



Voluntary Announcement

The board of directors (the “**Board**” or “**Directors**”) of China International Holdings Limited (the “**Company**”) is pleased to make a voluntary announcement regarding certain issues discussed at the recent board meeting.

1. **Dividend Decision and Dividend Policy**

As stated in the announcement dated 28 February 2020, the directors do not propose a dividend for the current period Q4 of 2019. The board will consider over the next few months and before the upcoming annual general meeting of shareholders whether to propose a full-year dividend for 2019 after the impact of COVID-19 on the Chinese economy and the Group's business operations becomes clearer. The board also decided that it is not in a position to make a dividend policy at this point in time. It will however consider this issue again in the near future.

2. **Baoding RMB 30million Deposit**

The board considered the management’s assessment on the recoverability of this deposit, which remains unpaid to date. The board is aware that the project company has commenced property development activities. The Company is in active discussions with the project company for the return of the deposit and expects to reach a resolution in the near future. The Company will make prompt announcement when there is a change of status regarding this deposit.

3. **Amounts Due to KYWJ from Hongkun and CIH**

The board considered the issues of receivables due from Hongkun and CIH in KYWJ books. These balances have increased substantially over the past year.

As at 31 December 2019, KYWJ had receivables of RMB 534.23million due from Hongkun (2018: RMB 40.31million) and RMB 49.35million due from CIH (2018: payable to CIH of RMB 20.79million). These receivables reflect short term funds movements between KYWJ and its two shareholders taking into consideration daily funding requirements from undertaking construction activities by the project company.

The Group has progressively de-leveraged its balance sheet over the past few years, and at this point in time there are no significant short term funding needs. Advances by KYWJ to the Group and Hongkun help manage the short-term surplus cashflow position of KYWJ when it makes pre-sales of property units.

The Risk Management Committee has reviewed the position of KYWJ’s receivables and is of the view that Hongkun remains capable of repaying balances due to KYWJ. It will however continue to monitor the situation, Management will also explore and discuss with Hongkun’s management on possible ways to minimise these imbalances.

Please note that this announcement contains certain information that is not contained in the Company's announcement dated 28 February 2020.

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

Shan Chang
Chairman
4 March 2020