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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)**

### **SUPPLEMENT ANNOUNCEMENT**

Reference is made to the announcement (the “**Announcement**”) of **China Innovation Investment Limited** (the “**Company**”) about the Annual Report 2019 dated 31 March 2020. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Company would like to supplement the following information:

On 3 August 2018, the Company invested HK\$100,000,000 on structure product – equity linked note (“**ELN1**”) issued by Deutsche Bank with the maturity date on 11 February 2019 (“**Maturity Date 1**”), linked with sets of Hong Kong listed equities 0016.HK/2388.HK/2800.HK, at strike price of 0016.HK@HK\$105.3166, 2388.HK@HK\$32.4578, 2800.HK@HK\$26.0100 respectively, with fixed coupon annual rate of 10% which paid monthly. On the Maturity Date 1, the Company received the stocks of Bank of China (Hong Kong) Limited (Stock code: 2388.hk) (“**BOCHK Stocks**”) equivalent to the value of HK\$100,000,000 of the principal of ELN1. On 1 April 2019, the Company disposed the BOCHK Stocks. The total amount of interest income from ELN1 in 2019 is HK\$1,666,667 (2018: HK\$3,333,333) and the gain from disposal of the BOCHK Stocks is approximately HK\$6,633,903.

On 17 September 2018, the Company invested HK\$100,000,000 on structure product – equity linked note (“**ELN2**”) issued by UBS AG with the maturity date on 25 March 2019 (“**Maturity Date 2**”), linked with sets of Hong Kong listed equities 0001.HK/0005.HK/0700.HK, at strike price of 0001.HK@HK\$78.0307, 0005.HK@HK\$60.3226, 0700.HK@HK\$291.8093 respectively, with fixed coupon annual rate of 10% which paid monthly. On the Maturity Date 2, the Company sold

while UBS AG redeemed ELN2 of HK\$100,000,000. The total amount of interest income received from ELN2 in 2019 is HK\$2,500,000 (2018: HK\$2,500,000).

As at 31 December 2019, the Company's net realised gain on disposal of investments at fair value through profit or loss (after deducting the received coupons of HK\$4,166,667 from ELN1 and ELN2) is amounted to approximately HK\$21.369 million ("Realised Gains"). The breakdown of the Realised Gains is as follows:

No.	Investment Project	Introduction of the Investment	Cost of the Investment / Value at the Year Beginning HK\$'000	Disposal Consideration HK\$'000	Realized Gain HK\$'000
1	ELN1	Delivered by 2388.hk stocks as shares of the listed company on its maturity.	90,037	100,000	9,963
2	BOCHK Stocks	Disposed 2388.hk stocks	100,000	106,385	6,385
3	ELN2	Delivered by cash on its maturity.	94,718	100,000	5,282
4	Others				(261)
<b>Sum</b>					<b>21,369</b>

As at 31 December 2019, the Company's unrealised holding gains from investments at fair value through profit or loss is amounted to approximately HK\$2.077 million ("Unrealized Gains"). The breakdown of the Unrealized Gains is as follows:

No.	Investment Project	Introduction of the Investment	Cost of the Investment / Value at the Year Beginning HK\$'000	Value at the Year End HK\$'000	Unrealized Gain HK\$'000
1	Derivative – call warrant	PIMCO Funds Global Investors Series plc – Income Fund	1,316	3,463	2,147
2	Derivative – call warrant	Jupiter JGF – Dynamic Bond	0	1,100	1,100
3	Hong Kong listed Stocks held on 31 December 2019	CLP Holdings Limited (00002.hk) 796,000 shares	66,158	65,192	(966)
4	Hong Kong	HSBC Holdings Plc	69,897	69,977	80

	listed Stocks held on 31 December 2019	(00005.hk) 1,150,000 shares			
5	Hong Kong listed Stocks held on 31 December 2019	Link Real Estate Investment Trust (00823.hk) 800,000 shares	65,170	66,000	830
6	Hong Kong listed Stocks held on 31 December 2019	Hong Kong Exchanges and Clearing Limited (00388.hk) 250,000 shares	64,225	63,250	(975)
7	Hong Kong listed Stocks held on 31 December 2019	Tracker Fund of Hong Kong (02800.hk) 2,500,000 shares	71,000	71,375	375
8	Others				(514)
				<b>Sum</b>	<b>2,077</b>

Save for the above information, the other content of the Announcement has not been changed.

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

Hong Kong, 10 August 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 directors of the Company are Ms. **An Jing**, Ms. **Zhou Zan** and Mr. **Zhang Yu, Clement**. Ms. **Kung Ching** is an alternate director to Mr. **Xiang Xin**.*