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CHINA INVESTMENT AND FINANCE GROUP LIMITED

中國投融資集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1226)

CLARIFICATION OF NEWS

The of board of directors (the “Board”) of China Investment and Finance Group Limited (the “Company”) notices that there are certain newspaper articles of Apply Daily of Hong Kong dated 28 March 2011 contained information of the Company, certain directors of the Company (the “Directors”) and a staff of the Company. The Company wishes to clarify with the following information.

Pursuant to the records of the Company, as at the date of this announcement, Sky Year Limited is interested in 134,948,060 shares of the Company, representing approximately 23.2% of the issued share capital of the Company. To the best of the knowledge of the Board, Sky Year Limited is beneficially owned by Mr. Chen Yiquan, a Director, and Mr. Li Yijian, as to 55% and 45%, respectively. Mr. Chen Yibiao is the brother of Mr. Chen Yiqian. Mr. Chen Yibiao is an employee of the Company and he is not a Director nor a director of any subsidiary of the Company. To the best of the knowledge of the Board, Mr. Chen Yibiao is not a director of Sky Year Limited.

The Board also notices that in that newspaper article it described that seven members of the senior management of the Huading Financing and Guarantee Limited Liability Company (“Huading”), including Mr. Chen Yibiao, have been detained in the People’s Republic of China (the “PRC”) by the authority pursuant to a criminal prosecution. Mr. Chen Yiquan and Mr. Xie Leshan, both of them are Directors, are also an employee and a director of the Huading respectively. The Board has tried to liaise with both Mr. Chen Yiqian and Mr. Xie Leshan to clarify on their position in relation to the above, but neither of them could be reached as at the time of finalizing of this announcement. The Company will make further announcement if there is any further information in relation to the status of Mr. Chen Yiqian and Mr. Xie Leshan are made available.

Furthermore, as at the date of this announcement, the Company has not been approached by any regulatory authority from the PRC in relation to their investigation into the Huading.

As at the date of this announcement, the Board has 4 executive Directors, namely Mr. Xie Leshan, Mr. Chen Yiquan, Mr. Chan Cheong Yee and Mr. See Lee Seng Reason. Both Mr. Chan Cheong Yee and Mr. See Lee Seng Reason are experienced in third party asset management pursuant to the requirements set out in Chapter 21 of the Listing Rules. The operation of the Company has been as usual, and will continue as usual even in the event both Mr. Xie Leshan and Mr. Chen Yiqian are no longer Directors.

Save and except to the information contained herein, the Board is not aware of any matter that is needed to be brought to the attention to the shareholders of the Company pursuant to the Listing Rules.

Made by the order of the Board, the Directors (save and except Mr. Chen Yiquan and Mr. Xie Leshan who could not be reached) of which individually and jointly accept responsibility for the accuracy of this statement.

By order of the Board
CHINA INVESTMENT AND FINANCE GROUP LIMITED
Tse Hon Kwan, Max
Company Secretary

Hong Kong, 28 March 2012

As at the date of this announcement, the Board of the Company consists of Mr. XIE Leshan, Mr. CHEN Yiquan, Mr. CHAN Cheong Yee and Mr. SEE Lee Seng Reason as executive directors, Mr. Liao Jin Tian as non-executive director, and Mr. CHEN Kaizhi, Mr. HA Tak-kong, Mr. LEUNG Kwong Kin and Mr. LO Chi Ming as independent nonexecutive directors.