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**RESPONSE TO SGX QUERIES ON THE DISPOSAL OF 50% INTEREST IN BEIJING KAIYUAN WANJIA MANAGEMENT CONSULTING COMPANY LIMITED**

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The Board of Directors of China International Holdings Limited (the “Company”), and together with its subsidiaries (the “Group”), refers to the Company’s announcements in relation to the disposal of 50% interests (“Proposed Disposal”) in Beijing Kaiyuanwanjia Management Consulting Company Limited (“Target Company”) released to Singapore Exchange Securities Trading Limited (“SGX-ST”) on 21 December 2022, 27 December 2022, 3 January 2023 and 9 January 2023. The Company would like to provide the following additional information in reply to the queries raised by SGX-ST on 10 January 2023:

**SGX Query 1**

According to the Company’s response to Query 1(a) posted on 3 January 2023, RMB 107.50 million had been repaid by KYWJ Group to the Company and of this amount, RMB 97 million was repaid in the form of the Company’s share of interest in a company holding the Exhibition Assets, namely, Hubei Huike Exhibition Service Co., Ltd (“Huike”). However, in the Company’s announcement on its response to SGX’s further queries, Huike does not hold any real estate assets as the registration of ownership has not been transferred from KYWJ and instead, the RMB 97 million “repayment” was the liability of the loan owing by KYWJ to a loan owing by Huike to the Company instead. Huike is a shell company and the title deed of the exhibition which the Company holds 50% interests in, with Beijing Mengqi Information Consulting Co., Ltd (“Beijing Mengqi”) holding the remaining 50% interests.

**SGX Query 1 (a)**

The repayment of RMB 97 million was described as repayment through “Share of interests in the company holding Exhibition Assets” (Huike) by the Company as set out in the Company’s answer to query 1(a) on 3 January 2023. However, in the Company’s response on 9 January to SGX’s query 1(a), we note that RMB 92 million of the “loan repayment” of RMB 97 million by KYWJ was in fact a transfer of the loan obligations to Huike instead.

In response to SGX’s Query 1(b) & (c), we note that Huike is a Special Purpose Vehicle (“SPV”) for the Group to hold its 50% interest in the convention centre and the “title of the Exhibition Assets has not yet been transferred to Huike and Huike has not commenced operations. The property has not been leased out. The main construction works of the Exhibition Assets has been completed and has been certified by the government authorities. The transfer of title from the developer to Huike is expected to take between 6-12 months.

- (i) Please explain how the investment can be considered a repayment of the loan;
- (ii) To disclose why the title of the convention centre is held by the developer, the relationship and name of the developer who is currently holding the title and the reason why KYWJ is unable to transfer to Huike until 6-12 months later even though the loan is transferred now.

**Company's Response**

(i) The loan repayment received from KYWJ Group was invested into Huike by way of part equity and part debt. Huike then used the amount invested to acquire the Exhibition Assets from KYWJ Group. The purpose of the process is for KYWJ Group to settle the shareholders' loan with certain assets it owns, in this case, the Exhibition Assets.

(ii) KYWJ Group is the developer and is currently holding the title to the convention centre. The process of transferring title to a large commercial property (such as the Exhibition Assets) from the developer to the buyer in People's Republic of China involves third parties such as government agencies. The timeline of 6-12 months is in line with market practices and standards in People's Republic of China.

**SGX Query 1 (b)**

In its Responses to SGX Queries on 3 January 2023, the Company described Huike as "company holding exhibition assets". However, in its Response to SGX Queries on 9 January 2023, we note that the company does not own the convention centre exhibition assets and such transfer of title is expected to take place 6-12 months later.

- (i) Please substantiate with details the reason why the transfer of the title has not yet been transferred;
- (ii) To disclose safeguards and internal controls implemented by the AC for accepting the transfer of the loan from KYWJ, an active developer of multiple projects to Huike, a dormant company without any assets.

**Company's Response**

(i) With reference to the response in 1(a)(ii), the transfer of title to a large commercial property in People's Republic of China (such as the Exhibition Assets) involves third parties such as government agencies. The timeline of 6-12 months is in line with market practices and standards in People's Republic of China. The Group, together with Beijing Mengqi and Huike, has signed an Asset Acquisition Agreement ("资产收购协议书") with the KYWJ Group on 28 September 2022. Following the signing of the Asset Acquisition Agreement, parties are attending to the necessary steps and procedures to transfer title and complete the transaction. The Asset Acquisition Agreement safeguards Huike's rights of ownership to the Exhibition Assets.

(ii) Huike is a SPV established by its shareholders and has no liabilities owed to any third parties. On the other hand, KYWJ Group is an active developer with negative net assets. We therefore believe that Huike offers a better way to safeguard our indirect interest in the Exhibition Assets.

#### SGX Query 1 (c)

Please provide details on the valuation and the cost of construction of the convention centre exhibition assets incurred by KYWJ and its incorporating shareholders. To provide specific details, including, inter alia, the discount rates, growth rates, yield, occupancy rate, comparable rates used by the valuer in arriving at its valuation and quantify the assumptions used to arrive at the consideration/valuation of RMB184 million of Huike/convention centre.

#### **Company's Response**

According to the valuer's report, the valuer undertook the valuation using two main methods, ie, replacement cost method and income method, and arrived at the final results by giving equal weightage to the results from each of the two methods. In using the replacement cost method, the valuer assumed construction cost of RMB 3500 per square meter. In using the income method, the valuer took sample of rents in the urban area near the convention centre, including rents for use by supermarkets, exhibition halls, convention centres, and car parks. The average monthly rental applied was RMB 45 per square meter, RMB 60 per square meter, RMB 50 per square meter, RMB 300 per parking space, respectively. The valuer assumed zero growth in rentals and that the utilization rates were 80%, 50%, 90% and 70% respectively. The discount rate for cashflow is assumed to be 7.77%. The final result from this valuation exercise is RMB 195.6417 million. The aforesaid valuation amount is closed to the total amount invested in Huike by the Group and Beijing Menqi amounting to RMB 194 million, by way of part equity and part debt.

#### SGX Query 1 (d)

The Company disclosed that Huike has long term debt investment of RMB 92 million owing to the Company.

Please disclose how and when this will be repaid to the Company, and if Huike is able to meet its repayment obligations. Otherwise, please disclose the value of the convention centre to be transferred to Huike to the Company as repayment obligations of the RMB 97 million from the KYWJ Group to Huike, prior to its disposal from the Group.

#### **Company's Response**

The shareholders loan owing to its shareholders by Huike should be considered as investment from the shareholders instead of normal debt financing. However, the shareholders may refinance part of shareholders loan in future. Note this shareholders loan (loan owed by Huike) is not that shareholders loan (loan owed by KYWJ Group).

The repayment of the loan may come from operational cashflow from the convention centre, refinancing of the shareholders' loans from external sources of funding, or from a trade sale of convention centre. The current value of the convention centre is estimated at RMB 194 million as set out in the valuers' report.

#### SGX Query 1 (e)

Please provide the background of when and how much the KYWJ Group invested/paid for in the 50% interest in the convention centre exhibition assets, which was used for the repayment of loan from the Company and quantify the loans that remain outstanding and collateralized on the convention centre and other assets of KYWJ Group.

### **Company's Response**

The KYWJ Group designed and self-built the convention centre as the developer since 2012 until its certification of completion by the government on 16 September 2021. The total construction cost in the KYWJ Group's books to date is approximately of RMB 316 million. The process of repayment of loans to shareholders/shareholders' investment in Huike/Huike buying Exhibition Assets from the KYWJ Group took place in September/October 2022. The process is part of effort to wind down the activities of the developer as the development of the project is coming to an end. The remaining amount of the loans due from the KYWJ Group to the Company is RMB 17.29 million, which provision of credit loss has been fully provided for.

### **SGX Query 1 (f)**

(i) Please disclose whose names the Company's shares in Huike are registered, the registered name of incorporation (in Chinese or otherwise) of Huike and the details of incorporation of Huike, for example whether, when and how the authorized capital of RMB 10 million had been paid, noting that RMB 5 million of the RMB97 million is paid in the form of 50% interest or RMB 5 million capital is treated as a repayment of loan from KYWJ to the Company.

(ii) Did the Company further inject the RMB 5 million into Huike in relation to its share of 50% interest in Huike?

### **Company's Response**

As disclosed on 9 January 2023, the registered company name of Huike is Hubei Huike International Exhibition Service Co., Ltd ("湖北会科国际展览服务有限公司", "Huike"). Huike was established on 8 September 2022. The registered shareholders of Huike are CIHL (Tianjin) City Development Limited ("天津新中城市实业发展有限公司", "CCDL"), and Beijing Mengqi Information Consulting Company Limited ("北京梦期信息咨询有限公司"). Each of them holds a 50% interest in Huike.

The KYWJ Group made cumulative repayments amounting to RMB 194 million to its two shareholders in October 2022. CCDL and Hongkun received RMB 97 million each. CCDL then injected the said RMB 97 million into Huike. CCDL recorded it as investment in Huike. Hongkun did the same on behalf of Beijing Mengqi. The Company's investment in Huike was completed before 19 October 2022, which consists of RMB 5 million in registered capital and RMB 92 million in shareholders' loan. The shareholders' loans in Huike were agreed to be managed as capital investment, are interest free and are repayable on demand.

### **SGX Query 1 (g)**

The Company disclosed that it had injected RMB 97 million into Huike through its wholly owned subsidiary CIHL (Tianjin) City Development Limited. The injection was substantially recorded as a loan of RMB 92 million owing by Huike to the Company. To disclose when the convention centre will start operations, whether it has started marketing for tenants, the profile of the tenants that Huike intends to market the convention centre to, the business model of the convention centre and set out the basis how the Board of the Company is confident that Huike will be able to fully repay the loan without impairment.

### **Company's Response**

As at the date of this announcement, there is currently no definitive business plan for the Exhibition Assets. The shareholders of Huike will continue to explore the options available. The repayment of the loan may come from operational cashflow from the convention centre, refinancing of the shareholders' loans from external sources of funding, or from a trade sale of convention centre.

### SGX Query 1 (h)

In the assets of Huike, the item “Long term debt investment” of RMB 184 million was disclosed on 9 January 2023.

(i) Please provide details of the debt investment, including but not limited to the legal form of the debt investment, the security registered for the debt, the guarantor, tenure of the loan, applicable interest rates, conditions of the loan, default terms, repayment terms etc.

(ii) Please also explain how it is in the interest of the Company to receive shares worth 50% of the NAV of RMB 10 million (which is backed by the “Long term debt investment”) to offset the amount owing to KYWJ Group to the Company of RMB 97 million. To explain what are the timeline projections of the Company with respect to the convention centre and when is it expected to be operational and the impact of its operations to the Group, in terms of revenue and profits.

(iii) To disclose the Company’s plans with regards to this “long term debt investment” once the convention centre is operational.

### **Company’s Response**

(i) As disclosed on 9 January 2023 and our response to query 1(f), the shareholders’ loans in Huike were agreed to be managed as capital investment, are interest free and are repayable on demand. The shareholders’ loans are unsecured.

(ii) As mentioned in our response to query 1(b) above, we believe that Huike, being a newly established SPV with no liabilities owed to any third parties, is a better way to safeguard our indirect interest in the Exhibition Assets, in comparison to KYWJ which has a negative net asset value. As mentioned in our response to query 1(g) above, as at the date of this announcement, there is currently no definitive business plan for the Exhibition Assets. The shareholders of Huike will continue to explore the options available.

(iii) As at the date of this announcement, there is no definitive business plan for the convention centre. The shareholders have explored various business plans for the convention centre in the past and will strive to formulate a suitable business plan for the convention centre in the near future. The repayment of the loan may come from operational cashflow from the convention centre, refinancing of the shareholders’ loans from external sources of funding, or from a trade sale of convention centre.

### **SGX Query 2**

On the convention centre exhibition assets to be transferred to Huike:

#### SGX Query 2 (a)

Please disclose the value of the Exhibition Assets held in the KYWJ Group’s books, dates when the Exhibition Assets were acquired by the KYWJ Group and the cost of acquisition.

### **Company's Response**

As mentioned in our response in 1(e), KYWJ Group designed and self-built the convention center as the developer beginning in the year 2012 until its certification of completion from the government on 16 September 2021. The total construction cost in the KYWJ Group's books to date is approximately RMB 316 million.

### **SGX Query 2 (b)**

The Company disclosed in its response on 9 January 2023 that the titles of the Exhibition Assets have not yet been transferred to Huike, which has not yet commenced operations. Please explain why the Company is not retaining debt owing by KYWJ Group if the titles are not yet transferred, as this would imply that the Company is receiving a zero asset company and would be a RMB 194 million negative liability company if the convention centre is not successfully transferred.

### **Company's Response**

As mentioned in our response to query 1(a) and 1 (b) above, the process of transferring title to a large commercial property (such as the Exhibition Assets) from the developer to the buyer in People's Republic of China involves third parties such as government agencies. The timeline of 6-12 months is in line with market practices and standards in People's Republic of China. The debt due from KYWJ Group was not retained as KYWJ Group had already made cumulative repayments amounting to RMB 97 million to the Company in October 2022. Huike's interest in the Exhibition Assets is supported by the Asset Acquisition Agreement dated 28 September 2022, pending the transfer of the title. The Asset Acquisition Agreement safeguards Huike's rights of ownership to the Exhibition Assets.

### **SGX Query 2 (c)**

The Company disclose in its response on 9 January 2023 that the purchase price of the Exhibition Assets were valued at RMB 194 million by Hubei Huari Assets Real Estate Appraisal Co., Ltd ("Huari").

(i) Please disclose when Huari was set up, the registered name of the corporation, the size of the firm, years in operations, if the valuer has experience in conducting valuations for listed companies, and if so, examples of such listed issuers in its track record.;

(ii) To also provide details of the professional in the firm responsible for the valuer including their name, credentials, track records in performing similar valuations, experience in performing valuations for listed issuers, and the relevant professional body in charge of ensuring the professional standards of the valuer.

### **Company's Response**

(i) Hubei Hurui Assets and Real Estate Valuation Company Limited was established on 7 August 2008, by the merger of Yichang Jindi Real Estate Valuation Company Limited and Hubei Huarui Real Estate Valuation and Consultancy Company Limited, both with strong expertise and over 20 years of experience in the real estate valuation business. The scope of business covers real estate and equipment valuation for financing and guarantee transactions, land auctions, merger and acquisition of companies, company IPOs, assets disposals, and etc. The firm currently has 23 professionals. Since its establishment, the firm has undertaken valuation work for IPOs for Hubei Yihua Chemical Group Company Limited, Angel Yeast Technology Company Limited and others. The firm also provided valuation services for Yichang SOE Commission and Yichang Land Reserve Center in relation to the reorganisation and land auction of several large and medium sized SOEs.

(ii) Valuers for this assignment are Mr Hu Jun and Mr Hu Fei. Mr Hu Jun was founder of this firm, whose is a certified valuer with certification No. of 4220090039. Mr Hu has 30 years of experience in the valuation business, and has participated in many transactions involving disposal of state assets, real estate expropriation and reconstruction.

Mr Hu Fei is the head of valuation department of the firm, is certified to undertake valuation work for land as well as real estate properties, with certification No. 4220200222 and 2013420124, respectively. In the past ten years, he performed valuation work in the IPOs and other financing transactions for Hubei Yihua Chemical Group Company Limited, Hubei Xingfa, and Angel Yeast Technology Company Limited.

#### SGX Query 2 (d)

(i) As the Exhibition Assets are not currently tenanted, please quantify and disclose all relevant assumptions used by the valuer to arrive at their valuation of the Assets and disclose the basis for such assumptions in rental, growth, occupancy rates, discounted rates, number, quality of tenants and all other relevant and material assumptions used to arrive at its cash flow assumptions and valuation.

(ii) To disclose the valuation attributable by Huari to the Exhibition Assets.

#### **Company's Response**

Please refer to our reply in 1(c).

#### SGX Query 2 (e)

The Company disclosed in its response on 9 January 2023 that the shareholders of Huike will discuss the business plan of the Exhibition Assets with the local government.

(i) Please elaborate why there is a need to elaborate the business plans of Huike with the local government and why this was not initially carried out before the Exhibition Assets were constructed.

(ii) Had approval from the government been obtained prior to the construction of the Convention Centre exhibition assets?

#### **Company's Response**

(i) The convention centre is an important public project in the Yiling District and Yichang City. Therefore, any business plan in relation thereto is subject to support and approval from the local government. Any future plans may also require support and approval from the local government. We have been in constant discussion with the government on the business plans for the Exhibition Assets since we first invested into the KYWJ Group.

(ii) Approval for construction from the local government had already been obtained before the Group first invested into the KYWJ Group.

#### SGX Query 2 (f)

Please elaborate on the current issues facing the operations of the Exhibition Assets, including the issues currently under discussion with the government, and the stages of the said discussions. Please also explain why the issues were not previously disclosed by the Company in respect of this material asset in KYWJ Group.

### **Company's Response**

The current issues faced by and the discussion on Exhibition Assets include the definitions of various functions of the convention center, such as public exhibition, convention arena, commercial space, the support of the government in terms of the government contracts for hosting exhibitions, urban infrastructure improvement outside the convention centre such as roads, traffic regulation and public parking space, the scope of commercial uses in the convention centre and the mode of operation for commercial space, etc. The discussion with the government has been on and off for many years and we expect to have fresh start as the construction is complete and Huike has been established to undertake the task to the next stage. The Company reports the progress of convention centre on a regular basis, in its public disclosure documents.

### **SGX Query 2 (g)**

The Company disclosed in its response on 9 January 2023 that Huike has no immediate repayments and that any future planning will depend on business plans to be finalized, for which funding may come from shareholders as well as external sources.

(i) Please disclose the reasons for the future required, value of future funding requirement and provide a breakdown of the purpose of the funding.

(ii) To disclose who the Company intends to fund the future requirements and to confirm if the Company will ensure the transfer of titles of the Exhibition Assets to Huike prior to injecting further funding, and please comply with Listing Rules 1010 and 1014, where applicable.

### **Company's Response**

(i) The future funding requirement depends on the business plan. The uses of future funding relate to interior decoration and setting up. Specific funding plan will only be available once the business plan is finalised.

(ii) The shareholders of Huike have no definitive business plan for Exhibition Assets yet. We do not expect further funding requirement for capital investment before the completion of title transfer and the finalization of the business plan. The Company will make prompt disclosures in compliance with Listing Rules 1010 and 1014 when the situation changes.

### **SGX Query 2 (h)**

Please explain why the acceptance of Huike as a repayment from KYWJ Group is in the best interest of the Company when more capital outflow is expected and collectability of the debt from Huike appears unlikely based on its NAV.

### **Company's Response**

The Company has expressed its wish to exit from KYWJ Group completely as its development activities have come to an end. The Company believes holds a 50% interest in Huike is a better form of protection than holding a 50% interest in KYWJ to safeguard its indirect interest in the convention centre.

### **SGX Query 2 (i)**

Please comply with requirements under listing rule 1010 and 1014, where applicable, for the acquisition of the 50% interest in Huike.



### **Company's Response**

We believe this transaction is in the ordinary course of business of the Group and there is no change to the ultimate ownership of the Exhibition Assets.

### **SGX Query 3**

On the parking lots and property assets repaid in kind from KYWJ Group to the Company:

#### **SGX Query 3(a)**

Please provide details of the exact locations and name of the building, sizes and occupancy of the RMB 10.2 million worth of 307 parking spaces and 6 store units, the revenue and profits generated from the store units in the past two years, whether the 6 store units are tenanted and if rentals on these have been collectable to-date.

### **Company's Response**

The details of 307 parking spaces, 6 units of stores and 7 units of residential properties (six residential units and one sales office) have been disclosed in our response to SGX Query 2(a) in the announcement dated 9 January 2023. To date, no rentals have been collected from these properties.

#### **SGX Query 3(b)**

Please clarify what the column on Amount RMB "000" signifies in the table provide in the Company's response to Query 2(a) on 9 January 2023 (i.e., revenue, valuation, profit?)

### **Company's Response**

The amount RMB "000" signifies in the table refers to the transaction value of these assets we have obtained, i.e. RMB10,230,000. This amount can be reference back to the announcement on 3 January, Query 1(a). The difference of RMB 6,000 is due to rounding.

#### **SGX Query 3(c)**

The Company disclosed in its response on 9 January 2023 that the parking lot spaces are currently vacant and no revenue has been generated there from in the past 2 years.

(i) Please disclose the period when the parking lot developments were completed and explain why they remain vacant to-date.

(ii) Please also provide details of the major assumptions of cashflow, discount rate, utilization rate, methodology used to arrive at the valuation of the parking lot spaces as the value of loan repayment since no income has been generated. Based on the comparable vacant lots, what would be the value of the individual assets repaid in kind from KYWJ Group to the Company?

### **Company's Response**

While the construction of apartment buildings was completed in phases, the occupancy rates of the apartments is still growing gradually. We expect demand for parking lots to grow in tandem with the occupancy rates. As mentioned in our response to SGX Query 2(c) in the announcement dated 9 January 2023, the valuation of the parking lots were determined based on the developer's catalogue prices, recently transacted prices, and appropriate discounts on group sales etc.

### SGX Query 3(d)

The Company disclosed in its response on 9 January 2023 that no valuation was undertaken for the assets repaid in kind from KYWJ Group to the Company. Please disclose the number of units of the properties, percentage of units sold to-date and details of the development of the property units and its take up rate.

### Company's Response

As disclosed in the previous announcements, the Company received the following properties as repayment in kind from the KYWJ Group, the details of 307 parking spaces, 6 units of stores and 7 units of residential properties were disclosed in our response to SGX Query 2(a) in the announcement dated 9 January 2023. To date, none of the above properties has been sold as rights to the properties were only transferred to the Company as at 28 September 2022 and the properties are at different stages of title transfer. We expect to commence the sale of these properties after the titles have been fully transferred.

### SGX Query 4

On the investment into KYWJ Group by the Company:

#### SGX Query4(a)

The Company disclosed in its response on 9 January 2023 that since the disposal of 5% interests in KYWJ Group in 2017, Hongkun has since taken over responsibility for funding and operations of KYWJ Group. Please provide details of the current ultimate shareholders of Hongkun and their respective shareholding interests in Hongkun and the amount of capital injections into KYWJ and all capital returns and advances/payments/loan related repayments to Hongkun since 2017 to-date.

### Company's Response

According to the industrial and commercial website information, Beijing Hongkun Weiye Real Estate Development Co., Ltd. ("北京鸿坤伟业房地产开发有限公司" or "Hongkun") was established on 20 August 2002, with a registered capital of RMB2,200 million. Hongkun's shareholders are Hongkun Group Management Consulting Co., LTD. ("鸿坤集团管理咨询有限公司"), Beijing Hongzhen Management Consulting Co., LTD. ("北京鸿振管理咨询有限公司") and Hongkun Group Co., LTD., ("鸿坤集团有限公司"), holding 65%, 25% and 10% respectively.

A summary of the cash movement between Hongkun and KYWJ since 25 June 2017 to-date is shown below:

	<u>The Hongkun</u> <u>RMB'000</u>
Further Funds injected to KYWJ by Hongkun in 2017	(60,000)
Funds from KYWJ to Hongkun in 2018	46,000
Funds from KYWJ to Hongkun in 2019	223,000
Funds from KYWJ to Hongkun in 2020	87,000
Funds from KYWJ to Hongkun in 2021	-
50% interest of convention centre transferred to Hongkun in 2022	97,000
Net balance *	<u><u>393,000</u></u>

\* From publicly available sources, the Hongkun's initial investment cost for purchasing a 50% interest (including 50% shareholder's loan) in KYWJ on 1 June 2017 was approximately RMB 227 million.

#### SGX Query 4(b)

With reference to the funds repaid to the Group from KYWJ as broken down in its response to Query 4(a) to (c) on 9 January 2023, for each of these items please disclose how these funds were repaid (i.e., in cash or in kind). If the amount was fully repaid in cash, please disclose the use of proceeds of the cash received. Otherwise, to provide details of the repayment amounts in kind, including the valuation of such assets repaid.

#### Company's Response

A summary of the repayments in cash and in kind in respect of the Group's investment in the KYWJ Group since September 2013 to date is shown below:

	<b>In cash or in kind</b>	<b>The Group RMB'000</b>
Initial investment cost for purchasing a 55% interest (including 55% shareholder's loan) in KYWJ on 16 September 2013	Cash	(440,100)
Further Funds injected in 2013	Cash	(20,000)
Further Funds injected in 2014	Cash	(110,500)
Further Funds injected in 2015	Cash	(38,800)
Funds repaid in 2016	Cash	75,300
Amount realised from the disposal of 5% interest (including 5% shareholder's loan) in 2017	Cash	27,000
Funds repaid in 2017	Cash	61,900
Funds repaid in 2018	Cash	168,980
Funds repaid in 2019	Cash	70,180
Funds repaid in 2021	Cash	53,000
Assets to the Company in FY2022		
- Cash	Cash	11,000
- Investment properties	Properties	156,000
Consideration by disposal of 50% interests in 2022	Cash	2,000
<b>Net balance</b>		<b>15,960</b>

As disclosed on 9 January 2023 and 3 January 2023, total assets transferred to the Company during FY2022 was RMB 167 million, which comprises cash of RMB 11 million, certain properties of RMB 59 million and 50% share of interest in the Huike with a total value of RMB 156 million..

For the use of proceeds of the cash received by the Company, please refer to the relevant annual reports of the Company.

**BY ORDER OF THE BOARD**  
**CHINA INTERNATIONAL HOLDINGS LIMITED**

**Shan Chang**  
**Chairman**  
12 January 2023