

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **CWT INTERNATIONAL LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 521)**

### **PROGRESS ON RESTRUCTURING OF INDIRECT CONTROLLING SHAREHOLDERS AND RESUMPTION OF TRADING**

This announcement is made by CWT International 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

References are made to the announcements of the Company dated 31 January, 10 February, 15 March, 25 October and 1 November 2021 in relation to the restructuring of HNA Group and HNA Logistics (the “**Restructuring**”). Capitalised terms used in this announcement shall have the same meanings as defined in the aforesaid announcements unless the context requires otherwise. The Company has been informed of the following update in relation to the Restructuring:

On 31 October 2021, according to the civil ruling delivered by Hainan Higher Court to HNA Group, Hainan Higher Court ruled to approve the “Reorganisation Plan of the Substantive Merger and Reorganisation for 321 Companies of HNA Group” (the “**Restructuring Plan**”) and terminate the proceedings of the Substantive Merger and Reorganisation for 321 Companies including HNA Logistics under HNA Group, and the ruling was final.

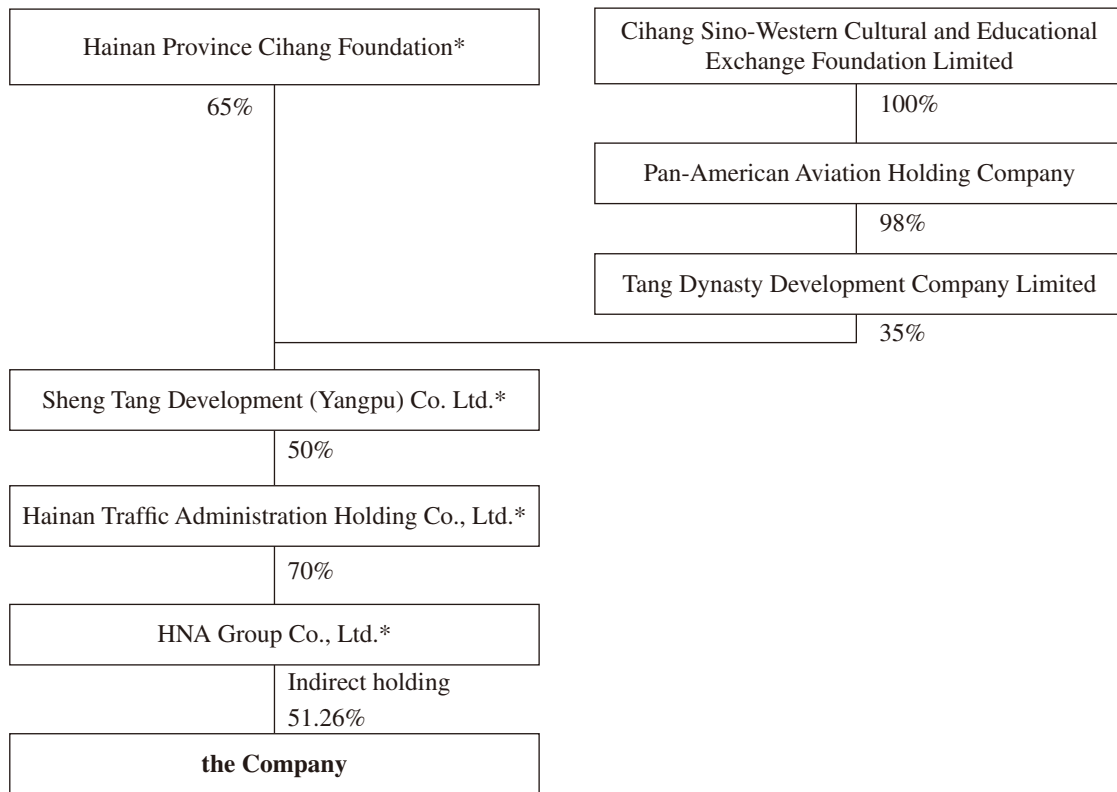
## COMPLETION OF THE RESTRUCTURING PLAN

We were informed by HNA Group that on 24 April 2022, Hainan Higher Court handed down a ruling concerning the completion of the implementation of the Restructuring Plan, and that the ruling was final. We were informed that pursuant to the Restructuring Plan, Hainan HNA No. 2 Trust Management Service Co., Ltd.\* (海南海航二號信管服務有限公司) (“**No. 2 Trust Service**”), a limited liability company incorporated in the PRC has been established. The controlling shareholder of No. 2 Trust Service is, HNA Group Bankruptcy Reorganisation Specialised Service Trust\* (海航集團破產重整專項服務信託) (the “**Trust**”), being a trust created for the implementation of the Restructuring Plan. The trustee of the Trust is a consortium formed by CITIC Trust Corporation Ltd.\* (中信信託有限責任公司) (“**CITIC Trust**”) and Everbright Xinglong Trust Co., Ltd.\* (光大興隴信託有限責任公司) (“**Everbright Xinglong**”, together with CITIC Trust, the “**Trustees**”). The Trust is formed for the benefit of all the creditors of the 321 companies (including HNA Group) under the Restructuring Plan.

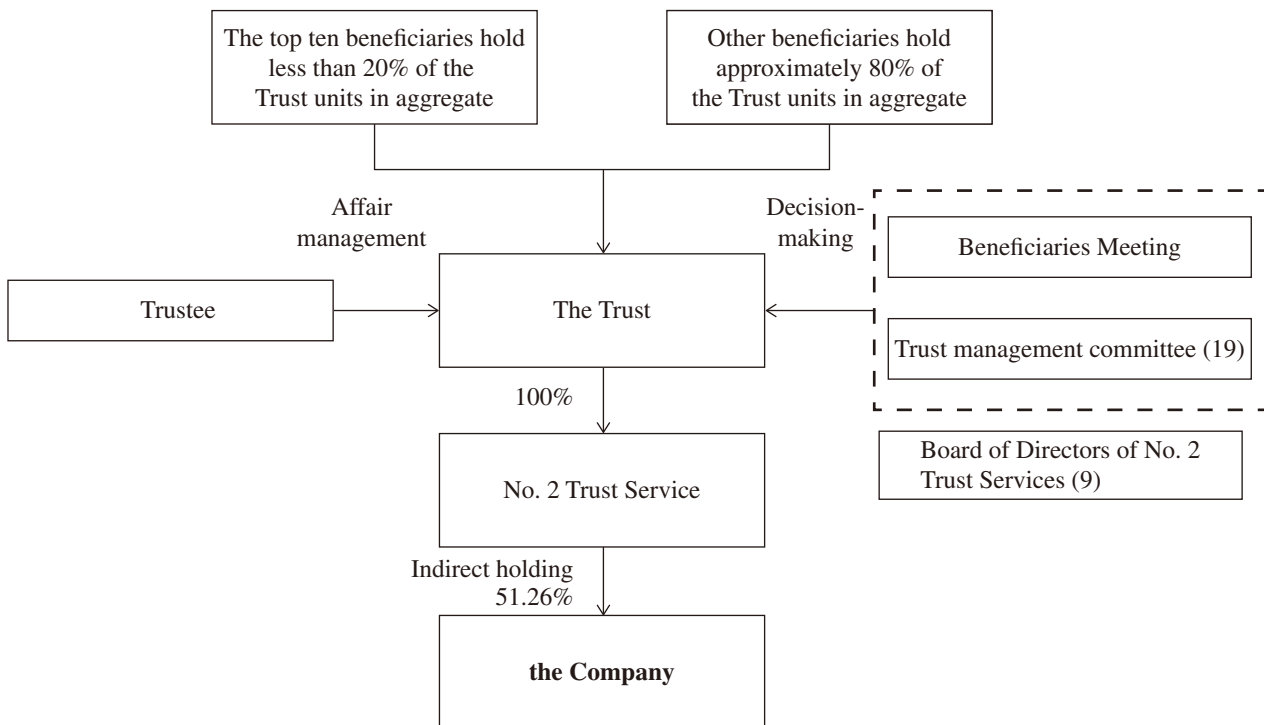
## SHARE ACQUISITION BY NO. 2 TRUST SERVICE

Pursuant to the Restructuring Plan, all the assets of the Restructuring Group shall be delivered to No. 2 Trust Service for the establishment of the Trust, and the units of the Trust will be owned by the creditors of the Restructuring Group. Therefore, No. 2 Trust Service would directly or indirectly acquire, among others, 100% equity interest of HNA Group, HNA Holding and HNA Logistics (the “**Share Acquisition**”), and thereafter will be indirectly interested in approximately 51.26% shares in the Company. The simplified corporate structure of the Company before and after the Restructuring Plan is set forth below:

### Simplified Organization Chart Before the Restructuring Plan



### Simplified Organization Chart After the Restructuring Plan



\* For identification purpose only

As at the date of this announcement, the acceptance procedures of Trust units by the creditors have not yet completed and the repayment of debt to creditors through Trust units is in progress. Based on the calculation of the creditor's rights to be repaid with the Trust units, the number of beneficiaries of the Trust is estimated to be approximately 20,000 (the "**Beneficiaries**"); and the units held by the Beneficiaries will be highly dispersed. When aggregating creditor institutions and branches, it is expected that (subject to the actual Trust units received by the creditors) only approximately 10 creditors will hold more than 1% of the Trust units, with the aggregate percentage of Trust units not exceeding 20% (among which the highest Trust units held by a single beneficiary ranges from approximately 3 to 4%).

## **TRUST MANAGEMENT**

### **Beneficiaries Meeting**

Pursuant to the Restructuring Plan, the highest authority of the Trust is the general meeting of the Beneficiaries (the "**Beneficiaries Meeting**"), which is entitled to decide all major matters of the Trust. The Beneficiaries Meeting is composed of all creditors whose debts are repaid by all Trust units granted. Any resolutions presented to the Beneficiaries Meeting are subject to approval by more than half or two-thirds of the voting rights present. As the Beneficiaries are mainly financial institutions and there is no acting in concert relationship among them, no Beneficiary will be able to independently control the resolutions presented in the Beneficiaries Meeting or exert significant influence over the operation of the Trust.

### **Management Committee**

A management committee is established beneath the Beneficiaries Meeting for the purpose of managing the Trust affairs according to the resolutions and authorization granted or approved in the Beneficiaries Meeting (the "**Management Committee**"). The Management Committee is composed of 19 members, including 18 creditor representatives and 1 debtor representative. The members shall be elected and appointed in the Beneficiaries Meeting. The qualification criteria of the creditor representative committee include legal compliance, the number of Trust units held, and no concerted action relationship with each other. Resolutions are subject to the approval of more than half or two-thirds of all members in a Beneficiaries Meeting.

Although the members of the first session have yet to be elected, no member is able to control the Management Committee to make resolutions or exert significant influence as none of the creditor representative members have a concerted action relationship.

## **Trustees**

The Trustees of the Trust are CITIC Trust and Everbright Xinglong, which have been responsible for conducting the affairs of the Trust since its establishment. The contract with the Trustees stipulates that the Trustees shall “on behalf of the Trust, exercise shareholder’s rights in the name of the shareholder of No. 2 Trust Service based on the needs of the Trust, the decision and authorization of the Beneficiaries Meeting and the Management Committee”. In addition, the Trustees are mainly responsible for opening and maintaining trust collection accounts and special trust accounts, handling trust-related registration procedures, entering and maintaining information and data of the Beneficiaries, daily contact, answering queries, collection and review of Trust unit transfer materials and systems input and other works, development and maintenance of trust-related information systems and other specific management work.

Therefore, the Trustees execute the Trust affairs according to the decision and authorization of the Beneficiaries Meeting and the Management Committee, and have no active decision-making power, and thus cannot control the Trust.

## **Takeovers Implications**

Upon the completion of the Share Acquisition, the Trust and/or No. 2 Trust Service would be indirectly interested in approximately 51.26% of the total issued shares of the Company, and would result in the Trust and/or No. 2 Trust Service taking statutory control of HNA Holding and HNA Group, hence indirectly acquiring over 30% voting right in the Company. The Trust has submitted an application to the Securities and Futures Commission seeking a ruling from the Executive Director of the Corporate Finance Division of the Securities and Futures Commission as to whether a mandatory general offer would be triggered as a result of the Share Acquisition under Note 8 to Rule 26.1 of the Code on Takeovers and Mergers.

The Company considers that the Restructuring Plan will not have substantive impact on the daily operations of the Group and the operations of the Group as a whole remain as usual in material respects. The Company will continue to pay attention to the progress of the Restructuring and fulfill its information disclosure obligations under the Listing Rules, the Takeovers Code and the SFO in a timely manner.

## **RESUMPTION OF TRADING**

At the request of the Company, trading of shares of the Company was halted with effect from 9:00 a.m. on Monday, 25 April 2022. Application has been made by the Company to The Stock Exchange of Hong Kong Limited for the resumption of trading of the Shares of the Company with effect from 9:00 a.m. on Friday, 29 April 2022.

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

By order of the Board  
**CWT INTERNATIONAL LIMITED**  
**Wang Kan**  
*Executive Director*

Hong Kong, 28 April 2022

*As at the date of this announcement, the Board comprises Mr. Wang Kan (Executive Director, Chairman and Chief Executive Officer), Mr. Zhao Quan (Executive Director), Mr. Peng Biao (Executive Director), Mr. Wu Jinfeng (Executive Director), Mr. Leung Shun Sang, Tony (Independent Non-executive Director), Mr. Liem Chi Kit, Kevin (Independent Non-executive Director) and Mr. Lam Kin Fung, Jeffrey (Independent Non-executive Director).*

*The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

\* *For identification purpose only*