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**安全貨倉有限公司**  
**SAFETY GODOWN COMPANY, LIMITED**

*(Incorporated in Hong Kong with limited liability)*  
**(Stock Code: 237)**

**DISCLOSEABLE TRANSACTION**

**ACQUISITIONS OF NON-PHYSICAL GOLD**

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The Board announces that between 6 January 2020 and 7 August 2020, the Subsidiary acquired in aggregate 18,000 ounces of Non-Physical Gold from UBS AG for an aggregate consideration of approximately US\$31,733,176.90 which is equivalent to approximately HK\$245,932,122.

**LISTING RULES IMPLICATIONS**

The applicable percentage ratios for each Acquisition do not exceed 5% on a stand-alone basis on the relevant date of each Acquisition. However, given that the applicable percentage ratios for the Acquisitions on an aggregated basis exceed 5% and are less than 25%, the Acquisitions (if viewed on an aggregated basis) constitute a discloseable transaction subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

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approximately US\$31,733,176.90 which is equivalent to approximately HK\$245,932,122. Each of the Acquisitions is particularised below:-

	<b>Date of Acquisition</b>	<b>Non-physical Gold (Ounces)</b>	<b>Purchase price (XAU/USD)</b>	<b>Total consideration (US\$)</b>	<b>Total consideration (HK\$ equivalent)</b>
1.	6 January 2020	1,900	1,580.1580	3,002,300.20	23,267,827.00
2.	26 February 2020	2,100	1,650.3680	3,465,772.80	26,859,739.00
3.	15 April 2020	500	1,715.3980	857,699.00	6,647,167.00
4.	20 April 2020	500	1,683.0000	841,500.00	6,521,625.00
5.	22 April 2020	500	1,695.8090	847,904.50	6,571,260.00
6.	30 April 2020	500	1,693.0000	846,500.00	6,560,375.00
7.	18 May 2020	3,000	1,763.8740	5,291,622.00	41,010,071.00
8.	16 June 2020	5,000	1,732.6340	8,663,170.00	67,139,568.00
9.	27 July 2020	2,800	1,942.7430	5,439,680.40	42,157,523.00
10.	7 August 2020	1,200	2,064.1900	2,477,028.00	19,196,967.00
<b>Total:</b>		<b>18,000</b>		<b>31,733,176.90</b>	<b>245,932,122.00</b>

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, UBS AG and its respective beneficial owners are independent third parties and not connected with the Company and its connected persons.

## CONSIDERATION

The aggregate consideration for the Acquisitions is approximately US\$31,733,176.90 (equivalent to approximately HK\$245,932,122) and was fully settled in cash from the Company's bank balances denominated in US Dollars.

The consideration for each of the Acquisitions were agreed by reference to the prevailing market rate at which UBS AG was offering each ounce of Non-physical Gold to the Subsidiary at the time of the respective Acquisitions and the Company took into account of the global prevailing market price of gold when making the relevant Acquisitions.

The closing price of XAU/USD as quoted on Bloomberg website as at 20 August 2020 is US\$1,947.2600.

## **INFORMATION ON THE GROUP AND UBS AG**

The principal activities of the Group are godown operations, property investment and treasury investment.

The principal business of UBS AG is to provide financial services.

## **REASONS AND BENEFITS OF THE ACQUISITIONS**

The Directors consider that the Acquisitions provide the Group with the opportunity to balance and diversify its investment portfolio. Having considered, among others, the low interest rate environment, the instability of global economic environment, the worldwide outbreak of COVID-19 pandemic and the massive rescue measures implemented by governments, at a global level, to support their domestic economies and the price performance of gold, the Directors consider that the Acquisitions are better investments which may safeguard against currency debasements and inflation in times of uncertainty.

Taking into account of the above benefits, the Directors (including independent non-executive Directors) consider that Acquisitions were fair and reasonable and are in the interests of the Company and its shareholders as a whole.

The Company will closely monitor the overall ongoing investment sentiment and adjust its investment portfolio when required in order to safeguard the assets of the Group and to maximize shareholders' return.

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## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions have the meanings as set out below:

“Acquisition(s)”                      The acquisitions of Non-physical Gold acquired by the Subsidiary from UBS AG as particularised under the section headed “Acquisitions of Non-physical Gold” of this announcement, and each such acquisition of Non-physical Gold shall be referred to as an “Acquisition”

“Board”	the board of Directors;
“Company”	Safety Godown Company, Limited (安全貨倉有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 00237);
“connected person”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company together with its subsidiaries;
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong;
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Non-physical Gold”	non-physical form of gold which is traded in XAU/USD
“percentage ratios”	has the meaning ascribed to it under the Listing Rules;
“Subsidiary”	Cofine Investment Limited, a company incorporated in British Virgin Islands and a wholly-owned subsidiary of the Company;
“US\$” or “USD” or “US Dollars”	US dollars, the lawful currency of the United States of America;
“XAU/USD”	The internationally accepted currency which non-physical gold is traded in and per XAU/USD denotes one troy ounce of gold being traded in US\$;
“UBS AG”	UBS AG is incorporated in Switzerland with limited liability and is acting through its local branch in Singapore. The Singapore branch is supervised and regulated by the Monetary Authority of Singapore as a bank under the Banking Act (Cap. 19 of the Laws of Singapore);

*For the purpose of this announcement, unless otherwise indicated, conversion of US\$ into HK\$ is calculated at the approximate exchange rate of US\$1.00 to HK\$7.75. This exchange rate is for illustration purpose only and does not constitute a representation that any amounts have been, could have been, or may be exchanged at this or any other rate at all.*

By Order of the Board  
**SAFETY GODOWN COMPANY, LIMITED**  
**Mui Ngar May, Joel**  
*Company Secretary*

Hong Kong, 21 August 2020

*As at the date of this announcement, the Board comprises one Executive Director, Mr. Lu Wing Yee, Wayne; one Non-executive Director, Mr. Lee Ka Sze, Carmelo; and two Independent Non-executive Directors, namely Mr. Lam Ming Leung and Mr. Leung Man Chiu, Lawrence.*