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CHINA METAL RESOURCES UTILIZATION LIMITED

中國金屬資源利用有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1636)

FURTHER DELAY IN PUBLICATION OF ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

Reference are made to the announcements of China Metal Resources Utilization Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) dated 30 March 2020 in relation to Group’s unaudited annual results for the year ended 31 December 2019 and dated 4 May 2020, 13 May 2020 and 29 May 2020 in relation to the delay in publication of audited annual results announcement for the year ended 31 December 2019 and 2019 annual report of the Company and date of board meeting (“**Previous Announcements**”).

The board (“**Board**”) of directors of the Company wishes to provide further information in relation to the further delay in the release of the annual results for the year ended 31 December 2019 (“**2019 Annual Results**”) and its annual report for the year ended 31 December 2019 (“**2019 Annual Report**”) to its shareholders. As mentioned in the Previous Announcements, the main reasons for audit works have not completed are due to (1) primarily a recent event concerning the Company in respect of which additional audit works are required to be carried out by the auditor of the Company (the “**Auditor**”); and (2) also the delay of the audit field works in the Group’s various operating units in the People’s Republic of China (“**PRC**”) as result of the COVID-19 outbreak in the PRC. It is currently expected that the 2019 Annual Results will be published by 19 June 2020 and the 2019 Annual Report will be despatched to shareholders by 26 June 2020.

The Company has been informed by the Auditor that, as of 29 May 2020, the following audit procedures have yet to be completed include, but not limited to, obtaining supporting documents and performing verification work on the followings:

- the cashflow forecast and liquidity of the Group, including but not limited to the Group’s future financing plan;
- trade receivables and its subsequent settlement;
- trade payables and its subsequent settlement;

- prepayments and other receivables and their subsequent utilization and settlement;
- goodwill impairment and contingent consideration assessments; and
- related party relationships.

Upon discussion with the Auditor and basing on the currently available information, the Company expects that the aforesaid outstanding audit works will be completed on or before 19 June 2020 and the 2019 Annual Results will be published by 19 June 2020. After publication of the 2019 Annual Results and until the expected date for despatch of the 2019 Annual Report (i.e. 26 June 2020), the Company will finalise and bulk print the 2019 Annual Report.

Further, the Company understood from the Auditor that based on their works done to date, there are no audit matters that will give rise to a disclaimer of opinion or qualified opinion for the Group's financial statements for the year ended 31 December 2019 to be published in the annual report.

The Stock Exchange has granted a waiver to the Company from strict compliance with Rule 13.46(2)(a) of the Listing Rules and extend the date by which the Company is required to publish its 2019 Annual Results and 2019 Annual Report by 19 June 2020 and 26 June 2020 respectively.

By order of the Board
China Metal Resources Utilization Limited
Mr. YU Jianqiu
Chairman

Hong Kong, 5 June 2020

As at the date of this announcement, the Board comprises of four executive directors, namely, Mr. Yu Jianqiu (Chairman), Mr. Kwong Wai Sun Wilson, Mr. Huang Weiping and Ms. Zhu Yufen; and three independent non-executive directors, namely, Mr. Lee Ting Bun Denny, Mr. Pan Liansheng and Ms. Ren Ruxian.