



中 翔 國 際 集 團 有 限 公 司
China International Holdings Limited

Annual General Meeting & Special General Meeting

10:00 a.m. 28 April 2025

Queen Room, Level 2

Copthorne King's Hotel, Singapore

Safe Harbour Statement



The presentation contains forward looking statements which can be identified by the context of the statement and generally arise when the Company is discussing its beliefs, estimates or expectations. Such statements may include comments on industry, business or market trends, projections, forecasts and plans and objectives or management for future operations and operating and financial performance, as well as any related assumptions.

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Content

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- FY2024 Group Business
- Other Matters
- FY2022-2024 Group Financial Performance
- Capital Management and Corporate Strategy
- Appendix - Summary of Financials

- **Summary of 2024 Revenue and P&L**

- The revenue of the Group is derived mainly from the supply of treated water, construction of water pipeline and wastewater treatment services.
- The Group recorded a total revenue of RMB92.92 million in FY2024, representing a decrease of approximately 5.1% compared to RMB97.91 million in FY2023. The decrease was mainly due to lower revenue from wastewater treatment services and water supply.
- The net loss for the year was RMB108.05 million, an increase from the previous year's RMB74.01 million.

- **Xinhe Sewage Upgrade and Recycling Water Plant (“Xinhe Water Plant”)**
 - Xinhe Water Plant has been in operation since January 1, 2018, and officially commissioned after acceptance in April 2020.
 - The Xinhe Water Plant is a water treatment plant for reclaimed water which treats the water discharged from a wastewater treatment plant to the standard of dischargeable water, to be released into nature, and is of the standard of reclaimed water. It can be fed into CIH Tianjin Water’s network.
 - The production capacity of Xinhe Water Plant is up to 50,000 m³ per day of recycled water and 70,000 m³ per day of upgraded wastewater treatment.
 - The total amount of wastewater treated by Xinhe Water Recycling Plant in 2024 was around 20.52 million m³.

- **Tianjin Lingang Water Plant**

- It is an expansion project to re-pressurize water from CIH Tianjin Water's pipeline network for supply to local users. It is expected to bring an increase in the sales of treated water to the service areas.
- This plant completed construction in end 2022 and obtained the construction planning acceptance certificate in June 2023.
- By the end of 2024, the water supply pipeline network had reached 87.13 kilometers, comprising the municipal pipeline network of approximately 83.70 kilometers and the community pipeline network was approximately 3.43 kilometers.
- In 2024, the volume of water supplied was 2,129,214 tons.

Other Matters: Litigation



- **Mr. Zhang Zhaowang vs Yichang Zeyou**

- To recap, the legal proceedings were brought by Mr. Zhang Zhaowang (the “Plaintiff”), the supervisor of Yichang Zeyou Real Estate Development Co. LTD (“Yichang Zeyou”), a former associate of the Group and formerly known as Yichang Xinshougang Real Estate Development Co. LTD (“Xinshougang”). The Group had exited the Yichang Project after disposing our entire 50% equity interests in Beijing Kaiyuan Wanjia Management Consulting Company Limited (“KYWJ”) in December 2022.
- On 17 May 2023, the Group announced that two of its wholly-owned subsidiaries, namely, CIHL (Tianjin) City Development Limited and Yichang Zhongjia Xinye Asset Management Co. Ltd (“Subsidiaries”), received a notice from the Yichang Yiling District Court requiring the Subsidiaries to participate in a legal proceeding as a third-party. The Plaintiff alleged that the dividend payment by Yichang Zeyou was in violation of tax regulations and requested the court to invalidate the shareholders’ resolution adopted on 1 September 2022 (the “Resolution”) to approve such dividend payment.

Other Matters: Litigations

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- **Mr. Zhang Zhaowang VS. Yichang Zeyou (Cont'd)**
 - On 2 February 2024, Yichang Dianjun District Court of the People's Republic of China issued a written judgement that the Resolution was in violation of the relevant Company Law of the People's Republic of China and as such was invalid (the "Judgement"). The Judgement did not explain how the dividends already distributed should be reversed. After studying the Judgment with the Group's lawyers, the Directors are of the view that the Judgment did not adequately address the Group's argument and that the Judgment improperly applied the provision in the Company Law to the Resolution. The Group then filed an appeal against the ruling on 7 February 2024.
 - On 18 June 2024, the Yichang Intermediate Court issued its written judgment on the appeal. In its Judgment, the court upheld the decisions of Yichang Dianjun District Court and rejected the Subsidiaries' appeal. The decision by the Yichang Intermediate Court on this litigation commenced by Mr. Zhang Zhaowang against Yichang Zeyou Real Estate Development Co. LTD is final and unappealable.
 - As disclosed in the FY2023 Financial Statements, the Company has made a provision for liabilities on the legal case arising from the litigation.

Other Matters: Litigation

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- **Hubei Huike vs Yichang Zeyou**

- The above legal proceedings were initially filed at the People's Court of Mentougou District of Beijing Municipality but was subsequently transferred to the No.1 Intermediate People's Court of Beijing Municipality. On 25 April 2024, the Court held the first court hearing on this case.
- The Beijing No. 1 Intermediate People's Court issued its written Judgment on the Dispute on 31 May 2024. In its Judgment, the Court held that the claims raised by Hubei Huike International Exhibition Service Co., LTD (“Huike”) were not established and the request lodged by Huike was denied.
- As such, the legal title of the Convention Centre was not transferred to Huike .

- **CIHL (Tianjin) vs KYWJ**

- The wholly owned subsidiary of the Group, namely, CIHL (Tianjin) City Development Limited (“CIHL Tianjin”), had on 2 April 2025 commenced legal proceedings against Beijing KaiyuanWanjia Management Consulting Co., Ltd. (“KYWJ”) in the Beijing Daxing District People's Court seeking full repayment of outstanding debts, comprising principal and interest, owed to CIHL Tianjin since 2013.
- This is to safeguard the RMB11 million in cash assets which the Group had earlier received through the dividend resolution.
- As at today, the legal proceedings have not been concluded.

Other Matters: Contract assets



- The contract assets recorded in 2024 amounted to RMB192.87 million, an increase from RMB178.91 million in 2023.
- The increase comes mainly from increased amounts due from government bodies for wastewater treatment services provided by CIHL (Tianjin) Water Development Company Limited.
- The Group has made provisions on these contract assets in the past few years.

Other Matters: Independent Review

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- As announced on 4 April 2023, the Independent Directors of the Company have appointed RSM Corporate Advisory Pte Ltd as the Independent Reviewer to carry out an independent review of the disposal of the 50% interest in KYWJ.
- The Independent Reviewer will report its findings to SGX RegCo and the AC of the Company and keep SGX RegCo and the AC updated on the status as the review progresses, particularly any significant events and/or transactions that are material to the Company or the Group in the course of its work.
- As at today, the Independent Reviewer has submitted its preliminary draft report to the ARC and SGX RegCo. The final report is still pending. The Company will make further announcement to update shareholders as and when there is any material development on this matter, including key findings of the independent review where appropriate.

Other Matters: Disclaimer of Opinion



- As announced on 25 March 2025, the Company's independent auditor, CLA Global TS Public Accounting Corporation issued a disclaimer of opinion (the "Disclaimer of Opinion") in its Independent Auditor's Report dated 25 March 2025 (the "Independent Auditor's Report") in respect of the audited financial statements of the Group for the financial year ended 31 December 2024 ("AFS 2024").
- The basis for the Disclaimer of Opinion was the significance of the matter described in the Basis for Disclaimer of Opinion section of the Independent Auditor's Report.
- At the date of the Independent Auditor's Report, the Independent Review has not concluded, and the outcome is uncertain. Accordingly, the auditors were unable to ascertain the extent of pervasiveness and/or significance of any adjustments, impacts and other areas of uncertainties that may arise from the Independent Review on the AF of the Group, if any.

FY2022-2024 Group Performance

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| Year | Revenue | EBITDA | EBITDA Margin | Profit / (loss) attributable to equity holders of the Company | EPS | Net Asset Value attributable to owners of the parent | Number of Shares | Net Asset Value per Share | ROE |
|------|---------|---------|---------------|---------------------------------------------------------------|----------|------------------------------------------------------|------------------|---------------------------|---------|
| | RMB'000 | RMB'000 | % | RMB'000 | Fen | RMB'000 | '000 | RMB | % |
| 2022 | 103,604 | 27,396 | 26 | 66,840 | 88.15 | 401,420 | 75,871 | 5.29 | 18.17 |
| 2023 | 97,193 | 38,384 | 39 | (73,702) | (95.74) | 329,975 | 77,981 | 4.23 | (20.15) |
| 2024 | 92,916 | 45,984 | 49 | (111,392) | (142.70) | 214,078 | 78,116 | 2.74 | (40.95) |

Capital Management



- No dividend has been recommended for FY2024.
- Internal cashflows will be used for daily business operations.
- The Group will consider how to manage the medium term capital requirements and business strategy, taking into account factors including:
 - Share price below NAV per share;
 - Dividend payout based on profitability and cashflows;
 - Return on investment standard;
 - Debt financing availability and risk.

Corporate Strategy

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- Leverage on the expanded capabilities in sustainable water treatment for possible opportunities in the sustainable water business in Tianjin, China.
- Actively manage Tianjin Water to generate cash from operations and reduce account receivables.
- Strive to achieve satisfactory returns by balancing shareholders' interests while taking into account the company's future growth and expansion requirements.

Summary of Financials

FY2022-2024 EBITDA

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Earning Before Interest, Tax, Depreciation, and Amortisation

| | FY2024 | FY2023 | FY2022 |
|-----------------------------------------------------------------|------------------|-----------------|---------------|
| | RMB'000 | RMB'000 | RMB'000 |
| Profit / (loss) for the financial year | (108,046) | (74,011) | 62,497 |
| Interest expense | 3,940 | 4,589 | 3,592 |
| Income tax expense / (credit) | 566 | (8,966) | (13,429) |
| EBIT | (103,540) | (78,388) | 52,660 |
| Non cash, one time item | | | |
| Impairment losses on contract assets | 7,562 | 8,665 | 17,869 |
| Impairment loss / (reversal) on amount due from JV / associates | 1,304 | - | (6,951) |
| Gain on disposal of associate | - | - | (2,000) |
| Fair value loss on investment properties | 10,260 | 13,701 | - |
| Provision for liabilities on legal case | - | 59,500 | |
| Dividend income from associate | - | - | (59,500) |
| Depreciation | 30,962 | 33,961 | 24,987 |
| Amortisation | 367 | 389 | 244 |
| Loss on derecognition of Investment properties - net | 2,712 | - | - |
| Share of loss of JV or associated companies | 96,357 | 556 | 87 |
| EBITDA | 45,984 | 38,384 | 27,396 |

Summary of Financials

FY2022-2024 EPS

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Earning per share for the financial year ended 31 December 2024

| | 31.12.2024 RMB'000 | 31.12.2023 RMB'000 | 31.12.2022 RMB'000 |
|-------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|
| (Loss) / Profit attributable to owners of the company | | | |
| Discontinued operations | - | - | - |
| Continuing operations | (111,392) | (73,702) | 66,840 |
| | <u>(111,392)</u> | <u>(73,702)</u> | <u>66,840</u> |
| Weighted average number of ordinary shares in issue ('000) | 78,059 | 76,983 | 75,823 |
| Basic and diluted (Loss) / earnings per share (Fen) | | | |
| Discontinued operations | 0.00 | 0.00 | 0.00 |
| Continuing operations | (142.70) | (95.74) | 88.15 |
| | <u>(142.70)</u> | <u>(95.74)</u> | <u>88.15</u> |

Summary of Financials

FY2022-2024 ROE

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| | Shareholder's equity at the end of financial year RMB'000 | Average of shareholder's equity RMB'000 | Profit attributable to equity holders of the Company RMB'000 | ROE % |
|------|--------------------------------------------------------------------|--------------------------------------------------|--------------------------------------------------------------------|----------|
| 2022 | 401,420 | 367,900 | 66,840 | 18.17 |
| 2023 | 329,975 | 365,698 | (73,702) | (20.15) |
| 2024 | 214,078 | 272,027 | (111,392) | (40.95) |

Thank you

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