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CWT INTERNATIONAL LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 521)

POSITIVE PROFIT ALERT
FOR THE YEAR ENDED 31 DECEMBER 2020

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 (the "**Directors**") of the Company is pleased to inform its shareholders (the "**Shareholders**") and potential investors of the Company that, based on a preliminary review of the unaudited consolidated financial information of the Group for the year ended 31 December 2020, the Group is expected to record a profit before taxation of no less than HK$100 million from its continuing operations, representing a significant increase in profitability as compared to the prior year ended 31 December 2019, where a loss before taxation of approximately HK$217 million was recognised from the continuing operations.

Based on the information presently available, the Board considers that the expected turnaround of the Group's performance from continuing operations during the year ended 31 December 2020 was mainly attributable to the following:

(i) the significant decrease in finance cost of approximately HK$350 million; and

(ii) the government subsidies of approximately HK$104 million received or receivable by the Group in relation to Covid-19.

Additionally, there is also a substantial decrease in loss from discontinued operations from approximately HK$308 million for the prior year ended 31 December 2019 to approximately HK$15 million for the year ended 31 December 2020 due to disposals of certain business in 2019 and 2020.

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 2020, 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 2020, which is to be published on or before 31 March 2021 as required under the Listing Rules.

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
Li Neng
Executive Director

Hong Kong, 22 March 2021

As at the date of this announcement, the Board comprises Mr. Wu Hao (Executive Director and Co-Chairman), Mr. Li Neng (Executive Director, Co-Chairman and Chief Executive Officer), Mr. Zhao Quan (Executive Director), Mr. Chen Chao (Executive Director), Mr. Zhang Can (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. Chen Lihua (Independent Non-executive Director).