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CWT INTERNATIONAL LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 521)

DELAY IN PUBLICATION OF FINAL RESULTS POSSIBLE DELAY IN DESPATCH OF 2022 ANNUAL REPORT AND SUSPENSION OF TRADING IN SHARES

This announcement is made by CWT International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09 and 13.49(3) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong).

DELAY IN PUBLICATION OF THE FINAL RESULTS

The board of directors (the “**Board**”) of the Company hereby announces that the Company is unable to publish the audited final results of the Group for the year ended 31 December 2022 (the “**2022 Final Results**”) on 31 March 2023, as the Board has received a letter (the “**Letter**”) issued by KPMG, the external auditor of the Company (the “**Auditor**”).

According to the Letter, the Auditor considers the commercial substance of certain commodity trading transactions (the “**Transactions**”) made by some of the subsidiaries of Straits Financial Group Pte. Ltd, an indirect subsidiary of the Company as financial services segment, amounting to US\$1.6 billion under gross basis, is unclear, and the Auditor is of the view that it is unable to express at this time any opinion on the 2022 Final Results until the Company is able to resolve the issues raised by the Auditor in relation to the Transactions. Amongst others, the Auditor suggests that an investigation (the “**Investigation**”) on the Transactions be conducted by an external independent party.

The Company and the concerned subsidiaries have been working closely with the Auditor in its audit process to provide all the information and documents and have been attending discussions as required by the Auditor from time to time. Regarding to the Transactions, the Company has accepted the Auditor’s suggestion to adopt a net basis instead of a gross basis. The Company will continue to actively cooperate with the Auditor to fulfill its audit procedures, including liaising with an external independent party to commence the Investigation as soon as possible.

Meanwhile, the Company will reassess the risks related to the relevant business based on the issues found during the audit, and further strengthen internal risk control measures to avoid similar incidents occurring in the future.

It should be also noted that the expected date of the publication of the 2022 Final Results will need to be further determined with the Auditor and is pending the results of the Investigation, and will be announced as and when appropriate.

Pursuant to Rule 13.49(1) of the Listing Rules, the Company is required to publish the 2022 Final Results no later than three months after the end of the financial year (i.e., on or before 31 March 2023). The delay in the publication of the 2022 Final Results constitutes a non-compliance of Rule 13.49(1) of the Listing Rules.

Pursuant to Rule 13.49(3) of the Listing Rules, if the Company is unable to publish the 2022 Final Results within the prescribed timeframe, it must announce its results prepared based on the financial results which have yet to be agreed upon with the Auditor (so far as such information is available). The Board, after due and careful consideration, is of the view that it would not be appropriate for the Company to publish the unaudited management accounts of the Group for the year ended 31 December 2022 at this stage as they might not accurately reflect the financial performance and position of the Group and the publication of the unaudited management accounts could cause confusion and might be misleading to the shareholders (the “Shareholders”) and potential investors of the Company.

The Board hereby confirms that the Company is operating as usual and its businesses is not affected in material aspects.

POSSIBLE DELAY IN DESPATCH OF THE 2022 ANNUAL REPORT

Pursuant to Rule 13.46(1)(a) of the Listing Rules, the Company is required to despatch its annual report for the year ended 31 December 2022 (the “2022 Annual Report”) to the Shareholders no later than four months after the end of the financial year (i.e., on or before 30 April 2023). Due to the delay in the publication of the 2022 Final Results, it is expected that there may be a possible delay in the despatch of the 2022 Annual Report. The possible delay in despatch of the 2022 Annual Report, if materialised, will constitute a non-compliance with Rule 13.46(1)(a) of the Listing Rules. The Company will publish further announcement(s) to inform the Shareholders of the date of despatch of the 2022 Annual Report as and when appropriate.

POSTPONEMENT OF BOARD MEETING

Reference is made to the announcements of the Company dated 17 March 2023 and 29 March 2023 in relation to a meeting of the Board (the “Board Meeting”) to be held on 31 March 2023 for the purpose of, among other matters, considering and approving the 2022 Final Results announcement and its publication and for considering the recommendation of payment of final dividend, if appropriate. Due to the aforesaid delay in publication of the 2022 Final Results, the Board Meeting will be postponed.

The Company will publish further announcement(s) to inform the Shareholders of the date of the Board Meeting as and when appropriate.

SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on The Stock Exchange of Hong Kong Limited has been suspended with effect from 9:00 a.m. on 3 April 2023 pending the publication of the 2022 Final Results.

The Company will make further announcement(s) in due course to inform its Shareholders and potential investors of any information update. The Shareholders and potential investors are reminded to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 31 March 2023

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