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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)

VOLUNTARY ANNOUNCEMENT
STRATEGIC COOPERATION FRAMEWORK AGREEMENT

THE STRATEGIC COOPERATION FRAMEWORK AGREEMENT

The Board is pleased to announce that on 2 July 2015, Xinhedai (an Independent Third Party), Jin Dian Pai (an indirect 60%-owned subsidiary of the Company) and Assurance Finance Services (an indirect wholly-owned subsidiary of the Company) entered into the Strategic Cooperation Framework Agreement.

The principal terms of the Strategic Cooperation Framework Agreement are set out below:

- Parties:**
- (i) Xinhedai (an Independent Third Party);
 - (ii) Jin Dian Pai (an indirect 60%-owned subsidiary of the Company); and
 - (iii) Assurance Finance Services (an indirect wholly-owned subsidiary of the Company)

Cooperation: Under the Strategic Cooperation Framework Agreement, the parties agreed to seek to cooperate with other leading enterprises in the exchange industry in order to set up a new company for operating an exchange trading platform for the secondary property markets in Fujian Province, the PRC.

The parties agreed that the new company shall have a registered capital of not less than RMB10 million upon establishment, which shall be contributed in cash as to 51% by Xinhedai, 20% by Jin Dian Pai, 10% by Assurance Finance Services, and 19% by other shareholders.

The parties agreed that the new company shall procure certain resources including the business models, corporate rules and operational systems from Jin Dian Pai for a consideration of RMB2 million. The parties further agreed that if the new company needs to procure electronic trading systems, it shall give priority to Jin Dian Pai to supply such systems to it.

The parties agreed that a working group with representatives from all parties shall be established after the execution of the Strategic Cooperation Framework Agreement in order to formulate a detailed implementation plan in relation to the establishment and the business of the new company.

Validity period: The Strategic Cooperation Framework Agreement shall remain valid for six months from the date of execution.

Exclusivity: The parties agreed that during the validity period of the Strategic Cooperation Framework Agreement, the parties shall not negotiate with any third parties on any business that may compete with the business contemplated under the Strategic Cooperation Framework Agreement.

BACKGROUND OF XINHEDAI

Xinhedai is a peer-to-peer (commonly known as P2P) online financing company established in December 2012. It is headquartered in Fuzhou, Fujian Province, the PRC. It operates an online platform for the public to conduct peer-to-peer lending activities (i.e. the lending of money by one individual to another individual through an independent online platform without going through traditional financial intermediaries such as banks).

REASONS FOR AND BENEFITS OF THE COOPERATION

The Group is principally engaged in the business of providing corporate credit guarantee services, performance guarantee services and the relevant consultancy services to small and medium enterprises in Hebei Province and Xiamen Province of the PRC.

The Directors are of the view that the Cooperation is consistent with the Group's strategy to diversify its business in order to expand its income sources. The Directors consider the terms of the Strategic Cooperation Framework Agreement are fair and reasonable and the Cooperation is in the interest of the Company and Shareholders as a whole.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the meanings set opposite them below:

“Assurance Finance Services”	Assurance Finance Services Limited (融保金融服務有限公司), an indirect wholly-owned subsidiary of the Company and a party to the Strategic Cooperation Framework Agreement
“Board”	the board of Directors
“Company”	China Assurance Finance Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM (stock code: 8090)
“Cooperation”	the cooperation among Xinhedai, Jin Dian Pai and Assurance Finance Services as contemplated under the Strategic Cooperation Framework Agreement

“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons (as defined under the GEM Listing Rules)
“Jin Dian Pai”	北京金點拍信息技術有限公司 (Beijing Jin Dian Pai Information Technology Limited*), an indirect 60%-owned subsidiary of the Company and a party to the Strategic Cooperation Framework Agreement
“PRC”	the People’s Republic of China, excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan for the purpose of this announcement
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategic Cooperation Framework Agreement”	the Strategic Cooperation Framework Agreement dated 2 July 2015 entered into among Xinhedai, Jin Dian Pai and Assurance Finance Services
“Xinhedai”	福建信和貸金融資訊服務有限公司 (Fujian Xinhedai Financial Information Services Limited*), an Independent Third Party and a party to the Strategic Cooperation Framework Agreement
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“RMB”	Reminbi, the lawful currency of the PRC
“%”	per cent.

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

Hong Kong, 2 July 2015

* *For identification purpose only*

As at the date of this announcement, the executive Directors are Mr. Chang Hoi Nam, Mr. Pang Man Kin Nixon and Mr. Chen Xiao Li; the non-executive Director is Mr. Chang Xi Min; 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.