

## **OUR EFFORTS TO ASSERT OUR RIGHTS AND CLAIMS ARISING OUT OF THE PRIOR AGREEMENT WITH THE KYRGYZ REPUBLIC**

PRAGUE, CZECH REPUBLIC/ September 12, 2021/ China Intelligence Information Systems, Inc. (OTCPK:IICN) announced today that the Company (through its subsidiary Liglass Trading CZ) (the “Company”, “we,” “our”, “us”) has encountered seemingly insurmountable difficulties in gaining a satisfactory legal resolution of the dispute arising out of the Company’s prior tender agreement entered into with the Kyrgyz Republic (the “Agreement”) in 2017. Under the terms of the Agreement, we deposited the sum of \$1.15 million (U.S.D.) and paid other monies (both as the “Deposit”) to secure our submission on our proposal to build twelve (12) renewable power plants in the Kyrgyz Republic (the “Proposal”).

The Agreement further provided that the Kyrgyz Republic had an absolute obligation to promptly return and refund the Deposit within 30 days irrespective of the outcome of their decision to accept or reject the Proposal. However and despite our vigorous efforts to gain the return of the Deposit, we have not received the return of the Deposit. Kyrgyzstan has repeatedly fatally violated written agreements and laws, such as non-refund of the guarantee fee and unlawful termination of the contract. Therefore, given these circumstances, we aggressively pursued legal action against the Kyrgyz Republic and our litigation counsel has assisted us in taking such actions as they believe will best preserve and protect our rights and claims against the Kyrgyz Republic (and all such other government institutions that we believe are responsible for the wrongful acts that resulted from the breach of the Agreement). We are also aware that the Kyrgyz Republic lacks political stability, and it has a history of not adhering to the rule of law. As circumstances and opportunities allow, we may take additional actions to further protect our rights. However, we cannot assure you that we will gain the return of the Deposit or otherwise successfully assert our rights and claims in these or in any related matters.

As our Chief Executive Officer, Michael Smelik stated, “Our litigation counsel is acutely aware of the instability in the Kyrgyz region and the extent to which the costs of pursuing our claims may or may not be a cost-effective effort that would result in any recovery of the Deposit and asserting other claims that we have arising out of the Agreement and the wrongful acts committed by government institutions in the Kyrgyz Republic. Without compromising or sacrificing our legal rights, we will continue to review our litigation strategy to arrive at a cost-effective result that will serve to protect our legal and financial interests while also exploring other opportunities outside of the Kyrgyz Republic.”

Mr. Smelik further noted that “It is very disconcerting that Kyrgyzstan was ranked “not free” in the 2021 Freedom in the World report. It is appalling that, even though a more democratic government was installed, many human rights violations still take place. We simply do not want to be associated with such atrocities.”

As a company we have historically focused on certain segments of the renewable and alternative energy technologies market. If circumstances allow and if our market assessments (that we have conducted over several years) are accurate, it may allow us an opportunity to enter the waste treatment and energy production and processing market segments if circumstances allow.

We believe that if current market trends continue, waste treatment technology may become a central part of environmental policies in many countries and a key component of the so-called “circular economy.” In that respect, we are aware that the European Union has publicly stated it will ban landfills in the European Union by 2025 and, we have, over the past two years, focused our resources to understand if and how we may be able to commercially utilize certain technology to address and respond to changes in environmental policy and laws within the European Union and in other appropriate markets as well.

As holders of our Common Stock know, the Securities and Exchange Commission and OTC Markets have implemented certain additional rules that directly impact our Common Stock and the tradability of our Common Stock on OTC Markets. While we have responded with appropriate actions, we anticipate that we will need to take additional actions and expend additional resources that we believe may help us ensure that we can satisfy these and other anticipated requirements as a public company.

We will publish on OTC Website future company actions in coming weeks.



Michael Smelik  
CEO  
September 12th, 2021

### FORWARD LOOKING STATEMENTS

**THIS DOCUMENT CONTAINS "FORWARD-LOOKING STATEMENTS". FORWARD-LOOKING STATEMENTS ARE STATEMENTS CONCERNING ESTIMATES, PLANS, OBJECTIVES, GOALS, STRATEGIES, EXPECTATIONS, INTENTIONS, PROJECTIONS, DEVELOPMENTS, FUTURE EVENTS, PERFORMANCE OR PRODUCTS, UNDERLYING (EXPRESSED OR IMPLIED) ASSUMPTIONS AND OTHER STATEMENTS THAT ARE OTHER THAN HISTORICAL FACTS. IN SOME CASES, FORWARD-LOOKING STATEMENTS CAN BE IDENTIFIED BY THE USE OF FORWARD-LOOKING WORDS SUCH AS "ESTIMATED," "BELIEVES," "EXPECTS," "MAY," "WILL," "SHOULD," OR "ANTICIPATES," OR THE NEGATIVE OF THESE WORDS OR OTHER VARIATIONS OF THESE WORDS OR COMPARABLE WORDS, OR BY DISCUSSIONS OF PLANS OR STRATEGY THAT INVOLVE RISKS AND UNCERTAINTIES. MANAGEMENT WISHES TO CAUTION THE READER THAT THESE FORWARD-LOOKING STATEMENTS, INCLUDING, BUT NOT LIMITED TO, STATEMENTS REGARDING THE COMPANY AND ITS PLANS OR INTENTIONS, ESTIMATES, GOALS, COMPETITIVE TRENDS AND OTHER MATTERS THAT ARE NOT HISTORICAL FACTS ARE ONLY PREDICTIONS. NO ASSURANCES CAN BE GIVEN THAT SUCH PREDICTIONS WILL PROVE CORRECT OR THAT THE ANTICIPATED FUTURE RESULTS WILL BE ACHIEVED. ACTUAL EVENTS OR RESULTS MAY DIFFER MATERIALLY EITHER BECAUSE ONE OR MORE PREDICTIONS PROVE TO BE ERRONEOUS OR AS A RESULT OF OTHER RISKS FACING THE COMPANY. WE FACE SIGNIFICANT AND CONTINUING RISKS ASSOCIATED WITH AN EARLY-STAGE COMPANY THAT HAS LIMITED ASSETS AND OPERATIONS, THE COMPARATIVELY LIMITED FINANCIAL RESOURCES OF THE COMPANY, THE INTENSE COMPETITION THE COMPANY FACES FROM OTHER ESTABLISHED COMPETITORS, AND THE LEGAL UNCERTAINTIES THAT DIRECTLY AND INDIRECTLY IMPACT DEVELOPMENT-**

**STAGE COMPANIES. ANY ONE OR MORE OF THESE OR OTHER RISKS COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THE FUTURE RESULTS INDICATED, EXPRESSED, OR IMPLIED IN SUCH FORWARD-LOOKING STATEMENTS. WE UNDERTAKE NO OBLIGATION TO UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENT TO REFLECT EVENTS, CIRCUMSTANCES, OR NEW INFORMATION AFTER THE DATE OF THIS PRESS RELEASE OR TO REFLECT THE OCCURRENCE OF UNANTICIPATED OR OTHER SUBSEQUENT EVENTS.**

\*\*\*\*\*