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CHINA FINANCIAL INTERNATIONAL INVESTMENTS LIMITED

中國金融國際投資有限公司

(formerly known as Sunshine Capital Investments Group Limited)

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

(Stock Code: 721)

SUBSCRIPTION OF NEW SHARES AND RESUMPTION OF TRADING

On 16 November 2010, the Company entered into five Subscription Agreements with five Subscribers pursuant to which the Subscribers have conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue, an aggregate of 496,700,000 Shares at the Subscription Price of HK\$0.15 per Subscription Share.

The Subscription Price of HK\$0.15 per Subscription Share represents: (i) a discount of approximately 16.67% to the closing price of HK\$0.18 per Share as quoted on the Stock Exchange on 16 November 2010, being the closing price on the date of the Subscription Agreements; and (ii) a discount of approximately 12.18% to the average of the closing prices of approximately HK\$0.1708 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of entering into of the Subscription Agreements. The Subscription Price was arrived at after arm's length negotiations between the Company and the Subscribers with reference to the liquidity and the recent trading performance of the Shares. The Directors consider that the Subscription Price and the terms of the Subscription Agreements are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The Subscription Shares represent approximately 19.96% of the existing issued share capital of the Company and approximately 16.65% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares. The net proceeds of the Subscription of approximately HK\$74 million will be applied for potential investments, if materialised.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 2:30 p.m. on 16 November 2010 pending the release of this announcement. Application has been made by the Company for resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 17 November 2010.

THE SUBSCRIPTIONS

The Subscription Agreement 1

Date: 16 November 2010

Parties: (i) the Company;
(ii) Subscriber 1 – Asia Unite Limited; and
(iii) the Guarantor.

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, each of the Subscriber 1 and the Guarantor, being the ultimate beneficial owner of the Subscriber 1, is an Independent Third Party.

Pursuant to the Subscription Agreement 1, the Company agreed to allot and issue and the Subscriber 1 has conditionally agreed to subscribe in cash of HK\$33,000,000 for a total of 220,000,000 Subscription Shares at the Subscription Price of HK\$0.15 per Subscription Share. The 220,000,000 Subscription Shares represent approximately 8.84% of the existing issued share capital of the Company and approximately 7.37% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and the Subscription Shares as at the date of this announcement.

The Subscription Agreement 2

Date: 16 November 2010

Parties: (i) the Company; and
(ii) Subscriber 2 – Hu Haijun who is an Independent Third Party.

Pursuant to the Subscription Agreement 2, the Company agreed to allot and issue and the Subscriber 2 has conditionally agreed to subscribe in cash of HK\$10,500,000 for a total of 70,000,000 Subscription Shares at the Subscription Price of HK\$0.15 per Subscription Share. The 70,000,000 Subscription Shares represent approximately 2.81% of the existing issued share capital of the Company and approximately 2.35% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and the Subscription Shares as at the date of this announcement.

The Subscription Agreement 3

Date: 16 November 2010

Parties: (i) the Company; and
(ii) Subscriber 3 – Gong Dongxin who is an Independent Third Party.

Pursuant to the Subscription Agreement 3, the Company agreed to allot and issue and the Subscriber 3 has conditionally agreed to subscribe in cash of HK\$10,500,000 for a total of 70,000,000 Subscription Shares at the Subscription Price of HK\$0.15 per Subscription Share. The 70,000,000 Subscription Shares represent approximately 2.81% of the existing issued share capital of the Company and approximately 2.35% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and the Subscription Shares as at the date of this announcement.

The Subscription Agreement 4

Date: 16 November 2010

Parties: (i) the Company; and
(ii) Subscriber 4 – Peng Kexi who is an Independent Third Party.

Pursuant to the Subscription Agreement 4, the Company agreed to allot and issue and the Subscriber 4 has conditionally agreed to subscribe in cash of HK\$10,500,000 for a total of 70,000,000 Subscription Shares at the Subscription Price of HK\$0.15 per Subscription Share. The 70,000,000 Subscription Shares represent approximately 2.81% of the existing issued share capital of the Company and approximately 2.35% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and the Subscription Shares as at the date of this announcement.

The Subscription Agreement 5

Date: 16 November 2010

Parties: (i) the Company; and
(ii) Subscriber 5 – Zhang Guiqing who is an Independent Third Party.

Pursuant to the Subscription Agreement 5, the Company agreed to allot and issue and the Subscriber 5 has conditionally agreed to subscribe in cash of HK\$10,005,000 for a total of 66,700,000 Subscription Shares at the Subscription Price of HK\$0.15 per Subscription Share. The 66,700,000 Subscription Shares represent approximately 2.68% of the existing issued share capital of the Company and approximately 2.23% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and the Subscription Shares as at the date of this announcement.

Each of the subscriber is independent of each other.

Number of Subscription Shares

Pursuant to the Subscription Agreements, an aggregate of 496,700,000 Subscription Shares will be allotted and issue to the Subscribers. The 496,700,000 Subscription Shares represent approximately 19.96% of the existing issued share capital of the Company and approximately 16.65% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares. The aggregate nominal value of the Subscription Shares is HK\$4,967,000.

PRINCIPAL TERMS OF EACH SUBSCRIPTION AGREEMENTS

Apart from the number of the Subscription Shares to be subscribed by each of the Subscribers set out above, the identities of the Subscribers and the addition of the Guarantor in the Subscription Agreement 1, the terms of each of the Subscription Agreements are same. Set out below are the key terms of the Subscription Agreements.

Subscription Price

The Subscription Price of HK\$0.15 per Subscription Share represents:

- (i) a discount of approximately 16.67% to the closing price of HK\$0.18 per Share as quoted on the Stock Exchange on 16 November 2010, being the closing price on the date of the Subscription Agreements; and
- (ii) a discount of approximately 12.18% to the average of the closing prices of approximately HK\$0.1708 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of entering into of the Subscription Agreements.

The net Subscription Price, after deduction of relevant expenses (including but not limited to legal expenses and disbursements) of approximately HK\$74 million, is estimated to be approximately HK\$0.149 per Subscription Share.

The Subscription Price was arrived at after arm's length negotiations between the Company and the Subscribers with reference to the liquidity and the recent trading performance of the Shares. The Directors consider that the Subscription Price and the terms of the Subscription Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Conditions of the Subscriptions

The Subscription is conditional upon the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Subscription Shares.

In the event that the condition of the Subscription are not fulfilled on or before 30 November 2010 or such other date as may be agreed between the parties to the relevant Subscription Agreements, the Subscription Agreements shall cease and determine and neither the Company nor the Subscribers shall have any obligations and liabilities under the Subscription Agreements.

Each of the Subscription Agreements is not conditional upon the others.

Completion of the Subscription

Completion of the Subscription will take place at 4:00 p.m. on the third Business Days after the conditions of the Subscription are fulfilled (or such other date as may be agreed between the parties to the Subscription Agreement).

Ranking of the Subscription Shares

The Subscription Shares, when allotted and issued, will rank equally in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Subscription Shares.

Mandate to issue the Subscription Shares

The issue of the Subscription Shares is not subject to Shareholders' approval.

The Subscription Shares will be allotted and issued pursuant to the General Mandate. The maximum number of Shares that can be issued under the General Mandate is 496,766,806 Shares. As at the date of this announcement, no portion of the General Mandate was utilised. The Company has not allotted and issued any Shares pursuant to the General Mandate and the General Mandate is sufficient for the issue and allotment of the Subscription Shares. As such, the issue of the Subscription Shares is not subject to further Shareholders' approval.

Application for listing

Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

REASONS FOR THE SUBSCRIPTION AGREEMENT

The Company is an investment holding company and its principal subsidiaries are engaged in the holding of equity or equity-related investments and the provision of management services to the investee companies.

In view of recent economic growth and stock market performance, the Company intends to strengthen its financial position by entering into the Subscription Agreements, which will enable the Company to expand its capital base for future investment opportunities in the PRC in order to achieve long-term capital appreciation of its assets primarily through equity and equity-related investments. As at the date of this announcement, the Company has negotiated with certain potential entities in respect of certain potential investment

opportunities in accordance with the Company’s investment policy. As at the date of this announcement, the Company has not reached with any agreement with those potential entities. In the event that any written agreement has been entered into in respect of any investment opportunity, the Company will make necessary disclosure in compliance with the Listing Rules, if required.

The gross proceeds of the Subscriptions is approximately HK\$74.5 million. All the net proceeds of the Subscriptions of approximately HK\$74 million will be applied for potential investments.

The Directors consider that the Subscription Agreements are entered into upon normal commercial terms following arm’s length negotiations between the Company and the Subscribers and that the terms of the Subscription Agreements are fair and reasonable so far as the interests of the Company and the Shareholders as a whole are concerned. The Directors also consider that the Subscriptions will strengthen the financial position and shareholder base of the Group.

CHANGES IN SHAREHOLDING STRUCTURE

The changes of the shareholding structure of the Company as a result of the Subscription are as follows:

	As at the date of this announcement and immediately before completion of the Subscription		Immediately after completion of the Subscription	
	No. of Shares	approximate %	No. of Shares	approximate %
Rightfirst Holdings Limited (note 1)	527,354,830	21.19	527,354,830	17.67
Asset Full Resources Limited (note 2)	208,373,220	8.38	208,373,220	6.98
Duan Chuan Liang (“Mr. Duan”) (note 2)	46,750,000	1.88	46,750,000	1.56
Fung Cheuk Nang Clement (“Mr. Fung”) (note 3)	190,909,092	7.67	190,909,092	6.40
Subtotal	973,387,142	39.12	973,387,142	32.61
Subscriber 1	–	–	220,000,000	7.37
Subscriber 2	–	–	70,000,000	2.35
Subscriber 3	–	–	70,000,000	2.35
Subscriber 4	–	–	70,000,000	2.35
Subscriber 5	–	–	66,700,000	2.23
Subtotal			496,700,000	16.65
Other public shareholders (excluding the Subscribers)	1,514,746,888	60.88	1,514,746,888	50.74
Total	2,488,134,030	100.00	2,984,834,030	100.00

Notes:

1. The entire issued capital of Rightfirst Holdings Limited is beneficial owned by Mr. Du Lin Dong (“**Mr. Du**”) Mr. Du is deemed to be interested in the 527,354,830 Shares held by Rightfirst Holdings Limited.
2. The entire issued capital of Asset Full Resources Limited is beneficial owned by Mr. Duan. Mr. Duan is also beneficially interested in 46,750,000 Shares. Mr. Duan is deemed to be interested in the 208,373,220 Shares held by Asset Full Resources Limited.
3. Mr. Du and Mr. Fung are Directors.

As at the date of this announcement, the Company has a total of 118,990,000 outstanding share options which entitles the holder of the share option to subscribe for approximately 118,990,000 Shares.

FUND RAISING ACTIVITIES IN THE PAST TWELVE-MONTH PERIOD

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

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 2:30 p.m. on 16 November 2010 pending the release of this announcement. Application has been made by the Company for resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 17 November 2010.

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
“Business Day”	a day (other than a Saturday, Sunday and public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“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
“General Mandate”	the general mandate granted to the Directors to allot, issue and deal with 496,766,806 Shares at the annual general meeting of the Company held on 8 December 2009
“Group”	the Company and its subsidiaries
“Guarantor”	Li Chaobo 李朝波, the beneficial owner of Subscriber 1 and the guarantor under Subscription Agreement 1
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Shareholders”	holders of the 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
“Subscriber 1”	Asia Unite Limited, a company incorporated in Hong Kong with limited liability, the entire issued share capital of which are beneficial owned by the Guarantor, an Independent Third Party
“Subscriber 2”	Hu Haijun 胡海軍, an Independent Third Party
“Subscriber 3”	Gong Dongxin 貢東欣, an Independent Third Party
“Subscriber 4”	Peng Kexi 彭克西, an Independent Third Party
“Subscriber 5”	Zhang Guiqing 張貴卿, an Independent Third Party
“Subscribers”	together the Subscriber 1, the Subscriber 2, the Subscriber 3, the Subscriber 4 and the Subscriber 5

“Subscription 1”	the subscription for the Subscription Shares by the Subscriber 1 pursuant to the Subscription Agreement 1
“Subscription 2”	the subscription for the Subscription Shares by the Subscriber 2 pursuant to the Subscription Agreement 2
“Subscription 3”	the subscription for the Subscription Shares by the Subscriber 3 pursuant to the Subscription Agreement 3
“Subscription 4”	the subscription for the Subscription Shares by the Subscriber 4 pursuant to the Subscription Agreement 4
“Subscription 5”	the subscription for the Subscription Shares by the Subscriber 5 pursuant to the Subscription Agreement 5
“Subscriptions”	together the Subscription 1, the Subscription 2, the Subscription 3, the Subscription 4 and the Subscription 5
“Subscription Agreement 1”	the agreement dated 16 November 2010 and entered into between the Company and the Subscriber 1 in respect of the Subscription 1
“Subscription Agreement 2”	the agreement dated 16 November 2010 and entered into between the Company and the Subscriber 2 in respect of the Subscription 2
“Subscription Agreement 3”	the agreement dated 16 November 2010 and entered into between the Company and the Subscriber 3 in respect of the Subscription 3
“Subscription Agreement 4”	the agreement dated 16 November 2010 and entered into between the Company and the Subscriber 4 in respect of the Subscription 4
“Subscription Agreement 5”	the agreement dated 16 November 2010 and entered into between the Company and the Subscriber 5 in respect of the Subscription 5
“Subscription Agreements”	together the Subscription Agreement 1, the Subscription Agreement 2, the Subscription Agreement 3, the Subscription Agreement 4 and the Subscription Agreement 5
“Subscription Price”	the subscription price of HK\$0.15 per Subscription Share

“Subscription Shares”	an aggregate of 496,700,000 Shares to be subscribed by the Subscriber pursuant to the Subscription Agreements
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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

Hong Kong, 16 November 2010

As at the date of this announcement, the executive Directors are Mr. Du Lin Dong, Ms. Wang Wen Xia 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. Zhang Yong and Mr. Zeng Xianggao.