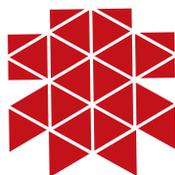


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CHINA WOOD  
中木國際

**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)**

**DECISION OF THE LISTING REVIEW COMMITTEE  
AND  
SUSPENSION OF TRADING**

This announcement is made by China Wood International Holding Co., Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) 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).

References are made to the announcements (the “**Announcements**”) of the Company dated 21 July and 30 July 2021. Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

The Board wishes to inform the shareholders and potential investors of the Company that the LRC Review was held on 28 September 2021. On 21 October 2021, the Company received a letter from the Stock Exchange notifying the Company that the Listing Review Committee of the Stock Exchange (the “**Listing Review Committee**”), having considered all the submissions (both written and oral) made by the Company and the Listing Division (the “**Listing Division**”) of the Stock Exchange, decided to uphold the Decision to suspend trading in the shares of the Company under Rule 6.01(3) of the Listing Rules. The Listing Review Committee considered that, as at the time of the review hearing, the Company had not demonstrated to the Listing Review Committee’s satisfaction that the Company maintained a sufficient level of operations and assets under Rule 13.24 to warrant a continued listing of its shares.

The Listing Review Committee arrived at its decision for the following reasons:

The Car Rental Business had been of minimal size since its commencement with revenue of only HK\$3.5 million for the six months ended 30 June 2021. It had been loss making since 2016 financial year. The financial forecasts provided by the Company did not appear to be substantiated by signed contracts and the Car Rental Business would in any case only operate on a small scale.

The Wood Business only commenced in late 2020 financial year. The expansion plans for this business were still being subject to negotiation with potential business partners. The Listing Review Committee questioned whether the forecast revenue could be met given the limited track record of this business, the lack of signed contracts and the uncertainties about the materialisation of the business plans. In particular, the Listing Review Committee noted that, when comparing such forecasts to the actual revenue generated in eight months ended 31 August 2021, the Company would need to record a significant amount of revenue within the remaining four months in 2021 financial year to meet the forecast for 2021 and the forecast revenue for the 2022 financial was over six times the actual revenue in the eight months ended 31 August 2021. This further cast doubt as to whether the Company’s forecasts were achievable.

Even if the Company’s forecasts for 2021 were met, the Listing Review Committee observed that the Company still expected net loss (after taxation) in 2021.

The Listing Review Committee further noted that many of the submissions made by the Company, including some plans for further cooperation and acquisitions in relation to the Wood Business and the financial forecasts for 2022 were dependent on completion of the debt restructuring of the Company (the “**Restructuring**”) by the end of 2021. However, the Restructuring was still subject to negotiations, and when and whether it would be completed was unclear. While the Listing Review Committee noted the Company’s submission that it had not received objections from creditors as of the date of the review hearing, no agreement had been entered into regarding the proposed scheme. Moreover, as the Company acknowledged at the review hearing, the allotment of new shares, including to creditors for the debt-to-equity swap, was subject to the Listing Division’s approval and suspension in trading of the Company’s shares would likely cause delays or necessitate changes to the scheme. The Listing Review Committee also noted the Company’s explanation at the review hearing that the progress of the Restructuring depended on the applications to court, court hearings and approvals granted therein, and ideally the Restructuring could be completed in early 2022. The Listing Review Committee therefore was of the view that whether the Restructuring could be completed by the end of 2021 remained fraught with uncertainties and the Company might still be unable to complete its proposed business expansions and achieve its financial forecasts for 2022 financial year.

The Listing Review Committee further observed that unless and until the Restructuring was completed, the Company would remain in net liabilities and net current liabilities positions, both of which exceeded HK\$1 billion as at 30 June 2021.

As for the alleged impact of COVID-19, the Listing Review Committee considered that the Company had not demonstrated that but for COVID-19, it would have been able to substantially improve its business operations, when its financial performance had been poor and it had been loss making in the past five years.

Overall, the Listing Review Committee was of the view that the Company had not demonstrated that it was carrying out a business with a sufficient level of operations and assets as required under Rule 13.24. The Listing Review Committee noted that the Company would still have a remedial period of 18 months to implement its business plan and improve its operations and financial position to re-comply with Rule 13.24.

## **SUSPENSION OF TRADING**

At the request of the Company, trading in the Shares 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.

Further announcements will be made by the Company as and when appropriate and in accordance with the requirements of the Listing Rules. Shareholders of the Company who have any queries about the implications of the Stock Exchange's notice to cancel the Company's listing are advised to obtain appropriate professional advice.

**Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

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, 21 October 2021

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