



China International Holdings Limited

中翔國際集團有限公司

(Incorporated in Bermuda with limited liability)

(Bermuda Company Registration No. 23356)

FURTHER RESPONSE TO SGX QUERIES ON THE ANNUAL REPORT FOR YEAR ENDED 31 DECEMBER 2021

The Board of Directors of China International Holdings Limited (the “Company”), and together with its subsidiaries (the “Group”), refers to the Company’s FY2021 Annual Report released to Singapore Exchange Securities Trading Limited (“SGX-ST”) on 8 April 2022 (the “Annual Report”) and the Company’s announcement released on 23 April 2022 (the “Response Announcement”) in response to several queries raised by SGX-ST on 20 April 2022. The Company would like to provide the following additional information in reply to the queries raised by SGX-ST on 27 April 2022.

SGX Query 1

As noted in the response by the Company dated 23 April 2022, the Company is not in compliance with Provision 2.2 of the Code which requires independent directors to make up the majority of the Board where the Chairman is not independent. The Company was queried by SGX on 20 April 2022 on how the practices the Company had adopted are consistent with the intent of Principle 2 of the Code, which requires the Board to have, inter alia, an appropriate level of independence to enable it to make decisions in the best interest of the Company.

A) In your response, the Company stated that “All the Directors have no relationship with the Company, its related corporations, its 5% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgment with a view to the best interests of the Company. There are adequate safeguards and checks in place to ensure that the decision making process by the Board is independent.” Please elaborate with details what safeguards and checks have been put in place to ensure independent decision making consistent with Principle 2 of the Code.

B) In response, the Company stated that “Although the Independent Directors are not in majority, the Board has always discussed important issues robustly and has been able to reach a consensus on the issues without having to rely on any majority voting to decide nor having an individual or small group of individuals dominate the Board’s decision-making process.” Please explain how the Board’s final decision is normally made when there are differences in opinion, without majority voting, in ensuring consistency with the intent of Principle 2 of the Code.

Company’s Response

As announced on 23 April 2022, Non-Executive Directors already make up a majority of the Board. The Board possesses a good mix of skills and experience in the relevant industries and have competencies in finance, business management, legal and corporate governance. The current Board size, composition and competency is appropriate taking into account the nature and scope of our business operations.

Thus far the Board has been able to reach a consensus on various issues without having to resort to any majority voting. An important consideration is the absence of any single individual nor small group of individuals who dominate the decision-making process. Moreover Non-Executive Directors

meet without the presence of Management whenever necessary, and freely offer their independent views and alternative perspectives to Management's proposals in a robust and constructive manner.

The Board's collective management, business and professional experience as well as their combined knowledge of the industry will help provide the necessary independent and objective perspective needed for matters relating to the Group's strategic and business directions. We believe this greatly enhances the strength and independence of decision making for the Group and taken as a whole is consistent with the intent of Principle 2 of the Code.

SGX Query 2

The Company was queried by SGX on 20 April 2022 on the confirmation of the suitability of each of the auditors of each significant foreign-incorporated subsidiary and associated company under Listing Rule 715 (2). The Company was asked to substantiate the Audit Committee (AC)'s confirmation with specific information on each auditor's track record, resource adequacy as well as any other information required under Listing Rule 712, whether they are members of IFIAR and whether they have audited public companies listed in their jurisdiction of operation.

A) In response, the Company stated that the "local statutory auditors were appointed to meet respective meet respective local statutory requirements where applicable and that audit procedures for the Group were performed by Shanghai Nexia TS Certified Public Accountants ("Shanghai Nexia") for group consolidation purposes". Please provide specific information on and elaborate on how Shanghai Nexia's role as being the auditors for consolidation purposes meet the requirements under Listing Rule 715 (2) and elaborate on whether there are any differences between Shanghai Nexia being appointed as the auditors for the significant foreign-incorporated subsidiaries and associated companies and Shanghai Nexia performing the role for the purpose of group consolidation. Listing Rule 715 (2) requires that issuers must engage a suitable auditing firm for its significant foreign-incorporated subsidiaries and associated companies.

Company's Response

The Board would like to highlight that all of our significant foreign-incorporated subsidiaries and associated companies were audited directly by Shanghai Nexia TS Certified Public Accountants - 上海尼夏腾欣会计师事务所 ("Shanghai Nexia"), a subsidiary of Nexia TS Public Accounting Corporation ("Nexia Singapore"), for group consolidation purposes.

Shanghai Nexia does not issue separate opinions on our subsidiaries and associated companies' financial statements. The work performed by Shanghai Nexia was reviewed and cleared by our Group's Auditors, Nexia Singapore, as part of their audit of the Group in accordance with ISA 600 Special Consideration - Audit of Group Financial Statements (including the work of component auditors). Nexia Singapore has issued an unmodified report to the Group's consolidated financial statements for FY2021.

Therefore, the AC confirms that the Company has complied with the Listing Rule 715 (2).

SGX Query 3

The Company was queried by SGX on 20 April 2022 on the Company's whistle-blowing policy which does not address the requirements under Listing Rule 1207(18B)(b) to ensure that the identity of the whistle-blower is kept confidential.

A) The Company also responded that in the event when "the CEO, or the Chairperson of the Audit Committee and/or the Lead Director and/or the Chairperson of the Board, or such other entity actually handling the investigation, is of the opinion that the identity of the whistleblower is material to the conduct of any investigation", the confidentiality of the whistle-blower's identity would not be strictly maintained. Please explain how the Company is in compliance with Listing Rule 1207 (18B)(b) which requires that issuers ensure that the identity of the whistle-blower is kept confidential when it is of the opinion that the identity of the whistleblower should be revealed. Please elaborate on this practice of not keeping the identity of the whistle blower confidential, the circumstances where the identity of the whistleblower is revealed and to whom does the Board intend to reveal the identity of the whistle blower in the conduct of the investigation such that the Company ensures it remains in compliance with Listing Rule 1207(18B)(b) to keep the identity of the whistle-blower confidential.

Company's Response

As announced on 23 April 2022, the Company would like to clarify that under the Company's whistle-blowing policy, the confidentiality of the whistleblower's identity, the nature of the report, and the suspected person's identity is to be strictly maintained by all parties investigating such complaints, unless it is required by law, by the order or directive of a court of law or other regulatory authority that the identity of the whistleblower to be revealed.

The Company ensures that the confidentiality of the whistleblower's identity will be strictly maintained. In circumstances where the nature of investigation necessitates the disclosure of the whistleblower's identity then the AC Chairman, or the Chairman of the Board or any such person heading the investigation will inform and explain to the whistleblower of the need to reveal his/her identity.

The Audit Committee will review the whistle-blowing policy from time to time to ensure that they remain relevant and comply with Listing Rule 1207(18B).

By Order Of The Board
China International Holdings Limited

Shan Chang
Chairman
29 April 2022