



China International Holdings Limited

(Incorporated in Bermuda with limited liability)
(Bermuda Company Registration No. 23356)

ADDITIONAL INFORMATION TO 2ND QUARTER RESULTS FOR THE QUARTER ENDED 30 JUNE 2014

The Board of Directors of China International Holdings Limited (“Company”) would like to provide the following additional information in relation to the 2nd quarter results for the quarter ended 30 June 2014 (2Q FY2014 Results) which was released on 11 August 2014:-

1. As disclosed in the 2Q FY2014 Results, the Group’s revenue had decreased by 2% whereas the cost of services provided had increased by 244.9% as compared to the corresponding period in 2013.

In the 2Q FY2014 Results, the Group had consolidated the results of its 55% owned subsidiary, Yichang Xinshougang Property Development Company Limited (Yichang XSG). As the acquisition of Yichang XSG was completed on 15 September 2013, the Group did not consolidate the results of Yichang XSG into the 2Q FY2013 Results.

The increase in the cost of services provided was mainly due to the increase of the property development cost at Yichang XSG.

2. Cash Flow Analysis for Second Quarter 2014

The net cash used in operating activities was RMB 18.38 million for the 2nd Quarter 2014. It was mainly due to a security deposit of RMB 30 million used for the business at Beijing Shijilongquan Real Estate Co. Ltd (Beijing SJLQ) in securing a RMB 100 million loan facility.

Net cash used in investing activities for 2nd Quarter 2014 was RMB83.62 million mainly due to the funding of the resettlement housing project at Beijing SJLQ.

Net cash generated from financing activities for 2nd Quarter 2014 was RMB109.62 million mainly due to borrowings of RMB100 million at Beijing SJLQ.

BY ORDER OF THE BOARD
CHINA INTERNATIONAL HOLDINGS LIMITED

Shan Chang
Chairman

27 August 2014