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CHINA INNOVATION INVESTMENT LIMITED

中國創新投資有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1217)

APPOINTMENT OF AUDITOR

The board of directors (the “**Board**”) of **China Innovation Investment Limited** (the “**Company**”) make this announcement pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”).

Reference is made to the announcement (the “**Announcement**”) of the Company about the change of auditor dated 9 January 2020. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Board announces that **McMillan Woods (Hong Kong) CPA Limited** (“**McMillan Woods**”) has been appointed as the auditor of the Company with effect from 21 January 2020 to fill the casual vacancy following the resignation of ZHONGHUI ANDA and to hold office until the conclusion of the forthcoming annual general meeting of the Company.

According to the code provision C3.3 of Appendix 14 to the Listing Rules, for the subject appointment matter, the Audit Committee of the Board of Directors of the Company have performed the following duties: (a) to be primarily responsible for making recommendations to the board on the appointment, reappointment and removal of the external auditor; (b) to approve the remuneration and terms of engagement of the external auditor; (c) to address any issues related to the resignation or removal of the auditors (if any). It includes but not limited to:

1. To evaluate, discuss and deal with relevant issues regarding the reasons for ZHONGHUI ANDA's resignation as the Company's auditor and the impact on auditing

of the Company's financial statements as of December 31, 2019 (the "**2019 Financial Report Audit**").

2. To contact many accounting firms for a quotation for the 2019 Financial Report Audit.
3. Received quotations from four accounting firms, including McMillan Woods, and then made a preliminary choice of McMillan Woods after making comparative analysis, including fees, experience and the number of listed companies served, etc.
4. Conducted multiple face-to-face communications with the partners of McMillan Woods being initially selected.
5. Conducted a further investigation of McMillan Woods, including its qualifications, industry experience, service capabilities, and adjustments to future audit prices.
6. On the basis of the above works, on 21 January 2020, the Audit Committee considered that it suitable to select McMillan Woods with the best price ("HK\$274,000 for the 2019 Financial Report Audit") and the relatively good services. It was agreed to recommend to the Board of Directors the appointment of McMillan Woods as the Company's auditor to fill the temporary vacancy after the resignation of the previous auditor and hold office until the next annual general meeting of the Company.

The Board of directors of the Company held a board meeting on the same day. All members of the Board of directors unanimously agreed to adopt the recommendations of the audit committee and appointed McMillan Woods as the Company's auditors, with effect from 21 January 2020, to fill the temporary vacancy following the resignation of the former auditors until the end of the next annual general meeting of the Company.

The Board would like to take this opportunity to extend its welcome to McMillan Woods on its appointment as the auditor of the Company.

By Order of the Board
China Innovation Investment Limited
Xiang Xin
Chairman and Chief Executive Officer

Hong Kong, 21 January 2020

As at the date of this announcement, the executive Directors of the Company are Mr. Xiang Xin (Chairman) and Mr. Chan Cheong Yee; the independent non-executive director of the Company is Ms. Zhou Zan. Ms. Kung Ching is an alternate director to Mr. Xiang Xin.