CHINA FINANCE INVESTMENT HOLDINGS LIMITED
中國金控投資集團有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 875)

INSIDE INFORMATION
SUBSTANTIAL DECREASE IN LOSS

This announcement is made by China Finance Investment Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions 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 and potential investors that, based on the preliminary assessment of the Group's unaudited management accounts for the six months ended 30 June 2020 ("**Reporting Period**") and all information currently available to the Board, the Group is expected to record a net loss of not more than HK$3.0 million, representing a substantial decrease in net loss of not less than 80% for the Reporting Period, as compared to the net loss of approximately HK$20.9 million for the corresponding period in 2019.

The substantial decline in net loss is primarily attributable to (i) an increase of gross profit during the Reporting Period due to the improvement of profit margin of agricultural produce; (ii) an increase in other gains during the Reporting Period mainly due to repayment of the outstanding convertible bonds at discount; (iii) a decrease in interest expenses on convertible bonds and bank and other borrowings during the Reporting Period; and (iv) a decrease in other operating expenses mainly due to foreign exchange loss of approximately HK$2.1 million in the corresponding period in 2019 turning into foreign exchange gain during the Reporting Period.

The information contained in this announcement is only based on a preliminary assessment by the Board with reference to the unaudited management accounts of the Group and on the information available for the time being, but not on any data or information reviewed by the auditor of the Company or audit committee of the Company. The information may be subject to adjustments as the Company is still in the process of preparing and finalizing the Group's unaudited consolidated interim results for the Reporting Period. Details of the Group's interim financial results and performance for the six months ended 30 June 2020 will be disclosed in the interim results announcement of the Company which is expected to be released on or before 26 August 2020.

Shareholders of the Company and potential investors are reminded to exercise caution when dealing in the shares or other securities of the Company.

By order of the Board
China Finance Investment Holdings Limited
LIN Yuhao
Chairman

Hong Kong, 18 August 2020

As at the date of this announcement, the Board comprises six Directors, including two executive Directors, namely Ms. Diao Jing and Mr. Lin Yupa, one non-executive Director, namely Mr. Lin Yuhao and three independent non-executive Directors, namely Mr. Li Shaohua, Ms. Zhu Rouxiang and Ms. Li Yang.