

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Tiangong International Company Limited

天工國際有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 826)

VOLUNTARY ANNOUNCEMENT

Establishment of a Highly Automated Cutting Tools Factory in Thailand

The Board of Directors (the "Board") of Tiangong International Company Limited (the "Company") is pleased to announce that an indirect wholly owned subsidiary has been incorporated in Thailand for the establishment of a factory in Rayong Province, Thailand.

The Company chose to set up a new factory in Rayong Province, Thailand, which is expected to benefit the Group in its future operations and business development. With the setting-up of the new factory, the Company can extend Tiangong's cutting tools products to Southeast Asian countries including Malaysia, Indonesia and Thailand. More importantly, the Company will have an overseas production base to cope with the changes and impacts that may result from the Sino-US trade war.

The new factory is expected to have a gross floor area of 34,000 sq. m. and located in an industrial park of 2.4 million sq. m. at Rayong Province, Thailand. The new cutting tools factory will have a total annual production capacity of 48 million pieces when completed in middle of 2020, and is feasible for further expansion to 100 million pieces to cope with future increased demand. The new factory and the capital intensive production lines with an estimated aggregate investment of USD20 million will be funded by internal resources and banking facilities.

Neither the acquisition of land nor the construction of the factory constitutes a notifiable transaction under Chapter 14 of the Rules Governing the Listings of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). Further announcement (if any) will be made by the Company according to the requirements of the Listing Rules.

By Order of the Board
Tiangong International Company Limited
Zhu Xiaokun
Chairman

Hong Kong, 30 October 2019

As at the date of this announcement, the directors of the Company are:

Executive Directors: ZHU Xiaokun, WU Suojun, YAN Ronghua and JIANG Guangqing
Independent non-executive Directors: GAO Xiang, LEE Cheuk Yin, Dannis and WANG Xuesong

** For identification purpose*