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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)**

**PUBLICATION OF UNAUDITED MANAGEMENT ACCOUNTS FOR  
THE YEAR ENDED 31 DECEMBER 2018  
AND  
CONTINUED SUSPENSION OF TRADING**

Reference is made to the announcements of China Assurance Finance Group Limited (the “**Company**” together with its subsidiaries, the “**Group**”) dated 25 March 2019 and 1 April 2019 (the “**Announcements**”) relating to the delay in publication of the 2018 Annual Results. Capitalised terms used in this announcement shall bear the same meanings as those defined in the Announcements unless the context requires otherwise.

As disclosed in the Announcements, (i) the valuation for share options, investment properties, intangible assets, convertible bonds and expected credit losses for financial assets of the Company and its subsidiaries together with the profit and cash flow forecast of the Group for assessing going-concern of the Group have not been completed and (ii) the Company is still settling the audit fees for the year ended 31 December 2017 and is in the course of liaison with the Auditor in order to reach consensus on the audit fees for the year ended 31 December 2018. The Company currently still needs additional time to complete the 2018 Annual Results.

In order to keep the Shareholders and the public informed of the Group’s business operation and financial position, the Board would like to provide the Shareholders and the public with the preliminary unaudited financial information of the Group for the year ended 31 December 2018 together with the audited comparative figures for the same period in 2017.

# UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2018

	2018 <i>RMB'000</i> (Unaudited)	2017 <i>RMB'000</i> (Audited)
Revenue	10,793	16,350
Other income	13,665	21,256
Gain on bargain purchase	8,861	—
Selling expenses	(66)	(2,501)
Administrative and operating expenses	(126,518)	(381,052)
Finance costs	(40,275)	(43,413)
Equity-settled shared-based payment expenses	(27,514)	(448)
Fair value changes in investment properties	—	2,405
Fair value changes in derivative financial assets	—	(3,550)
Share of losses of associates	—	(659)
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Loss before income tax	(161,054)	(391,612)
Income tax credit	12,124	46,940
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Loss for the year	(148,930)	(344,672)
Other comprehensive income, net of tax		
Items that will be reclassified to profit or loss subsequently		
Exchange (loss) gain on translation of financial statements of foreign operations	(1,396)	22,379
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Other comprehensive income for the year, net of tax	(1,396)	22,379
Total comprehensive income for the year	<u>(150,326)</u>	<u>(322,293)</u>
Loss for year attributable to:		
Owners of the Company	(126,299)	(222,649)
Non-controlling interests	(22,631)	(122,023)
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	<u>(148,930)</u>	<u>(344,672)</u>
Total comprehensive income attributable to:		
Owners of the Company	(127,695)	(200,270)
Non-controlling interests	(22,631)	(122,023)
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	<u>(150,326)</u>	<u>(322,293)</u>

# UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2018

	2018 <i>RMB'000</i> (Unaudited)	2017 <i>RMB'000</i> (Audited)
<b>ASSETS AND LIABILITIES</b>		
<b>Non-current assets</b>		
Property, plant and equipment	18,943	26,651
Investment properties	74,000	95,480
Land use rights	1,477	3,757
Intangible assets	835,200	866,429
Deposits paid and deferred expenditure	492	—
Prepayments	1,973	—
Deferred tax assets	39	40
	<u>932,124</u>	<u>992,357</u>
<b>Current assets</b>		
Accounts and other receivables	219,159	169,055
Amounts due from a related party	62,530	29,013
Derivative financial assets	10,748	10,290
Pledged bank deposits	32,869	33,853
Restricted bank deposits	6,838	11,750
Cash and cash equivalents		
— held on behalf of customers	16,644	10,739
Cash and cash equivalents		
— general accounts	31,986	64,434
	<u>380,774</u>	<u>329,134</u>
<b>Current liabilities</b>		
Accounts and other payables	241,636	172,741
Other borrowings	88,412	54,189
Convertible bonds	128,636	113,192
Finance lease liabilities	319	1,270
Current tax liabilities	10,798	11,820
	<u>469,801</u>	<u>353,212</u>

	2018 <i>RMB'000</i> (Unaudited)	2017 <i>RMB'000</i> (Audited)
<b>Net current liabilities</b>	<b>(89,027)</b>	<b>(24,078)</b>
<b>Total assets less current liabilities</b>	<b><u>843,097</u></b>	<b><u>968,279</u></b>
<b>Non-current liabilities</b>		
Other borrowings	<b>69,565</b>	66,598
Finance lease liabilities	<b>146</b>	1,834
Deferred tax liabilities	<b><u>213,906</u></b>	<b><u>227,083</u></b>
	<b><u>283,617</u></b>	<b><u>295,515</u></b>
<b>Net assets</b>	<b><u><u>559,480</u></u></b>	<b><u><u>672,764</u></u></b>
<b>EQUITY</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	<b>14,414</b>	14,331
Reserves	<b><u>321,548</u></b>	<b><u>412,284</u></b>
	<b>335,962</b>	426,615
<b>Non-controlling interests</b>	<b><u>223,518</u></b>	<b><u>246,149</u></b>
<b>Total equity</b>	<b><u><u>559,480</u></u></b>	<b><u><u>672,764</u></u></b>

Shareholders and potential investors are reminded that the information contained in this announcement is only based on the preliminary assessment by the Board on the unaudited management accounts of the Group for the year ended 31 December 2018, and is not based on any data or information that has been audited or reviewed by the Auditors and the audit committee of the Board (the “Audit Committee”) and the information contained in this announcement has not been reviewed or audited by the Auditors. The relevant financial information is pending for further review by the Company, its Auditors, the Audit Committee and independent professional valuers, and will be subject to changes, reclassification and adjustments resulting from, among others, further review by the Company and any adjustments that might be proposed by the Auditors. The Board cannot guarantee the unaudited financial results has truly reflected the financial performance and condition of the Group and might be misleading if the potential adjustments have not been taken into account.

Shareholders and potential investors are also cautioned not to unduly rely on the unaudited financial information disclosed above, and should exercise caution when dealing in the shares of the Company (the “Shares”).

## CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange of Hong Kong Limited has been suspended with effect from 9:00 a.m. on 1 April 2019. Trading in the Shares will remain suspended until further notice.

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

Hong Kong, 16 May 2019

*As at the date of this announcement, the executive Directors are Mr. Pang Man Kin Nixon, Mr. Chan Kim Leung, Dato’ Sri Hah Tiing Siu and Mr. Wan Tat Wai David; 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 Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited 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 GEM website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the website of the Company at [www.cafgroup.hk](http://www.cafgroup.hk).*