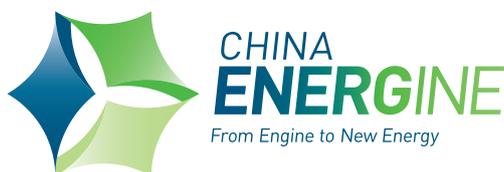


Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHINA ENERGINE INTERNATIONAL (HOLDINGS) LIMITED

中國航天萬源國際（集團）有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1185)

**ANNOUNCEMENT IN RELATION TO INSIDE INFORMATION
AND UNDER RULE 13.19 OF THE LISTING RULES**

This announcement is made by China Energin International (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) and Rule 13.19 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 14 September 2020 and 23 September 2020 (the “**Announcements**”) in relation to the event of default of loans from ASTF amounting to RMB220 million (with guarantee from CALT and counter guarantee by the Company). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

ASTF has issued a notification letter to CALT in respect of the above overdue loans. If Beijing Energin is still unable to repay the loans, automatic deduction of the outstanding amount will be made to the account of CALT from 10 November 2020, being the date of 60 days past due, according to the provisions of the loan contract.

The Group has negotiated with CALT and ASTF in relation to the due loans. However, no consensus has been reached as the operation and financial conditions of the Group’s wind turbine manufacture segment have not been improved due to unsolved quality issues of key product technology and the increasing number of litigations. It is expected that the loan renewal will be difficult. ASTF has suspended relevant business with the Company as a result of the loan default.

* *For identification purpose only*

Loans from a commercial bank amounting to RMB80 million will fall due for repayment by a subsidiary in Gansu on 18 November 2020 and 12 December 2020 respectively. Beijing Energine is the guarantor of such loans and according to the financial condition of the subsidiary in Gansu, a default will be expected.

PROGRESS OF LITIGATIONS

Since 21 August 2020, the date of the publication of interim results, and up to date of this announcement, 17 new litigations/arbitrations were raised against several subsidiaries under the wind turbine segment of the Group for the payment of contractual arrears of RMB46,240,000. Among these litigations/arbitrations, 7 cases involving payables of RMB17,480,000 are concluded and pending for settlement; and the trial of 10 cases involving RMB26,640,000 has not commenced.

As of the date of this announcement, the subsidiaries of the Group have in total 34 cases decided by the people's courts/arbitral authorities. Among the litigations/arbitrations, 8 cases amounting to RMB52,310,000 were concluded and settled; 26 cases amounting to RMB175,730,000 were concluded and pending for settlement. Besides, among the 27 cases amounting to 357,370,000 before the courts and not yet concluded, one case amounting to RMB176,850,000 received the verdict of the first trial that the claim of the counter party was not tenable and dismissed by the people's court.

Meanwhile, the bank accounts of three subsidiaries of the Group's wind turbine manufacture segment have been frozen with accumulated claim amounts of RMB152,040,000, which results in the failure to make payments for normal operations of the wind turbine manufacture segment.

The Group will continue to monitor its financial position and will inform and update its shareholders and other investors of any material development in relation to the above issues by way of announcement as and when appropriate.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the Shares of the Company.

By Order of the Board
China Energine International (Holdings) Limited
Liu Zhiwei
Chairman and Executive Director

Hong Kong, 5 November 2020

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Liu Zhiwei, Mr. Li Lei, Mr. Han Qingping, Mr. Xu Jun and Mr. Wang Guanghui; and three independent non-executive Directors, namely Mr. Lau Fai Lawrence, Mr. Gordon Ng and Mr. Li Dapeng.