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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)

UPDATE ABOUT FALSE NEWS REPORTS (14)

Reference is made to the announcements (the “**Announcements**”) of **China Innovation Investment Limited** (the “**Company**”) about the false news reports dated 24 November 2019, 25 November 2019, 5 December 2019, 12 December 2019, 17 December 2019, 27 December 2019, 30 December 2019, 17 February 2020, 27 February 2020, 2 June 2020, 17 June 2020, 22 June 2020, 1 July 2020 and 8 October 2020. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the **Announcements**.

On 11 October 2020, the Company received a notice from the executive director Mr. **Xiang Xin** (“**Mr. Xiang**”) and the alternate director Ms. **Kung Ching** (“**Ms. Kung**”), which said:

On September 21, 2020, the Taipei District Prosecutors Office filed an application with the Taipei District Court, alleging that Mr. Xiang and Ms. Kung jointly violated Paragraph 1 of Article 5-1 and Paragraph 1 of Article 2-1 of the National Security Law, for their allegations of developing organizations for mainland China. The office claimed that there were still many facts and evidences to be investigated and clarified and requested that the Taipei District Court approve the order to restrict Mr. Xiang and Ms. Kung from departure for 4 more months effective 13 October 2020.

On 30 September 2020, Mr. Xiang and Ms. Kung filed their defenses with the Taipei District Court, reiterating that they have never violated the National Security Law. The prosecutors quoted a story told by a liar (Wang Liqiang) to investigate and falsely accused Mr. Xiang and Ms. Kung of developing organizations for mainland China in Taiwan, compiled a plot out of nothing and had no grounds for the application of

extending restriction period. Therefore, Mr. Xiang and Ms. Kung requested the court to hold a trial and reject the Prosecutor's application.

On October 7, 2020, Mr. Xiang and Ms. Kung received a judgement issued by the Taipei District Court without holding hearings. The court believed that they could only determine whether there is a need to impose restrictions and could not determine whether a criminal trial is necessary at this stage. In view of the human nature's fear of crime, it is hard to say that there is no possibility of escape, annihilation of evidence, and the possibility of collaborating with witnesses. In order to ensure the follow-up procedures, it is therefore ruled to restrict them from departure for 4 more months.

On October 8, 2020, Mr. Xiang and Ms. Kung entrusted a Taiwanese lawyer to file a protest (appeal) to the Taipei District Court. Reasons for the protest(appeal) as follows: Firstly, the Prosecutors once again imposed sanctions after the implementation of the new law, but the court's judgement was on the validity of the old law. Therefore, the procedure is illegal. Secondly, the court did not permit the review of the case, thus illegal. Thirdly, the court approved the renewal of restriction departure for 4 more months, which lacks basis for time limit. Fourthly, the reason for the petition is purely speculative with no evidence, which is illegal.

The above-mentioned case is currently awaiting the results of the court protest (appeal) hearing.

The Company will make further announcements with any material developments in this matter or in accordance with other requirements of the Listing Rules.

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

Hong Kong, 11 October 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**.*