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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

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1822)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS

- The Group recorded a revenue of approximately HK\$272.1 million for the year ended 31 December 2025 (2024: approximately HK\$356.4 million).
- The Group's net loss attributable to owners of the Company for the year ended 31 December 2025 amounted to approximately HK\$30.8 million (2024: approximately HK\$63.8 million profit).
- The Board does not recommend the payment of any final dividend for the year ended 31 December 2025 (2024: HK\$Nil).

The board (the “**Board**”) of directors (the “**Directors**”) of China Wood International Holding Co., Limited (the “**Company**”) hereby announce the consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2025, together with the comparative audited figures for the year ended 31 December 2024.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Continuing operations			
Revenue	5	272,080	356,374
Cost of sales		<u>(249,936)</u>	<u>(327,145)</u>
Gross profit		22,144	29,229
Other income and gains, net	6	42	23
Allowances for expected credit losses (“ECLs”) on trade and other receivables, net		(8,749)	(3,484)
Selling and distribution expenses		(8,279)	(1,142)
Administrative expenses		(22,308)	(24,991)
Research and development expenses		<u>(10,664)</u>	<u>–</u>
Loss from operations		(27,814)	(365)
Finance costs	7	<u>(574)</u>	<u>(926)</u>
Loss before tax	8	(28,388)	(1,291)
Income tax expense	9	<u>(2,377)</u>	<u>(3,553)</u>
Loss for the year from continuing operations		(30,765)	(4,844)
Discontinued operations			
Profit for the year from discontinued operations	10	<u>–</u>	<u>68,625</u>
(Loss)/profit for the year		<u>(30,765)</u>	<u>63,781</u>
Other comprehensive income, net of tax			
<i>Items that may be subsequently reclassified to profit or loss</i>			
Exchange difference arising on translation of foreign operations		1,983	2,300
Release of exchange difference upon the disposal of the Disposal Group		–	(379)
Release of exchange difference upon deregistration of a subsidiary		<u>349</u>	<u>–</u>
Other comprehensive income for the year, net of tax		<u>2,332</u>	<u>1,921</u>
Total comprehensive (loss)/income for the year		<u>(28,433)</u>	<u>65,702</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the year ended 31 December 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
(Loss)/profit for the year attributable to:			
Owners of the Company		<u>(30,765)</u>	<u>63,781</u>
Total comprehensive (loss)/income for the year attributable to:			
Owners of the Company		<u>(28,433)</u>	<u>65,702</u>
(Restated)			
(Loss)/earnings per share from continuing and discontinued operations			
	<i>11</i>		
Basic and diluted (HK cents)		<u>(3.99)</u>	<u>14.21</u>
(Restated)			
Loss per share from continuing operations			
Basic and diluted (HK cents)		<u>(3.99)</u>	<u>(1.08)</u>
(Restated)			
Earnings per share from discontinued operations			
Basic and diluted (HK cents)		<u>–</u>	<u>15.29</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

		2025	2024
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		14,119	73
Right-of-use assets		5,388	8,482
Goodwill		–	–
Intangible assets		–	–
		<u>19,507</u>	<u>8,555</u>
Current assets			
Inventories		2,391	1,173
Trade receivables	<i>12</i>	1,663	1,653
Prepayments, deposits and other receivables	<i>13</i>	65,556	54,613
Cash and bank balances		1,175	706
		<u>70,785</u>	<u>58,145</u>
Current liabilities			
Trade payables	<i>14</i>	–	2,763
Other payables and accruals		11,855	14,888
Lease liabilities		4,570	4,803
Tax payables		1,077	989
		<u>17,502</u>	<u>23,443</u>
Net current assets		<u>53,283</u>	<u>34,702</u>
Total assets less current liabilities		<u>72,790</u>	<u>43,257</u>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(CONTINUED)**

At 31 December 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Non-current liabilities			
Lease liabilities		858	4,022
Deferred tax liabilities		<u>—</u>	<u>—</u>
		<u>858</u>	<u>4,022</u>
NET ASSETS		<u>71,932</u>	<u>39,235</u>
Capital and reserves			
Equity attributable to owners of the Company			
Share capital	<i>15</i>	98,690	41,122
Reserves		<u>(26,758)</u>	<u>(1,887)</u>
TOTAL EQUITY		<u>71,932</u>	<u>39,235</u>

NOTES

1. CORPORATE INFORMATION

General information

China Wood International Holding Co., Limited (the “**Company**”) was incorporated in the Cayman Islands with limited liability. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company’s principal place of business in Hong Kong is 11th Floor, Tower 2, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Company is an investment holding company and the Group is principally engaged in (i) wood-related business, including the processing and distribution of furniture wood, and the manufacturing and sales of antique-style wood furniture and other wooden products; and (ii) food and beverage business in the People’s Republic of China (the “**PRC**”).

As at 31 December 2025, the directors of the Company are of the opinion that Right Momentum Group Limited (“**Right Momentum**”), a company incorporated in the British Virgin Islands (“**BVI**”), is the corporate controlling shareholder of the Company; Mr. Lyu NingJiang (“**Mr. Lyu**”), the shareholder of Right Momentum, is the ultimate controlling party of the Company.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards (“**HKFRS**”), Hong Kong Accounting Standards (“**HKAS**”) and Interpretations (“**Ints**”). These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on the Stock Exchange and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). Material accounting policy information adopted by the Group are disclosed below.

The HKICPA has issued certain new/revised and amendments to HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 3 of this annual results announcement provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

Going concern assumption

The Group incurred a loss for the year of approximately HK\$30,765,000 and a net cash outflow from operating activities of approximately HK\$39,938,000 during the year ended 31 December 2025, and as of 31 December 2025, the Group had a low cash and bank balances of approximately HK\$1,175,000 which is far below the current liabilities of approximately HK\$17,502,000. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Despite these challenges, the Directors believe that the going concern basis remains appropriate due to several mitigating factors as follows:

(a) the Group will continue to take proactive measures to improve operating cash flow by controlling administrative costs and containing capital expenditure; (b) the Group will further develop the food and beverage business segment of the Group to enhance the results and financial position of the Group; and (c) the ultimate controlling party agreed to provide financial support to finance the Group's working capital requirements as and when required.

Management has prepared cash flow projections that cover a period of not less than twelve months from the date of this annual results announcement. The directors of the Company are of the opinion that, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from the date of this annual results announcement. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Should the Group be unable to continue as a going concern, adjustments would have to be made to the consolidated financial statements, to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

3. ADOPTION OF NEW AND/OR REVISED HKFRS ACCOUNTING STANDARDS

(a) Application of revised HKFRS Accounting Standards

The Group has applied the following revised HKFRS Accounting Standards issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability
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The application of the revised HKFRS Accounting Standards in the current year has had no material impact on the Group's consolidated financial position and performance for the current and prior years and/or on the disclosures set out in the consolidated financial statements.

(b) New and revised HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied new and revised HKFRS Accounting Standards and Ints that have been issued but are not yet effective for the financial year beginning on 1 January 2025. These new/ revised HKFRS Accounting Standards and Ints include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7 – Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 9 and HKFRS 7 – Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
Amendment to HKAS 21 – Translation to a Hyperinflationary Presentation Currency	1 January 2027
HKFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HKAS 21- The Effects of Changes in Foreign Exchange Rates	1 January 2027
Amendments to HK Int 5 – Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28 – Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA

The Group is in the process of making an assessment of what the impact of these new and revised HKFRS Accounting Standards and Ints, expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements except for HKFRS 18 – Presentation and Disclosure in Financial Statements which may have impact on the entity's results and/or financial position, and giving further details of the impact in accordance with HKAS 8.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 will replace HKAS 1 “Presentation of financial statements”, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, HKFRS 18 introduces significant changes to the presentation of financial statements, with a focus on information about financial performance presented in the statement of profit or loss, which will affect how the Group presents and discloses financial performance in the financial statements.

The new accounting standard introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities’ net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is currently assessing the impact of HKFRS 18, with respect to the structure of the Group’s statement of loss, the statements of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements. Preliminary assessments indicate the following key impacts:

- The Group will need to reclassify certain income and expense items (e.g., interest income on certain investments and foreign exchange gains/losses) into the new categories, namely investing and financing categories.
- The Group disclosed certain MPMs (e.g., adjusted profit from operations and adjusted profit before interest, tax and depreciation) in its results announcements and the annual report. Under HKFRS 18, this will likely require additional disclosure for the MPMs within the notes to the financial statements.
- The statement of cash flows will also be impacted, as the operating profit subtotal will be the required starting point for the indirect method.

4. SEGMENT INFORMATION

The Group currently has two operating segments as follows:

1. Wood-related business segment – primarily engages in the processing and distribution of furniture wood, and the manufacturing and sales of antique-style wood furniture and other wooden products; and
2. Food and beverage segment – primarily engages in functional food and beverage business in the PRC.

The car rental business in the PRC was one of the core businesses of the Group between 2014 and 2024. Pursuant to the sale and purchase agreement dated 28 October 2024 entered into between Easy Top Ace Limited (頂王有限公司), a direct wholly-owned subsidiary of the Company, as vendor, and Wanyi Asia Limited (萬益亞洲有限公司), an independent third party not connected with the Company or its connected persons (as defined under the Listing Rules), as purchaser, the Group disposed of Gigantic Wisdom Limited (鴻智有限公司) and its subsidiaries (the “**Disposal Group**”), which conducted all of the Group’s car rental business, at a consideration of HK\$50,000. For details, please refer to the announcements of the Company dated 28 October 2024 and 31 October 2024.

Following the aforesaid disposal, the car rental business segment of the Group was accounted for as discontinued operations in the audited consolidated financial statements for the year ended 31 December 2024.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment results, which exclude unallocated interest income, unallocated other income and gains, unallocated depreciation, unallocated finance costs as well as unallocated allowances for ECLs on deposits and other receivables.

Segment assets exclude other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude tax payables and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

	Wood-related business		Food and beverage		Total	
	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue:						
Sales of goods	<u>250,486</u>	<u>355,317</u>	<u>21,594</u>	<u>1,057</u>	<u>272,080</u>	<u>356,374</u>
Revenue	<u>250,486</u>	<u>355,317</u>	<u>21,594</u>	<u>1,057</u>	<u>272,080</u>	<u>356,374</u>
Segment results	3,209	5,922	(14,322)	274	(11,113)	6,196
Reconciliations:						
Unallocated depreciation on property, plant and equipment					(5)	(11)
Unallocated allowances for ECLs on deposits and other receivables					(2,674)	308
Corporate and other unallocated expenses					(14,593)	(7,783)
Unallocated finance costs					<u>(3)</u>	<u>(1)</u>
Loss before tax from continuing operations					<u>(28,388)</u>	<u>(1,291)</u>
Segment assets	56,670	63,919	32,010	353	88,680	64,272
Reconciliations:						
Corporate and other unallocated assets					<u>1,612</u>	<u>2,428</u>
Total assets					<u>90,292</u>	<u>66,700</u>
Segment liabilities	11,850	18,766	1,681	32	13,531	18,798
Reconciliations:						
Corporate and other unallocated liabilities					<u>4,829</u>	<u>8,667</u>
Total Liabilities					<u>18,360</u>	<u>27,465</u>
Other segment information:						
Finance costs	571	925	–	–	571	925
Depreciation on property, plant and equipment	41	56	993	–	1,034	56
Depreciation on right-of-use assets	4,793	4,782	–	–	4,793	4,782
Other material items of income and expense:						
Cost of sales	<u>232,433</u>	<u>326,427</u>	<u>17,503</u>	<u>718</u>	<u>249,936</u>	<u>327,145</u>
Research and development expenses	<u>–</u>	<u>–</u>	<u>10,664</u>	<u>–</u>	<u>10,664</u>	<u>–</u>

Geographical information

No separate geographical information is presented as the Group's revenue from external customers is solely derived from its operations in the PRC (including Hong Kong) and all of the Group's non-current assets are located in the PRC (including Hong Kong).

Revenue from major customers

No customer contributed over 10% of total revenue of the Group for both years ended 31 December 2025 and 2024.

5. REVENUE

Disaggregation of revenue from contract with customers by major products or service line for the year is as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue from continuing operations		
Contracts with customers within the scope of HKFRS 15:		
Sales of goods	<u>272,080</u>	<u>356,374</u>

The Group derives revenue from the transfer of goods at a point in time in the following major product line and geographical regions:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Time of revenue recognition:		
At a point in time	<u>272,080</u>	<u>356,374</u>
Geographical market:		
The PRC (including Hong Kong)	<u>272,080</u>	<u>356,374</u>

Revenue is allocated based on the country in which the customer is located.

6. OTHER INCOME AND GAINS, NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Other income		
Bank interest income	– [#]	1
Others	<u>16</u>	<u>22</u>
	<u>16</u>	<u>23</u>
Gains/(losses)		
Written back of other payables	232	–
Exchange gains, net	153	–
Loss on deregistration of a subsidiary	(349)	–
Loss on disposal of property, plant and equipment	<u>(10)</u>	<u>–</u>
	<u>26</u>	<u>–</u>
Net	<u>42</u>	<u>23</u>

[#] It represents the amount less than HK\$1,000

7. FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on lease liabilities	568	922
Bank charges	<u>6</u>	<u>4</u>
	<u>574</u>	<u>926</u>

8. LOSS BEFORE TAX

The Group's loss before tax from continuing operations is arrived at after charging the followings:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Cost of sales	249,936	327,145
Depreciation on property, plant and equipment	1,039	67
Depreciation on right-of-use assets	4,793	4,782
Auditor's remuneration		
– Audit services	1,180	1,050
Employee benefit expenses (including directors' emoluments):		
Wages, salaries, allowances and bonus	6,658	5,977
Pension scheme contributions (<i>note a</i>)	354	304
	7,012	6,281
Expenses relating to short-term leases	1,776	284
Exchange gains, net	153	390
Allowances for ECLs on trade and other receivables	8,749	3,484
Research and development expenses (including employee benefit expenses of approximately HK\$1,638,000 (2024: HK\$Nil)) (<i>note b</i>)	<u>10,664</u>	<u>–</u>

Notes:

- (a) As at 31 December 2025 and 2024, the Group had no forfeited contributions available to reduce its contributions to its pension schemes in future years.
- (b) All research and development costs are charged to the statement of profit or loss as incurred.

9. INCOME TAX EXPENSE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current – PRC Enterprise Income Tax Charge for the year	<u>2,377</u>	<u>3,553</u>

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements since the Group's Hong Kong entities have no assessable profits or have sufficient tax losses brought forward to set off against current year's assessable profits for the years ended 31 December 2025 and 2024.

PRC Enterprise Income Tax has been provided at a rate of 25% (2024: 25%) based on the assessable profits in accordance with the tax rules and regulations in the PRC.

10. DISCONTINUED OPERATIONS

On 28 October 2024, the Group entered into a sale and purchase agreement to dispose the Disposal Group to an independent third party.

The results of the Disposal Group for the period from 1 January 2024 up to the date of disposal of 28 October 2024 are set out below.

	From 1 January 2024 to 28 October 2024 <i>HK\$'000</i>
Profit for the year from discontinued operations:	
Revenue – other sources	5,850
Cost of services rendered	(5,032)
Reversal of ECLs on trade and other receivables, net	1,084
Selling expenses	(1)
Administrative expenses	(2,400)
Finance costs	<u>(694)</u>
Loss before tax	(1,193)
Income tax expense	<u>–</u>
	<u>(1,193)</u>

	From 1 January 2024 to 28 October 2024 <i>HK\$'000</i>
Gain on disposal of the Disposal Group	<u>69,818</u>
Profit for the year from discontinued operations	<u><u>68,625</u></u>
Profit for the year from discontinued operations include the following:	
Depreciation on property, plant and equipment	6,164
Depreciation on right-of-use assets	<u><u>25</u></u>

11. (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per share

The calculation of the basic (loss)/earnings per share is based on the (loss)/profit for the year attributable to owners of the Company and the weighted average number of ordinary shares in issue during the year.

The calculation of basic (loss)/earnings per share is based on:

	Number of shares	
	(Restated)	
	2025	2024
Number of shares		
Weighted average number of ordinary shares in issue during the year for the purpose of calculating basic (loss)/earnings per share	<u><u>771,710,445</u></u>	<u><u>448,785,593</u></u>
	2025	2024
	<i>HK'000</i>	<i>HK'000</i>
(Loss)/profit		
(Loss)/profit attributable to owners of the Company for the purpose of calculating basic (loss)/earnings per share	<u><u>(30,765)</u></u>	<u><u>63,781</u></u>

From continuing operations

The calculation of the basic and diluted (loss)/earnings per share from continuing operations is based on the following:

	2025	2024
	<i>HK'000</i>	<i>HK'000</i>
(Loss)/profit		
(Loss)/profit for the purpose of calculating basic earnings per share	(30,765)	63,781
Profit for the year from discontinued operations	<u>–</u>	<u>(68,625)</u>
Loss for the purpose of calculating basic loss per share from continuing operations	<u>(30,765)</u>	<u>(4,844)</u>

The weighted average number of ordinary shares for current and prior years have been adjusted and restated for the rights issue completed during the year ended 31 December 2025.

From discontinued operations

Basic earnings per share from the discontinued operations is Nil (2024 (restated): approximately HK15.29 cents earnings per share), based on the profit for the year from discontinued operations attributable to the owners of the Company of HK\$Nil (2024: profit of approximately HK\$68,625,000) and the denominators used are the same as those detailed above for both basic and diluted (loss)/earnings per share.

(b) Diluted earnings per share

No separate diluted earnings per share has been presented because there were no potential dilutive shares outstanding for the years ended 31 December 2025 and 2024; therefore, diluted earnings per share equals basic earnings per share.

12. TRADE RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables	1,704	6,543
Less: Allowance for ECLs	<u>(41)</u>	<u>(4,890)</u>
	<u>1,663</u>	<u>1,653</u>

The Group's trading terms with its customers are mainly on credit with credit period generally ranging from 0 to 90 days, or could be longer under certain circumstances. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management.

The Group generally does not hold any collateral or other credit enhancements over its trade receivable balances.

The ageing analysis of trade receivables based on the invoice date, and net of allowance for ECLs, is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 90 days	<u>1,663</u>	<u>1,653</u>

The carrying amounts of the Group's trade receivables are denominated in RMB.

13. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Prepayments (<i>note a</i>)	32,582	22,200
Deposits	11,710	4,818
Other receivables (<i>note b</i>)	31,464	29,042
Less: Allowance for ECLs	<u>(10,200)</u>	<u>(1,447)</u>
	<u>65,556</u>	<u>54,613</u>

Notes:

- a. Included in prepayments was approximately HK\$22,336,000 (2024: HK\$2,600,000) prepayments for goods.
- b. Included in other receivables was miscellaneous receivables from various debtors of approximately HK\$31,464,000 (2024: approximately HK\$29,042,000) with an allowance for ECLs as at 31 December 2025 of approximately HK\$9,380,000 (2024: approximately HK\$1,447,000).

Save for the allowance for ECLs on deposits and other receivables of approximately HK\$10,200,000 (2024: approximately HK\$1,447,000) provided as at 31 December 2025, none of the above assets was impaired at the end of the reporting period.

14. TRADE PAYABLES

The ageing analysis of trade payables based on the invoice date is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Over 365 days	<u>–</u>	<u>2,763</u>

The trade payables are interest-free and are normally settled on 30 to 90 days after the month-end statement.

15. SHARE CAPITAL

	2025		2024	
	Number of shares	Amount (HK\$'000)	Number of shares	Amount (HK\$'000)
Ordinary shares of HK\$0.10 each				
Authorised:				
At beginning of the year	2,000,000,000	200,000	20,000,000,000	200,000
Share consolidation (<i>note a</i>)	—	—	(18,000,000,000)	—
At end of the year	2,000,000,000	200,000	2,000,000,000	200,000
Issued and fully paid:				
At beginning of the year	411,219,340	41,122	3,427,293,400	34,273
Share consolidation (<i>note a</i>)	—	—	(3,084,564,060)	—
	411,219,340	41,122	342,729,340	34,273
Issue of new shares upon rights issue (<i>note c</i>)	411,219,340	41,122	—	—
Placing of shares (<i>note b and d</i>)	164,460,000	16,446	68,490,000	6,849
At end of the year	986,898,680	98,690	411,219,340	41,122

Notes:

- a. Pursuant to an ordinary resolution passed by shareholders of the Company at the extraordinary general meeting of the Company on 14 June 2024, the Company effected the consolidation of every 10 issued and unissued ordinary shares of HK\$0.01 each on the share capital of the Company into 1 ordinary share of HK\$0.10 each on 18 June 2024. Details of the consolidation of ordinary shares are set out in the Company's announcements dated 10 May 2024 and 14 June 2024.
- b. On 20 September 2024, the Company, through a placing agent completed the placing of 68,490,000 new shares (the "2024 Placing"), which rank pari passu in all respects among themselves and with the existing shares in issue on the date of allotment under the general mandate granted by the shareholders of the Company at the annual general meeting held on 14 June 2024 to no less than 6 placees, all being independent third parties to the Company, at issue price of HK\$0.226 per share. The net proceeds from the 2024 Placing received by the Company, after deducting all related costs, fees, expenses and commission, were approximately HK\$15,244,000.

- c. On 19 November 2024, the Company announced the proposed rights issue on the basis of one (1) rights share for everyone one (1) existing share then in issue at the subscription price of HK\$0.111 per rights share.

On 27 March 2025, the Company allotted and issued 411,219,340 shares at subscription price of HK\$0.111 each by way of rights issue and the number of issued share capital of the Company increased to 822,438,680 accordingly. The net proceeds from the rights issue were approximately HK\$44,903,000.

- d. On 13 November 2025, the Company through a placing agent completed the placing of 164,460,000 new shares (the “**2025 Placing**”), which rank pari passu in all respects among themselves and with the existing shares in issue on the date of allotment under the general mandate granted by the shareholders of the Company at the annual general meeting held on 23 May 2025 to not less than 6 placees, all being independent third parties to the Company, at issue price of HK\$0.10 per share. The net proceeds from the 2025 Placing received by the Company, after deducting all related costs, fees, expenses and commission, were approximately HK\$16,227,000.

The Group’s objective when managing capital are to safeguard the Group’s ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance.

The Company reviews the capital structure frequently by considering the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debts, redemption of existing debts or selling assets to reduce debts.

To maintain the listing of the Company’s shares on the Stock Exchange, the Company is subject to externally imposed capital requirements. Specifically, the Company is required to have a public float of at least 25% of its total issued share capital.

16. EVENTS AFTER THE REPORTING PERIOD

There was no significant event after the reporting period of the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The principal activity of China Wood International Holding Co., Limited (“**the Company**”) is investment holding. The Company and its subsidiaries (together the “**Group**”) are principally engaged in wood-related business, including the processing and distribution of furniture wood, and the manufacturing and sales of antique-style wood furniture and other wooden products. During the year of 2025 (the “**Year**”), the property sector in China is still struggling to emerge from the credit crisis after the government of the People’s Republic of China (the “**PRC**”) cracked down on its debt levels in August 2020. Wood consumption is closely linked to the housing market and its demand for construction materials, flooring, furniture, and decorative items. According to the National Bureau of Statistics of the PRC, new housing sales declined by 12.6% in 2025 whereas Standard and Poor predicted in February 2026 a further decline in property sales of 10% to 14% for 2026. As a result, the business environment in which the Group operates remains to be challenging and tough.

To counter the risks of over-exposure to the wood-related business and to capitalize on the Group’s expertise and experience in the PRC marketing, the Company has been actively assessing the viability of business diversification. Since 2023, the Group has been actively studying business opportunities in areas including the functional food and beverage industry in the PRC. In light of the contingent liabilities arising from legal actions subsisted in the car rental business, its limited scale of operation, and taking into account of its future prospect, the Group discontinued the car rental business in October 2024 to release precious financial resources and management time in the functional food and beverage business in the PRC in the fourth quarter of 2024.

Wood-related Business

During the Year, the Company has continued its efforts in developing its core wood-related business, including wood management, distribution and processing of wood and timber products as well as the manufacturing and sale of antique-style wood furniture.

Given the worsening property market in the PRC, the revenue generated from the wood-related business has decreased from approximately HK\$355.3 million in 2024 to approximately HK\$250.5 million in the Year.

Processing and distribution of furniture wood

Since late 2020, the Group has established various subsidiaries to develop the Group's core wood-related business, which is principally engaged in the provision of comprehensive supply chain management services and the processing and distribution of a variety of furniture woods, which mainly comprise of red mahogany wood, sandalwood, rosewood, pine wood, and fir wood, sourced in the PRC and overseas.

The Group's revenue generated from the processing and distribution of furniture wood for the Year amounted to approximately HK\$228.1 million (2024: approximately HK\$322.0 million).

Manufacturing and sales of antique-style wood furniture and other wooden products

In addition to the processing and distribution of furniture wood business, the Group continues to develop the manufacturing and sales of antique-style wood furniture and other wooden products business since 2022.

The Group's revenue generated from the manufacturing and sales of antique-style wood furniture and other wooden products amounted to approximately HK\$22.4 million for the Year (2024: approximately HK\$33.3 million).

Food and Beverage Business

With an increasing disposable income and awareness of a healthy lifestyle, driven by the recent pandemic, the desire for a balanced and healthy diet has expanded rapidly in recent years in the PRC, resulting in significant growth in the functional food and beverage industry in the PRC and the Group expects that as China's population ages, the need for functional foods and beverage will be even higher, and so will the opportunities for businesses. According to a market research report publicly available, the revenue of the PRC functional foods market was estimated at approximately US\$36.77 billion in 2023 and is anticipated to grow to approximately US\$67.69 billion by 2030, representing a compounded annual growth rate of approximately 9.1% during the forecast period. In light of the robust growth in the PRC functional foods market, the board (the "**Board**") of directors (the "**Director(s)**") of the Company considers that it is in the interests of the Company and the shareholders of the Company (the "**Shareholders**") as a whole for the Group to develop its functional food and beverage business in the PRC.

In the fourth quarter of 2024, the Company has established Shenzhen Weijianbao Food Technology Co. Ltd.* (深圳維健寶食品科技有限公司) (“**Shenzhen Weijianbao**”), a wholly-owned subsidiary of the Company in the PRC, to conduct functional food and beverage business in the PRC. To minimize business risk and on the strength of the Group expertise and experience in the PRC marketing, the Group initially has marketed functional food and beverage products, supplied by ODM supplier, under its own branding through direct sales channel and achieved a revenue of approximately HK\$21.6 million in the Year (2024: approximately HK\$1.1 million).

The Company has raised net proceeds of approximately HK\$44.9 million from the 1 for 1 rights issue in March 2025. Approximately HK\$24.6 million has been fully utilized for general working capital of the Group as planned and the balance of approximately HK\$20.3 million has been utilized for developing the food and beverage business during the Year.

The Group believes that the research and development (“**R&D**”) of proprietary rights and technology related to the food and beverage business is key to attaining its competitive advantage. The Group is currently focusing its research and development in the areas of:- (a) high-throughput fermentation, mainly aimed at increasing the yield and purity of prebiotics, vitamins, amino acids, natural pigments, flavorings, and other food additives and functional ingredients; (b) correlation between microbiota and health food, mainly aimed at developing functional foods and beverages with clear clinical evidence addressing specific health issues (such as irritable bowel syndrome, metabolic syndrome); (c) genetic testing-based personalized nutrition, mainly aimed at developing new products that better meet the needs of specific consumer segments; and (d) gene-edited microbial production of food ingredients, mainly aimed at utilizing gene-editing technologies to efficiently precisely synthesize rare, expensive, food ingredients otherwise unobtainable through traditional methods.

The Company completed on 13 November 2025 the placing of an aggregate of 164,460,000 placing shares, (the “**2025 Placing**”) to not less than six places, at the placing price of HK\$0.10 per placing share pursuant to the terms of the placing agreement signed on 21 October 2025.

The net proceeds from the 2025 Placing, after deduction of relevant related expenses (including but not limited to placing commission, legal expenses and disbursements), amounted to approximately HK\$16.2 million. The Company has applied the entire net proceeds, for further development of the food and beverage business segment of the Group.

* *English name for identification purpose only*

Discontinued Operations

The car rental service business in the PRC was one of the core businesses of the Group between 2014 and 2024.

Pursuant to the sale and purchase agreement dated 28 October 2024 entered into between Easy Top Ace Limited (頂王有限公司), a direct wholly-owned subsidiary of the Company, as vendor; and Wanyi Asia Limited (萬益亞洲有限公司), an independent third party who is not connected with the Company and its connected persons (as defined under the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), as purchaser, the Group disposed of Gigantic Wisdom Limited (鴻智有限公司) and its subsidiaries (the “**Disposal Group**”) which conducted all of the Group’s car rental business, at a consideration of HK\$50,000. For details, please refer to the announcements of the Company dated 28 October 2024 and 31 October 2024.

Following the aforesaid disposal of the Disposal Group, the car rental business segment of the Group was accounted for as discontinued operations in the consolidated financial statements.

FUTURE OUTLOOK

Given the positive results in the food and beverage business segment, the Group believes that it will be beneficial to further develop the functional food and beverage business in the PRC, through collaboration with key players in the food and beverage industry as well as development of intellectual property. On the other hand, given the deterioration of the processing and distribution of furniture wood business with squeezing profit margin, the Group will concentrate on furniture wood products with relatively higher profit margin and may consider to exit the sector of processing and distribution of furniture wood products carrying lower margins.

FINANCIAL REVIEW

Results of the Group

Revenue

During the year ended 31 December 2025, the Group recorded a revenue of approximately HK\$272.1 million, which represented a decrease of approximately 23.7% as compared to the revenue of approximately HK\$356.4 million as recorded for the year ended 31 December 2024. The decrease was mainly resulted from the decrease in turnover on wood-related business from approximately HK\$355.3 million for the year ended 31 December 2024 to approximately HK\$250.5 million for the year ended 31 December 2025 and contribution of a revenue of approximately HK\$21.6 million from the food and beverage business (2024: HK\$1.1 million).

Cost of sales and services rendered

Cost of sales and services rendered of the Group decreased by approximately 23.6% from approximately HK\$327.1 million for the year ended 31 December 2024 to approximately HK\$249.9 million for the year ended 31 December 2025. The decrease was mainly attributable to the decrease in sales volume of wood products during the Year.

Gross profit and margin

The Group recorded a gross profit of approximately HK\$22.1 million for the year ended 31 December 2025, representing a decrease of approximately 24.3% as compared to the gross profit of approximately HK\$29.2 million recorded in the prior year. The gross profit margin decreased from 8.2% for the year ended 31 December 2024 to 8.1% for the year ended 31 December 2025 as a result of downward pressure on profit margin by general slowdown of the wood-related business market and cost inflation.

Other income and gains, net

Other income and gains, net remained insignificant for the year ended 31 December 2025 and 2024.

Allowances for expected credit losses (“ECLs”) on trade and other receivables, net

For the year ended 31 December 2025, the Group had recorded allowances for “expected credit losses” (“ECLs”) on trade and other receivables of approximately HK\$8,749,000 (2024: approximately HK\$3,484,000) in total which is mainly comprising of reversal of allowances for ECLs on trade receivables of approximately HK\$4,000 (2024: allowances for ECLs on trade receivables of approximately HK\$3,792,000); and allowances for ECLs on other receivables of approximately HK\$8,753,000 (2024: reversal of allowances for ECLs on other receivables of approximately HK\$308,000).

To properly account for the risk adhered to those long outstanding trade, loan and other receivables as, the management of the Company has engaged an independent valuer to assess the risk of potential losses based on the management’s estimate of the lifetime ECLs, which are estimated by taking into account the credit loss experience, ageing of the trade receivables, debtors’ settlement records and financial status, expected timing and amount of realisation of outstanding balances and ongoing business relationship with debtors. The management also considered forward-looking information that may impact the debtors’ abilities to repay the outstanding balances in order to estimate the allowances for ECLs on trade receivables.

There has been no significant changes in inputs and assumption applied in 2025 as compared with those applied in 2024.

Selling and distribution expenses

Selling and distribution expenses of the Group increased to approximately HK\$8.3 million during the year ended 31 December 2025 (2024: approximately HK\$1.1 million) with increasing sales and marketing efforts on the food and beverage business segment.

Administrative expenses

Administrative expenses of the Group decreased by approximately 10.8% from approximately HK\$25.0 million for the year ended 31 December 2024 to approximately HK\$22.3 million for the year ended 31 December 2025.

Finance costs

Finance costs decreased from approximately HK\$0.9 million for the year ended 31 December 2024 to approximately HK\$0.6 million for the year ended 31 December 2025.

Income tax expense

The Group recorded a current income tax expense of approximately HK\$2.4 million for the year ended 31 December 2025 (2024: approximately HK\$3.6 million), mainly on operating profits of the Group's wood-related business in the PRC.

Significant Investments Held

Save for the Company's investment in various subsidiaries, the Group did not hold any significant investment with a value at 5 percent or more of the Group's total assets as at 31 December 2025 (2024: None).

Liquidity and Financial Position

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current assets	70,785	58,145
Current liabilities	17,502	23,443
Current ratio	<u>4.04</u>	<u>2.48</u>

At 31 December 2025, cash and cash equivalents of the Group amounted to approximately HK\$1.2 million (2024: approximately HK\$0.7 million). As at 31 December 2025, the Group had no interest-bearing bank and other borrowings (2024: HK\$Nil).

On the basis of the considerations as disclosed in Note 2 to the annual results announcement of the Group for the year ended 31 December 2025, the Board is confident that the Group will have sufficient financial resources to meet its debt repayment and finance needs for its operations for the foreseeable future.

Gearing Ratio

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Total bank and other borrowings	–	–
Total assets	90,292	66,700
Gearing ratio	0%	0%

Capital Structure

The capital of the Company comprises only ordinary shares. As at 31 December 2025, the issued share capital of the Company was 986,898,680 ordinary shares of HK\$0.10 each (2024: 411,219,340 ordinary shares of HK\$0.10 each) with an aggregate nominal value of approximately HK\$98.7 million (2024: approximately HK\$41.1 million).

Charges on the Group's Assets

At 31 December 2025, there was no charge on the Group's assets (2024: None).

Foreign Currency Exposure

The foreign currency exposure of the Group primarily arises from revenue or income generated, cost and expenses incurred and certain bank and other borrowings denominated in currencies other than the functional currency of the Group's operating units. For the Group's operating units that have United States dollar and Renminbi as their functional currencies, their foreign currency transactions and the units' monetary assets and liabilities denominated in foreign currencies that were translated at the functional currency rates of exchange ruling at 31 December 2025 were mainly denominated in Hong Kong dollars. The Group expected that the exposure to exchange rates fluctuation was not significant and therefore had not engaged in any hedging activities.

As at 31 December 2025, no member of the Group was engaged in any litigation or arbitration or claims which would materially or adversely affect the operations of the Company and no litigation, arbitration or claim which would materially or adversely affect the operations of the Company was known to the directors of the Company to be pending or threatened by or against any member of the Group.

Capital Commitments

As at 31 December 2025, the capital commitments of the Group was approximately HK\$1,562,000, in respect of property, plant and equipment (2024: HK\$Nil).

DIVIDEND

The Board does not recommend the payment of any dividend for the year ended 31 December 2025 (2024: HK\$Nil).

EMPLOYEES AND EMOLUMENT POLICY

At 31 December 2025, the Group employed a total of 31 (2024: 25) employees. Total costs including the emoluments of the directors of the Company, amounted to approximately HK\$8.6 million for the Year (2024: approximately HK\$6.3 million). The emolument policy of the Group is determined with reference to the performance, qualifications and experience of individual employees (including Directors), as well as the results of the Group and the market conditions. The Group provides discretionary bonus, medical insurance, provident fund, education subsidy and training to its employees.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES OR ASSOCIATED COMPANIES

Save as disclosed in this annual results announcement, the Group had no material acquisition or disposal of subsidiaries or associates during the years ended 31 December 2025 and 2024.

COMPARATIVE FIGURES

Certain of the comparative figures have been restated to conform with current year's presentation.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Year.

CORPORATE GOVERNANCE PRACTICES

The Company acknowledges the importance of good corporate governance practices and procedures and regards a pre-eminent board of directors, sound internal controls and accountability to all shareholders as the core elements of its corporate governance principles. The Company endeavours to ensure that its businesses are conducted in accordance with rules and regulations, and applicable codes and standards. The Company has adopted the Corporate Governance Code (the “**Code**”) as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The Board reviews at least annually the corporate governance practices of the Company to ensure its continuous compliance with the Code, and make appropriate changes if considered necessary. The Company was in compliance with the applicable code provisions in the Code (the “**Code Provision(s)**”) for the year ended 31 December 2025 except for the deviation as disclosed below. The following sections set out the principles in the Code as they have been applied by the Company, including any deviations therefrom, for the year under review.

BOARD

The Company is governed by the Board, which is responsible for overseeing the overall strategy and development of the Company, as well as monitoring the internal control policies and evaluating the financial performance of the Group. The Board sets the overall strategies and directions for the Group with a view to developing its business and enhancing the shareholders’ value.

As at the date of this announcement, the Board comprises two executive Directors, one non-executive Director and three independent non-executive Directors.

The Board is characterised by significant diversity and has a balance of skills and experience appropriate for the requirements of the business of the Company.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr. Lyu NingJiang, being the chairman of the Company (the “**Chairman**”) is responsible for the overall strategic planning and management of the Group. Code Provision C.2.1 requires that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Lyu, being the Chairman, has also been appointed as the chief executive officer of the Group (the “**Chief Executive Officer**”) who will keep strong and consistent leadership to achieve strategic business growth of the Group to enable a better execution of long-term strategies. The Board believes that the roles of both chairman and chief executive officer vested in the same individual would enable the Company to achieve higher responsiveness, efficiency and effectiveness when formulating business strategies and executing business plans. All the Board members will be ensured to keep abreast of adequate, complete and reliable information by Mr. Lyu on issues to be discussed at Board meetings. Moreover, the independent non-executive Directors (the “**INEDs**”) provide independent and professional opinion on issues addressed at Board meetings and therefore, the Board believes that there is a balance of power and authority governed by the current Board structure with half of them being the INEDs and does not intend to make significant change to the composition of the Board. The Board will continue to review the Board composition from time to time and shall make necessary changes when appropriate in a timely manner accordingly and inform the Company’s shareholders.

INDEPENDENT NON-EXECUTIVE DIRECTORS

During the period from 1 April 2025 to 15 June 2025, the Company failed to meet the following requirements of the Listing Rules as a result of the resignation of Mr. Zhao Xianming, an INED on 1 April 2025:

1. the board of directors must include at least three independent non-executive directors, under Rule 3.10(1) of the Listing Rules; and
2. the audit committee comprising non-executive directors only and with a minimum of three members under Rule 3.21 of the Listing Rules.

Pursuant to Rule 3.10A of the Listing Rules, the number of independent non-executive directors of the Company shall represent not less than one-third of the Board throughout the Year.

On 16 June 2025, Mr. Pang MingLi (“**Mr. Pang**”) was appointed as an INED. Before Mr. Pang’s appointment becoming effective on 16 June 2025, Mr. Pang has obtained legal advice from a firm of solicitors qualified to advise on Hong Kong law referred to in Rule 3.09D of the Listing Rules and Mr. Pang has confirmed that he understands his obligations as a Director and the possible consequences of making a false declaration or giving false information to the Stock Exchange. Mr. Pang has confirmed to the Company: (i) his independence as regards each of the factors referred to in Rule 3.13 of the Listing Rules; (ii) he has not had or is not having any financial or other interests in the business of the Group or any connection with any of the core connected persons (as defined in the Listing Rules) of the Company; and (iii) there are no other factors which may have affected his independence at the time of his appointment.

The Company has thereafter complied with the above requirements of the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the “**Model Code**”). The Company periodically issues notices to the Directors reminding them of the general prohibition on dealing in the Company’s listed securities during the blackout periods before the publication of announcements of results. The Company has confirmed, having made specific enquiry of the Directors, all the Directors have complied with the Model Code throughout the year under review.

AUDIT COMMITTEE AND REVIEW OF ANNUAL RESULTS

As at the date of this announcement, the audit committee of the Company (the “**Audit Committee**”) comprises all three INEDs, namely Mr. Pang MingLi (chairman), Mr. Chan Lik Shan and Mr. So Yin Wai. The primary duties of the Audit Committee are to supervise the internal control policies, the financial reporting systems and procedures of the Company, to review the financial statements and reports of the Group, and to review the terms of engagement and scope of audit work of the external auditors. The final results announcement of the Group for the year ended 31 December 2025 have been reviewed by the Audit Committee.

SCOPE OF WORK OF MCMILLAN WOODS (HONG KONG) CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group's auditors, McMillan Woods (Hong Kong) CPA Limited ("McMillan Woods"), to the amounts set out in the Group's preliminary consolidated financial statements for the year. The work performed by McMillan Woods in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by McMillan Woods on the preliminary announcement.

EXTRACT FROM INDEPENDENT AUDITOR'S REPORT PREPARED BY THE AUDITOR OF THE COMPANY

The Company would like to provide an extract from the independent auditor's report prepared by McMillan Woods on the Group's consolidated financial statements for the year ended 31 December 2025 as set out below:

Material Uncertainty Relating to Going Concern

We draw attention to Note 2 to the consolidated financial statements, which indicates that the Group incurred a loss for the year of approximately HK\$30,765,000 and net cash outflows from operating activities of approximately HK\$39,938,000 during the year ended 31 December 2025, and as of 31 December 2025, the Group had a low cash and bank balances of approximately HK\$1,175,000, which is far below the current liabilities of approximately HK\$17,502,000. These events or conditions, along with other matters as set forth in Note 2 to the annual results announcement, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

ANNUAL GENERAL MEETING

It is proposed that the annual general meeting (the "2025 AGM") of the Company for the year ended 31 December 2025 will be held on a date to be fixed by the Board, and a notice convening the 2025 AGM will be published and despatched to the Shareholders in due course.

PUBLICATION OF ANNUAL RESULTS

This annual results announcement is published on the websites of the Company (www.chinawoodint.com.hk) and the Stock Exchange (www.hkex.com.hk). The annual report containing all the information required by the Listing Rules will be despatched to the Shareholders and available on the websites of the Company and the Stock Exchange within the prescribed period.

By order of the Board

China Wood International Holding Co., Limited

中木國際控股有限公司

Lyu NingJiang

Chairman and Executive Director

Hong Kong, 20 March 2026

As at the date of this announcement, the Board comprises of Mr. Lyu NingJiang (Chairman and CEO) and Ms. Ng Lai Ha as executive directors; Mr. Hu YongGang as non-executive director; and Mr. Pang MingLi, Mr. Chan Lik Shan and Mr. So Yin Wai as independent non-executive directors.