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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)

PROFIT WARNING

This announcement is made by China Saftower International Holding Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM 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 would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on a preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2023 (“**FY2023**”) and the information currently available to the Board, the Group is expected to record a net loss not less than RMB56.0 million for FY2023, the net loss was mainly attributable to the increase of impairment losses on trade and other receivables of approximately RMB9.5 million, impairment losses on property, plant and equipment (“**PPE**”) of approximately RMB6.9 million, loss on disposal of PPE of approximately RMB16.5 million and allowance for expected credit loss on trade receivables of approximately RMB9.4 million during FY 2023 comparing to FY2022.

As the Company is still in the process of finalising its consolidated financial results for FY2023, the information contained in this announcement is only based on the information currently available and the preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group for FY2023, which has not been reviewed or audited by the Company's auditor or reviewed by the audit committee of the Company, and is subject to further adjustments. The actual results for FY2023 may be different from the information disclosed in this announcement. Shareholders and potential investors are advised to read carefully the annual results announcement of the Group for FY2023, which is expected to be published on or around 28 March 2024 in accordance with the GEM Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 18 March 2024

As at the date of this announcement, the executive Directors are Mr. Dang Fei, Mr. Wang Xiaozhong, Ms. Luo Xi, Mr. Li Xia, Ms. Hu Yi and Mr. Wang Yifan and the independent non-executive Directors are Dr. Zuo Xinzhang, Mr. Li Jian and Mr. Ma Kaibing.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 Stock Exchange's website at www.hkexnews.hk on the "Listed Company Information" page for at least seven days from the date of its publication and on the website of the Company at www.saftower.cn.

In the case of inconsistency, the English text of this announcement shall prevail over the Chinese text.