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中國融保金融集團有限公司
China Assurance Finance Group Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8090)

PROFIT WARNING

This announcement is made by China Assurance Finance Group Limited (the “**Company**”, together with its subsidiaries are referred as the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “**GEM**”) of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the information currently available to the Board and the unaudited consolidated management accounts of the Group for the nine months ended 30 September 2017, it is expected to record a loss after tax for the nine months ended 30 September 2017. The Group made a profit after tax for the corresponding period in 2016. Such change was mainly due to (i) the absence of gain on bargain purchase arising from acquisition of Nanning (China — ASEAN) Commodity Exchange Company Limited# (南寧(中國 — 東盟)商品交易所有限公司) (“**NCCE**”) in the corresponding period in 2016 and (ii) a significant decline in the income from online trading platform services comparing to the corresponding period in 2016.

During the current year, the Group is affected by the rectification actions taken by the China Securities Regulatory Commission (the “**CSRC**”) on all the commodity exchange venues in China. All sorts of commodity exchange venues in the Guangxi Autonomous Region are treated equally and involved in the rectification actions. In order to collaborate with such actions, NCCE has updated its trading rules and systems of all kinds of trading according to CSRC’s requirement. NCCE will restart its online trading platform business after the rectification is completed. On the other hand, a subsidiary of the Company has obtained an operating license for the bulk commodities exchanges issued by the commodity futures trading regulatory agency of Indonesian government. Before the completion of the rectification actions taken on commodity exchange venues in China, the Group will make every effort to commerce its commodity exchange business in the countries of The Association of Southeast Asian Nations.

The Company is in the process of finalising the third quarterly results of the Group for the nine months ended 30 September 2017. The information contained in this announcement is only based on the preliminary assessment by the Board of the unaudited consolidated management accounts of the Group for the nine months ended 30 September 2017 and the unaudited information currently available to the Company. Further details of the Group's results and performance will be disclosed in the unaudited third quarterly results announcement of the Group for the nine months ended 30 September 2017, which is expected to be published on or around 13 November 2017.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
China Assurance Finance Group Limited
Pang Man Kin Nixon
Chairman and Executive Director

Hong Kong, 3 November 2017

As at the date of this announcement, the executive Directors are Mr. Pang Man Kin Nixon, Mr. Chan Kim Leung, Mr. Law Fei Shing and Dato' Sri Hah Tiing Siu; and the independent non-executive Directors are Mr. Chan Kai Wing, Mr. Lam Raymond Shiu Cheung and Mr. Chow Shiu Ki.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its publication and on the Company's website at www.cafgroup.hk.

[#] *Unofficial translation*