**华滋国际海洋工程有限公司**

**Watts International Maritime Engineering Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 2258)**

# PROFIT WARNING

This announcement is made by Watts International Maritime Engineering 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 (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group (the "**Management Accounts**") for the six months ended 30 June 2020 (the "**Relevant Period**") and the information currently available to the Board, the Board anticipates that the Group will record a decrease in profit attributable to shareholders for the Relevant Period by approximately 49%, as compared to the corresponding period of 2019, which is mainly due to, among other things, the impact of the outbreak of the novel coronavirus COVID-19 (such as quarantine, lockdown and travel restrictions) in the first half of 2020, resulting in the delay in work schedule of construction projects on hand and under construction of the Group in and outside China in the first half of the year and thus the Group's revenue is expected to decrease by approximately 31% as compared to the corresponding period of 2019.

Since the beginning of 2020, the global outbreak of the novel coronavirus COVID-19 caused unprecedented disruptions in business operations and economies globally. The Board has been actively monitoring market conditions and taking appropriate measures to reduce the negative impacts on the business and performance of the Group (if any). The Group will continue to strengthen its cost control measures and resources management policies, and actively participate in tendering and bidding to maintain its market competitiveness.

As at the date of this announcement, the Company is still in the process of finalizing the interim results of the Group for the Relevant Period. The information contained in this announcement is only based on the preliminary review by the Board on the Management Accounts and the information currently available to the Board, which have not been reviewed by the independent auditors and/or the audit committee of the Company and may be subject to adjustments. Shareholders and potential investors are advised to read carefully the announcement of the Company in relation to the interim results of the Group for the Relevant Period, which is expected to be published by the end of August 2020.

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

By Order of the Board
**Watts International Maritime Engineering Limited**
**Wang Xiuchun**
*Chairman and Executive Director*

Hong Kong, 13 August 2020

*As at the date of this announcement, the Board comprises Mr. Wang Xiuchun, Ms. Wan Yun, Mr. Wang Lijiang, Mr. Wang Likai and Ms. Olive Chen as executive directors; Mr. Wang Shizhong as non-executive director; Mr. Wang Hongwei, Mr. How Sze Ming and Mr. Sun Dajian as independent non-executive directors.*