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CW GROUP HOLDINGS LIMITED

創達科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1322)

RESIGNATION AND APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The board (the “**Board**”) of directors (the “**Directors**”) of CW Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) hereby announces that:

1. Mr. Kuan Cheng Tuck (“**Mr. Kuan**”) has resigned as an independent non-executive Director and ceased to act as the chairman of the audit committee of the Company (“**Audit Committee**”) and a member of the nomination committee of the Company (“**Nomination Committee**”) with effect from 9 November 2018;
2. Mr. Liu Ji (“**Mr. Liu**”) has resigned as an independent non-executive Director and ceased to act as the chairman of the remuneration committee of the Company (the “**Remuneration Committee**”) and a member of the Audit Committee with effect from 9 November 2018; and
3. Mr. Chong Eng Wee (“**Mr. Chong**”) has been appointed as the independent non-executive Director, the chairman of the Remuneration Committee and a member of the Audit Committee with effect from 19 November 2018.

Resignation of independent non-executive Directors

Mr. Kuan has tendered a letter of resignation as an independent non-executive Director, and cessation to act as the chairman of the Audit Committee and a member of the Nomination Committee with effect from 9 November 2018. According to his letter of resignation, he has the following observations on the Company and in summary:

- i. following the default in the repayment of the notes and the inability to repay numerous bank borrowings upon demand in or around June 2018, there have been various allegations made against the Company and its senior management, many of which were raised in the course of the winding-up proceedings against the Company
;
- ii. the Company has been placed into provisional liquidation since early August 2018 with the appointment of the joint provisional liquidators (“**JPLs**”) by the Grand Court of the Cayman

Islands. Notwithstanding this, he and the Audit Committee have continuously requested certain information from the Company and/or the management as well as followed up on and inquired into the allegations and/or issues posed by different stakeholders. However, the progress is slow with some requested information remained outstanding;

- iii. the Audit Committee has recently invited an external professional firm to perform certain ad hoc audit procedures so as to more comprehensively and robustly address the outstanding issues, but such firm has not yet been appointed due to the financial difficulty of the Company; and
- iv. He has expended an inordinate amount of time on the affairs of the Company and this has in turn adversely affected his daily occupation.

As such, Mr. Kuan is resigning from his position as the independent non-executive Director.

Save as disclosed above, there is no matter that need to be brought to the attention of the shareholders of the Company (the “**Shareholders**”) and The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in respect of his resignation.

Mr. Liu has tendered a letter of resignation as an independent non-executive Director, and cessation to act as the chairman of the Remuneration Committee and a member of the Audit Committee with effect from 9 November 2018. According to his letter of resignation, he has the following observations on the Company and in summary:

- i. There are multiple legal proceedings and debt restructuring matter relating to the insolvency of the Company resulting from the default of payment to bank borrowings and the bonds;
- ii. the Company has been placed into provisional liquidation since early August 2018. Nevertheless, he has been continuously making efforts in the following up on the outstanding information from the Company as well as inquiring into the relevant subject matters posed by the Audit Committee and external parties;
- iii. the progress of responding to Mr. Liu’s enquiries and providing outstanding information requested has been slow; and
- iv. he has proposed and agreed with the Board in engaging an external professional firm to perform a special audit to address all relevant outstanding issues. However, the special audit work has not been commenced given the financial difficulty of the Company; and
- v. Mr. Liu has been incurring substantial amount of time on the affairs of the Company and has adversely affected his daily work and personal life.

As such, Mr. Liu is resigning from his position as the independent non-executive Director.

Save as disclosed above, there is no matter that need to be brought to the attention of the Shareholders and the Stock Exchange in respect of his resignation.

The Board would like to take this opportunity to express its gratitude towards the effort and contribution made by Mr. Kuan and Mr. Liu during their terms of services with the Company.

Appointment of independent non-executive Director

Biographical details of Mr. Chong are set out below:

Mr. Chong has been appointed as the independent non-executive Director, the chairman of the Remuneration Committee and a member of the Audit Committee with effect from 19 November 2018.

Mr. Chong (章英偉), aged 38, is a Partner and head the corporate team at Kennedys Legal Solutions Pte Ltd, a joint law venture between international law firm, Kennedys Singapore LLP, and Singapore law firm, Legal Solutions LLC. He was admitted as an advocate and solicitor of Supreme Court of Singapore, barrister and solicitor of High Court of New Zealand, and lawyer of the Supreme Court of New South Wales. He was also named in “*Singapore’s Top 40 Most Influential Lawyers aged 40 and under*” by Singapore Business Review in 2015.

Mr. Chong has been an independent non-executive director of Heatec Jietong Holdings Limited, a company listed on the SGX-ST (stock code: 5OR) since April 2018, and an independent non-executive director of Innopac Holdings Limited, a company listed on the SGX-ST (stock code: I26) since April 2018. Before joining Kennedys Legal Solutions, he was a partner and deputy head of capital markets and international china practice (South East Asia) of RHTLaw Taylor Wessing LLP between July 2015 and October 2017, an associate director and representative of Shanghai Representative office of Duane Morris & Selvam LLP between April 2011 and June 2015, an associate of Khattar Wong LLP between December 2009 and March 2011, an assistant manager (legal) of Great Eastern Life Assurance Company Limited between September 2008 and April 2009, a legal officer of City Developments Limited between June 2007 and September 2008 and the legal counsel of muvee Technologies Pte. Ltd. between October 2005 and June 2007.

Mr. Chong entered into a letter of appointment with the Company for an initial fixed term of three years subject to retirement by rotation and re-election at general meeting of the Company in accordance with the articles of association of the Company and the Listing Rules. Mr. Chong will be entitled to director’s fee of SGD60,000 per annum which has been determined by the Board with reference to his duties and experience.

As at the date of this announcement, Mr. Chong does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), and Mr. Chong has no relationships with any directors, senior management or substantial or controlling shareholders of the Company.

Save as disclosed above, Mr. Chong has not held any other position in the Company or any other member of the Group, nor any directorship in any listed public companies in the last three years, and there is no information that is required to be disclosed in accordance with Rule 13.51(2)(h) to (v) of the Listing Rules, nor any other matters that need to be brought to the attention of the shareholders of the Company in relation to his appointment as an independent non-executive Director.

The Board would like to take this opportunity to welcome Mr. Chong to the Board.

NON-COMPLIANCE WITH LISTING RULES

Following the changes of independent non-executive Directors, the Board does not have three independent non-executive Directors as required by Rule 3.10(1) of the Listing Rules and does not

have independent non-executive Director having appropriate professional qualifications or accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules, the Audit Committee (i) does not comprise a minimum of three members; (ii) does not have independent non-executive Director having appropriate professional qualifications or accounting or related financial management expertise; and (iii) is not chaired by an independent non-executive director as required by Rule 3.21 of the Listing Rules, and the Nomination Committee is not chaired by the chairman of the board or an independent non-executive director as required by Code A.5.1 of Appendix 14 to the Listing Rules.

In order to comply with Rules 3.10(1), 3.10(2) and 3.21 of the Listing Rules and Code A.5.1 of Appendix 14 to the Listing Rules, the Company is endeavoring to identify and appoint a suitable candidate having appropriate professional qualifications or accounting or related financial management expertise as soon as practicable and in any event within three months from 9 November 2018 as prescribed under Rule 3.11(1) of the Listing Rules, and an announcement will be made as and when appropriate.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been halted with effect from 3:22 p.m. on 11 July 2018. Trading in the Shares will remain suspended until further notice.

By order of the Board
CW Group Holdings Limited
(In Provisional Liquidation)
Wong Koon Lup
Chairman and Chief Executive Officer

Hong Kong, 19 November 2018

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

The contents of this announcement are made based on the representations and information provided by the Company's management, which have not been independently reviewed, audited or verified by the Cayman JPLs. The Cayman JPLs act as agents of the Company and are not personally liable for the contents of this announcement.