

DATED 14<sup>th</sup> DAY OF FEBRUARY 2025

**CHINA SAFTOWER INTERNATIONAL HOLDING GROUP LIMITED**  
(the “**Company**”)

- and -

**WATON SECURITIES INTERNATIONAL LIMITED**  
(the “**Placing Agent**”)

---

---

**PLACING AGREEMENT**

**In respect of**

**Placing of new shares in the capital of the Company untaken in the Rights Issue**

---

---

## CONTENTS

<u>Clause</u>		<u>Page</u>
1.	DEFINITIONS AND INTERPRETATION .....	1
2.	CONDITIONS PRECEDENT .....	5
3.	PLACING OF THE PLACING SHARES .....	6
4.	AUTHORITY OF THE PLACING AGENT .....	7
5.	COMPLETION.....	8
6.	PAYMENT OF FEES, COMMISSIONS AND EXPENSES .....	8
7.	REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS .....	9
8.	INDEMNIFICATION AND NO CLAIM .....	11
9.	TERMINATION OF THE PLACING .....	11
10.	CONFIDENTIALITY AND ANNOUNCEMENTS .....	12
11.	COSTS .....	12
12.	NOTICES .....	12
13.	GENERAL PROVISIONS.....	13
14.	GOVERNING LAW AND JURISDICTION .....	14
	SCHEDULE I .....	15
	FORM OF PLACING LETTER .....	15
	EXECUTION PAGE.....	25

## PLACING AGREEMENT

THIS PLACING AGREEMENT is made the 14<sup>th</sup> day February 2025

### BETWEEN:

- (1) **CHINA SAFTOWER INTERNATIONAL HOLDING GROUP LIMITED**, a company incorporated under the laws of the Cayman Islands, whose registered office is located at 4<sup>th</sup> Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands and correspondence address is at Suite 913, 9/F, Chinachem Golden Plaza, No. 77 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong (the “**Company**”); and
- (2) **WATON SECURITIES INTERNATIONAL LIMITED**, a company incorporated under the laws of Hong Kong, whose registered office is situated at Suite 3605-06, 36<sup>th</sup> Floor, Tower 6 The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong (the “**Placing Agent**”)

(each a “**Party**” and together “**Parties**”).

### WHEREAS:

- (A) The Company was incorporated in the Cayman Islands and as at the date of this Agreement the Company has an authorised share capital of HK\$400,000,000 divided into 40,000,000 Shares of HK\$0.1 each, of which 110,400,000 Shares have been issued and are fully paid or credited as fully paid. The Shares of the Company are listed on the GEM of the Stock Exchange (Stock Code: 8623).
- (B) The Company has proposed, by way of a rights issue, to offer the Rights Shares (as defined below) to the Qualified Shareholders (as defined below) on the basis of one (1) Rights Share for every two (2) existing Shares held by the Qualified Shareholders registered as such on the Record Date (as defined below).
- (C) The Company is desirous of issuing the Placing Shares (as defined below) and the Company has agreed to appoint the Placing Agent and the Placing Agent has agreed to act as placing agent for the purpose of placing the Placing Shares, on a best efforts basis, to the Placees (as defined below), subject to the terms and conditions herein contained.
- (D) In consideration of the Placing Agent agreeing to enter into this Agreement on terms set out herein, the Company has agreed to, among other matters, give certain representations, warranties and undertakings for the benefit of the Placing Agent.
- (E) The Company will make an application to the Stock Exchange for the listing of, and permission to deal in, the Rights Shares.

### IT IS HEREBY AGREED:

#### 1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Agreement (including the Recitals above), the following expressions shall, unless the context requires otherwise, have the following meanings:

“ <b>AFRC</b> ”	means the Accounting and Financial Reporting Council
“ <b>Agreement</b> ”	means this placing agreement as amended or varied from time to time by an agreement in writing duly executed and delivered by the Parties;
“ <b>Announcement</b> ”	means the announcement relating to, among other matters, the proposed Rights Issue, the proposed placing of the Placing Shares

	and this Agreement (subject to such amendments as the Stock Exchange may require or which the Company may decide);
<b>“Business Day”</b>	means any day (excluding Saturday, Sunday or general holiday) on which licensed banks in Hong Kong are generally open for business;
<b>“CCASS”</b>	means the Central Clearing and Settlement System established and operated by the Hong Kong Securities Clearing Company Limited;
<b>“Change in Board Lot”</b>	means the proposed change in board lot size of the Shares for trading on the Stock Exchange from 10,000 Shares to 40,000 Shares with effect from 9:00 a.m. on Monday, 24 March 2025 (or such other dates as the Company may announce);
<b>“Companies Ordinance”</b>	means the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
<b>“Company’s Warranties”</b>	means the representations, warranties and undertakings under Clause 7.1;
<b>“Completion”</b>	means completion of the subscription of the Placing Shares pursuant to Clause 5;
<b>“Completion Date”</b>	means Monday, 28 April 2025 (or such other dates as the Company may announce);
<b>“Conditions Precedent”</b>	means the conditions precedent to completion of the Placing as specified in Clause 2.1;
<b>“Directors”</b>	means the directors of the Company;
<b>“GEM”</b>	means the GEM operated by the Stock Exchange;
<b>“GEM Listing Committee”</b>	has the same meaning ascribed thereto under the GEM Listing Rules
<b>“GEM Listing Rules”</b>	means the Rules Governing the Listing of Securities on the GEM for the time being in force;
<b>“Group”</b>	means the Company and its subsidiaries and the expression <b>“member of the Group”</b> shall be construed accordingly;
<b>“HK\$”</b>	means Hong Kong dollars, the lawful currency of Hong Kong;
<b>“Hong Kong”</b>	means the Hong Kong Special Administrative Region of the People’s Republic of China;
<b>“Latest Time for Termination”</b>	means the latest time to terminate this Agreement, being 4:00 p.m. on Monday, 28 April 2025 (or such other time and date as the Placing Agent and the Company shall agree in writing)
<b>“Non-Qualifying Shareholders”</b>	those Shareholder(s) (whose names appear on the register of members of the Company at the close of business on the Record Date) with registered address(es) outside Hong Kong to whom the Directors, after making enquiries, consider it necessary or

	expedient not to offer the Rights Shares on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
<b>“NQS Unsold Rights Shares”</b>	the Rights Share(s) which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form;
<b>“Parties”</b>	means the named parties to this Agreement and their respective successors and permitted assigns and <b>“Party”</b> means either of them;
<b>“PAL(s)”</b>	the provisional allotment letter(s) to be issued to the Qualifying Shareholders for the Rights Issue;
<b>“Placee(s)”</b>	means any independent individuals, corporate, institutional investors or other investors whom the Placing Agent and/or any of its agent(s) have procured to subscribe for any of the Placing Shares;
<b>“Placing”</b>	means the private placing of the Placing Shares to selected independent professional, institutional or other investors on the terms and subject to the conditions to be set out in this Agreement and the Placing Letter;
<b>“Placing Agent’s Warranties”</b>	means the representations, warranties and undertakings under Clause 7.2;
<b>“Placing Letter”</b>	means the placing letter in the form or substantially in the form of the Schedule I hereto;
<b>“Placing Period”</b>	means the period during which the Placing Agent will seek to effect the Placing, which commences on Wednesday, 16 April 2025 (or such other dates as the Company may announce), and end at 4:00 p.m. on Monday, 28 April 2025 (or such other dates as the Company may announce);
<b>“Placing Price”</b>	has the meaning ascribed to it under Clause 3.1;
<b>“Placing Shares”</b>	means the Unsubscribed Rights Shares and the NQS Unsold Rights Shares;
<b>“Prospectus”</b>	the prospectus to be despatched to the Qualifying Shareholders (and the Non-Qualifying Shareholder(s) for information only) in connection with the Rights Issue;
<b>“Prospectus Documents”</b>	the Prospectus and the PAL;
<b>“Qualifying Shareholder(s)”</b>	Shareholder(s), other than the Non-Qualifying Shareholder(s), whose name(s) appear(s) on the register of members of the Company on the Record Date;
<b>“Record Date”</b>	Friday, 21 March 2025 or such other date as may be determined by the Company, being the record date for determining the entitlements of the Shareholders to participate in the Rights Issue;
<b>“Rights Issue”</b>	the proposed issue of new Shares by way of rights on the basis of one (1) Rights Share for every two (2) existing Shares held at the

	close of business on the Record Date at the Subscription Price pursuant to the Prospectus Documents;
<b>“Rights Share(s)”</b>	the new Share(s) to be allotted and issued under the Rights Issue
<b>“SFC”</b>	means the Securities and Futures Commission;
<b>“Shares”</b>	means ordinary shares of HK\$0.1 each in the capital of the Company or shares of any class or classes resulting from any sub-division, consolidation or re-classification of such Shares, which as between themselves have no preference in respect of voting rights or dividends or of amounts payable in the event of any voluntary or involuntary liquidation or distribution of the Company;
<b>“Shareholder(s)”</b>	holder(s) of the issued Shares;
<b>“Stock Exchange”</b>	means The Stock Exchange of Hong Kong Limited;
<b>“Subscription Price”</b>	the subscription price of HK\$0.11 per Rights Share;
<b>“Takeovers Code”</b>	means the Code on Takeovers and Mergers issued by the SFC;
<b>“Unsubscribed Rights Shares”</b>	those Rights Shares that are not subscribed by the Qualifying Shareholders; and
<b>“Warranties”</b>	means the Company’s Warranties and the Placing Agent’s Warranties.

1.2 Interpretation: In this Agreement, including its recitals and schedules, unless otherwise defined or unless the context or subject matter otherwise requires:

- (a) any reference to the Parties shall include their respective permitted assignees and successors;
- (b) any reference to Recitals, Clauses or Schedules is a reference to the recitals and clauses of, and the schedules to, this Agreement;
- (c) the Recitals and Schedules form part of this Agreement and shall be construed as part thereof and shall have the same full force and effect as if expressly set out in the main body of this Agreement;
- (d) words and phrases defined in the Companies Ordinance shall have the same meanings in this Agreement;
- (e) any reference to a statutory provision shall include a reference to that provision as amended or re-enacted from time to time;
- (f) headings are inserted for convenience only and shall be ignored in construing this Agreement;
- (g) the singular includes the plural and vice versa, words importing gender or the neuter include both genders and the neuter;
- (h) any reference to dates or times is a reference to a date or time in Hong Kong;
- (i) any reference to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations, all forms of governmental body or authority,

## PLACING AGREEMENT

---

or any association or partnership (whether or not having a separate legal personality) of two or more of the foregoing;

- (j) any reference to this Agreement or any other agreement or document shall be construed as a reference to this Agreement or, as the case may be, such other agreement or document as it may have been, or may be, amended, varied, novated or supplemented;
- (k) any reference to a document being “in the agreed terms” means documents in the terms agreed between the Parties and, for the purpose of identification, signed by them or on their behalf, or such document in such other terms as may be agreed in writing by the Parties from time to time in substitution for or in variation of such document;
- (l) any reference to “best efforts basis” means the effort that a prudent placing agent desirous of achieving a result would reasonably use in similar circumstances to achieve that result;
- (m) the rule known as the *ejusdem generis* rule shall not apply. Accordingly general words introduced or followed by the word “other” or “including” or “in particular” shall not be given a restrictive meaning because they are followed by particular examples intended to fall within the meaning of the general words;
- (n) all warranties, representations, indemnities, covenants, agreements and obligations given or entered into by more than one person are given or entered into jointly and severally;
- (o) in relation to any warranty, term or undertaking contained in this Agreement, references to “material breach” or “material respect” or similar expressions which connote materiality of the degree of breach, non-performance or default shall mean any such breaches, non-performances or defaults, either singly or in aggregate, would have a material adverse effect on the business, operations, financial conditions or prospects of the Group as a whole or in the context of the sale and purchase herein or the consideration to be paid hereunder; and
- (p) in relation to the business, operations, financial conditions or prospects of the Group, references to “material adverse change” or similar expressions which connote materiality of the degree of adverse change shall mean any event, circumstance or occurrence which might reasonably be expected to have a material adverse effect on the business, operations, financial conditions or prospects of the Group taken as a whole.

## 2. CONDITIONS PRECEDENT

2.1 The Placing and the obligations of the Placing Agent under this Agreement are conditional upon the following conditions being fulfilled:

- (a) the GEM Listing Committee having granted (either unconditionally or subject to conditions to which neither the Company nor the Placing Agent shall reasonably object) the listing of, and permission to deal in, the Rights Shares;
- (b) the representations and warranties of the Company in this Agreement remaining true and accurate in all material respects and none of the undertakings of the Company in this Agreement having been breached in any material respects;
- (c) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of this Agreement and the transactions contemplated thereunder having been obtained; and
- (d) this Agreement not having been terminated in accordance with its terms.

## PLACING AGREEMENT

---

- 2.2 In the event that the conditions set out in Clause 2.1 are not fulfilled by the Latest Time for Termination, this Agreement and all rights and obligations hereunder will cease and terminate and neither of the parties hereto will have any claim against the other for costs, damages, compensation or otherwise except for antecedent breach of provisions of this Agreement. The aforesaid termination of this Agreement shall not affect any accrued rights or liabilities of the Parties.
- 2.3 The Parties shall use its best endeavours to procure the fulfilment of, or to give all necessary assistance to the other Party to fulfil, the conditions specified in Clause 2.1 on or prior to the Latest Time for Termination, and in particular (without limiting the generality of the foregoing) the Parties shall furnish such information, supply such documents, pay such fees and do all such acts and things as may be reasonably required by the Stock Exchange, SFC (if required) and the relevant authorities in connection with the application for the listing of, and permission to deal in, the Rights Shares.
3. **PLACING OF THE PLACING SHARES**
- 3.1 Subject to the provisions of this Agreement, the Company hereby appoints the Placing Agent to the exclusion of others as sole placing agent and the Placing Agent, relying on the Warranties and subject as hereinafter mentioned, agrees to act as sole agent for the Company during the Placing Period to procure not fewer than six (6) Placees to subscribe for the Placing Shares, on a best efforts basis, at the placing price (the “**Placing Price**”) not less than the Subscription Price, while the final price determination will depend on the demand for and the market conditions of the Placing Shares during the process of the placement. For the avoidance of doubt, (i) if all the Rights Shares are already fully taken up in the Rights Issue through valid applications by PAL(s), the Placing will not proceed; and (ii) in the event the Placing Shares are under-subscribed, the Placing Agent shall have no obligation to take up any unsubscribed Placing Shares.
- 3.2 The choice of the Placees and the quantity of the Placing Shares to be allocated to any particular Placee shall be determined by the Placing Agent at its sole discretion subject to the requirement that, subject to Clause 3.3, each Placee shall be an individual, corporate, institutional investor or other investor independent of and not connected with the Company and its connected persons (as defined in the GEM Listing Rules) and subject to any objection (if any) the Stock Exchange and the SFC and the Company may have to any particular person or company being a Placee. The Placing Agent shall send to the Placees the relevant Placing Letter and require the Placees to return the relevant Placing Letter and application for subscription therewith and to pay the aggregate of the Placing Price in respect of the relevant quantity of the Placing Shares placed to them at the time and in the manner specified in the Placing Letter.
- 3.3 The Placing Agent shall use its best endeavours to procure that:
- (a) the Placing Shares shall only be placed to professional persons, institutional, corporate or individual investor(s) who and whose respective ultimate beneficial owner(s) shall not be connected with the Company or its connected persons (as is defined in the GEM Listing Rules) and are not acting in concert with any of the connected persons (as is defined in the GEM Listing Rules) of the Company and their respective associates;
  - (b) the Placing will not have any implications under the Takeovers Code and no Shareholder will be under any obligation to make a general offer under the Takeovers Code as a result of the Placing; and
  - (c) the Company will continue to comply with the minimum public shareholding requirements under the GEM Listing Rules upon completion of the Placing and the Rights Issue.



## **PLACING AGREEMENT**

---

- 3.4 By at least 4 clear Business Day prior to the Completion Date, the Placing Agent shall submit the following to the Stock Exchange:
- (a) the placee information summary (in the form prescribed by the Stock Exchange) setting out details of all of the Placees (and where applicable, the beneficial owners) and the number of Shares taken up by each of the Placees; and
  - (b) a letter from the Placing Agent confirming that all Placees and their beneficial owners (where applicable) are not connected with the Company or its connected persons as defined in the GEM Listing Rules.
- 3.5 By no later than 5:00 p.m. on the Business Day prior to the Completion Date, the Placing Agent shall deliver to the Company or its professional advisers a schedule showing details of the Placees including their names, country of incorporation (if a corporation), addresses (or registered address if a corporation), the quantity of the Placing Shares subscribed by each Placee, the names and denomination (in board lots or otherwise) in which the Placing Shares are to be registered and, where relevant, the particulars of the account with the CCASS operated by Hong Kong Securities Clearing Company Limited to which Placing Shares are to be credited.
- 3.6 In addition to the appointment under Clause 3.1 and in consideration of the fees under Clause 6, the Company hereby appoints the Placing Agent, and the Placing Agent agrees to act, as the designated broker to provide matching services to the Shareholders who wish to top up or sell their holdings of odd lots of the Shares arising from the Change in Board Lot during the period from 9:00 a.m. on Monday, 24 March 2025 to 4:00 p.m. on Monday, 14 April 2025 (both days inclusive).
4. **AUTHORITY OF THE PLACING AGENT**
- 4.1 The Company hereby confirms that the appointment of the Placing Agent pursuant to Clause 3.1 confers on the Placing Agent all powers, authorities and discretions on behalf of the Company which are necessary for or reasonably incidental to, the making of the Placing.
- 4.2 The Company hereby acknowledges that in performing its functions under this Agreement and the Placing Letter, the Placing Agent is authorised to appoint one or more sub-placing agents and that such sub-placing agents shall be agents of the Company in despatching documents and offering the Placing Shares to Placees and, subject to due compliance with all terms of this Agreement and the Placing Letter, the Company hereby agrees and confirms that it shall on demand ratify and approve all actions lawfully and reasonably taken or to be taken by such sub-placing agents or in connection with the Placing in accordance with this Agreement and the Placing Letter. All fees of such sub-placing agents shall be paid and borne absolutely by the Placing Agent or be paid out of the commissions, costs, charges and expenses payable by the Company under Clause 6. The Placing Agent may enter into any agreements with any of the sub-placing agents for such purpose.
- 4.3 Any transaction properly carried out by the Placing Agent (and any sub-placing agent referred to in Clause 4.2) under and in accordance with this Agreement and the Placing Letter on behalf of the Company shall constitute a transaction carried out at the request of the Company and as its agent and not in respect of the Placing Agent's own account and the Placing Agent shall not be responsible for any loss or damage to any persons arising from any such transaction save and except for any loss or damage arising out of any willful default, fraud or negligence of the Placing Agent.
- 4.4 Neither of the Placing Agent nor any of the sub-placing agent appointed by it pursuant to Clause 4.2 shall have any authority to make any representation or warranty on behalf of the Company in connection with the Placing other than to inform the Placees of the Warranties and information, statements and forecasts (if any) in the Announcement.

---

**PLACING AGREEMENT**

---

- 4.5 The Placing Agent confirms and undertakes that it shall require any sub-placing agent (as referred to in Clause 4.2) or other person through whom it may effect the Placing or offer any Placing Shares to observe the provisions of this Agreement and the Placing Letter. The Placing Agent shall be liable for any default of its sub-placing agents.

**5. COMPLETION**

- 5.1 Subject to Clause 9 below, Completion shall take place at the principal place of business of the Company in Hong Kong on the Completion Date at 5:00 p.m. (unless otherwise agreed between the Placing Agent and the Company in writing) provided that all the Conditions Precedent have been fulfilled at the time of Completion.

- 5.2 Upon Completion:

- (a) the Placing Agent shall deliver to the Company the net proceeds from the Placing by way of a cheque or telegraphic transfer after deduction of the Stock Exchange trading fee, SFC transaction levy, AFRC transaction levy and CCASS stock settlement fee and brokerage (if any) and any other fees payable by the Company in respect of the Placing Shares placed by the Placing Agent as well as any outstanding fees and expenses payable by the Company as set out in Clause 6 from the proceeds of the Placing; and
- (b) the Company shall deliver share certificates of the Placing Shares to the Placing Agent or arrange the Placing Shares to be issued in the name of HKSCC Nominees Limited and deposited into CCASS for the credit of the Placees' designated investor participants' or CCASS participants' stock accounts (as the case may be).

**6. PAYMENT OF FEES, COMMISSIONS AND EXPENSES**

- 6.1 In consideration of the services of the Placing Agent in relation to the Placing, the Company shall pay to the Placing Agent and the Placing Agent is hereby authorised to deduct from the payment to be made by it to the Company at Completion pursuant to Clause 5:

- (a) a placing commission equal to 1% (one per cent) of the aggregate of the Placing Price of the Placing Shares actually placed by the Placing Agent, out of which the Placing Agent will meet its selling concession and sub-placing commission obligations (if any); and
- (b) other out-of-pocket charges and expenses incurred by the Placing Agent in relation to the Placing with prior written approval of the Company.

- 6.2 Without limiting the generality of the provisions of Clause 6.1, the Company shall also pay in relation to the Placing (where applicable):

- (a) the costs, charges, fees and expenses of:
  - (I) the application to the Stock Exchange for the listing of, and permission to deal, in the Placing Shares, including the fees of the Stock Exchange in connection therewith;
  - (II) publishing the Announcement and other documents in connection with this Agreement or in relation to the Placing under the GEM Listing Rules;
  - (III) printing, translation, despatch and distribution of a circular to shareholders of the Company relating to the Placing or this Agreement;
  - (IV) any professional advisers engaged in connection with the Placing or this Agreement;

## **PLACING AGREEMENT**

---

- (V) any approval, filing, registration with or other charges or fees imposed or charged by the Registrars of Companies in Hong Kong, Cayman Islands or other relevant governmental or regulatory authorities; and
- (VI) all other costs incurred in connection with the Placing not already paid by the Placing Agent on the Company's behalf; and
- (b) any capital duty, premium duty and any other fees, charges and expenses payable on the increase in the share capital of the Company and the allotment and issue of the Placing Shares.

### **7. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS**

7.1 The Company represents, warrants and undertakes that:

- (a) it shall have the legal rights, full power and authority to execute, deliver and exercise its rights and perform its obligations under this Placing Agreement;
- (b) its entering into this Placing Agreement will not cause any breach of any applicable laws and regulations;
- (c) the Placing Shares will, when fully paid, be allotted and issued in accordance with the articles of association of the Company and with the relevant rules and regulations applicable to the Company in Hong Kong and will, at Completion (as hereinafter defined), be free from all liens, charges, encumbrances or third party rights of whatsoever nature and together with all rights attaching thereto at Completion (as hereinafter defined) and thereafter;
- (d) the Placing Shares will rank pari passu in all respects with the existing Shares in issue and the Rights Shares as at the date of allotment and issue of the Placing Shares;
- (e) it shall provide the Placing Agent with all such information known to it or which on reasonable enquiry ought to be known to it and relating to the Group or otherwise as may be reasonably required by the Placing Agent in connection with the Placing for the purposes of complying with all requirements of applicable law or of the Stock Exchange or other regulatory authorities;
- (f) it shall comply with all obligations which may be imposed upon it by the Companies Ordinance, the GEM Listing Rules, and all applicable laws or otherwise in respect of or by reason of the matters contemplated by this Agreement;
- (g) it shall procure that particulars of every significant new factor known to it which is capable of materially affecting assessment of the Placing Shares and which arises between the date of this Agreement and the Completion Date shall be promptly provided to the Placing Agent;
- (h) if at any time before the Completion Date, the Company comes to know or on reasonable enquiry ought to be known reasonably of any fact, circumstance or event which:-
  - (i) is in any way inconsistent with any of the undertakings or Warranties given by the Company, or suggests that any fact warranted may not be as warranted or may be misleading; and/or
  - (ii) might affect the willingness of a prudent placee for value of the Placing Shares to enter into or to complete a subscription of, or the amount of the consideration which such placee would be prepared to pay for, the Placing Shares;the Company shall, as soon as practicable, give written notice thereof to the Placing Agent; and

## PLACING AGREEMENT

---

- (i) before the Completion Date, the Company shall not, and shall procure that the members of the Group will not, do or allow any act or omission which would constitute a breach of any of its undertakings and Warranties if its undertakings and Warranties were given at any time up to the Completion Date.
- 7.2 The Placing Agent hereby represents, warrants and undertakes that:
- (a) it shall have the legal rights, full power and authority to execute, deliver and exercise its rights and perform its obligations under this Placing Agreement;
  - (b) its entering into this Placing Agreement will not cause any breach of any applicable laws and regulations;
  - (c) it is a licensed corporation under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and it and its ultimate beneficial owner(s) are independent of and not connected with the Company and any of its connected persons (as defined in the GEM Listing Rules);
  - (d) it has not offered or sold and shall not offer or sell any of the Placing Shares and it has not distributed and shall not distribute any prospectus or similar document in any jurisdiction and then only in compliance with all applicable laws and regulations of that jurisdiction; and
  - (e) it has not offered or sold (nor shall it offer or sell) any of the Placing Shares to any person whom to the actual knowledge of it is (a) a director, chief executive or substantial shareholder of the Company; or (b) connected with the directors, chief executives or substantial shareholders (as defined in the GEM Listing Rules) of the Company or any of their respective subsidiaries or associated companies or any of their respective associates (as defined in the GEM Listing Rules).
- 7.3 All Warranties are deemed to be made on the date of this Agreement and are repeated every day until Completion and on Completion. Each Party undertakes to notify the other Party upon it becoming aware prior to Completion of any event which could reasonably be expected as indicating that any of the Warranties may be or may have been incorrect, misleading or breached in any material respect.
- 7.4 If the Company fails to perform any of its obligations in any material respect (including its obligation at Completion) under this Agreement or breaches any of the terms or Warranties set out in this Agreement in any material respect prior to the Completion, then without prejudice to all and any other rights and remedies available at any time to the Placing Agent (including but not limited to the right to damages for any loss suffered by it), the Placing Agent may, by notice either require the Company to perform such obligations or, insofar as the same is practicable, remedy such breach, or to the extent it relates to the failure of the Company to perform any of its obligations at or prior to Completion in any material respect, treat the Company as having repudiated this Agreement and rescind the same. Where the relevant breach is capable of remedy within 14 days after its occurrence and the Company is proceeding diligently to remedy such breach, the date for Completion shall be deferred to the first Business Day after such breach is remedied, which must be within 14 days, provided that the date for Completion shall not be so deferred more than once. The rights conferred upon the respective Parties by the provisions of this Clause 7.4 are additional to and do not prejudice any other rights the respective Parties may have. No failure to exercise any of the rights conferred in this Clause shall constitute a waiver of any such rights.

**8. INDEMNIFICATION AND NO CLAIM**

- 8.1 The Company undertakes to indemnify the Placing Agent and any person appointed as sub-placing agent pursuant to Clause 4.2 and each of their respective associates, directors and employees who shall have been involved in the Placing (the “**Indemnified Parties**”) against all or any claims, actions, liabilities, demands, proceedings or judgments (the “**Proceedings**”) brought or established against any of the Indemnified Parties by any Placee or subscriber or purchaser of any of the Placing Shares or by the Stock Exchange, any governmental agency, regulatory body or other person, directly or indirectly arising out of or in connection with the Placing or the performance or purported performance of any of the provisions of this Agreement and against all losses and all costs, charges and expenses (including legal fees as they are incurred) which any of the Indemnified Parties may suffer or incur (except for any loss, costs, charge or expense suffered or incurred as a result of or in connection with any fraud, willful default or negligence on the part of the Indemnified Parties), including, but not limited to, all such losses, costs, charges or expenses suffered or incurred in disputing or defending any proceedings and/or in establishing its right to be indemnified pursuant to this Clause and/or in seeking advice in relation to any Proceedings.
- 8.2 No claim shall be made against the Placing Agent or any other Indemnified Parties to recover any damage, cost, charge or expense which the Company may suffer or incur by reason of or arising from the carrying out by any of the Indemnified Parties of any act or omission in connection with the Placing except (a) for any loss or damage arising out of any fraud, willful default or negligence on the part of the Placing Agent or any sub-placing agent appointed by them pursuant to Clause 4.2 or any other Indemnified Parties and/or (b) as a result, directly or indirectly, or any non-compliance by the Placing Agent with its obligations under this Agreement.
- 8.3 Without prejudice to Clause 8.1, the Company shall indemnify and keep effectively indemnified the Placing Agent from and against all losses and damages which it may suffer, sustain or incur in connection with any of the Company’s Warranties not being correct, complied with, fulfilled or performed in accordance with their terms in any material respect.

**9. TERMINATION OF THE PLACING**

If any of the following events occur at any time prior to the Latest Time for Termination, the Placing Agent may (after such consultation with the Company and/or its advisers as the circumstances shall admit or be necessary), by giving a written notice of termination to the Company, at any time prior to the Latest Time for Termination, this Agreement shall thereupon cease to have effect and none of the parties hereto shall have any rights or claims by reason thereof save for any rights or obligations which may accrue under this Agreement prior to such termination:

- (a) in the reasonable opinion of the Placing Agent there shall have been since the date of this Agreement such a change in national or international financial, political or economic conditions or taxation or exchange controls as would be likely to prejudice materially the consummation of the Placing; or
- (b) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any matter whatsoever which may adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (c) any material breach of any of the representations and warranties set out in Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date hereof and prior to the Latest Time for Termination which if it had occurred or arisen before the date hereof would have rendered any of such

## PLACING AGREEMENT

---

representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of this Agreement; or

- (d) there is any adverse change in the financial position of the Company which in the reasonable opinion of the Placing Agent is material in the context of the Placing.

### 10. CONFIDENTIALITY AND ANNOUNCEMENTS

10.1 The Placing Agent confirms that all information and documents (the “**Confidential Information**”) received from the Company in connection with this Agreement will be regarded as strictly confidential to the Company. The Placing Agent shall keep the Confidential Information confidential and secret, and shall only use the Confidential Information for the purpose and for performing the obligations under this Agreement.

10.2 Save as required by law, GEM Listing Rules or by the Stock Exchange, SFC or other regulatory authority, no announcement, circular or communication to the press or the Shareholders shall be made by or on behalf of the Company relating to the Placing and its associated transactions unless in terms previously approved in writing by the Placing Agent.

### 11. COSTS

Subject to Clause 6, each Party shall bear its own costs in connection with the negotiation, preparation and execution of this Agreement and the transactions contemplated herein.

### 12. NOTICES

12.1 Manner of Notice: Any notice or other communication to be given under this Agreement shall be in writing and may be delivered personally or by courier or sent by prepaid letter (airmail if overseas) or electronic transmission. A notice shall be sent to the addressee (marked for the attention of the appropriate person) at its address or email address set out in Clause 12.2 below or to such other address or email address as may be notified by such addressee to the other Party from time to time for the purposes of this Clause 12.

12.2 Address and Email address: The initial address and email address of each of the Parties for the purposes of this Clause 12 are as follows:

(A) To the Company:

Address: Suite 913, 9/F, Chinachem Golden Plaza, No. 77 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong

Email: tower@saftower.cn

For the attention of: Board of Directors

(B) To the Placing Agent:

Address: Suite 3605-06, 36th Floor, Tower 6 The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong

Email: info@waton.com

For the attention of: Board of Directors

12.3 Time of Service: A notice shall be deemed to have been served:

- (a) if delivered personally or by courier, at the time of delivery;

---

**PLACING AGREEMENT**

---

- (b) if posted, if to an addressee within the same country, two (2) working days (or if to an addressee in a different country, five (5) working days, when it shall be sent airmail) after the envelope containing the notice was delivered into the custody of the postal authorities;
- (c) if communicated by electronic transmission, at the time of transmission;

**PROVIDED THAT** where, in the case of delivery by hand or by courier or transmission by email, such delivery or transmission occurs after 4 p.m. (local time) on a working day or on a day which is not a working day in the place of receipt, service shall be deemed to occur at 9 a.m. (local time) on the next following working day in such place; and for this purpose, in this Clause 12 “**working day**” means a day on which banks in the place of receipt are open for business in the ordinary course, other than Saturdays and Sundays.

- 12.4 Proof of Service: In proving service, it shall be sufficient to prove that the notice was left, or that the envelope containing the notice was properly addressed and posted, or that the applicable means of telecommunication was addressed and despatched and despatch of the transmission was confirmed and/or acknowledged as the case may be.

**13. GENERAL PROVISIONS**

- 13.1 Further Assurance: Each Party agrees to perform (or procure the performance of) all further acts and things, and execute and deliver (or procure the execution and delivery of) such further documents, as may be required by law or as may be necessary or reasonably desirable to implement and/or give effect to this Agreement and the transactions contemplated by it.

- 13.2 Entire Agreement: This Agreement (together with any document described in or expressed to be entered into in connection with this Agreement) constitutes the entire agreement between the Parties in relation to the transaction(s) referred to it or in them and supersedes any previous agreement between the Parties in relation to such transaction(s). It is agreed that:

- (a) no Party has entered into this Agreement in reliance upon any representation, warranty or undertaking of any other Party which is not expressly set out or referred to in this Agreement; and
- (b) except for any breach of an express representation or warranty under this Agreement, no Party shall have any claim or remedy under this Agreement in respect of misrepresentation or untrue statement made by any other Party, whether negligent or otherwise, and whether made prior to or after this Agreement, **PROVIDED THAT** this Clause shall not exclude liability for fraudulent misrepresentation.

- 13.3 Remedies Cumulative: Any right, power or remedy expressly conferred upon any Party under this Agreement shall be in addition to, not exclusive of, and without prejudice to all rights, powers and remedies which would, in the absence of express provision, be available to it; and may be exercised as often as such Party considers appropriate.

- 13.4 Waivers: No failure, relaxation, forbearance, indulgence or delay of any Party in exercising any right or remedy provided by law or under this Agreement shall affect the ability of that Party subsequently to exercise such right or remedy or to pursue any other rights or remedies, nor shall such failure or delay constitute a waiver or variation of that or any other right or remedy. No single or partial exercise of any such right or remedy shall preclude any other or further exercise of it or the exercise of any other right or remedy.

- 13.5 Severability: The Parties intend that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws applied in each jurisdiction in which enforcement is sought. If any particular provision or this Agreement shall be held to be invalid or unenforceable, then such provision shall (so far as invalid or unenforceable) be given no effect and shall be deemed not to

---

**PLACING AGREEMENT**

---

be included in this Agreement but without invalidating any of the remaining provisions of this Agreement. The Parties shall use all reasonable endeavours to replace the invalid or unenforceable provisions by a valid and enforceable substitute provision the effect of which is as close as possible to the intended effect of the invalid or unenforceable provision.

- 13.6 Variation: No variation of any of the terms of this Agreement (or of any document described in or expressed to be entered into in connection with this Agreement) shall be effective unless such variation is made in writing and signed by or on behalf of each of the Parties. The expression “**variation**” shall include any variation, supplement, deletion or replacement however effected.
- 13.7 Assignment: This Agreement shall be binding upon, and enure to the benefit of, the Parties and their respective successors and permitted assigns. No Party shall take any steps to assign, transfer, charge or otherwise deal with all or any of its rights and/or obligations under or pursuant to this Agreement without the prior written consent of the other Party. In the absence of the prior written consent of the Parties, this Agreement shall not be capable of assignment.
- 13.8 Counterparts: This Agreement may be executed in any number of counterparts all of which, taken together, shall constitute one and the same agreement. Any Party may enter into this Agreement by executing any such counterpart.
- 13.9 Punctual Performance: Any time, date or period mentioned in any Clause in this Agreement may be varied by mutual agreement between the Parties, made in writing and signed by or on behalf of each of the Parties, but, as regards any time, date or period originally fixed and not so varied, or any time, date or period so varied, as aforesaid, time shall be of the essence of this Agreement.
- 13.10 Continuing Obligations: Each of the obligations, warranties, indemnities and undertakings accepted or given by the Parties pursuant to this Agreement, excluding those having been fully performed at Completion, shall continue in full force and effect notwithstanding Completion.

**14. GOVERNING LAW AND JURISDICTION**

- 14.1 Governing Law: This Agreement (together with all documents referred to in it) shall be governed by and construed and take effect in accordance with the laws of Hong Kong (which each of the Parties considers to be suitable to govern the international commercial transactions contemplated by this Agreement).
- 14.2 Jurisdiction: With respect to any question, dispute, suit, action or proceedings arising out of or in connection with this Agreement (the “**Proceedings**”), each Party irrevocably:
- (a) submits to the exclusive jurisdiction of the courts of Hong Kong; and
  - (b) waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have any jurisdiction over such Party.
- 14.3 Other Jurisdictions: Nothing in this Agreement precludes either Party from bringing Proceedings in any other jurisdiction nor will the bringing of Proceedings in any one or more jurisdictions preclude the bringing of Proceedings in any other jurisdiction.
- 14.4 Rights of Third Parties: A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the laws of Hong Kong) to enforce any of its terms.



**SCHEDULE I**  
**FORM OF PLACING LETTER**

**PRIVATE AND CONFIDENTIAL**

[•] 2025

To : [•]

Dear Sir(s),

**Proposed private placing of new shares of HK\$0.1 each (the “Placing Shares”) in the capital of China Saftower International Holding Group Limited (the “Company”)**

---

This Placing Letter relates to a private placing of the Placing Shares (the “**Placing**”) pursuant to a placing agreement dated 14 February 2025 (the “**Placing Agreement**”) made between Waton Securities International Limited (the “**Placing Agent**”) and the Company.

Terms defined in the Placing Agreement shall have the same meanings where used in this Placing Letter, unless the context requires otherwise.

The Placing is being made by the Placing Agent as agent for the Company on a private basis at a placing price of HK\$[0.11] per Placing Share (the “**Placing Price**”). Payment of the Placing Price must be made in Hong Kong dollars in the manner described in paragraph 3 below.

Application will be made by the Company to the Stock Exchange for the grant of the listing of, and permission to deal in, the Placing Shares.

**1. Placing Agreement**

The Placing Agent and the Company have entered into the Placing Agreement pursuant to which the Placing Agent has agreed, on the terms and conditions set out in the Placing Agreement, to procure placees to subscribe for the Placing Shares at the Placing Price on the terms of, inter alia, the relevant Placing Letter.

Under the Placing Agreement, the Placing Agent shall use its best endeavours to procure placees to subscribe for the Placing Shares.

The Placing is subject to certain condition(s) as stipulated in the Placing Agreement. If such condition(s) has/have not been satisfied by the Latest Time for Termination, the Placing Agreement shall (unless otherwise agreed in writing by the parties thereto) terminate. In addition, the Placing Agent has the right to terminate the Placing Agreement in certain circumstances if any of such circumstances occurs at any time before the Latest Time for Termination. If the Placing Agreement is terminated in accordance with its terms, then this Placing Letter will also terminate simultaneously, without prejudice to any rights and obligations resulting from any earlier breach thereof and all monies received in relation to your subscription for Placing Shares will be returned without interest.

**You should take the possibility of termination as mentioned above into account in relation to any dealings you may effect in the Placing Shares subscribed by you.**

**2. Subscription for Placing Shares**

We refer to our previous communication with you in relation to the Placing and, on behalf of the Company, have pleasure in offering you [•] Placing Shares (the “**Placed Shares**”) at the Placing Price subject to the satisfaction of the conditions that the Placing Agreement having become unconditional in all respects by

## PLACING AGREEMENT

---

no later than 4 p.m. (Hong Kong time) on Monday, 28 April 2025 (or such later date as the parties to the Placing Agreement may agree) and not having been terminated by the Placing Agent in accordance with its terms on or prior to 4 p.m. (Hong Kong time) on Monday, 28 April 2025.

If you wish to accept the Placing Shares hereby offered to you on the terms and conditions of this Placing Letter, please complete and return to us the enclosed subscription letter. The arrangements for payment of the amount due are set out in paragraph 3 below.

By your acceptance of our offer, you (for yourself and, where applicable, on behalf of your nominee, your clients and their respective ultimate beneficial owners) have agreed with and represented and warranted to the Placing Agent and the Company that:

- (i) you have not relied on any information, representation or warranty supplied or made by or on behalf of ourselves regarding the Company and its subsidiaries;
- (ii) none of us, our affiliates or any of our or their respective officers, agents or employees will be liable for any information or omission in the Placing Agreement;
- (iii) none of us, our affiliates or any of our or their respective officers, agents or employees will make and have made any warranty, representation or recommendation (whether implied or express) as to the merits of the Placing Shares and/or as to the condition, financial or otherwise of the Company or its subsidiaries or as to any other matter relating thereto or in connection therewith and nothing herein shall be construed as a recommendation by us, our affiliates or any of our or their respective officers, agents or employees to you to subscribe for the Placing Shares;
- (iv) none of us, our affiliates, the Company or other parties involved in the Placing take any responsibility as to any tax consequence of your subscription of and in relation to any dealing in the Placing Shares and that you are advised to consult your own tax advisors concerning your tax position;
- (v) time is of the essence in relation to the agreement constituted by your acceptance of our offer;
- (vi) your acceptance of our offer as aforesaid and your agreement to subscribe for the Placing Shares constitutes your authorisation to us to complete, on your behalf, any application for bonds and all other necessary documents required in connection with the subscription of the Placing Shares and the registration of the Placing Shares in your name (or the name of your nominee);
- (vii) you had at all material times and still have full power and authority to enter into the contract recorded in this letter to purchase the Placing Shares for your own account and your agreement to do so as recorded herein constitutes your valid and legally binding obligation and is enforceable in accordance with its terms;
- (viii) you will on demand indemnify and keep indemnified us, the Company and any of our or its respective affiliates, officers, agents or employees for all damages, losses, liabilities, claims, costs and expenses incurred by any of them arising out of or in connection with any breach of the laws, regulations or contract recorded in this letter in relation to your subscription of Placed Shares, or any other breach of your obligations hereunder;
- (ix) you and your ultimate owners are independent of, and not acting in concert with, any shareholder of the Company and parties acting in concert with it; and you and your ultimate beneficial owners (if applicable) are independent third party not connected with the Company or its subsidiaries or any of their respective associates (as defined in the GEM Listing Rules), or any of the chief executive, directors or substantial shareholders of the Company or its subsidiaries or any of their respective associates; and you will provide to the regulatory bodies including but not limited to the

## PLACING AGREEMENT

---

SFC written confirmation of your independence in the event that such regulatory bodies make such request;

- (x) you confirm that you are subscribing for and purchase the Placing Shares on your own behalf;
- (xi) you are a professional investor or an institutional investor (which includes broker, dealer, fund manager, professional individual and corporate entity) whose ordinary business involves the acquisition and disposal, or the holding, of shares and other securities (whether as principal or agent);
- (xii) you are not directly or indirectly funded or backed by a "connected person" of the Company (as defined in the GEM Listing Rules) or its directors, substantial shareholders, or chief executive or their respective subsidiaries or associates of any of them (as such terms are respectively defined in the GEM Listing Rules);
- (xiii) your subscription for and purchase of the Placing Shares will not have any implications under the Takeovers Code and you or any persons acting in concert with you will not be under any obligation to make a general offer under the Takeovers Code as a result of the Placing;
- (xiv) you are not accustomed to take instructions from a connected person (as defined in the GEM Listing Rules) of the Company in relation to the acquisition, disposal, voting or any other disposition of securities in the Company;
- (xv) you will supply us, immediately upon notification, with such information as may be requested by the regulatory bodies including but not limited to the Stock Exchange and/or the SFC (in particular for but not limited to the purpose of applying whitewash waiver, if applicable) and you warrant represent and undertake that all information provided to us by you is correct, complete and accurate;
- (xvi) you will comply with all laws, regulations and restrictions which may be applicable in your jurisdiction and you have obtained or will obtain any consent, approval or authorisation required for you to subscribe for and accept delivery of the Placing Shares and that you will not directly or indirectly sell or deliver the Placing Shares or distribute or publish any publication or document in relation to the Placing or the Placing Shares other than in compliance with any applicable laws and regulations;
- (xvii) you acknowledge the confidential nature of the matters to which the Placing relates and, accordingly, you will save as required by law or the GEM Listing Rules not disclose the existence or any part of the content of the Placing Agreement and this Placing Letter to any third party without our prior written consent;
- (xviii) Any information supplied by you on the registration form or otherwise in connection with the placing may be "personal data" for the purpose of the Personal Data (Privacy) Ordinance (The "**Ordinance**"). To purchase the Placing Shares, you must provide the personal data requested and if the necessary information is not supplied, it may result in delay completion of the Placing. You agree and acknowledge that:
  - (A) the personal data (if any) which you provide to use in connection with the Placing may be used, held and/or stored (by whatever means):
    - (a) in connection with the Placing;
    - (b) maintaining or updating the relevant registers of holders of Shares and convertible bonds of the Company;
    - (c) making disclosures as required by law, regulations or rules (whether statutory or otherwise) or regulators;

## PLACING AGREEMENT

---

- (d) other purposes incidental or associated with the above and/or to enable the Company and its registrars to discharge their obligations to holders of securities and/or to enable us and the Company to discharge their obligations to regulators.
  - (B) the personal data provided to us will be kept confidential but the Company, its registrars and us may, to the extent necessary for achieving the purposes above or any of them, make such enquiries as they consider necessary to confirm the accuracy of the personal data provided and in particular they may disclose, obtain transfer (whether within or outside Hong Kong) such personal data to, from or with any and all of the following persons and entities:
    - (a) the Company or ourselves;
    - (b) any agents, contractors or third party service providers who offer administrative, telecommunications, computer, payment, settlement or other services to us, the Company and/or the registrars of the Company in connection with the operation of the respective businesses;
    - (c) any regulatory or governmental bodies; and
    - (d) any other persons or institutions which holders of securities have or propose to have dealings, such as bankers, solicitors or stockholders.
  - (C) the Ordinance provides rights to ascertain whether the Company and the registrars of the Company hold your personal data, to obtain a copy of that data, and to correct any data that is inaccurate; and
  - (D) the Company and the registrars of the Company have the right to charge a reasonable fee for the processing of any data access request. All requests for access to data or correction of data or for information regarding policies and practices and kinds of data held should be addressed to Placing Agent for the attention of Privacy Compliance Officer, the Company for the attention of the Company Secretary or (as the case may be) the registrars of the Company for the attention of the Privacy Compliance Officer.
- (xix) you will comply strictly with the terms of this Placing Letter (including, without limitation, the provisions of paragraph 7) and the enclosed subscription letter.

### 3. Payment

You will make available to us upon the return of your signed subscription letter cleared funds in full amount of subscription moneys of HK\$[•] ("**Subscription Money**"), representing the aggregate Placing Price for the [•] Placing Shares, together with brokerage of 1%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.005% of the Placing Price,

You may deposit in person the Subscription Money by way of a cashier's order (made payable to us and crossed "not negotiable" and drawn on a licensed bank in Hong Kong) or by crediting for immediately cleared fund to the following bank account of us (the "**Account**"):

Bank Name :  
Account Name :  
Account no. :  
Reference :

## **PLACING AGREEMENT**

---

After you have deposited the Subscription Money into our Account, you must send a copy of the deposit slip to us no later than 5:00 pm on the date of the payment of the Subscription Money or in person to our offices at Suite 3605-06, 36th Floor, Tower 6 The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong or by facsimile transmission to us at (852) 2853 1899.

If there is any delay in payment of the Subscription Money, we have the right but not the obligation and you hereby unconditionally and irrevocably authorize us, at our absolute discretion:

- (a) to advance or to arrange the payment of funds to cover any delay in receipt of your payment and to charge you a default interest at the interest rate per annum of 2 per cent above the prime rate quoted by the Hongkong and Shanghai Banking Corporation Limited at 12:00 noon on the date falling immediately after the due date specified above.
- b) to terminate the contract recorded in this letter and in such event all obligations and liabilities on the part of the Company or ourselves arising in connection herewith shall cease and terminate but without prejudice to any claim which the Company or we may have against you arising out of your failure to comply with your obligations hereunder.
- (c) to purchase, complete, perfect, execute and implement your subscription, and accept delivery (or procure the purchaser for doing the foregoing acts), your Placed Shares or any of them (whether in your name or as your nominee) in our name and in our absolute discretion and at your expenses at any time to deal with your Placed Shares or any of them including, without limitation, to hold or pledge as security such Placed Shares or any of them as security for any indebtedness owed to or advanced by, us and our affiliates (including expenses incurred in connection herewith) or to sell such Placed Shares or any of them to repay all or part of the Subscription Money pursuant to Clause 3, and you shall remain liable for any deficit owed to us and our affiliates.

We shall be under no obligation to take any such action and our right and authority to take any action is strictly without prejudice to any other rights, powers, discretions and authorities we may have and any other rights of any person against you in respect of your default.

### **4. Condition(s)**

Your agreement to subscribe for the Placed Shares is made subject to the terms of this Placing Letter, the Memorandum and Articles of Association of the Company and the Placing Agreement. In particular, and without prejudice to the generality of the foregoing, you agree and acknowledge that your obligation to subscribe for the Placed Shares is binding and irrevocable, subject to satisfaction of the condition(s) precedent referred to in paragraph 1 above. If all such condition(s) has/have not been fulfilled on or before the date referred to in paragraph 1 above or such later date as the parties to the Placing Agreement may agree, then the Placing Agreement and this Placing Letter shall terminate and neither party shall have any claim against the other save in respect of any antecedent breach of any obligation hereunder and all monies received in relation to your subscription for the Placed Shares will be returned to you without interest.

### **5. Form of Application**

Please complete and return to us by facsimile transmission, at the above address (facsimile number: (852) 2544 3976) the enclosed subscription letter as soon as possible and in any event so as to arrive not later than 12:00 p.m. (Hong Kong time) on the date of the close of the completion date (as notified by the Placing Agent) or any other earlier date as directed by the Placing Agent.

### **6. Delivery of Share Certificates**

Pursuant to your instruction, the share certificate(s) in respect of all the Placed Shares will be issued in your name or all the Placed Shares will be deposited in CCASS established by Hong Kong Securities

## **PLACING AGREEMENT**

---

Clearing Company Limited (“**HKSCC**”) and therefore no share certificate will be issued to you. In the latter case, we have your irrevocable authority to effect registration of the Placed Shares in the name of HKSCC Nominees Limited for credit into your designated CCASS participant stock account as indicated by you on the enclosed subscription letter. If you fail to return the letter or fail to include all necessary details of your designated CCASS participant stock account therein, the Placed Shares allocated to you will be credited to our CCASS account (as your nominee and the costs of any subsequent transfer to you will be payable by you).

Our CCASS information is as follows:-

CCASS account name:	[ ]
CCASS participant number:	[ ]
Contact person:	[ ]
Telephone:	[ ]
Facsimile:	

### **7. Selling Restrictions**

Under the terms of the Placing Agreement, the Placed Shares have not been and shall not be offered or sold and no prospectus or similar document has been or shall be distributed in any jurisdiction other than in compliance with all applicable laws and regulations of that jurisdiction.

### **8. Governing Law**

This Placing Letter, the attached form of subscription letter and the arrangements referred to herein shall be governed by and construed in accordance with the laws of Hong Kong and the parties hereto hereby irrevocably submit to the exclusive jurisdiction of the Hong Kong Court.

Yours faithfully,

For and on behalf of

**Watson Securities International Limited**

**[Authorised Person]**

**FORM OF SUBSCRIPTION LETTER**

Date: [•]

Watson Securities International Limited  
Suite 3605-06, 36th Floor,  
Tower 6 The Gateway, Harbour City,  
Tsim Sha Tsui,  
Kowloon, Hong Kong  
Facsimile No: (852) 2544 3976  
Attention: Mr. Louis Lau

Dear Sirs,

**Proposed private placing of new shares of HK\$0.1 each (the “Placing Shares”) in the capital of China Saftower International Holding Group Limited (the “Company”)**

This Letter relates to a private placing of the Placing Shares (the “**Placing**”) pursuant to a placing agreement dated 14 February 2025 made between Watson Securities International Limited (the “**Placing Agent**”) and the Company (the “**Placing Agreement**”) and the placing letter dated [•] 2025 issued by the Placing Agent to me/us (the “**Placing Letter**”).

Terms defined in the Placing Agreement and the Placing Letter shall have the same meanings where used in this Letter, unless the context requires otherwise.

I/We confirm our irrevocable agreement to subscribe for [•] Placing Shares (the “**Placed Shares**”) in accordance with the terms and conditions set out in your letter to us dated [•] 2025 (the “**Placing Letter**”), including, without prejudice to the generality of the foregoing, the conditions set out in paragraph 2 thereof.

I/We confirm that the total Placing Price payable for the Placed Shares in Hong Kong dollars together with brokerage of 1%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.005% of the Placing Price, will be remitted in accordance with and subject to the provisions of paragraph 3 of the Placing Letter.

[Unless otherwise stated in the Placing Letter, we/I confirm that share certificates in respect of the Placed Shares should be issued in the name of HKSCC Nominees Limited and credited to the designated CCASS participant’s stock account referred to in the Registration Section below.]

**Representation and Undertaking**

I/We hereby acknowledge that the paragraphs set out in the Placing Letter and headed “Subscription for Placing Shares”, “Payment”, “Condition(s)”, “Delivery of Share Certificates” and “Selling Restrictions” respectively will apply to the Placed Shares acquired by us pursuant hereto and hereby represent and undertake to you in the terms of those paragraphs.

## PLACING AGREEMENT

---

We/I also confirm that:

- (a) I/we confirm that I/we as the beneficial owner(s) of the Placed Shares and our ultimate owners are independent of, and not acting in concert with, any shareholder of the Company and parties acting in concert with it; and I/we am/are independent third party/parties not connected with the Company or its subsidiaries or any of their respective associates (as defined in the GEM Listing Rules), or any of the directors, chief executive or substantial shareholders of the Company or its subsidiaries or any of their respective associates;
- (b) I/we confirm that the Subscription Money has not been financed directly or indirectly or backed by a “connected person” of the Company (as defined in the GEM Listing Rules) or its directors, substantial shareholders, or chief executive or their respective subsidiaries or associates of any of them (as such terms are respectively defined in the GEM Listing Rules);
- (c) I/we confirm that I/we are not a person who is accustomed to taking instructions from a connected person (as defined in the GEM Listing Rules) of the Company in relation to the acquisition, disposal, voting or any other disposition of securities in the Company;
- (d) I/we confirm that prior to the Placing, I held no interest in the Company;
- (e) I/we have previous business relationship with the Company; and
- (f) I/we confirm that I/we am/are a professional investor or an institutional investor (which includes broker, dealer, fund manager, professional individual and corporate entity) whose ordinary business involves the acquisition and disposal, or the holding, of shares and other securities (whether as principal or agent); and
- (g) I/we will not become a substantial shareholder (as defined in the GEM Listing Rules) of the Company as a result of conversion of the Placed Shares/ [ My/ our acquisition of the Placing Shares offered to me/us will not trigger mandatory offer obligation under Rule 26 of the Takeovers Code;



**REGISTRATION SECTION**

All sections must be completed in full. Placed Placing Shares will be registered in accordance with the details provided below.

All communications will be sent to the first named registered holder. If there are to be joint registered holders (which may not exceed four in number), all must be named in this form. Placing Shares may not be registered in the name of: (i) any person under the age of 21, (ii) any partnership, trust or executorship or (iii) any unlimited society or association.

**REGISTRATION FORM / DELIVERY INSTRUCTIONS**

All sections must be completed in full.

(PLEASE USE BLOCK LETTERS)

Name of Placee (in full):

---

Name of beneficial owner (if applicable):

---

Address of Placee and (if applicable)  
Beneficial Owner:

---

Place of residence (for individual):

---

Telephone and fax (for individual):

---

Passport no. / Hong Kong I.D. Card no.:

---

Name of employer (for individual):

---

Place of Incorporation (for corporation):

---

Incorporation Certificate and/or Business  
Registration number (for corporation):

**PLACING AGREEMENT**

---

Principal business:

Name of broker :

CCASS participant number :

Contact person (settlement) :

Telephone number :

Facsimile number :

In relation to information provided or to be provided to you pertaining to individuals, we/I confirm and acknowledge that we/I have read and understood the conditions set out in paragraph 2 of the Placing Letter relating to the provision of personal data before furnishing to you personal data relating to ourselves/myself. We/I consent to the use of such personal data and any personal data provided to you in relation to the Placing for the purposes of discharging all or any of your duties described in the said notes and for any other purpose directly related to those purposes.

Yours faithfully,

---

Date:



PLACING AGREEMENT

---

THE PLACING AGENT

SIGNED by

Chen Chun on FRANK

its director

for and on behalf of

**WATON SECURITIES**

**INTERNATIONAL LIMITED**

in the presence of :-

