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CHINA WOOD
中木國際

CHINA WOOD INTERNATIONAL HOLDING CO., LIMITED

中木國際控股有限公司

(Joint Provisional Liquidators appointed)

(For restructuring purposes only)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1822)

APPOINTMENT OF JOINT PROVISIONAL LIQUIDATORS FOR RESTRUCTURING PURPOSES ONLY

This announcement is made by China Wood International Holding Co., Limited (the “**Company**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

APPOINTMENT OF JOINT PROVISIONAL LIQUIDATORS

The board (the “**Board**”) of directors of the Company announces that having explored different options to restructure the debts of the Company, the Board intends to implement a management led restructuring under a court-supervised provisional liquidation regime pursuant to the laws of the Cayman Islands, commonly known as a “light touch” provisional liquidation, which provides a statutory moratorium prohibiting the commencement or continuance of any proceedings against the Company without the leave of the Grand Court of the Cayman Islands (the “**Cayman Court**”).

Accordingly, in order to facilitate the Company's financial restructuring, a winding up petition together with an application for the appointment (the "**JPL Application**") of joint and several provisional liquidators of the Company (for restructuring purposes) (the "**JPLs**") on a light touch approach for restructuring purposes was presented and filed with the Cayman Court by the Company.

On 2 February 2021 (Cayman Islands time), the Cayman Court has ordered (the "**Order**") that, amongst others:

1. Osman Mohammed Arab and Lai Wing Lun of RSM Corporate Advisory (Hong Kong) Limited, and Martin Nicholas John Trott of R&H Restructuring (Cayman) Ltd., were appointed as joint provisional liquidators ("**JPLs**") of the Company.
2. The powers of the JPLs appointed pursuant to paragraph 1 above shall be limited to the following:
 - (i) to consult with the Company in respect of, and review, on an ongoing basis, all issues relating to the feasibility of a debt restructuring plan (the "**Restructuring Proposal**") as to be recommended by the directors of the Company and its advisers, including with respect to the necessary steps which need to be taken in order for the Restructuring Proposal to be successfully implemented to allow the Company to continue as a going concern;
 - (ii) to do all things necessary to implement the Restructuring Proposal in consultation with the Board;
 - (iii) to monitor, oversee and supervise the Board and the continuation of the business of the Company under the control of the Board pending the implementation of the Restructuring Proposal;

- (iv) with the consent of the Board to do all acts and to execute in the name of and on behalf of the Company, all deeds, receipts and other documents and for that purpose to use, when necessary, the seal (if any) of the Company;
- (v) for the purpose of a restructuring, to ascertain and conduct investigations into the affairs of the Company, its subsidiaries or such joint-ventures, associated companies or other entities in which the Company has an interest;
- (vi) to request and receive from third parties documents and information concerning the Company and its promotion, formation, business dealings, accounts, assets, liabilities or affairs including the cause of its insolvency;
- (vii) to locate, protect, secure and take into their possession and control all assets and property within the jurisdiction of the courts of the Cayman Islands to which the Company is or appears to be entitled;
- (viii) to locate, protect, secure and take into their possession and control the books, papers, and records of the Company including the accountancy and statutory records within the jurisdiction of the courts of the Cayman Islands and to investigate the assets and affairs of the Company and the circumstances which gave rise to its insolvency;
- (ix) to retain and employ barristers, solicitors or attorneys and/or such other agents or professional persons as the JPLs consider appropriate for the purpose of advising or assisting in the execution of their powers and duties;
- (x) seek recognition of the provisional liquidation and/or the appointment of the JPLs in any jurisdiction the JPLs consider necessary together with such other relief as they may consider necessary for the proper exercise of their functions within that jurisdiction; and

- (xi) to bring or defend legal proceedings and make all such applications to the Cayman Court whether in their own names or in the name of the Company on behalf of and for the benefit of the Company including any applications for:
 - (a) orders for disclosure, the production of documents and/or examination of third parties which it is anticipated may be made by the JPLs to facilitate their investigations into the assets and affairs of the Company and the circumstances which gave rise to its insolvency; and/or
 - (b) ancillary relief such as freezing orders, search and seizure orders in any legal proceedings commenced.
- 3. So long as provisional liquidators are appointed to the Company, no suit, action or other proceeding, including criminal proceedings, shall be proceeded with or commenced against the Company except with the leave of the Cayman Court and subject to such terms as the Cayman Court may impose.
- 4. No payment or disposition of the Company's property or any transfer of shares or any alteration in the status of the Company's members shall be made or effected without the direct or indirect approval of the JPLs.
- 5. Save as are specifically set out in the Order the JPLs will have no general or additional powers or duties with respect to the property or records of the Company and the Board shall continue to manage the Company's affairs in all respects and exercise the powers conferred upon it by the Company's Memorandum and Articles of Association, provided always that, should the JPLs consider at any time that the Board is not acting in the best interests of the Company and its creditors and shareholders, the JPLs shall have the power to report same to the Cayman Court and seek such directions from the Cayman Court as the JPLs consider are appropriate.
- 6. The Company shall provide the JPLs with such information as the JPLs may reasonably require in order that the JPLs should be able properly to discharge his functions under the Order and as officers of the Cayman Court.

The Company will make further announcement(s) to provide updates to the shareholders and potential investors of the Company as and when appropriate.

Shareholders and potential investors of the Company should exercise caution when they deal or contemplate dealing in the Company's shares or other securities of the Company.

By order of the Board
China Wood International Holding Co., Limited
(Joint Provisional Liquidators appointed)
(For restructuring purposes only)
Lyu NingJiang
Chairman and Executive Director

Hong Kong, 2 February 2021

As at the date of this announcement, the Board comprises of Mr. Lyu NingJiang (Chairman and CEO) as executive director, Mr. Hu YongGang as non-executive director; and Mr. Zhao XianMing and Mr. An Dong as independent non-executive directors.