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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)

PROPOSED CAPITAL REDUCTION OF ISSUED SHARES AND SUB-DIVISION OF UNISSUED SHARES

PROPOSED CAPITAL REDUCTION OF ISSUED SHARES AND SUB-DIVISION OF UNISSUED SHARES

The Board proposes to implement the Capital Reduction involving the reduction of the par value of each of the issued Share from HK$0.1 to HK$0.01 by cancelling the paid-up capital to the extent of HK$0.09 per issued Share so that following such reduction, the par value of each issued New Share shall become HK$0.01 (the "**Capital Reduction**"). The credit arising from the Capital Reduction will be applied towards offsetting the Accumulated Losses of the Company as at the effective date of the Capital Reduction, thereby reducing the Accumulated Losses of the Company.

Immediately following the Capital Reduction becoming effective, each authorized but unissued Share will be sub-divided into ten (10) unissued New Shares with a par value of HK$0.01 each.

As at the date of this announcement, 986,898,680 Shares have been issued and are fully paid or credited as fully paid. Assuming that the par value of each of the 986,898,680 issued Shares will be reduced from HK$0.1 to HK$0.01 per issued New Share by cancelling the paid-up share capital to the extent of HK$0.09 per issued Share by way of a reduction of capital, so as to form issued New Shares with par value of HK$0.01 each, the Company's existing issued share capital of HK$98,689,868 will be reduced by HK$88,820,882 to HK$9,868,986 upon completion of the Capital Reduction.

The Capital Reduction and the Sub-division are conditional upon fulfilment of the conditions contained in the section headed "Conditions of the Capital Reduction and the Sub-division" in this announcement.

GENERAL

A circular containing, among other matters, details of the Capital Reduction and the Sub-division, together with a notice convening the AGM and the related proxy form, will be sent to the Shareholders on or before Wednesday, 29 April 2026.

PROPOSED CAPITAL REDUCTION OF ISSUED SHARES AND SUB-DIVISION OF UNISSUED SHARES

As at the date of this announcement, the authorized share capital of the Company is HK$200,000,000 divided into 2,000,000,000 Shares of par value HK$0.1 each, of which 986,898,680 Shares have been issued and are fully paid or credited as fully paid. The Board proposes the Capital Reduction and the Sub-division to be implemented in the following manner:

(i) the par value of each of the issued Shares be reduced from HK$0.1 to HK$0.01 per issued New Share by cancelling the paid-up share capital to the extent of HK$0.09 per issued Share;

(ii) the credit arising from the Capital Reduction will be applied towards offsetting the accumulated losses (the "**Accumulated Losses**") of the Company as at the effective date of the Capital Reduction in a manner as permitted by all applicable laws and the memorandum and articles of association of the Company and as the Board considers appropriate;

(iii) immediately following the Capital Reduction, each of the authorized but unissued Shares with par value of HK$0.1 each be sub-divided into 10 New Shares with par value of HK$0.01 each; and

(iv) each of the New Shares arising from the Capital Reduction and Sub-division shall rank pari passu in all respects with each other and will have rights and privileges and be subject to the restrictions contained in the memorandum and articles of association of the Company.

Assuming there will be no change in the issued share capital of the Company from the date of this announcement up to the date on which the Capital Reduction and the Sub-division become effective, the share capital structure of the Company will be as follows:

	As at the date of this announcement	**Immediately after the Capital Reduction and the Sub-division becoming effective**
Par value	HK$0.1 per Share	HK$0.01 per New Share
Amount of the authorized share capital	HK$200,000,000	HK$200,000,000
Number of authorized Shares	2,000,000,000	20,000,000,000
Number of issued Shares	986,898,680	986,898,680

As at the date of this announcement, 986,898,680 Shares have been issued and are fully paid or credited as fully paid. Assuming that the par value of each of the 986,898,680 issued Shares will be reduced from HK$0.1 to HK$0.01 per issued New Share by cancelling the paid-up share capital to the extent of HK$0.09 per issued Share by way of a reduction of capital, so as to form issued New Shares with par value of HK$0.01 each, the Company's existing issued share capital of HK$98,689,868 will be reduced by HK$88,820,882 to HK$9,868,986.

As at the date of this announcement, the Company has no outstanding options, warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into, any Existing Shares or New Shares, as the case may be.

Reasons for and effects of the Capital Reduction and the Sub-division

The proposed Capital Reduction and Sub-division will enable the par value of the Shares to be reduced from HK$0.1 to HK$0.01 each. The credit arising from the Capital Reduction will be applied towards offsetting the Accumulated Losses of the Company as at the effective date of the Capital Reduction, thereby reducing the Accumulated Losses of the Company.

The Board is of the opinion that the proposed Capital Reduction will give greater flexibility to the Company to declare dividends and/or to undertake any corporate exercise which requires the use of distributable reserves in the future, subject to the Company's performance and when the Board considers that it is appropriate to do so in the future. As such, the Directors are of the view that the Capital Reduction and the Sub-division are in the interests of the Company and its Shareholders as a whole.

It is important for Shareholders to note that, at this stage, there can be no assurance that any dividends will be declared or paid in the future, or that the Company will issue New Shares, even if the Capital Reduction and the Sub-division take effect.

Save for applying the credit arising from the Capital Reduction towards offsetting the Accumulated Losses of the Company and the expenses to be incurred in relation to the Capital Reduction and the Sub-division, the Directors consider that the Capital Reduction and the Sub-division will have no effect on the underlying assets, business operations, management or financial position of the Company or the proportional interests of the Shareholders in the Company.

As at the date of this announcement, the Company has no intention to carry out other corporate action or arrangement, including share consolidation, share sub-division and capital reduction, in the next 12 months which may negate or undermine the effects of the Capital Reduction and/ or the Sub-division. However, the Company cannot rule out the possibility of conducting equity fund raising exercises when required by business development and expansion in the future, relief of liabilities and/or when suitable fund-raising opportunities arise. The Company will make further announcement(s) as and when appropriate in accordance with the Listing Rules.

Conditions of the Capital Reduction and the Sub-division

The Capital Reduction and the Sub-division are conditional on the following conditions being fulfilled:

(i) the Shareholders' approval by way of special resolution at the AGM to be convened and held to consider and, if thought fit, approve, among other things, the Capital Reduction and the Sub-division;

(ii) the Directors signing the solvency statement in accordance with the requirements of the Companies Act;

(iii) registration by the Registrar of Companies in the Cayman Islands with a copy of the solvency statement and the AGM minutes which approved the Capital Reduction;

(iv) the Listing Committee granting the listing of, and permission to deal in, the New Shares upon the Capital Reduction and the Sub-division becoming effective; and

(v) the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the Listing Rules to effect the Capital Reduction and Sub-division.

The Capital Reduction and the Sub-division will become effective when the conditions mentioned above are fulfilled. Upon the approval by the Shareholders of the Capital Reduction and the Sub-division at the AGM, the Company will file the requisite documents with the Registrar of Companies in the Cayman Islands.

As at the date of this announcement, none of the above conditions have been fulfilled.

Listing of and dealings in the New Shares

Application will be made to the Listing Committee for the listing of, and permission to deal in, the New Shares arising from the Capital Reduction and the Sub-division.

The New Shares will be identical in all respects and rank *pari passu* in all respects with each other as to all future dividends and distributions which are declared, made or paid. Subject to the granting of the listing of, and permission to deal in, the New Shares on the Stock Exchange, the New Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the New Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

None of the share capital or debt securities of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is being or is proposed to be sought.

Exchange of share certificates for the New Shares

As the Court hearing date(s) has yet to be fixed, the effective date of the Capital Reduction is not ascertainable at present. Should the Capital Reduction and the Sub-division become effective, Shareholders may submit existing certificates for the New Shares to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong to exchange for new share certificates for the New Shares at the expense of the Company within the relevant free exchange period from the Effective Date. Details of such free exchange of share certificates will be announced as soon as the effective date of the Capital Reduction and the Sub-division is ascertained.

All existing certificates of the Shares will continue to be evidence of title to such Shares and be valid for delivery, trading and settlement purpose.

It is expected that the new share certificates will be available for collection from the Share Registrar by the Shareholders within ten (10) business days after delivery of the existing share certificates to the Share Registrar for exchange purpose.

The new share certificates will be burgundy in colour so as to be distinguished from the existing share certificates which are red in colour.

General

An AGM will be convened and held for the Shareholders to consider and, if thought fit, approve, among other matters, the Capital Reduction and the Sub-division. A circular containing, among other matters, details of the Capital Reduction and the Sub-division, together with a notice convening the AGM and the related proxy form, will be sent to the Shareholders on or before Wednesday, 29 April 2026.

As no Shareholders have a material interest in the Capital Reduction and the Sub-division, no Shareholders will be required to abstain from voting on the resolutions to approve the Capital Reduction and the Sub-division.

EXPECTED TIMETABLE

Set out below is the expected timetable for the implementation of the Capital Reduction and Sub-division. The expected timetable is subject to the results of the AGM and satisfaction of the conditions to the Capital Reduction and the Sub-division and is therefore for indicative purpose only. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this announcement refer to the Hong Kong local times and dates.

Event	Date and time
Despatch of Circular and notice of AGM	on or before Wednesday, 29 April 2026
Latest date and time for lodging transfer documents in order to qualify for attending and voting at AGM	4:30 p.m. on Friday, 15 May 2026
Closure of register of members for determining the entitlement to attend and vote at the AGM (both dates inclusive)	Monday, 18 May 2026 to Friday, 22 May 2026
Latest date and time for lodging proxy forms for the AGM	3:00 p.m. on Wednesday, 20 May 2026
Record date for the AGM	Friday, 22 May 2026
Date and time of the AGM	3:00 p.m. on Friday, 22 May 2026
Announcement of results of the AGM	Friday, 22 May 2026

The following events are conditional upon, among other things, (i) the passing of the relevant special resolution(s) by the Shareholders at the AGM; (ii) the Directors making the solvency statement in accordance with the Companies Act; and (iii) the registration by the Registrar of Companies in the Cayman Islands of the solvency statement and the AGM minutes in respect of the Capital Reduction, and are therefore indicative only:

Event	Date and time
Expected effective date of the Capital Reduction and the Sub-division	Before 9:00 a.m. on Friday, 5 June 2026
Commencement of dealing in the New Shares	9:00 a.m. on Friday, 5 June 2026
First day of free exchange of existing share certificates for new share certificates for the New Shares	Friday, 5 June 2026
Last day for free exchange of existing share certificates for new share certificates for the New Shares	Wednesday, 15 July 2026

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

"AGM"	the annual general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving, among other things, the Capital Reduction and Sub-division
"Board"	the board of Directors
"Business Day(s)"	any day on which the Stock Exchange generally is open for business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of this announcement be counted as a business day
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"Companies Act"	the Companies Act (Revised) of the Cayman Islands as consolidated and revised
"Company"	China Wood International Holding Co., Limited 中木國際控股有限公司, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
"Court"	the Grand Court of the Cayman Islands
"Director(s)"	the director(s) of the Company

"Existing Share(s)"	the ordinary share(s) of par value of HK$0.1 each in the share capital of the Company prior to the Capital Reduction and the Sub-division becoming effective
"General Rules of HKSCC"	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
"Group"	collectively, the Company and its subsidiaries
"HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"HKSCC"	Hong Kong Securities Clearing Company Limited
"Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China
"Listing Committee"	has the same meaning ascribed thereto under the Listing Rules
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"New Share(s)"	ordinary share(s) with par value of HK$0.01 each in the share capital of the Company immediately following the Capital Reduction and the Sub-division becoming effective
"HKSCC Operational Procedures"	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
"Share(s)"	ordinary share(s) with par value of HK$0.1 each in the share capital of the Company prior to the Capital Reduction and the Sub-division becoming effective

"Shareholder(s)"	holder(s) of the Share(s) or the New Share(s)
"Share Registrar"	the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Sub-division"	the sub-division of each authorized but unissued Share with par value of HK$0.1 each sub-divided into ten (10) unissued New Shares with par value of HK$0.01 each
"%"	per cent.

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, 13 April 2026

As at the date of this announcement, the Board comprises 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.