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## **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)**

### **QUARTERLY UPDATE**

This announcement is made by China Wood International Holding Co., Limited (the “**Company**”, collectively with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 2 February 2021, 25 October 2021, 15 December 2021, 23 December 2021, 18 February 2022, 10 March 2022, 22 March 2022, 3 May 2022, 24 June 2022, 26 July 2022, 30 August 2022 and 13 October 2022 (together the “**Announcements**”) in relation to, among other matters, the appointment of the JPLs, the Resumption Guidance, the implementation of the Scheme and the business update of the Company. Capitalised terms used herein shall have the same meanings as defined in the Announcements unless otherwise stated.

#### **PROGRESS OF RESTRUCTURING TRANSACTIONS**

The circular (the “**Circular**”) in relation to the Restructuring Transactions was despatched on 5 August 2022. As announced in the announcement of the Company dated 30 August 2022, all the proposed resolutions in relation to the Capital Reorganisation, the Investor’s Subscription, the Scheme and the Whitewash Waiver were duly passed by the Shareholders or the Independent Shareholders (as the case may be) at the EGM held on 30 August 2022, and the Executive has granted the Whitewash Waiver on 22 August 2022 subject to, among other matters, no acquisition or disposal of voting rights being made by the Investor and its concert parties between the date of the announcement of the Investor’s Subscription and the completion of the Investor’s Subscription.

As announced in the announcement of the Company dated 10 March 2022 and the Circular, the funding agreement (the “**Funding Agreement**”) dated 31 December 2020 was entered into between the Company as the borrower and the Investor as the lender to provide the funding for the Company to continue and further develop its business. On 17 October 2022, the Funding Agreement, the terms and funding already provided and to be provided thereunder, have been sanctioned by the Grand

Court.

**Shareholders and potential investors of the Company should note that the Capital Reorganisation, the Investor's Subscription, and the Scheme are conditional upon the satisfaction of the conditions set out in the paragraphs headed "Conditions for Capital Reorganisation", "Conditions of the Investor's Subscription" and "Conditions precedent to the Scheme" in the Circular. Accordingly, the Capital Reorganisation, the Investor's Subscription, and the Scheme may or may not proceed.**

## **BUSINESS OPERATION UPDATE**

The Group is principally engaged in (i) sale and distribution of furniture wood, manufacturing and sales of antique style wood furniture and imported timber flooring processing businesses; and (ii) car rental business in the PRC.

The Company announced on 13 October 2022 that the Group has strengthened its wood products business by marketing its proprietary-designed wooden educational toys through Tmall.com, one of the most popular e-commerce platforms in China, since September 2022. The Board considers that the development of wooden educational toys is ancillary to the principal business of the Group, which is the wood products trading and processing business.

With the implementation of the three-child policy, the yearly number of newborn babies is expected to further increase, the Company expects that the market demand for educational toys will continue to increase, and the development of wooden educational toys provides a broad space for business development and broadens the revenue stream of the Group.

In view of the latest business development of the Group, the Company remains confident and optimistic in the prospect of its business and will continue with its strategic plan to venture downstream into the furniture and wood flooring business.

## **SUSPENSION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 22 October 2021 and will remain suspended until further notice. Further announcement(s) will be made by the Company as and when appropriate and in compliance with the requirements under the Listing Rules.

By order of the Board

**China Wood International Holding Co., Limited**  
中木國際控股有限公司

*(Joint Provisional Liquidators appointed)*  
*(For restructuring purposes only)*

**Lyu NingJiang**

*Chairman and Executive Director*

Hong Kong, 24 October 2022

*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, Mr. So Yin Wai and Ms. Zhao Xiao Lian as independent non-executive directors.*