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**COMMENTARY AND SUPPLEMENTAL DISCLOSURE TO THE 2022 ANNUAL REPORT**

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The Directors of CTG Fibersway International Limited (NSX: CFW) (the **Company**) refers to the 2022 annual report (the **2022 Annual Report**) in relation to the financial year ended 31 December 2022 (**Financial Year Under Review**) which the Company announced on 1 June 2023 and wish to make the following commentary or, where necessary, supplemental disclosure on the disclosure items required under NSX Listing Rule 6.9 (**LR6.9**):

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Disclosure item	Commentary or, where necessary, supplemental disclosure
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LR6.9(1)	The principal activities of the Company and its child entities are disclosed in Note 1 on page 13 and in Note 7 on page 33 of the 2022 Annual Report respectively. However, these principal activities are summarised below for easy reference:
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|  | (i) Investment holding company;   |
|  | (ii) Manufacture and sales of networking cables and related products; and               |
|  | (iii) Sales and marketing of networking cable, optic fibre cables and related products. |

LR6.9(2)	Relevant details of the Company and each child entity are set out in tabular format in Note 7 on page 35 of the 2022 Annual Report.
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LR6.9(3)	The directors' interests in securities issued by the Company at the beginning and at the end of the Financial Year Under Review are set out in the table below:
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	Number of ordinary shares			
	Held on 01.01.2022	Bought	Sold	Held on 31.12.2022
SHENG Zejun	60,000,000	–	–	60,000,000
SHENG Yanjun	30,000,000	–	–	30,000,000
HU Yuxing	–	–	–	–

As of the end of the Financial Year Under Review, there is no right to subscribe for equity or debt securities of the Company granted to any director or officer of the Company nor has there been any exercise of any such right during the Financial Year Under Review.

LR6.9(4)	The Company has not previously published any forecast of its financial performance or financial position in relation to the Financial Year Under Review.
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Disclosure item	Commentary or, where necessary, supplemental disclosure
LR6.9(5)	As of the end of the Financial Year Under Review, there is no unexpired period of any service contract of any director proposed for election at the forthcoming annual general meeting.
LR6.9(6)	<p>As of the end of the Financial Year Under Review, save as disclosed in the 2022 Annual Report, there is no contract:</p> <ul style="list-style-type: none"> <li>(i) subsisting during or at the end of the financial year in which a director of the Company is or was materially interested, either directly or indirectly; or</li> <li>(ii) between the Company, or one of its child entity companies, and a controlling shareholder or any of its child entities; or</li> <li>(iii) for the provision of services to the group by a controlling shareholder or any of its child entities.</li> </ul>
LR6.9(7)	There is no arrangement under which a director has waived or agreed to waive any emolument.
LR6.9(8)	There is no arrangement under which a shareholder has waived or agreed to waive any dividend.
LR6.9(9)	A summary, in the form of a comparative table, of the results and of the assets and liabilities of the group, for the last five financial years or, for such of those years during which the group traded, is attached in <b>Appendix 1</b> .
LR6.9(10)	<p>The principal activities of the Group are investment holding, manufacture and sales of networking cables and related products and sales and marketing of networking cable, optic fibre cables and related products.</p> <p>Revenue for the year ended 31 December 2022 was A\$31.862 million, an increase of 75.28% from the last period (31 December 2021: A\$18.177 million). This was mainly due to increased revenue in the year 2022. China has shifted from Zero-COVID to Living with COVID by loosening its travel restrictions and quarantine rules, giving rise to revenue generated from overseas sales. Besides, China allowed all businesses to reopen and back to normal operating activities. The global economy and world trade have recovered after changing its approach to COVID-19, increasing its revenue in 2022.</p> <p>The Group had a gross profit margin of 10.67%, an increase of 4.93% from the last period (31 December 2021: 5.74%). The Group appeared to recover from COVID-19 compared to 2020, 2019 and 2018, and the gross profit margin ranged from 9.8% to 11.46%.</p> <p>As of 31 December 2022, CTG had around A\$1.221 million cash and cash equivalents and negative \$4.801 million working capital. There is a reduction of A\$0.79 million due to there is an improvement in the cash flows of the Group as a result of the increase in sales and shorter debtors collection period in the year 2022. Hence, the Group has made the repayment to its trade, other payables and the amount owing to Directors during the year. The Group managed to repay A\$12.298 million borrowing during the year, which shows that it can meet its obligations as and when they fall due.</p>

Disclosure item	Commentary or, where necessary, supplemental disclosure
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LR6.9(11)	The Company will lodge a statement of the main corporate governance practices that it had in place during the Financial Year Under Review in a separate announcement, and expects to lodge this corporate governance statement no later than close of business on 6 June 2023.
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LR6.9(12)	The Company's top 10 holders of its listed securities as of 31 December 2022, the Company's most recent balance date are set out below:
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Company: CTG FIBERSWAY INTERNATIONAL LIMITED



ABRN 622 412 186  
Top Listing - Grouped

Security: CFW ORDINARY FULLY PAID  
As at 31 Dec 2022

Rank	Name	Units	% of Units
1	SHENG ZEJUN	60,000,000	30.00
2	SHENG GUOXIAN	50,000,000	25.00
3	SHENG YANJUN	30,000,000	15.00
4	HE XIANXIAN	9,570,816	4.79
5	FU SHIHUA	6,020,000	3.01
6	QIANHAI SETTLEMENT CORP	6,000,000	3.00
7	SHENG BAJIN	5,233,334	2.62
8	WANG HUIXIN	2,000,012	1.00
9	ZHEJIANG YUNWENWUJIE CULTURAL	2,000,000	1.00
10	YU YONGQIN	1,785,715	0.89
Totals: Top 10 holders of CFW ORDINARY FULLY PAID		172,609,877	86.3
Total Remaining Holders Balance		27,390,123	13.7

LR6.9(13)	The Company's holdings range report for its listed securities as of 31 December 2022, the Company's most recent balance date are set out below:
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SPREADS OF HOLDINGS	NUMBER OF HOLDERS	NUMBER OF UNITS
1 - 1,000	0	0
1,001 - 5,000	0	0
5,001 - 10,000	0	0
10,001 - 100,000	31	2,173,342
100,001 - 999,999,999,999	76	197,826,658
<b>TOTAL</b>	<b>107</b>	<b>200,000,000</b>

For and on behalf of  
**CTG Fibersways International Limited**

SHENG Zejun (Richard)  
Executive chairman  
Hangzhou, China  
6 June 2023