with and performance of all undertakings and obligations of the Company hereunder;
- (5) the obligations of the Underwriter under this Agreement not being terminated by the Underwriter in accordance with the terms of this Agreement;
- (6) none of the representations, warranties and undertakings set out in the Underwriting Agreement being breached, untrue, inaccurate or misleading in any material respect; and
- (7) (if necessary) compliance with any other requirements under the applicable laws and regulations of Hong Kong and the Cayman Islands.

If the conditions are not satisfied by the Latest Time for Termination, the Underwriting Agreement shall terminate and no party shall have any claim against any other party for costs, damages, compensation or otherwise save for any rights or obligations which may accrue under the Underwriting Agreement prior to such termination.

WARNING OF THE RISKS OF DEALING IN THE SHARES

The Open Offer is conditional upon, among others, the Underwriting Agreement becoming unconditional and the Underwriter not terminating the Underwriting Agreement in accordance with its terms. Accordingly, the Open Offer may or may not proceed. Shareholders should also note that the Shares will be dealt in on an ex-entitlement basis commencing from Wednesday, 10 May 2017 and that dealings in such Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled. Any Shareholder or other person dealing in such Shares up to the date on which all conditions to which the Open Offer is subject are fulfilled (which is currently expected to be Tuesday, 6 June 2017) will accordingly bear the risk that the Open Offer does not become unconditional and may not proceed. Shareholders and potential investors are advised to exercise due caution when dealing with the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

CHANGES IN THE SHAREHOLDING STRUCTURE OF THE COMPANY ARISING FROM THE OPEN OFFER

Set out below is the shareholding structure of the Company before and after the completion of the Open Offer:

- (a) Assuming that on or before the Record Date (i) no new Shares were issued or repurchased; and (ii) no Option were exercised and no Option Shares were allotted and issued:

	As at the date of this announcement		Immediately after completion of the Open Offer (assuming all Qualifying Shareholders fully take up their respective entitlements)		Immediately after completion of the Open Offer (assuming none of the Qualifying Shareholders take up their respective entitlements)	
	Number of Shares	Approx. %	Number of Shares	Approx. %	Number of Shares	Approx. %
HK DYF Int'l Holding Group Limited (<i>Note 1</i>)	180,104,000	16.3	198,114,400	16.3	180,104,000	14.8
Mr. Sui Guangyi (<i>Note 2</i>)	135,984,000	12.3	149,582,400	12.3	135,984,000	11.2
The Underwriter	–	–	–	–	110,702,000	9.1
Public Shareholders	790,932,000	71.4	870,025,200	71.4	790,932,000	64.9
Total	<u>1,107,020,000</u>	<u>100.0</u>	<u>1,217,722,000</u>	<u>100.0</u>	<u>1,217,722,000</u>	<u>100.0</u>

Notes:

- (1) HK DYF Int'l Holding Group Limited is held as to 74.55% by Shenzhen Ding Yi Feng Assets Management Co., Ltd., which is in turn held as to 29.39% by Mr. Sui Guangyi.
- (2) Mr. Sui Guangyi is a non-executive Director.

- (b) Assuming that on or before the Record Date (i) no new Shares were issued or repurchased; and (ii) all Options were exercised and the Option Shares were allotted and issued:

	As at the date of this announcement		Upon issue of the Option Shares on or before the Record Date		Immediately after completion of the Open Offer (assuming all Qualifying Shareholders fully take up their respective entitlements)		Immediately after completion of the Open Offer (assuming none of the Qualifying Shareholders take up their respective entitlements)	
	Number of		Number of		Number of		Number of	
	Shares	Approx. %	Shares	Approx. %	Shares	Approx. %	Shares	Approx. %
HK DYF Int'l Holding Group Limited	180,104,000	16.3	180,104,000	15.3	198,114,400	15.3	180,104,000	13.9
Mr. Sui Guangyi (<i>Note</i>)	135,984,000	12.3	137,084,000	11.6	150,792,400	11.6	137,084,000	10.6
The Underwriter	-	-	-	-	-	-	117,792,552	9.1
Optionholders (<i>Note</i>)	-	-	69,805,520	5.9	76,786,072	5.9	69,805,520	5.4
Public Shareholders	790,932,000	71.4	790,932,000	67.2	870,025,200	67.2	790,932,000	61.0
Total	1,107,020,000	100.0	1,177,925,520	100.0	1,295,718,072	100.0	1,295,718,072	100.0

Note: Save for Mr. Sui Guangyi, who held 1,100,000 outstanding Options as at the date of this announcement, it is assumed that all the Optionholders do not have any shareholding in the Company.

FUND-RAISING ACTIVITIES BY THE COMPANY DURING THE PAST 12 MONTHS IMMEDIATELY PRECEDING THE ANNOUNCEMENT

The Company has not conducted any equity fund raising activities in the past 12 months immediately preceding the date of this announcement.

REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

The Group is principally engaged in investing in listed and unlisted securities.

The Open Offer allows the Group to strengthen its balance sheet without facing the increasing interest rates and enlarge the capital base of the Company, which may facilitate long-term development of the Group. The Board is of the view that it is in the interest of the Company and the Shareholders as a whole to raise the capital through the Open Offer since it offers the Qualifying Shareholders the opportunity to maintain their pro rata shareholding interests in the Company, and continue to participate in the future growth and development of the Group should they wish to do so.

In view of the above, the Directors (including the independent non-executive Directors) consider the Open Offer is in the interests of the Company and the Shareholders as a whole.

The gross proceeds of the Open Offer (before expenses) will be not less than approximately HK\$62.0 million and not more than approximately HK\$66.0 million and the estimated net proceeds of the Open Offer (after deducting the costs and expenses in relation to the Open Offer and the underwriting commission fees) will be not less than approximately HK\$60.5 million and not more than approximately HK\$64.5 million. The Company intends to apply the proceeds from the Open Offer for future investment activities when such investment opportunities arise and for working capital purposes. Although there is no specific investment target identified as at the date of this announcement, the Company intends to invest in stock and future markets which would provide an opportunity to the Group to broaden its revenue base. The Company will continue to identify any investment opportunities which offer reasonable returns and fall within the acceptance risk profile and manage the investment portfolio in accordance with the Company's investment objective and policy.

EXPECTED TIMETABLE

The expected timetable for the Open Offer is set out below:

2017

Last day of dealings in Shares on a cum-entitlement basis	Tuesday, 9 May
First day of dealings in Shares on an ex-entitlement basis	Wednesday, 10 May
Latest time for lodging transfer for entitlement of the Open Offer	4:30 p.m. on Thursday, 11 May
Register of members of the Company closes (both days inclusive)	Friday, 12 May to Tuesday, 18 May
Record Date	Tuesday, 18 May
Register of members re-opens	Wednesday, 19 May
Despatch of the Prospectus Documents	Wednesday, 19 May

Latest time for acceptance of application
and payment for the Offer Shares
and application for excess Offer Shares 4:30 p.m. on Monday, 5 June

Latest Time for Termination
of the Underwriting Agreement 4:30 p.m. on Tuesday, 6 June

Announcement of the allotment results of the Open Offer Monday, 12 June

Share certificates for the Offer Shares
and refund cheques to be despatched on or before Tuesday, 13 June

Dealings in fully-paid Offer Shares commence
on the Stock Exchange 9:00 a.m., Wednesday, 14 June

Dates stated in this announcement for events in the timetable are indicative only and may be extended or varied. Any changes to the expected timetable for the Open Offer will be announced by the Company as and when appropriate.

Effect of bad weather on the Latest Time for Acceptance

If there is a “black” rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong on Monday, 5 June 2017, being the date of the Latest Time for Acceptance:

- (i) at any time before 12:00 noon and no longer in force after 12:00 noon, the Latest Time for Acceptance will be postponed to 5:00 p.m. on the same business day; or
- (ii) at any time between 12:00 noon and 4:00 p.m., the Latest Time for Acceptance will be postponed to 4:00 p.m. on the next business day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on Monday, 5 June 2017, the dates mentioned in the above section headed “Expected timetable” in this announcement may be affected. An announcement will be made by the Company in such event.

GENERAL

Since the Open Offer will not increase the issued share capital or the market capitalisation of the Company by more than 50% within 12 month period immediately preceding this announcement, pursuant to Rule 7.24(5) of the Listing Rules, the Open Offer itself is not subject to the Shareholders’ approval.

The Company will send the Prospectus Documents containing, among other things, the Prospectus setting out details of the Open Offer, the PAL(s) and the EAF(s) to the Qualifying Shareholders. The Prospectus, but not the PAL(s) and the EAF(s), will be sent to the Non-Qualifying Shareholders (if any) for their information only.

DEFINITION

In this announcement, unless the content otherwise requires, words and expressions used herein shall have the meanings ascribed to each of them below:

“associates”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“business day(s)”	any day (other than a Saturday or Sunday or public holiday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong (as amended, supplemented or otherwise modified from time to time)
“Company”	China Investment Fund International Holdings Limited 中國投資基金國際控股有限公司* (formerly known as China Investment Fund Company Limited 中國投資基金有限公司), a company incorporated in Cayman Islands with limited liability, the issued Shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Directors”	directors of the Company
“EAF(s)”	the form(s) of application for use by the Qualifying Shareholders who wish to apply for excess Offer Shares
“Group”	the Company and its subsidiaries

“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	independent third party(ies) who is/are not connected person(s) (as defined in the Listing Rules) of the Company and is/are independent of and not connected with the Company and directors, chief executive, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates
“Last Trading Day”	25 April 2017, being the last trading day of the Shares on the Stock Exchange immediately preceding the date of this announcement
“Latest Time for Acceptance”	4:30 p.m. on Monday, 5 June 2017 or such other date and/or time as may be agreed between the Company and the Underwriter, being the latest time for acceptance of the application and payment for the Offer Shares
“Latest Time for Termination”	4:30 p.m. on the business day after the Latest Time for Acceptance or such later time or date as may be agreed between the Company and the Underwriter, being the latest time to terminate the Underwriting Agreement
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Non-Qualifying Shareholder(s)”	the Overseas Shareholder(s) whom the Board, after making enquiries regarding the legal restrictions under the laws of the relevant places and the requirements of the relevant overseas regulatory bodies or stock exchanges, considers it necessary or expedient to exclude them from the Open Offer
“Offer Share(s)”	not less than 110,702,000 new Shares and not more than 117,792,552 new Shares to be allotted and issued pursuant to the Open Offer

“Open Offer”	the proposed issued of Offer Shares by the Company on the basis of one (1) Offer Share for every ten (10) existing Shares at the Subscription Price on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Option Shares”	a maximum of 70,905,520 new Shares to be allotted and issued upon the exercise of all the outstanding 70,905,520 Options
“Optionholders”	the holders of the 70,905,520 outstanding Options
“Options”	the options issued or to be issued under the Share Option Scheme
“Overseas Shareholder(s)”	the Shareholder(s) with registered addresses in the register of members of the Company as at the close of business on the Record Date which are outside Hong Kong
“PAL(s)”	letters to be issued by the Company for application by the Qualifying Shareholders for the Offer Shares that will be provisionally allotted to the Qualifying Shareholders
“Posting Date”	19 May 2017 or such later date as may be agreed between the Underwriter and the Company, being the date for the despatch of the Prospectus Documents
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	a prospectus containing details of the Open Offer to be issued by the Company in relation to the Open Offer
“Prospectus Documents”	collectively, the Prospectus, the PAL(s) and the EAF(s)
“Qualifying Shareholder(s)”	Shareholder(s) whose names appear(s) on the register of members of the Company as at the close of business on the Record Date, other than the Non-Qualifying Shareholders
“Record Date”	18 May 2017 or such other date as may be agreed between the Company and the Underwriter, being the date for the determination of the entitlements under the Open Offer

“Share(s)”	existing share(s) of HK\$0.05 each in the share capital of the Company
“Share Option Scheme”	the existing share option scheme adopted by the Company pursuant to a resolution of the then Shareholders passed on 27 June 2011
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.56 per Offer Share
“Underwriter”	SBI China Capital Financial Services Limited, a licensed corporation to carry out type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the sole underwriter of the Open Offer
“Underwriting Agreement”	the underwriting agreement dated 26 April 2017 and entered into between the Company and the Underwriter in relation to the Open Offer
“Underwritten Shares”	the Offer Shares which are fully underwritten by the Underwriters pursuant to the terms and conditions set out in the Underwriting Agreement
“HK\$”	Hong Kong dollars
“%”	per cent.

By order of the Board
China Investment Fund International Holdings Limited
Luk Hong Man, Hammond
Executive Director

Hong Kong, 26 April 2017

As at the date of this announcement, the executive Directors are Mr. Luk Hong Man, Hammond and Mr. Zhang Xi; the non-executive directors Mr. Sui Guangyi, Mr. Leung Ka Fai and Mr. Wang Mengtao; and the independent non-executive Directors are Ms. Jing Siyuan, Mr. Zhang Aimin and Mr. Zhang Qiang.

* *For identification purpose only*