



7 May 2012

**High Concentration of Shareholding
in
China Assurance Finance Group Limited (Stock Code: 8090)**

This announcement is made by the Securities and Futures Commission (“SFC”) in respect of the concentration of the shareholding of China Assurance Finance Group Limited (“the Company”) in the hands of a limited number of shareholders as at 26 April 2012.

In view of the high concentration of shareholding in a small number of shareholders, shareholders and prospective investors should be aware that the price of the shares of the Company (“Shares”) could fluctuate substantially even with a small number of shares traded, and should exercise extreme caution when dealing in the Shares.

The SFC has recently completed an enquiry into the shareholding of the Company. Our findings suggested that as at 26 April 2012, 12 shareholders held an aggregate of 374,850,000 Shares, representing 24.34% of the issued Shares. Such shareholding, together with 1,155,000,000 Shares (representing 75.00% of the issued Shares) held aggregately by 2 substantial shareholders of the Company, represented 99.34% of the issued Shares as at 26 April 2012. Therefore, only 10,150,000 Shares (representing 0.66% of the issued Shares) were held by other shareholders.

As at 26 April 2012, the shareholding structure of the Company was as follows:-

	Number of Shares held (Shares)	% of total number of issued Shares (%)
Team King Limited (Note 1)	1,024,716,000	66.54
Mr. So Chi Ming (Note 2)	130,284,000	8.46
A group of 12 shareholders (Note 3)	374,850,000	24.34
Other shareholders	10,150,000	0.66
Total	1,540,000,000	100.00

Note 1: Team King Limited is legally and beneficially owned by Capital Gain Investments Holdings Limited and Best Access Holdings Group Limited. Capital Gain Investments Holdings Limited is legally and beneficially owned as to 51% by Mr. Pang Man Kin Nixon (Vice Chairman of the Company) and 49% by Mr. Chang Hoi Nam (Chief Executive Officer of the Company). Best Access Holdings Group Limited is legally and beneficially owned by Dr. Ma Chung Wo Cameron.

Note 2: Those Shares were held by Joyful Promote Limited, which is legally and beneficially owned by Mr. So Chi Ming.

Note 3: 258,950,000 Shares (representing 16.81% of the issued Shares) were held by 8 shareholders who initially obtained 266,000,000 Shares through the Placing of the Company in January 2012.



The Company was listed on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited on 6 January 2012 by way of placing a total of 385,000,000 Shares, comprising 150,000,000 New Shares and 235,000,000 Sale Shares, at \$0.28 per share.

Share price of the Company closed at \$0.445 on its first day of listing. Since 1 March 2012, share price of the Company started to increase significantly and closed at \$0.67 on 4 May 2012, an increase of 139.3% from its placing price.

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