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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 RIGHTS ISSUE
ON THE BASIS OF ONE (1) RIGHTS SHARE
FOR EVERY ONE (1) SHARE HELD ON RECORD DATE
ON A NON-UNDERWRITTEN BASIS**

**Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders**



Gram Capital Limited
嘉林資本有限公司

PROPOSED RIGHTS ISSUE

The Board proposes to conduct the Rights Issue on the basis of one (1) Rights Share for every one (1) Share held as at the Record Date at the Subscription Price of HK\$0.077 per Rights Share.

Assuming there is no change in the total number of issued Shares from the date of this announcement up to and including the Record Date, the Company will issue up to 986,898,680 Rights Shares and raise proceeds of up to approximately HK\$77 million before expenses.

The Company will provisionally allot to the Qualifying Shareholders one (1) Rights Share in nil-paid form for every one (1) Share in issue and held on the Record Date, which is currently expected to be on Thursday, 13 August 2026. The Rights Issue will not be available to the Non-Qualifying Shareholders.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event that the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced accordingly.

The estimated net proceeds of the Rights Issue, after deducting the estimated expenses in connection with the Rights Issues, will be approximately HK\$74 million (assuming there is no change in the total number of issued Shares from the date of this announcement up to and including the Record Date).

LISTING RULES IMPLICATIONS

In accordance with Rule 7.19A(1) and Rule 7.27A(1) of the Listing Rules, as the Rights Issue will increase the total number of issued Shares of the Company by more than 50% within 12 months period immediately preceding the date of this announcement, the Rights Issue is conditional upon the minority Shareholders' approval at the EGM. As at the date of this announcement, Right Momentum is the controlling shareholder of the Company, holding 452,196,170 Shares, representing approximately 45.82% of the entire issued share capital of the Company. Accordingly, Right Momentum shall abstain from voting in favour of the resolution(s) approving the Rights Issue at the EGM in accordance with Rule 7.27A(1) of the Listing Rules. As at the date of this announcement, the Company has not received any information or irrevocable undertaking from any Shareholder of their intention in relation to the Rights Shares to be allotted to them under the Rights Issue.

GENERAL

The Company has established the Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Pang MingLi, Mr. Chan Lik Shan and Mr. So Yin Wai, to advise the Independent Shareholders in respect of the Rights Issue and as to the voting action therefor. The Circular containing, among other things, (i) further information regarding the Rights Issue, the Placing Agreement and the transactions contemplated thereunder; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Rights Issue; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Rights Issue; (iv) other information required under the Listing Rules; and (v) the notice of the EGM is expected to be despatched to the Shareholders on or before Friday, 17 July 2026.

SHAREHOLDERS AND POTENTIAL INVESTORS OF THE COMPANY ARE ADVISED TO EXERCISE CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY, AND IF THEY ARE IN ANY DOUBT ABOUT THEIR POSITION, THEY SHOULD CONSULT THEIR OWN PROFESSIONAL ADVISERS.

PROPOSED RIGHTS ISSUE

The Board proposes to conduct the Rights Issue on the basis of one (1) Rights Share for every one (1) Share held as at the Record Date. Set out below are the details of the Rights Issue.

Rights Issue Statistics

Basis of the Rights Issue	:	One (1) Rights Share for every one (1) Share held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	:	HK\$0.077 per Rights Share
Number of Shares in issue as at the date of this announcement	:	986,898,680 Existing Shares

Number of Rights Shares to be issued pursuant to the Rights Issue	:	Up to 986,898,680 Rights Shares (assuming (i) no change in the total number of Shares in issue from the date of this announcement up to and including the Record Date and (ii) full subscription under the Rights Issue)
Total number of Shares in issue immediately upon completion of the Rights Issue	:	Up to 986,898,680 Shares (assuming (i) no change in the total number of Shares in issue from the date of this announcement up to and including the Record Date and (ii) full subscription under the Rights Issue)
Gross proceeds from the Rights Issue (before deducting the relevant expenses)	:	Up to approximately HK\$77 million (assuming (i) no change in the total number of Shares in issue from the date of this announcement up to and including the Record Date and (ii) full subscription under the Rights Issue)
Net proceeds from the Rights Issue (after deducting the estimated relevant expenses)	:	Up to approximately HK\$74 million (assuming (i) no change in the total number of Shares in issue from the date of this announcement up to and including the Record Date and (ii) full subscription under the Rights Issue)
Right of excess applications	:	There will not be excess application arrangements in relation to the Rights Issues.

As at the date of this announcement, the Group had no outstanding debt securities, derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into the Shares.

Assuming no Shares are issued or repurchased on or before the Record Date, the maximum number of 986,898,680 Rights Shares to be issued pursuant to the terms of the proposed Rights Issue represents 100% of the total number of the existing issued Shares as at the date of this announcement and approximately 50% of the total number of the issued Shares as enlarged by the allotment and issue of the Rights Shares immediately upon completion of the Rights Issue.

Subscription Price

The Subscription Price is HK\$0.077 per Rights Share, which shall be payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares under the Rights Issue or when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 43.80% to the closing price of HK\$0.137 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 44.84% to the average closing price of HK\$0.1396 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the Last Trading Day;
- (iii) a discount of approximately 44.00% to the average closing price of HK\$0.1375 per Share as quoted on the Stock Exchange for the last ten consecutive trading days immediately prior to the Last Trading Day;
- (iv) a discount of approximately 28.03% to the theoretical ex-rights price of HK\$0.107 based on the closing price of HK\$0.137 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (v) theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 22.42%, represented by the theoretical diluted price of approximately HK\$0.1083 per Share to the benchmarked price of approximately HK\$0.1396 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of (i) the closing price of the Shares as quoted on the Stock Exchange on the Last Trading Day and (ii) the average of the closing prices of the Existing Shares as quoted on the Stock Exchange for the five (5) previous consecutive trading days prior to the Last Trading Day); and
- (vi) a premium of approximately 5.48% to the audited consolidated net asset value per Share attributable to the Shareholders as at 31 December 2025 of approximately HK\$0.073 per Share, which is calculated by dividing the audited consolidated net assets of the Group attributable to the Shareholders of approximately HK\$71,932,000 as at 31 December 2025 as set out in the annual report of the Company for the year ended 31 December 2025 by the number of Shares as at the Last Trading Day.

The Subscription Price was determined with reference to (i) the recent market price and trading volume of the Shares; (ii) the prevailing market conditions of the capital market in Hong Kong; (iii) the latest business performance and financial position of the Group; and (iv) the reasons for and benefits of the Rights Issue as discussed in this announcement.

The Directors (excluding the members of the Independent Board Committee) consider, despite any potential dilution impact of the proposed Rights Issue on the shareholding interests of the Shareholders, the Subscription Price, to be fair and reasonable and in the best interests of the Company and the Shareholders as a whole, after taking into account the following factors:

- (i) the average daily trading volume during the period of one year prior to the Last Trading Day (the “**Review Period**”), was approximately 630,000 shares, representing approximately 0.06% of the total number of Shares in issue as at date of this announcement. Taking into account the low trading volume of the Shares during the Review Period, it is reasonable and necessary to set the Subscription Price at a discount to the recent market price so as to attract the investors to participate in the Rights Issue;
- (ii) the Qualifying Shareholders who do not wish to take up their provisional entitlements under the proposed Rights Issue are able to sell the nil-paid rights in the market;
- (iii) by setting the Subscription Price which is at a discount to the prevailing market price, this would provide incentive for, and encourage, the Qualifying Shareholders to participate in the Rights Issue and maintain their respective existing shareholding interests in the Company; and
- (iv) the proceeds from the Rights Issue can fulfil the funding needs of the Group as out in the section headed “Reasons for and Benefits of the Rights Issue and Use of Proceeds”.

The Board (excluding the members of the Independent Board Committee whose opinion will be set out after considering the advice from the Independent Financial Adviser) considers that the terms of the Rights Issue, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Non-underwritten basis

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares.

In the event that the Rights Issue is not fully subscribed, any Unsubscribed Rights Shares together with the NQS Unsold Rights Shares will be placed on a best effort basis by the Placing Agent to independent placees under the Placing. Any Unsubscribed Rights Shares or NQS Unsold Rights Shares which remain not placed under the Placing will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum subscription amount required to be raised from the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, a Shareholder who applies to take up all or part of his/her/its entitlement under the PAL may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders (other than HKSCC Nominees Limited) to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance to the note to Rule 7.19(5)(b) of the Listing Rules.

As at the date of this announcement, the Company has not received any information or irrevocable undertaking from any Shareholder of their intention in relation to the Rights Shares to be allotted to them under the Rights Issue.

Conditions of the Rights Issue

The Rights Issue is conditional upon each of the following conditions being fulfilled:

- (i) the passing by more than 50% of the votes cast by the Independent Shareholders by way of poll of all necessary resolutions to be proposed at the EGM for the transactions contemplated under the Rights Issue to be effective in compliance with the Listing Rules, including but not limited to approving, confirming and/or ratifying the Rights Issue, including the allotment and issue of the Rights Shares in their nil-paid and fully-paid forms;
- (ii) the delivery of the Prospectus Documents to the Stock Exchange and the issue by the Stock Exchange on or before the Posting Date of a certificate authorising registration of the Prospectus Documents with the Registrar of Companies in Hong Kong;
- (iii) following registration, the posting of the Prospectus Documents to the Qualifying Shareholders and the publication of the Prospectus Document on the website of the Stock Exchange on or before the Posting Date; and

(iv) the grant of listing of the Rights Shares (in both nil-paid and fully paid forms) by the Stock Exchange (either unconditionally or subject only to the allotment and despatch of the share certificates in respect thereof) and the grant of permission to deal in the nil-paid Rights Shares and the fully-paid Rights Shares by the Stock Exchange (and such permission and listing not subsequently having been withdrawn or revoked).

None of the above conditions can be waived as the Rights Issue is subject to the above conditions, it may or may not proceed.

As at the date of this announcement, none of the conditions has been satisfied.

Status of the Rights Shares

The Rights Shares (when allotted, fully-paid or credited as fully paid and issued) will rank *pari passu* in all respects among themselves on the date of allotment and issue of the Rights Shares. Holders of the fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment and issue of the fully paid Rights Shares. Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company on the Record Date and not be a Non-Qualifying Shareholder. In order to be registered as members of the Company prior to the closing of business on the Record Date, the relevant transfer(s) of Share(s) (with the relevant share certificates) must be lodged with the Registrar, Tricor Investor Services Limited, 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong by 4:30 p.m. on Thursday, 6 August 2026.

Closure of register of members

The register of members of the Company will be closed from Friday, 7 August 2026 to Thursday, 13 August 2026 (both days inclusive) for determining the entitlements to the Rights Issue. No transfer of Shares will be registered during this period.

Basis of provisional allotment

The basis of the provisional allotment shall be one (1) Rights Share (in nil-paid form) for every one (1) Share held by the Qualifying Shareholders as at close of business on the Record Date. There will be no excess application arrangements in relation to the Rights Issue. Acceptance for all or any part of a Qualifying Shareholder's provisional allotment should be made only by lodging a duly completed PAL with a remittance for the Rights Shares being accepted with the Registrar by the Latest Time for Acceptance.

Arrangement on odd lot trading

In order to facilitate the trading of odd lots (if any) of the Shares, a designated broker will be appointed to stand in the market to match the purchase and sale of odd lots of the Shares at the relevant market price, on a best effort basis. Shareholders should note that matching of the sale and purchase of odd lots of the Shares is not guaranteed. Any Shareholder who is in any doubt about the odd lots arrangement is recommended to consult his/her/its own professional advisers.

Further details in respect of the odd lots trading arrangement will be set out in the Prospectus.

Rights of Overseas Shareholders

The Prospectus Documents are not intended to be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. The Company will comply with Rule 13.36(2)(a) of the Listing Rules make enquiries regarding the feasibility of extending the offer of the Rights Issue to Overseas Shareholders, if any. If, after making such enquiries, the Board considers that it would be necessary or expedient not to offer the Rights Shares to Overseas Shareholders on account of either the legal restrictions under the laws of the relevant jurisdiction or the requirements of the relevant regulatory body or stock exchange in such relevant jurisdiction, the Rights Issue will not be extended to such Overseas Shareholders. In such circumstances, the Rights Issue will not be extended to the Non-Qualifying Shareholders. The basis for excluding the Non-Qualifying Shareholders, if any, from the Rights Issue will be set out in the Prospectus to be issued.

Arrangements will be made for the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders, to be sold in the market in their nil-paid form as soon as practicable after dealings in the Rights Shares in their nil-paid form commence and before dealings in the Rights Shares in their nil-paid form end, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses and stamp duty, of more than HK\$100 will be paid to the Non-Qualifying Shareholders pro rata to their shareholdings held on the Record Date. In light of administrative costs, the Company will retain individual amounts of HK\$100 or less for its own benefit.

Based on the register of members of the Company, as at the date of this announcement, the Company had a total of 23 Overseas Shareholders, including (i) one Overseas Shareholder, being Right Momentum, with registered address in the British Virgin Islands holding 452,196,170 Shares; and (ii) 22 Overseas Shareholders with registered address in the PRC holding an aggregate of 7,718 Shares.

Overseas Shareholders should note that they may or may not be entitled to participate in the Rights Issue, subject to the results of the enquiries to be made by the Board pursuant to Rule 13.36(2)(a) of the Listing Rules. Accordingly, Overseas Shareholders should exercise caution when dealing in the Shares.

Procedures in respect of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares and the Compensatory Arrangements

Pursuant to Rule 7.21(1)(b) of the Listing Rules, the Company will make arrangements to dispose of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by offering the Unsubscribed Rights Shares and the NQS Unsold Rights Shares to independent places for the benefit of Shareholders to whom they were offered by way of the Rights Issue. There will be no excess application arrangements in relation to the Rights Issue. On Thursday, 18 June 2026, the Company entered into the Placing Agreement with the Placing Agent in relation to the placing of Unsubscribed Rights Shares and the NQS Unsold Rights Shares to independent places on a best effort basis.

Pursuant to the Placing Agreement, the Company appointed the Placing Agent to place the Placing Shares during the Placing Period to independent placees on a best effort basis, any premium over the Subscription Price for those Rights Shares that is realised will be paid to those No Action Shareholders on a pro-rata basis. The Placing Agent will on a best effort basis, procure, by not later than 4:00 p.m., on Tuesday, 8 September 2026, placees to subscribe for all (or as many as possible) of those Unsubscribed Rights Shares and the NQS Unsold Rights Shares. Any Unsubscribed Rights Shares and the NQS Unsold Rights Shares remain not placed after completion of the Placing will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Net Gain (if any) will be paid (without interest) to the No Action Shareholders as set out below on a pro rata basis (but rounded down to the nearest cent):

- A. the relevant Qualifying Shareholders (or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed) whose nil-paid rights are not validly applied for in full, by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for; and
- B. the relevant Non-Qualifying Shareholders with reference to their shareholdings in the Company on the Record Date.

If and to the extent in respect of any Net Gain, any No Action Shareholders become entitled on the basis described above to an amount of HK\$100 or more, such amount will be paid to the relevant No Action Shareholder(s) in Hong Kong Dollars only and the Company will retain individual amounts of less than HK\$100 for its own benefit.

Placing Agreement for Unsubscribed Rights Shares and the NQS Unsold Rights Shares

Details of the Placing Agreement are summarised below:

Date : Thursday, 18 June 2026 (after trading hours)
Issuer : The Company
Placing Agent : Tiger Faith Securities Limited

The Placing Agent confirmed that it and its ultimate beneficial owner(s) are not Shareholders and are Independent Third Parties.

- Placing Period : The period from Tuesday, 1 September 2026 up to 4:00 p.m. on Tuesday, 8 September 2026, or such other dates as the Company may announce, being the period during which the Placing Agent will carry out and/or effectuate the Placing.
- Commission and Expenses : The Company shall pay the Placing Agent a placing commission equivalent to 1.5% of the amount which is equal to the Placing Price multiplied by the total number of the Placing Shares which are successfully placed by the Placing Agent.
- The placing commission payable to the Placing Agent under the Placing Agreement is arrived at after arm's length negotiations between the Company and the Placing Agent with reference to the prevailing market commission rate for similar transactions. The Directors are of the view that the placing commission is fair and reasonable.
- Placing price : The placing price of each of the Placing Shares shall not be less than the Subscription Price (exclusive of any brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee as may be payable).
- Placees : The Placing Shares will be placed to the Placees, who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies).
- For the avoidance of doubt, none of the Placees shall become a substantial shareholder of the Company.
- Ranking of the Placing Shares : The placed Placing Shares (when allotted, issued and fully paid, if any) shall rank *pari passu* in all respects among themselves and with the existing Shares in issue as at the date of completion of the Placing.

Conditions Precedent : The obligations of the Placing Agent under the Placing Agreement are conditional upon the following conditions being fulfilled:

- (i) the Listing Committee of the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Rights Shares, including the Placing Shares;
- (ii) none of the representations, warranties or undertakings contained in the Placing Agreement being or having become untrue, inaccurate or misleading in any material respect at any time before completion, and no fact or circumstance having arisen and nothing having been done or omitted to be done which would render any of such undertakings, representations or warranties untrue or inaccurate in any material respect if it was repeated as at the time of completion; and
- (iii) the Placing Agreement not having been terminated in accordance with the provisions thereof.

The Placing Agent may, in its absolute discretion, waive the fulfillment of all or any or any part of the above conditions (other than the condition set out in paragraph (i) above) by notice in writing to the Company. The Company shall use its best endeavours to procure the fulfilment of such conditions precedent by 4:00 p.m. on Wednesday, 9 September 2026 (the “Long Stop Date”). If any of the conditions precedent to the Placing Agreement have not been fulfilled by the Long Stop Date or become incapable of being fulfilled (subject to the Placing Agent not exercising its rights to waiver or extend the time for fulfilment of such conditions), then the Placing will lapse and all rights, obligations, liabilities of the Company and the Placing Agent in relation to the Placing shall cease and determine, save in respect of any accrued rights or obligations under the Placing Agreement or antecedent breach thereof.

Termination : The Placing Period shall end at 4:00 p.m. on Tuesday, 8 September 2026 or any other date by mutual agreement between the Placing Agent and the Company.

The Placing Agent may terminate the Placing Agreement by notice in writing given to the Company at any time on or prior to the Long Stop Date if any of the following events occur at any time prior to the Long Stop Date:

- (a) in the reasonable opinion of the Placing Agent, there shall have been since the date of the Placing Agreement such a change in national or international financial, political or economic conditions or taxation or exchange controls as would be likely to prejudice materially the consummation of the Placing; or
- (b) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any matter whatsoever which may adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (c) any material breach of any of the representations and warranties set out in the Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the Long Stop Date which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the Placing Agreement; or
- (d) there is any adverse change in the financial position of the Company which in the reasonable opinion of the Placing Agent is material in the context of the Placing.

If notice of termination is given by the Placing Agent, the Placing Agreement shall be terminated and be of no further effect and neither party shall be under any liability to the other party in respect of the Placing Agreement save for any antecedent breach under the Placing Agreement prior to such termination.

The engagement between the Company and the Placing Agent in respect of the Placing Shares (including the commission and expenses payable) was determined after arm's length negotiation between the Placing Agent and the Company and is on normal commercial terms with reference to the market comparables, the existing financial position of the Group, the size of the Rights Issue, and the current and expected market conditions. The Board considers that the terms of Placing Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As the Unsubscribed Rights Shares and NQS Unsold Rights Shares will be placed by the Placing Agent to Independent Third Parties on a best effort basis for the benefits of the No Action Shareholders. If all or any of the Unsubscribed Rights Shares and NQS Unsold Rights Shares are successfully placed, any premium over the Subscription Price will be distributed to the relevant No Action Shareholders. The Company will ensure compliance with the public float requirements under Rule 8.08 of the Listing Rules following completion of the Rights Issue and the Placing. After the Placing Period, it is expected that none of the placees shall become a substantial Shareholder.

The Board considered that the Compensatory Arrangements are fair and reasonable and provide adequate safeguard to protect the interests of the Company's Shareholders because:

- (i) they are in compliance with Rule 7.21(1)(b) of the Listing Rules under which the No Action Shareholders may be compensated even if they do nothing (i.e. neither subscribe for Rights Shares nor sell their nil-paid rights) because under the arrangements, the Unsubscribed Rights Shares and NQS Unsold Rights Shares will be first offered to Independent Third Parties and any premium over the Subscription Price will be paid to the No Action Shareholders. The commission payable to the Placing Agents and the related fees and expenses in relation to such placing will be borne by the Company;

- (ii) the Compensatory Arrangements would provide (a) a distribution channel of the Placing Shares to the Company; (b) an additional channel of participation in the Rights Issue for the Qualifying Shareholders and the Non-Qualifying Shareholders; and (c) a compensatory mechanism for the No Action Shareholders and the Non-Qualifying Shareholders. Besides, the Rights Issue will give the Qualifying Shareholders an equal and fair opportunity to maintain their respective pro rata shareholding interests in the Company. As such, the Board considered that the absence of excess application arrangement is acceptable; and
- (iii) the terms of the Placing Agreement, including the placing commission, are on normal commercial terms.

Share certificates and refund cheques for the Rights Issue

Subject to fulfilment of the conditions of the Rights Issue, share certificates for the fully-paid Rights Shares are expected to be posted on or before Tuesday, 15 September 2026 to those entitled thereto at their registered addresses by ordinary post at their own risk. If the Rights Issue does not become unconditional, refund cheques without interest are expected to be posted on or before Tuesday, 15 September 2026 by ordinary post to the respective applicants, at their own risk, to their registered addresses.

No Fractional Entitlement

No fractional entitlements to the Rights Shares will be provisionally allotted to the Qualifying Shareholders. All fractions of the Rights Shares will be aggregated (and rounded down to the nearest whole number) and sold by the Company in the open market if a premium (net of expense) can be obtained. Any of these Rights Shares remain not sold in the market will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Application for listing of the Rights Shares

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue. No part of the securities of the Company is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought, on any other stock exchanges.

The nil-paid and fully-paid Rights Shares will be traded in board lots of 4,000 Shares.

RIGHTS SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates 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 trading day thereafter. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND/OR THE NIL-PAID RIGHTS SHARES

The Rights Issue is subject to the fulfilment of conditions including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid Rights Shares. Please refer to the section headed “Proposed Rights Issue-Conditions of the Rights Issue” in this announcement. Shareholders and potential investors of the Company should note that each of the Rights Issue and the Placing is subject to the fulfilment of certain conditions. If any of the conditions of the Rights Issue and/or the Placing are not fulfilled, the Rights Issue and/or the Placing will not proceed.

REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS

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.

During the year of 2025, the property sector in China was still struggling to emerge from the credit crisis after the government of 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.

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 considers that it is in the interests of the Company and 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), a wholly-owned subsidiary of the Company in the PRC, to conduct functional food and beverage business in the PRC.

The Group believes that the research and development 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.

Assuming full subscription under the Rights Issue, the maximum amount of gross proceeds and net proceeds (after deducting related expenses) from the Rights Issue will be approximately HK\$77 million and HK\$74 million, respectively. The Company intends to apply the net proceeds from the Rights Issue in the following manner:

- (a) approximately HK\$34 million (being approximately 46.0% of the net proceeds) is intended to be used for the research and development of the Group's food and beverage offerings as follows during the 12 months following the completion of the Rights Issue:
 - (i) approximately HK\$16.5 million for the acquisition of research and development equipment and platforms for the development of proprietary rights and technology related to food and beverage products in the aforementioned areas of high throughput fermentation, correlation between microbiota and health food, genetic testing-based personalized nutrition, and gene-edited microbial production of food ingredients;
 - (ii) approximately HK\$13.0 million for costs associated with the continuous testing and development of food and beverage products;
 - (iii) approximately HK\$4.5 million for the costs of management and technical staff with established knowledge and experience in the Hong Kong and/or PRC food and beverage industry;

- (b) approximately HK\$8 million (being approximately 10.8% of the net proceeds) is intended to be used for the marketing and promotion activities to support the Group's expansion in the food and beverage business as follows during the 12 months following the completion of the Rights Issue: (i) approximately HK\$5.2 million for the costs of sales and marketing team and KOLs to promote the food and beverage products developed by the Group; and (ii) approximately HK\$2.8 million for costs of marketing materials, trade shows and exhibitions to promote the food and beverage products of the Group;
- (c) approximately HK\$6 million (being approximately 8.1% of the net proceeds) is intended to be used for the marketing and promotion activities to support the Group's wood-related business, including the costs of marketing materials, trade shows and exhibitions; and
- (d) approximately HK\$26 million (being approximately 35.1% of the net proceeds) is intended to be used for the working capital of the Group, including but not limited to operation costs, staff costs, rental expenses, professional fees and other office overheads of the Group.

In the event that there is an under-subscription of the Rights Issue, the net proceeds of the Rights Issue will be utilised in proportion to the above uses.

Other fundraising alternatives

Apart from the Rights Issue, the Directors have considered other debt/equity fund raising alternatives such as bank borrowings, placing, or an open offer.

In respect of debt financing, the Directors noted that bank borrowings will carry interest costs and may require the provision of security and creditors will rank before the Shareholders. Debt financing will also result in additional interest burden, higher gearing ratio of the Group and subject the Group to repayment obligations. In addition, debt financing may not be achievable on favourable terms in a timely manner.

As for equity fund raising, such as placing of new Shares, it is relatively smaller in scale as compared to fund raising through rights issue and it would lead to immediate dilution in the shareholding interest of the existing Shareholders without offering them the opportunity to participate in the enlarged capital base of the Company, which is not the intention of the Company.

As opposed to an open offer, the Rights Issue enables the Shareholders to sell the nil-paid Rights Shares in the market. The Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company and to continue to participate in the future development of the Company. The Placing arrangement, which involves the placement of the Placing Shares at the Subscription Price, serves to maximise the funds to be raised.

Having considered the abovementioned alternatives, the Directors consider raising funds by way of the Rights Issue is more attractive in the current market condition and the Rights Issue will enable the Company to strengthen its working capital base and enhance its financial position, while at the same time, allowing the Qualifying Shareholders to maintain their proportional shareholdings in the Company.

Based on the above, the Board (excluding the members of the Independent Board Committee whose opinion will be rendered after considering the advice from the Independent Financial Adviser) considers that raising capital through the Rights Issue is in the interests of the Company and the Shareholders as a whole. In addition, having considered the capital needs of the Group, the terms of the Rights Issue and the Subscription Price, the Board also considers that it is in the interests of the Company to proceed with the Rights Issue on a non-underwritten basis. However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Non-Qualifying Shareholder(s), if any, should note that their shareholdings will be diluted.

EQUITY FUNDRAISING ACTIVITIES IN THE PAST 12 MONTHS FROM THE DATE OF THIS ANNOUNCEMENT

The Company had conducted the following equity fund raising activities in the past twelve months immediately prior of the date of this announcement:

Date of Announcement	Event	Net proceeds	Intended use of net proceed	Actual use of net proceeds as at the date of this announcement
21 October 2025, 4 and 13 November 2025	Placing of new Shares under general mandate	Approximately HK\$16.27 million	Further development of the food and beverage business segment of the Group	Fully utilised as intended

Save as disclosed above, the Company had not conducted any equity fund raising activities in the past twelve months immediately preceding the date of this announcement.

TAXATION

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the fully-paid Rights Shares and, regarding Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sales of the nil-paid Rights Shares on their behalf.

EXPECTED TIMETABLE FOR THE RIGHTS ISSUE

The expected timetable for the Rights Issue is set out below which is indicative only and has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled. The expected timetable is subject to change and further announcement(s) will be made by the Company should there be any changes to the expected timetable.

EXPECTED TIMETABLE

The expected timetable for the Rights Issue is set out below:

Event	Time and Date (Hong Kong time)
Publication of this announcement	Thursday, 18 June 2026
Expected despatch date of circular together with notice and the form of proxy for the EGM	Friday, 17 July 2026
Latest time and date for lodging transfers document in order to qualify for attendance and voting at the EGM	4:30 p.m. on Monday, 27 July 2026
Closure of register of members of the Company for attending the EGM (both days inclusive)	Tuesday, 28 July 2026 to Monday, 3 August 2026
Latest time and date for lodging proxy forms for the EGM	11:00 a.m. on Saturday, 1 August 2026
Record date for determining attendance and voting at the EGM	Monday, 3 August 2026
Expected date and time of the EGM	11:00 a.m. on Monday, 3 August 2026
Announcement of poll results of the EGM	Monday, 3 August 2026
Register of members of the Company re-opens	Tuesday, 4 August 2026
The following events are conditional upon the results of the EGM and therefore the dates are tentative only.	
Last day of dealings in the Shares on a cum-rights basis	Tuesday, 4 August 2026

Event	Time and Date (Hong Kong time)
First day of dealings in the Shares on an ex-rights basis	Wednesday, 5 August 2026
Latest time for lodging transfer of Shares in order to qualify for the Rights Issue	4:30 p.m. on Thursday, 6 August 2026
Register of members of the Company closes for determining entitlements to the Rights Issue (both days inclusive)	Friday, 7 August 2026 to Thursday, 13 August 2026
Record Date for determining entitlements to the Rights Issue	Thursday, 13 August 2026
Register of members of the Company re-opens	Friday, 14 August 2026
Despatch of the Prospectus Documents to the Qualifying Shareholders (in the case of the Non-Qualifying Shareholder(s), the Prospectus only)	Friday, 14 August 2026
First day of dealings in nil-paid Rights Shares	Tuesday, 18 August 2026
Latest time for splitting of the PAL(s)	4:30 p.m. on Thursday, 20 August 2026
Last day of dealings in nil-paid Rights Shares	Tuesday, 25 August 2026
Latest time for acceptance of and payment for the Rights Shares	4:00 p.m. on Friday, 28 August 2026
Announcement of the number of the Placing Shares subject to the Compensatory Arrangements	Monday, 31 August 2026
Commencement of placing of the Placing Shares by the Placing Agent	Tuesday, 1 September 2026

Event	Time and Date (Hong Kong time)
Latest time of placing of the Placing Shares by the Placing Agent	4:00 p.m. on Tuesday, 8 September 2026
Last time for the Rights Issue and placing of the Placing Shares to become unconditional	4:00 p.m. on Wednesday, 9 September 2026
Announcement of results of the Rights Issue (including results of the placing of the Placing Shares and the amount of the Net Gain per Placing Share under the Compensatory Arrangements)	Monday, 14 September 2026
Despatch of certificates for fully-paid Rights Shares and refund cheques, if any	Tuesday, 15 September 2026
Commencement of dealings in the fully-paid Rights Shares	9:00 a.m. on Wednesday, 16 September 2026
Payment of Net Gain to relevant No Action Shareholders or Non-Qualifying Shareholders	Tuesday, 22 September 2026

Shareholders should note that the dates and deadlines specified in the above timetable, and in other parts of this announcement are indicative only and subject to change. Further announcement(s) will be made if there is any change to the expected timetable.

EFFECT OF BAD WEATHER OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE

The Latest Time for Acceptance will not take place as scheduled if there is a tropical cyclone warning signal number 8 or above, or a “black” rainstorm warning or “extreme conditions” caused by super typhoons issued by the Hong Kong Observatory:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Friday, 28 August 2026. Instead, the latest time for acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same Business Day;
or

- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Friday, 28 August 2026. Instead, the latest time for acceptance of and payment for the Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on the currently scheduled date, the dates mentioned in the section headed “EXPECTED TIMETABLE FOR THE RIGHTS ISSUE” in this announcement may be affected. The Company will notify the Shareholders by way of announcement(s) on any change to the expected timetable as soon as practicable.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

To the best knowledge of the Directors, set out below is the shareholding structure of the Company (i) as at the date of this announcement; (ii) upon the completion of the Rights Issue assuming full acceptance by all Qualifying Shareholders under Rights Issue; and (iii) immediately after completion of the Rights Issue and the Placing, assuming no subscription by the Qualifying Shareholders and all the Placing Shares are placed to Independent Third Parties under the Placing:

	As at the date of this announcement		Immediately after completion of the Rights Issue (assuming full acceptance by all Qualifying Shareholders under Rights Issue)		Immediately after completion of the Rights Issue (assuming no subscription by the Qualifying Shareholders and all the Placing Shares are placed to Independent Third Parties under the Placing)	
	No. of Shares	Approx. %	No. of Shares	Approx. %	No. of Shares	Approx. %
Right Momentum (<i>Note 1</i>)	452,196,170	45.82	904,392,340	45.82	452,196,170	22.91
Placees	-	-	-	-	986,898,680	50.00
Public Shareholders	<u>534,702,510</u>	<u>54.18</u>	<u>1,069,405,020</u>	<u>54.18</u>	<u>534,702,510</u>	<u>27.09</u>
Total	<u>986,898,680</u>	<u>100.00</u>	<u>1,973,797,360</u>	<u>100.00</u>	<u>1,973,797,360</u>	<u>100.00</u>

Notes:

- Mr. Lyu beneficially owns 100% of the share capital of Right Momentum. By virtue of the SFO, Mr. Lyu is deemed to be interested in 452,196,170 Shares held by Right Momentum representing approximately 45.82 % of the entire issued share capital of the Company as at the date of this announcement.

If a Qualifying Shareholder does not accept the Rights Shares provisionally allotted to him/her/it in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.

LISTING RULES IMPLICATIONS

Rights Issue

In accordance with Rule 7.19A(1) and Rule 7.27A(1) of the Listing Rules, as the Rights Issue will increase the total number of issued Shares of the Company by more than 50% within 12 months period immediately preceding the date of this announcement, the Rights Issue is conditional upon the minority Shareholders' approval of at the EGM. As at the date of this announcement, Right Momentum is the controlling shareholder of the Company, holding 452,196,170 Shares, representing approximately 45.82% of the entire issued share capital of the Company. Accordingly, Right Momentum shall abstain from voting at the EGM. No Shareholder has informed the Company that he/she/it intends to vote in favour of or against the proposed resolutions in connection with the Rights Issue as at the date of this announcement. The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

ESTABLISHMENT OF THE INDEPENDENT BOARD COMMITTEE

The Company has established the Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Pang MingLi, Mr. Chan Lik Shan and Mr. So Yin Wai to advise the Independent Shareholders in respect of the Rights Issue and as to the voting action therefor.

The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Rights Issue, and as to voting action therefor.

EGM AND INDEPENDENT SHAREHOLDERS' APPROVAL

The EGM will be convened and held to consider and, if thought fit, approve, the Placing Agreement, the Rights Issue and the transactions contemplated thereunder. The executive Directors and their respective associates and Shareholders who are involved in or interested in the Rights Issue will be required to abstain from voting in respect of the resolution(s) to approve the Rights Issue at the EGM.

DESPATCH OF PROSPECTUS DOCUMENTS AND CIRCULAR

The Prospectus containing further information in relation to the Rights Issue and financial and other information relating to the Group is expected to be despatched by the Company together with the PAL on or before Friday, 14 August 2026. A copy of the Prospectus will also be made available on the websites of the Company (www.alco.com.hk) and the Stock Exchange (www.hkexnews.hk). To the extent reasonably practicable and subject to the advice of legal advisers in the relevant jurisdictions in respect of applicable local laws and regulations, the Company will send copies of the Prospectus to Non-Qualifying Shareholders for their information only but will not send the PAL to them.

The Circular containing, among other things, (i) further information regarding the Placing Agreement, the Rights Issue and the transactions contemplated thereunder; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Rights Issue; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Rights Issue; (iv) other information required under the Listing Rules; and (v) the notice of the EGM is expected to be despatched to the Shareholders on or before Friday, 17 July 2026.

DEFINITIONS

Terms used in this announcement have the following meanings unless the context otherwise requires:

“associate”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Business Day”	a day(s) (excluding Saturday, Sunday and any day on which a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business

“CCASS”	the Central Clearing and Settlement System operated by Hong Kong Securities Clearing Company Limited
“CCASS 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
“Company”	China Wood International Holding Co., Limited (中木國際控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, and the ordinary shares of which are listed on the main board of the Stock Exchange (stock code: 01822)
“Compensatory Arrangements”	the compensatory arrangements pursuant to Rule 7.21(1)(b) of the Listing Rules as described in the paragraph headed “Procedures in respect of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares and the Compensatory Arrangements” in this announcement
“connected person(s)”	has the meaning ascribed thereto in the Listing Rule
“controlling shareholder(s)”	has the meaning ascribed thereto in the Listing Rule
“EGM”	the special general meeting of the Company to be convened for the purpose of considering and, if thought fit, to approve the Rights Issue, the Placing and the transactions contemplated thereunder
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Board Committee”	the independent committee of the Board comprising all the independent non-executive Directors, namely Mr. Pang MingLi, Mr. Chan Lik Shan and Mr. So Yin Wai, which has been established to advise the Independent Shareholders in respect of the Rights Issue
“Independent Financial Adviser”	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Rights Issue
“Independent Shareholders”	Shareholders other than (i) the controlling shareholder of the Company; (ii) those who are involved in or interested in the Rights Issue; and (iii) those who are required under the Listing Rules to abstain from voting at the EGM
“Independent Third Parties”	third party(ies) who are not connected persons of the Company and its subsidiaries and who are independent of the Company and connected persons of the Company
“Last Trading Day”	Thursday, 18 June 2026, being the last full trading day before the release of this announcement
“Latest Time for Acceptance”	4:00 p.m. on Friday, 28 August 2026 (or such other time and date as may be determined by the Company), being the latest time for the acceptance of, and payment for, the Rights Shares
“Listing Committee”	the listing committee of the Stock Exchange for considering application for listing and the granting of listing
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Lyu”	Mr. Lyu NingJiang, chairman of the Company and an executive Director

“Net Gain”	the aggregate of any premiums (being the aggregate amount paid by the placees after deducting the aggregate amount of the Subscription Price for the Placing Shares placed by the Placing Agent under the Placing Agreement)
“No Action Shareholders”	Qualifying Shareholder(s) or renouncee(s) or transferee(s) of nil-paid rights under PAL(s) during the Rights Issue who do not subscribe for the Rights Shares (whether partially or fully) under the PAL(s), or such persons who hold any nil-paid rights at the time such nil-paid rights lapse
“Non-Qualifying Shareholder(s)”	Overseas Shareholder(s) whom the Board, after making enquiries, consider it necessary or expedient not to offer the Rights Issue to such Shareholder(s) on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“NQS Unsold Rights Shares”	the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form that have not been sold by the Company
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear on the register of members of the Company as at close of business on the Record Date and whose address(es) as shown on such register at that time is(are) in (a) place(s) outside Hong Kong
“Placee”	means any professional, institutional and other investor, independent of and not connected with the connected persons of the Company and their respective associates, whom the Placing Agent has procured to subscribe for any of the Placing Shares pursuant to its obligations hereunder

“Placing”	arrangements to place the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by the Placing Agent on a best effort basis to investors who (or as the case may be, their ultimate beneficial owner(s)) are not Shareholders and are otherwise Independent Third Parties during the Placing Period on the terms and subject to the conditions set out in the Placing Agreement
“Placing Agent”	Tiger Faith Securities Limited, a company incorporated in Hong Kong with limited liabilities and licensed by the SFC to carry on Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activity under SFO, being the placing agent appointed by the Company to place the Placing Shares under the Compensatory Arrangements
“Placing Agreement”	the placing agreement dated 18 June 2026 entered into between the Company and the Placing Agent in relation to the placing of the Placing Shares
“Placing Period”	the period from Tuesday, 1 September 2026 up to 4:00 p.m. on Tuesday, 8 September 2026, or such other dates as the Company may announce, being the period during which the Placing Agent will seek to effect the Compensatory Arrangements
“Placing Shares”	the Unsubscribed Rights Share(s) and the NQS Unsold Rights Share(s)
“Posting Date”	Friday, 14 August 2026 or such other date as the Company may determine, being the date on which the Prospectus Documents are posted to the Qualifying Shareholders
“PRC”	means the People’s Republic of China, excluding, for the purposes of this Agreement, Hong Kong, Macau and Taiwan
“Prospectus”	the prospectus to be despatched to the Shareholders by the Company containing details of the proposed Rights Issue

“Prospectus Documents”	the Prospectus and the PAL to be despatched by the Company
“Provisional Allotment Letter(s)” or “PAL(s)”	the provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue
“Qualifying Shareholder(s)”	Shareholder(s) who(se) name(s) appear(s) on the register of members of the Company on the Record Date, other than the Non-Qualifying Shareholder(s)
“Record Date”	Thursday, 13 August 2026 or such other date as may be determined by the Company, being the date by reference to which the Shareholders’ entitlements to the Rights Issue are to be determined
“Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, being Tricor Investor Services Limited, 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Right Momentum”	Right Momentum Group Limited, a company wholly owned by Mr. Lyu
“Rights Issue”	the proposed issue of up to 986,898,680 Rights Shares at the Subscription Price on the basis of one (1) Rights Share for every one (1) Share held at the close of business on the Record Date payable in full on acceptance
“Rights Shares”	up to 986,898,680 new Shares to be allotted and issued under the Rights Issue
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) for the time being in force

“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.077 per Rights Share
“substantial shareholder(s)”	has the same meaning ascribed thereto under the Listing Rules
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“Unsubscribed Rights Share(s)”	the number of unsubscribed Rights Share(s) not taken up by Qualifying Shareholder(s) or renouncee(s) or transferee(s) of nil-paid rights under PAL(s) during the Rights Issue
“%”	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, 18 June 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.