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## **CW GROUP HOLDINGS LIMITED**

**創達科技控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1322)**

### **INSIDE INFORMATION AND RESUMPTION OF TRADING**

This announcement is made by CW Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

#### **UPDATES TO THE MULTICURRENCY DEBT ISSUANCE PROGRAMME**

Reference is made to the announcements of the Company dated 2 June 2015, 16 June 2015 and 11 April 2018 (the “**Announcements**”).

As detailed in the Announcements, on 2 June 2015, the Company together with its subsidiaries, CW Advanced Technologies Limited (“**CWATL**”) and CW Advanced Technologies Pte. Ltd. (“**CWATPL**”) (the “**Issuer(s)**”) established a S\$500,000,000 Multicurrency Debt Issuance Programme (the “**Programme**”) under which the Issuers may from time to time issue notes (the “**Notes**”) and perpetual securities in series or tranches to certain sophisticated or institutional investors of an aggregate principal amount of up to S\$500,000,000. On 25 June 2015, CWATPL issued S\$75,000,000 7.00 per cent fixed rate notes due on 25 June 2018 (ISIN: SG6YB8000005) as the first drawdown (the “**Series 1 Notes**”) pursuant to the Programme. During 2017, the Company had partially repurchased and cancelled the Series 1 Notes. As of the date of this announcement, the aggregate principal amount of the Series 1 Notes outstanding is S\$55,250,000 (approximately HK\$321,599,000) (the “**Outstanding Series 1 Notes**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company had expected that a further issuance of Notes by the Issuer(s) under the Programme (the “**Series 2 Notes**”) would be conducted, and the net proceeds from the issuance of the Series 2 Notes would be used to finance, among others, the redemption of the Outstanding Series 1 Notes which will be due on 25 June 2018, the repayment of the Group’s bank loans and the payment of the final dividend of HK2.36 cents per share for the year ended 31 December 2017 (the “**2017 Final Dividend**”) to the Company’s shareholders by 27 July 2018 as set out in the Company’s annual results announcement dated 27 March 2018.

Subsequent to the Company's announcement dated 11 April 2018, the Company has been liaising with the banks involved in the Programme with respect to the issuance of the Series 2 Notes. The Company was notified on 15 May 2018 that due to unfavourable market conditions, it would not be feasible to proceed with the issuance of the Series 2 Notes. As a result of (i) the inability to launch the issuance of the Series 2 Notes, and (ii) the short period of time for the Company to react and secure alternative financing sources, the Company expects that it would not be able to redeem the Outstanding Series 1 Notes by 25 June 2018, and pay the Company's shareholders the 2017 Final Dividend by 27 July 2018.

Due to the inability to issue the Series 2 Notes, each of (i) Mr. WONG Koon Lup and Mr. WONG Mun Sum (both being executive Directors), and (ii) the Company and CWATL received a statutory demand on 4 June 2018 and 7 June 2018, respectively from Bank of China (Hong Kong) Limited ("**BOC HK**"), dated 3 June 2018 (the "**Statutory Demands**"), demanding the immediate repayment of (i) approximately HK\$157.5 million outstanding debt in respect of a general banking facility granted to the Company in 2017 (which each of CWATL, Mr. WONG Koon Lup and Mr. WONG Mun Sum is the guarantor of such debt), and (ii) approximately US\$14.5 million outstanding debt in respect of a general banking facility granted to CWATL in 2016 (which each of the Company, Mr. WONG Koon Lup and Mr. WONG Mun Sum is the guarantor of such debt). Both the Company and CWATL are required to settle the demands set out in the Statutory Demands by 28 June 2018, and both Mr. WONG Koon Lup and Mr. WONG Mun Sum are required to settle such demands by 16 July 2018. CWATL is the original guarantor of the HK\$157.5 million banking facility, and the Company is the original guarantor of the US\$14.5 million banking facility. Mr. WONG Koon Lup and Mr. WONG Mun Sum separately signed the respective deed of guarantee dated 30 May 2018 in relation to these banking facilities. The main purpose of the Company's HK\$157.5 million banking facility was to refinance the partial redemption of the Series 1 Notes, which had an original repayment date of 25 June 2018. The purpose of the US\$14.5 million banking facility was for trade financing purposes.

## **FINANCING EXERCISES**

In light of the aforesaid imminent payment obligations, the Company has appointed experienced professional advisors such as RSM Corporate Advisory Pte Ltd (Singapore), Morgan Lewis Stamford LLC (Singapore), Rajah & Tann Singapore LLP (Singapore) and Akin Gump Strauss Hauer & Feld (Hong Kong), and is currently working with them to conduct the following financing exercises (the "**Financing Exercises**") with a view to resolve the above issues by, amongst others:

- (i) engaging with the holders of the Outstanding Series 1 Notes to, among other matters, extend the due date for the redemption of the Outstanding Series 1 Notes;
- (ii) liaising with BOC HK and the Group's other lenders on their demands under the Statutory Demands and letters of demand; and
- (iii) formulating other fund raising plans, including but not limited to equity fund raising activities.

As of the date of this announcement, the Company remains in discussions with various potential investors, but it has yet to conclude any terms for any suitable fund raising opportunities with any parties.

The Company will make further announcement(s) in accordance with the Listing Rules as and when necessary in relation to (i) any material development of the Financing Exercises and other matters disclosed in this announcement, as well as (ii) their impact on the Company's business and financial performance after the Board's assessment.

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange had been suspended with effect from 9:00 a.m. on 20 June 2018 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the shares of the Company from 9:00 a.m. on 21 June 2018.

**As the Financing Exercises may or may not be completed, shareholders, holders of the Outstanding Series 1 Notes and potential investors of the Company should exercise caution when dealing in the securities of the Company. Shareholders, holders of the Outstanding Series 1 Notes and potential investors should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take or when dealing in the securities of the Company.**

By Order of the Board  
**CW Group Holdings Limited**  
**Wong Koon Lup**  
*Chairman and Chief Executive Officer*

Hong Kong, 21 June 2018

*As at the date of this announcement, the executive Directors are Mr. WONG Koon Lup, Mr. WONG Mun Sum and Mr. LEE Tiang Soon; the non-executive Director is Mr. Zhang Bing Cheng and the independent non-executive Directors are Mr. KUAN Cheng Tuck, Mr. ONG Su Aun, Jeffrey (alias Mr. WANG Ci'An, Jeffrey) and Mr. LIU Ji.*