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China Boton Group Company Limited **中國波頓集團有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3318)

HIGH CONCENTRATION OF SHAREHOLDING

This announcement is made at the request of Stock Exchange in respect of the high concentration of the shareholding of the Company in the hands of a limited number of Shareholders as at 26 January 2021.

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors of the Company should be aware that the price of the shares of the Company (the “Shares”) could fluctuate substantially even with a small number of shares traded, and should exercise extreme caution when dealing in the Shares.

This announcement is made at the request of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) in respect of the high concentration of the shareholding of China Boton Group Company Limited (the “Company”) in the hands of a limited number of shareholders of the Company (the “Shareholders”) as at 26 January 2021.

HIGH CONCENTRATION OF SHAREHOLDING

The Company noted that an announcement (the “SFC Announcement”) was published by the Securities and Futures Commission (the “SFC”) on 9 February 2021.

As disclosed in the SFC Announcement, the SFC has recently completed an enquiry into the shareholding of the Company. The SFC’s findings suggested that, as at 26 January 2021, 19 shareholders held an aggregate of 275,018,044 Shares, representing 25.45% of the issued Shares. Such shareholding, together with 729,456,226 Shares (representing 67.51% of the issued Shares) held by the family of the Company’s chairman and chief executive officer, represented 92.96% of the issued Shares. As such, only 76,037,876 Shares (representing 7.04% of the issued Shares) were in the hands of other shareholders.

According to the SFC Announcement, as at 26 January 2021, the shareholding structure of the Company was as follows:

	Number of Shares held (Shares)	% of total number of issued Shares (%)
Mr. Wang Ming Fan & Ms. Yang Yifan <i>(Note 1)</i>	729,456,226	67.51
A group of 19 shareholders	275,018,044	25.45
Other shareholders	<u>76,037,876</u>	<u>7.04</u>
Total	<u>1,080,512,146</u>	<u>100.00</u>

Note 1: Mr. Wang Ming Fan, the chairman and chief executive officer of the Company, directly held 336,555,052 Shares. Mr. Wang Ming Fan also indirectly held 348,320,509 Shares through Creative China Limited, and 19,318,234 Shares through Full Ashley Enterprises Limited. Mr. Wang Ming Fan owns 41.19% of Creative China Limited, and wholly owns Full Ashley Enterprises Limited. Ms. Yang Yifan, the spouse of Mr. Wang Ming Fan, directly held 25,262,431 Shares. According to Part XV of the Securities & Futures Ordinance, Mr. Wang Ming Fan and Ms. Yang Yifan were both deemed to be interested in 729,456,226 Shares.

The SFC Announcement further states that:

- (1) From 1 September 2020 to 15 January 2021, the price of the Shares closed between HK\$1.59 and HK\$2.10.
- (2) Since 18 January 2021, the price started to increase substantially and closed at HK\$8.70 on 26 January 2021, representing a gain of 424% from the closing price of HK\$1.66 on 15 January 2021.
- (3) As at 8 February 2021, the Shares closed at HK\$9.50, representing an increase of 472% from the closing price of HK\$1.66 on 15 January 2021.

The information above is extracted from the SFC Announcement and the board (the “Board”) of the directors (the “Directors”) of the Company has not independently verified such information. Accordingly, the Board is not in a position to comment on the accuracy of the above information except for the shareholdings held by King Sailing Group Limited and Aronix Bright Limited based on the latest available disclosure of interests notices filed pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

PUBLIC FLOAT

Based on the information available and to the Directors' best knowledge after making all reasonable enquiries, the Directors confirm that not less than 25% of the issued Shares were held in public hands as at 26 January 2021 and the date of this announcement, and the Company has maintained a sufficient public float as required under the Rules Governing the Listing of Securities on the Stock Exchange.

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors of the Company should be aware that the price of the Shares could fluctuate substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.

By Order of the Board
China Boton Group Company Limited
WANG Ming Fan
Chairman

Hong Kong, 9 February 2021

As at the date of this announcement, the executive Directors are Mr. Wang Ming Fan, Mr. Li Qing Long and Mr. Yang Ying Chun. The independent non-executive Directors are Mr. Ng Kwun Wan, Mr. Leung Wai Man, Roger, and Mr. Zhou Xiao Xiong.