

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)

VOLUNTARY ANNOUNCEMENT TRANSACTION IN RELATION TO COOPERATED ACQUISITION OF A MIDDLE EASTERN DUBAI WAREHOUSE JOINT VENTURE AND CONTINUED SUSPENSION OF TRADING

This announcement is made by CWT International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to provide the shareholders (the “**Shareholders**”) and potential investors of the Company with updated information on the latest business development of the Group.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that CWT Pte. Limited (“**CWT SG**”), a wholly-owned subsidiary of CWT International Limited, entered into a transaction agreement with Toll (SCL) Ltd (“**TOLL**”) and Albwardy Investment L.L.C. (“**ABI**”) in relation to the cooperation to acquire the equity of CWT-SML Logistics LLC (“**CWT-SML**”), a Middle Eastern Dubai warehouse joint venture.

To develop the warehousing and logistics business in the Middle East, CWT SG and TOLL together with the local partner, ABI, jointly established CWT-SML in 1997 in Dubai, United Arab Emirates. CWT SG, TOLL and ABI hold 29%, 20% and 51% of the equity of CWT-SML respectively.

As a logistics enterprise in Dubai, CWT-SML obtained the logistics business qualification issued by the Jebel Ali Free Zone in the United Arab Emirates, and subsequently carried out logistics, distribution, packaging, warehousing and other logistics value-added services at the location. CWT-SML currently owns five distribution centres and one open yard in Jebel Ali Free Zone and Dubai Logistics City, with a total net lettable area in excess of 1,000,000 square feet. CWT-SML is a leading logistics player in the United Arab Emirates with high operational standards.

After several months of negotiation between CWT SG, TOLL and ABI, ABI agreed to sell all its 51% shares in CWT-SML to CWT SG and TOLL respectively. Among them, CWT SG will acquire 16% of the equity in CWT-SML held by ABI (the “**Proposed Transaction**”). At the same time, TOLL will acquire 35% of the equity in CWT-SML held by ABI. After the transaction is completed, the equity in CWT-SML held by CWT SG and TOLL will be 45% and 55% respectively. In the future, CWT SG and TOLL will jointly develop the warehousing business of CWT-SML in the Middle East.

The Board recognises the growing importance of supply chain logistics post COVID-19 pandemic and the market is highly attentive to warehousing logistics assets. The Proposed Transaction will reinforce the CWT/TOLL partnership to grow the Group’s presence in the Middle East region. Going forward, CWT SG will work together with TOLL to actualise the value of CWT-SML and create more benefits and value for the Shareholders.

Information of the Group

The Company is a Hong Kong-based investment holding company principally engaged in integrated logistics services and related engineering services. The Company is also engaged in the affiliated business of commodity marketing and financial services.

Information of TOLL

TOLL is a business unit under Japan Post, with 16,000 employees worldwide, operating 500 forwarding sites around the world, covering 150 countries and regions, and providing services to more than 20,000 customers.

Information of ABI

ABI operates in a number of diverse business sectors ranging from food distribution and retail, construction, shipyards, hospitality and hotel ownership. ABI represents many international leading brands through exclusive distribution, operating and partnership agreements. ABI operates in over 20 countries with a combined workforce of over 15,000.

Shareholders and potential investors of the Company should note that this announcement is made on a voluntary disclosure basis to allow the public to understand the Company’s latest business development. The Board wishes to emphasise that the Proposed Transaction may or may not proceed, and completion of the Proposed Transaction shall be subject to, among others, any regulatory or other approvals or consent that may require. If necessary, further announcement(s) in respect of the Proposed Transaction will be made by the Company as and when appropriate in accordance with the Rules Governing Listing of Securities on the Stock Exchange of Hong Kong Limited.

CONTINUED SUSPENSION OF TRADING IN SHARES

At the request of the Company, trading in the shares of the Company (the “**Shares**”) 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.

The Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

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

Hong Kong, 24 October 2023

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) and Mr. Lam Kin Fung, Jeffrey (Independent Non-executive Director).