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CWT INTERNATIONAL LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 521)

CLARIFICATION AND SUPPLEMENTAL ANNOUNCEMENT ENTERING INTO THE 2022 SUPPLEMENTAL MANAGEMENT AGREEMENT

Reference is made to the announcements of the Company (the “**Announcements**”) dated: (i) 15 August 2016 in relation to the entering into of the Subscription Agreement and the 2016 Management Agreement regarding the subscription of certain interest in the Limited Partnership by Haihang Shiye, a wholly-owned subsidiary of the Company, as a limited partner; and (ii) 11 March 2021 in relation to the entering into the 2021 Management Agreement. Capitalised terms in this announcement shall have the same meanings as defined in the Announcements.

THE 2022 SUPPLEMENTAL MANAGEMENT AGREEMENT

The board of directors (the “**Board**”) of the Company would like to announce that, on 28 March 2022, the parties to the 2021 Management Agreement have entered into a supplemental agreement (the “**2022 Supplemental Management Agreement**”) to revise the term of payment of the Management Fee. Pursuant to the 2022 Supplemental Management Agreement, the General Partner shall be entitled to the Management Fee, being 2% of the Remaining Assets (as defined below), upon satisfying the following conditions:

1. the liquidation of the Limited Partnership; and
2. there exists remaining assets of the Limited Partnership (the “**Remaining Assets**”) after making distribution to all partners of the Limited Partnership until they have obtained an amount equal to their paid-up capital contribution.

CLARIFICATION

The Board would also like to clarify that the transactions contemplated under the 2021 Management Agreement and the 2022 Supplemental Management Agreement shall not constitute continuing connected transactions. In addition, such transactions are fully exempted under Chapter 14A of the Listing Rules of the Company due to the following reasons:

1. as at the date of this announcement, the Limited Partnership is only held as to 12.36% by Haihang Shiye (as limited partner) and the accounts of the Limited Partnership will not be consolidated into the account of the Group; and
2. the Management Fee will be paid directly from the Limited Partnership to the General Partner and no additional liability will be imposed on Haihang Shiye or the Group.

Since there is no additional financial obligations imposed on Haihang Shiye (being a signing party to the 2021 Management Agreement and 2022 Supplemental Management Agreement), the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) (other than the profits ratio) calculated in respect of the transactions contemplated under the 2021 Management Agreement and the 2022 Supplemental Management Agreement is less than 0.1%, the payment of the Management Fees, the 2021 Management Agreement and the 2022 Supplemental Management Agreement hence constitute de minimis transactions under Rule 14A.76(1) of the Listing Rules and are fully exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

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

Hong Kong, 28 March 2022

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. Wu Jinfeng (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).