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## **CWT INTERNATIONAL LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 521)**

### **PROFIT WARNING FOR THE YEAR ENDED 31 DECEMBER 2023 AND CONTINUED SUSPENSION OF TRADING**

This announcement is made by CWT International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors of the Company hereby informs its shareholders (the “**Shareholders**”) and potential investors of the Company that, based on a preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2023, the Group is expected to record a profit after taxation of not less than HK\$70 million, representing a decrease of approximately 73% as compared to the profit after taxation of HK\$255 million for the year ended 31 December 2022.

Based on the information presently available, the expected decline in the Group's profit after taxation during the year ended 31 December 2023 was mainly due to the combined effects of following reasons:

- (1) the decrease in the logistics service segment's profit after taxation, which the Board considers was mainly contributed by the decrease in profit derived from freight logistics business driven by several market conditions such as weak purchasing power in the European markets, general weakening in demand, higher manpower cost and depressed market rates as a result of severe competition;
- (2) the fair value loss on an unlisted equity investment in a limited partnership engaged in property investment in the United States held by the Group measured at fair value through profit or loss;
- (3) improved performance of the commodity marketing segment, which was mainly contributed from beneficial blend, positive weight and assay differences and the increase in the number of profitable transactions; and
- (4) a provision was made for a settlement agreement made in the prior financial year and no further such provisions were considered necessary for the financial year ended 31 December 2023. For further details in relation to the settlement agreement, please refer to the announcement of the Company dated 11 August 2023.

The information contained in this announcement is only a preliminary assessment made by the Board based on the information presently available, including the unaudited consolidated management accounts of the Group for the year ended 31 December 2023, which have not been audited or reviewed by the Company's auditor and have not been reviewed by the audit committee of the Board and may be subject to adjustments. Details of the financial information of the Group will be disclosed in the final results announcement of the Company for the year ended 31 December 2023, which is to be published on or before 31 March 2024 as required under the Listing Rules.

## **CONTINUED SUSPENSION OF TRADING IN SHARES OF THE COMPANY**

At the request of the Company, trading in the shares of the Company on The Stock Exchange of Hong Kong Limited has been suspended since 9:00 a.m. on 3 April 2023 and will continue to be suspended until further notice.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

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

Hong Kong, 6 March 2024

*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), Mr. Xu Xu (Executive Director), Mr. Leung Shun Sang, Tony (Independent Non-executive Director), Mr. Liem Chi Kit, Kevin (Independent Non-executive Director), Mr. Lam Kin Fung, Jeffrey (Independent Non-executive Director) and Ms. Liu Yifei (Independent Non-executive Director).*