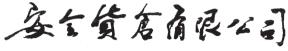
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SAFETY GODOWN COMPANY, LIMITED

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

DISCLOSEABLE TRANSACTION

DISPOSALS OF NON-PHYSICAL GOLD

DISPOSALS OF NON-PHYSICAL GOLD

The Board announces that between 11 February 2022 and 26 April 2022, the Subsidiary disposed of in aggregate 4,800 ounces of Non-physical Gold to UBS AG for an aggregate consideration of approximately US\$9,015,164 which is equivalent to approximately HK\$69,867,521.

LISTING RULES IMPLICATIONS

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

DISPOSALS OF NON-PHYSICAL GOLD

The Board announces that between 11 February 2022 and 26 April 2022, the Subsidiary disposed of in aggregate 4,800 ounces of Non-physical Gold to UBS AG for an aggregate consideration of approximately US\$9,015,164 which is equivalent to approximately HK\$69,867,521. Each of the Disposals is particularised below: –

	Date of Disposal	Non-physical Gold (Ounces)	Selling price (XAU/USD)	Total consideration (US\$)	Total consideration (HK\$ equivalent)
1.	11 February 2022	2,000	1,828.00	3,656,000	28,334,000
2.	23 February 2022	600	1,897.14	1,138,284	8,821,701
3.	24 February 2022	600	1,928.00	1,156,800	8,965,200
4.	15 March 2022	600	1,938.20	1,162,920	9,012,630
5.	26 April 2022	1,000	1,901.16	1,901,160	14,733,990
	Total:	4,800		9,015,164	69,867,521

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

CONSIDERATION

The aggregate consideration for the Disposals is approximately US\$9,015,164 (equivalent to approximately HK\$69,867,521) and was fully settled in cash and credited into the Company's bank balances denominated in US Dollars.

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

The closing price of XAU/USD as quoted on Bloomberg website as at 26 April 2022 is US\$1,905.56.

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 DISPOSALS

In view of the prevailing global economic outlook and prospect of gold price performance, the Directors consider that the Disposals provide the Group with a good opportunity to realise the appreciated value of its investments in Non-physical Gold under the current market conditions.

Taking into account of the above benefits, the Directors consider that the Disposals 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 development of economic recovery and adjust its investment portfolio when required in order to safeguard the assets of the Group and to maximize shareholders' return.

FINANCIAL EFFECT OF THE DISPOSALS

It is expected that the Group will record an overall gain of approximately HK\$6.3 million as a result of the Disposals, subject to the auditors' review.

The overall gain represents the difference between the net proceeds from the Disposals and the carrying average unit cost of US\$1,707.71 as at 31 March 2021 multiplied by 4,800 ounces of Non-physical Gold under the Disposals.

USE OF PROCEEDS

The net proceeds from the Disposals (i.e. proceeds from Disposals and deducting therefrom transaction costs), which is approximately US\$9,015,164 (equivalent to approximately HK\$69,867,521), will be used as general working capital of the Group.

LISTING RULES IMPLICATIONS

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

DEFINITIONS

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

"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;

"Disposal(s)" The disposals of Non-physical Gold disposed of by the Subsidiary

to UBS AG as particularised under the section headed "Disposals of Non-physical Gold" of this announcement, and each such disposals of

Non-physical Gold shall be referred to as a "Disposal";

"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;

"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);

"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\$.

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, 27 April 2022

As at the date of this announcement, the Board comprises the following directors:

Executive Director:

Mr. Lu Wing Yee, Wayne

Non-executive Director:

Mr. Lee Ka Sze, Carmelo

Independent Non-executive Directors:

Mr. Lam Ming Leung

Mr. Leung Man Chiu, Lawrence

Ms. Oen Li Lin