

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

## **CWT INTERNATIONAL LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 521)**

### **INSIDE INFORMATION ANNOUNCEMENT AND CONTINUED SUSPENSION OF TRADING**

This announcement is made by CWT International Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09(2)(a) and 13.19 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to a facility agreement dated 29 September 2018 (the “**Facility Agreement**”) entered into by the Company and certain lenders for the advancement of a loan in the total sum of HK\$1,400 million to the Company. The Company has, on the date of this announcement, failed to pay accrued interests and certain fees in the total amount of approximately HK\$63 million to the lenders which have become due and payable under the Facility Agreement. Since a default has occurred under the Facility Agreement, the lenders have issued demands to the Company for the payment of the overdue sum and have declared that all of the loan in the principal amount of HK\$1,400 million, together with accrued interest and all other amounts accrued or outstanding under the Facility Agreement be immediately due and payable, and that the security under the security documents relating to the Facility Agreement become enforceable. In addition, the lenders have further stated that, if the outstanding amounts are not repaid by 9:00 a.m. on 17 April 2019, they will enforce the security and obtain possession of all charged assets without any further notice to the Company and will appoint a receiver and manager over all of the charged assets. The said security includes 100% shareholding of the Group in the respective holding companies of CWT Pte. Limited (a wholly-owned subsidiary of the Company which holds the group of entities engaging in the following business segments of the Group: logistic services, commodity marketing, engineering services and financial services), the investment properties located in the United Kingdom (which is classified as non-current assets held-for-sale with a book value of approximately HK\$1,200 million as at 31 December 2018) and the United States respectively, and the golf courses located in China (which represent the sports and leisure related facilities of the Group in this segment of business), which together represent the vast majority of the total assets of the Group (as at 31 December 2018, as stated in the results announcement of the Company dated 27 March 2019, the total assets of the Group amounted to approximately HK\$24,604 million).

The default under the Facility Agreement has triggered a cross default under a term loan facility granted by a lender to a wholly-owned subsidiary of the Company. The total outstanding amount due under such loan facility, as of the date of this announcement, is approximately HK\$766 million. Should the relevant lenders under the Facility Agreement proceed to take enforcement actions over the Group's shareholding in the respective holding companies of CWT Pte. Limited, the operations of the Group will be considerably impacted and the sale of such shareholding will result in the change of control of CWT Pte. Limited, which may in turn cause the covenants in certain loan facilities of CWT Pte. Limited and its subsidiaries to be breached and resulting in cross defaults of those loan facilities.

The Company has been actively negotiating with the relevant lenders to devise and implement other arrangements with respect to the repayment of the amounts due under the Facility Agreement. Notwithstanding the above, the Company would like to confirm that (i) the value of the Group's total assets is more than the above outstanding loans and related amounts in the aggregate. As at 31 December 2018, as stated in the results announcement of the Company dated 27 March 2019, the total assets and net assets of the Group amounted to approximately HK\$24,604 million and HK\$5,314 million respectively; and (ii) as of the date of this announcement, the underlying operations of the Group have, in material respects, remained unchanged.

The Company confirms that, save as disclosed in this announcement, it is currently not aware of any inside information that needs to be disclosed under Part XIVA of the Securities and Futures Ordinance. The Company will issue further announcement(s) to provide updates on the above matters as and when required pursuant to the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

At the request of the Company, trading in the shares of the Company on The Stock Exchange of Hong Kong Limited was halted from 2:32 p.m. on 10 April 2019 and will remain suspended pending the further release of an inside information announcement regarding updates on the above matters.

By order of the Board  
**CWT INTERNATIONAL LIMITED**  
**Mung Kin Keung**  
*Executive Director*

Hong Kong, 16 April 2019

*As at the date of this announcement, the Board comprises Mr. Xu Haohao (Executive Director and Co-Chairman), Mr. Mung Kin Keung (Executive Director and Co-Chairman), Mr. Li Tongshuang (Executive Director and Chief Executive Officer), Mr. Zhao Quan (Executive Director), Mr. Ding Lei (Executive Director), Mr. Mung Bun Man, Alan (Non-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).*