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China Saftower International Holding Group Limited

中國蜀塔國際控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8623)

COMPLETION OF SUBSCRIPTION OF SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that the Subscription Completion took place on 17 June 2021 and a total of 120,000,000 Subscription Shares were successfully allotted and issued to the Subscriber at the Subscription Price of HK\$0.075 per Subscription Share.

Reference is made to the announcement of China Saftower International Holding Group Limited (the “**Company**”) dated 27 May 2021 (the “**Announcement**”) in relation to Subscription of Shares under General Mandate. Unless otherwise stated, the capitalised terms used herein shall have the same meaning as those defined in the Announcement.

COMPLETION OF SUBSCRIPTION OF SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that the Subscription Completion took place on 17 June 2021 and, in accordance with the terms and conditions of the Subscription Agreement, the Company has successfully allotted and issued a total of 120,000,000 Subscription Shares, representing (i) 15% of the issued share capital of the Company immediately before the Subscription and (ii) approximately 13.0% of the issued share capital of the Company as enlarged by the issue of 120,000,000 Subscription Shares, to the Subscriber at the Subscription Price of HK\$0.075 per Subscription Share.

Immediately before the Subscription Completion, the Subscriber was beneficially interested in 630,000 Shares, representing approximately 0.01% of the issued share capital of the Company. To the best of the Directors’ knowledge, information and belief, having made all reasonable enquires, the Subscriber is an Independent Third Party and has become a substantial shareholder (as defined in the GEM Listing Rules) of the Company, who is interested in 120,630,000 Shares, representing approximately 13.1% of the issued share capital of the Company upon the Subscription Completion.

USE OF PROCEEDS

The gross proceeds and the net proceeds (after deducting all relevant costs and expenses) of the Subscription are HK\$9 million and approximately HK\$8.9 million, respectively. The net proceeds from the Subscription will be applied as the consideration of the Acquisition. The Subscription and the Acquisition are not inter-conditional. As at the date of this announcement, the Acquisition has not been completed. In the event that the Acquisition Completion does not take place, the net proceeds from the Subscription will be used as general working capital of the Group. Please refer to the Announcement in relation to the details of the Acquisition.

EFFECTS ON SHAREHOLDING

The shareholding structure of the Company (i) immediately before the Subscription Completion; and (ii) immediately following the Subscription Completion is set out as follows:

	Immediately before the Subscription Completion		Immediately following the Subscription Completion	
	<i>Number of Shares</i>	<i>% (Note 4)</i>	<i>Number of Shares</i>	<i>% (Note 4)</i>
Mr. Dang Fei and Mr. Dang Jun (<i>Note 1</i>)	351,280,000	43.91	351,280,000	38.18
Ms. Luo Xi (<i>Note 2</i>)	8,510,000	1.06	8,510,000	0.93
Mr. Wang Xiaozhong (<i>Note 3</i>)	99,760,000	12.47	99,760,000	10.84
The Subscriber	630,000	0.01	120,630,000	13.11
Public Shareholders	<u>340,450,000</u>	<u>42.56</u>	<u>339,820,000</u>	<u>36.94</u>
Total	<u><u>800,000,000</u></u>	<u><u>100</u></u>	<u><u>920,000,000</u></u>	<u><u>100</u></u>

Notes:

1. Mr. Dang Fei and Mr. Dang Jun are interested on 351,280,000 shares through Red Fly Investment Limited, a company incorporated in BVI with limited liability on 21 September 2018, which is owned as to 80.79% by Mr. Dang Fei and 19.21% by Mr. Dang Jun, respectively, and are the controlling shareholders of the Company.
2. Ms. Luo Xi is an executive Director, who beneficially owns 2,160,000 Shares and interested in 6,350,000 Shares through Lockxy Investment Limited, a company incorporated in the BVI with limited liability, which is owned as to 68% by Ms. Luo Xi.

3. Mr. Wang Xiaozhong is an executive Director, who is interested in 99,760,000 Shares through Xseven Investment Limited, a company incorporated in the BVI with limited liability, which is wholly-owned by Mr. Wang Xiaozhong.
4. Percentages shown in the above table are approximate figures and have been rounded to the nearest tenth of a percent. Accordingly, figures shown as totals in the above chart may not be an arithmetic aggregation of the figures which precede them.

By order of the Board
China Saftower International Holding Group Limited
Dang Fei
Chairman and Executive Director

Hong Kong, 17 June 2021

As at the date of this announcement, the executive Directors are Mr. Dang Fei, Mr. Wang Xiaozhong, Ms. Luo Xi and Mr. Luo Qiang, the non-executive Director is Mr. Wang Haichen and the independent non-executive Directors are Dr. Zuo Xinzhang, Mr. Chan Oi Fat and Ms. Hu Xiaomin.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the day of its publication. This announcement will also be published on the Company’s website at www.saftower.cn.