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## **FUTIAN HOLDINGS LIMITED**

### **福田股份有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8196)**

## **DISCLOSEABLE TRANSACTION ACQUISITION OF 60% EQUITY INTEREST IN TARGET COMPANY**

### **INVESTMENT AGREEMENT**

The Board is pleased to announce that on 11 July 2025 (after trading hours), the Investor (an indirect wholly-owned subsidiary of the Company) entered into the Investment Agreement with (i) Mr. Li, Mr. Jiang and Mr. Cai (all of whom being the Existing Shareholders of the Target Company and hold 35%, 32.5% and 32.5% of the equity interests of the Target Company, respectively, as at the date of this announcement) and (ii) the Target Company. Pursuant to the Investment Agreement, the Investor has conditionally agreed to inject the total amount of RMB10,000,000 to the registered capital of the Target Company by way of cash contribution. In addition, the Investor has conditionally agreed to acquire (i) 7.5% of the enlarged equity interest in the Target Company from Mr. Li at a consideration of RMB1,500,000; (ii) 1.25% of the enlarged equity interest in the Target Company from Mr. Jiang at a consideration of RMB250,000; and (iii) 1.25% of the enlarged equity interest in the Target Company from Mr. Cai at a consideration of RMB250,000.

Upon Completion, the Target Company will be held as to 60%, 15%, 15% and 10% of the enlarged equity interests by the Investor, Mr. Jiang, Mr. Cai and Mr. Li, respectively, and the registered capital of the Target Company will be increased from RMB10,000,000 to RMB20,000,000. Accordingly, the Target Company will become an indirect non-wholly owned subsidiary of the Company, and its financial results, assets and liabilities will be consolidated into the consolidated financial statements of the Group.

### **IMPLICATIONS UNDER GEM LISTING RULES**

As the highest of the applicable percentage ratios under Rule 19.07 of the GEM Listing Rules in relation to the Acquisition exceeds 5% but is below 25%, the Acquisition constitutes a discloseable transaction for the Company and is therefore subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

## INTRODUCTION

The Board is pleased to announce that on 11 July 2025 (after trading hours), the Investor (an indirect wholly-owned subsidiary of the Company) entered into the Investment Agreement with (i) Mr. Li, Mr. Jiang and Mr. Cai (all of whom being the Existing Shareholders of the Target Company and hold 35%, 32.5% and 32.5% of the equity interests of the Target Company, respectively, as at the date of this announcement) and (ii) the Target Company.

## INVESTMENT AGREEMENT

Major terms of the Investment Agreement are set out below.

### Date

11 July 2025 (after trading hours)

### Parties

- (i) the Investor;
  - (ii) Mr. Li, Mr. Jiang and Mr. Cai, the Existing Shareholders of the Target Company;  
and
  - (iii) the Target Company
- (collectively, the “**Parties**”).

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, Mr. Li, Mr. Jiang, Mr. Cai and the Target Company are third parties independent of the Company and the connected persons of the Company.

### Subject Matter

The Investor has conditionally agreed to inject the total amount of RMB10,000,000 to the registered capital of the Target Company by way of cash contribution. In addition, the Investor has conditionally agreed to acquire (i) 7.5% of the enlarged equity interest in the Target Company from Mr. Li at a consideration of RMB1,500,000; (ii) 1.25% of the enlarged equity interest in the Target Company from Mr. Jiang at a consideration of RMB250,000; and (iii) 1.25% of the enlarged equity interest in the Target Company from Mr. Cai at a consideration of RMB250,000.

The following table illustrates the changes in the registered capital (and the contribution made by respective shareholders) and equity interest held by the respective shareholders in the Target Company as at the date of this announcement and immediately following Completion:

	As at the date of this announcement		Immediately following Completion	
	Amount of capital contribution to the registered capital of the Target Company (in RMB)	Equity Interest in the Target Company (%)	Amount of capital contribution to the registered capital of the Target Company (in RMB)	Equity Interest in the Target Company (%)
<b>Investor</b>	—	—	12,000,000 <sup>(note)</sup>	60%
Mr. Jiang	3,250,000	32.5%	3,000,000	15%
Mr. Cai	3,250,000	32.5%	3,000,000	15%
Mr. Li	3,500,000	35%	2,000,000	10%
<b>Total</b>	<b>10,000,000</b>	<b>100%</b>	<b>25,000,000</b>	<b>100%</b>

*Note:* It includes the proportion of the registered capital corresponding to the Equity Interest to be transferred from the Existing Shareholders to the Investor pursuant to the Acquisition.

### Consideration

The total consideration of the Acquisition is RMB12,000,000 (the “Consideration”), which consists of (i) RMB2,000,000 as consideration for the acquisition of the Equity Interest in the Target Company by the Investor from the Existing Shareholders and (ii) RMB10,000,000 as capital injection by the Investor into the Target Company. The Consideration was determined after arm’s length negotiation between the Parties with reference to (i) the original capital injection made by the Existing Shareholders into the Target Company; (ii) the registered capital of the Target Company after the Capital Injection; and (iii) the future development plan of the Target Company and its funding needs. The Consideration will be funded by internal resources and/or external borrowing of the Group.

## Conditions Precedent

### *First Tranche of the Payment*

The obligation of the Investor to pay the amount of RMB8,000,000 to the Target Company as the first tranche consideration (the “**First Tranche Payment**”) shall be within 10 business days after the fulfilment (or waiver by the Investor in writing) of all of the following conditions precedent:

- (a) the Investment Agreement and the exhibits attached thereto having been validly executed by the Parties;
- (b) the Parties having completed the industrial and commercial registration in relation to the change in shareholder, equity interest, registered capital, director and legal representative of the Target Company with the relevant registration and administration bureau, and obtained the Notification of Permission of Change of Company Registry (變更登記通知書) or other approval documents in relation to such changes issued by the relevant registration and administration bureau;
- (c) the Target Company having implemented its new corporate system and approval process, to the effect that the Existing Shareholders and the Investors shall jointly manage the matters such as official seal, financial seal, business licence, bank’s U-shield, business contracts and accounting vouchers of the Target Company;
- (d) the shareholders’ resolutions of the Target Company in relation to the Acquisition and the waiver of the pre-emption rights in respect of the Acquisition by the Existing Shareholders having been validly passed;
- (e) all the Existing Shareholders and the Investor having jointly executed the articles of association of the Target Company which are applicable to the post-completion of the Acquisition, and such articles of association have accurately and fully reflected the agreement reached between the Parties;
- (f) the Target Company having maintained the ordinary course of business, and no events having occurred that will have a material impact on the overall value of the Target Company (including but not limited to the national policies, business operations, financial condition, management and personnel), and there is no material adverse change on the business, assets, liabilities, prospects, operations and financial condition of the Target Company;
- (g) all the representations and warranties of the Target Company and the Existing Shareholders under the Investment Agreement having remained true, accurate, free from material omission and not misleading, and no agreements and covenants related to the Investor contained in the Investment Agreement having been breached by the Target Company and the Existing Shareholders;

- (h) the Target Company having obtained all necessary approvals, permits, licences and authorisations for the operation of its business at the time of and after Completion;
- (i) there being no material adverse change in the financial or other condition, results of operations, assets, regulatory status, business, or prospects of the Target Company, the Existing Shareholders, and their respective affiliates; nor has there occurred any event or circumstance which, individually or in the aggregate, has resulted in a Material Adverse Effect, and no event or circumstance is reasonably expected to occur which, individually or in the aggregate, would result in a Material Adverse Effect;
- (j) the Company and all the Existing Shareholders have performed and complied with all agreements, obligations, undertakings, and conditions as set out under the Investment Agreement that are required to be performed and complied by it/them;
- (k) the Investor having obtained the approval from its board of directors, shareholder and the listing regulatory authorities, if applicable;
- (l) there are no existing or potential claims brought by or before any governmental authority against any Party seeking to restrain the transaction contemplated under the Investment Agreement or seek for material adverse change to the terms of such transaction, and which, in the reasonable judgement of the Investor, could render the completion of such transaction impossible or unlawful, or could have a Material Adverse Effect on the completion of such transaction contemplated under the Investment Agreement.

### ***Second Tranche of the Payment***

Within two (2) months after completion of the First Tranche Payment, provided that (i) the Target Company is not subject to any litigation, liabilities, contingent liabilities, or administrative penalties which have not been disclosed to the Investor, and (ii) the conditions precedent to the First Tranche Payment as set out under the Investment Agreement continue to be satisfied, the Investor shall pay (1) the amount of RMB2,000,000 to the Target Company and (2) the total amount of RMB2,000,000 to the Existing Shareholders.

### **Completion**

Upon Completion, the registered capital of the Target Company will be increased to RMB20,000,000, and the Target Company will be held as to 60%, 15%, 15% and 10% of the enlarged equity interests by the Investor, Mr. Jiang, Mr. Cai and Mr. Li, respectively. Accordingly, the Target Company will become an indirect non-wholly owned subsidiary of the Company, and its financial results, assets and liabilities will be consolidated into the consolidated financial statements of the Group.

## INFORMATION OF THE TARGET COMPANY

The Target Company is a limited liability company in the PRC established on 11 May 2012. It is principally engaged in the investment, operation and project management of commercial real estate projects. As at the date of this announcement, the main project operated by the Target Company is Yuelin SPACE shopping mall located in Pingshan District, Shenzhen City, the PRC. This comprehensive shopping centre, which has total area of approximately 60,000 square meters, is the first large-scale commercial complex in Maluan subdistrict in the PRC.

Set out below is a summary of the financial information of the Target Company for the two years ended 31 December 2024 which is extracted from the unaudited financial statements of the Target Company for the two years ended 31 December 2024:

	<b>For the year ended 31 December 2024 RMB'000</b>	<b>For the year ended 31 December 2023 RMB'000</b>
Revenue	9,176	3,153
Loss before tax	933	1,096
Loss after tax	830	1,096
	<b>As at 31 December 2024 RMB'000</b>	<b>As at 31 December 2023 RMB'000</b>
Net liabilities value	14,103	13,273

## INFORMATION OF THE EXISTING SHAREHOLDERS AND THE INVESTOR

### The Group

The Company is an investment holding company and the Group is principally engaged in the provision of engineering services for wastewater and drinking water treatment facilities.

The Investor is a limited liability company established in the PRC on 20 June 2025 and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in the provision of commercial complex and property management and leasing of commercial complex.

## **The Existing Shareholders**

As at the date of this announcement, Mr. Li is the general manager of the Target Company, and directly holds 35% equity interest in the Target Company.

As at the date of this announcement, Mr. Jiang is the general manager in business development of the Target Company, and directly holds 32.5% equity interest in the Target Company.

As at the date of this announcement, Mr. Cai is the chief operating officer of the Target Company, and directly holds 32.5% equity interest in the Target Company.

## **REASONS AND BENEFITS OF THE ACQUISITION**

The Yuelin SPACE project, operated by the Target Company, is strategically located in the Pingshan Administrative District of Shenzhen Special Economic Zone in the PRC, an area renowned as the growing innovation hub within the Guangdong-Hong Kong-Macao Greater Bay Area. In the current challenging environment facing the real estate industry in the PRC, high-quality commercial projects, such as Yuelin SPACE, have become increasingly scarce. This scarcity has effectively reduced regional market competition, creating a more favourable operating environment for existing projects. Consequently, the Yuelin SPACE project is exceptionally well-positioned to demonstrate strong resistance to cyclical market risks whilst generating relatively stable income streams for the Target Company. Whilst the Yuelin SPACE project remains in its early operational stage, with significant potential for growth and development, it is expected to generate a consistent and stable financial return to the Company after Completion in the future.

The Target Company intends to utilise the net proceeds from the Capital Injection for operational cash flow of the existing commercial projects and development of new commercial projects. The Directors consider that entering into the Investment Agreement presents a strategic opportunity for the Group to (i) diversify its business segment and broaden its source of income; and (ii) expose to the business opportunities of the investment, operation and property management in commercial complex in the PRC.

In view of the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Investment Agreement are fair and reasonable and in the interest of the Group and the Shareholders as a whole.

## **GEM LISTING RULES IMPLICATIONS**

As the highest of the applicable percentage ratios under Rule 19.07 of the GEM Listing Rules in relation to the Acquisition exceeds 5% but is below 25%, the Acquisition constitutes a discloseable transaction for the Company and is therefore subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

## DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context otherwise requires:

“Acquisition”	the acquisition of the Equity Interest in and the Capital Injection by the Investor pursuant to the Investment Agreement
“Board”	the board of Directors
“Capital Injection”	the proposed injection of the total amount of RMB10,000,000 to the registered capital of the Target Company by the Investor in two tranches pursuant to the Investment Agreement
“Company”	Futian Holdings Limited 福田股份有限公司, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Stock Exchange (stock code: 8196)
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Investment Agreement
“connected person(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the directors of the Company
“Equity Interest”	a total of 10% of the enlarged equity interest in the Target Company which will be transferred from the Existing Shareholders to the Investor upon Completion pursuant to the Investment Agreement
“Existing Shareholders”	collectively, Mr. Li, Mr. Cai and Mr. Jiang
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM, as amended, modified and supplemented from time to time
“Group”	the Company and its subsidiaries



“Material Adverse Effect”	the material adverse change in the consolidated assets, business, financial condition, or shareholders’ equity of the Target Company; the circumstances that prevent the Acquisition from being legally completed or that result in fundamental change to the transaction basis or material impairment of the transaction value; and/or significant change in the political, macroeconomic, or social environment that materially and adversely affect the operations of the Target Company
“Mr. Cai”	Cai Bin* (蔡斌)
“Mr. Li”	Li Jianbing* (李建兵)
“Mr. Jiang”	Jiang Xiaobin* (江小斌)
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Investor”	Shenzhen Fucheng Commercial Management Company Limited* (深圳福城商業管理有限公司), a limited liability company established in the PRC, an indirect wholly-owned subsidiary of the Company
“Investment Agreement”	the investment agreement dated 11 July 2025 in relation to the Acquisition entered into among the Investor, the Existing Shareholders and the Target Company
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	registered holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Target Company”                      Shenzhen Far East Commercial Management Company Limited\* (深圳市遠東商業管理有限公司), a limited liability company established in the PRC

“%”    per cent.

By order of the Board  
**Futian Holdings Limited**  
**XIE Yang**  
Chairman

Guangzhou, PRC, 11 July 2025

*As at the date of this announcement, the executive Directors are Mr. XIE Yang, Mr. HE Xuan Xi, Ms. LIU Chujun, Ms. SUN Zhaoyang and Ms. FENG Li; and the independent non-executive Directors are Ms. BAI Shuang, Mr. HA Cheng Yong and Mr. YAM Yuet Hang.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Listed Company Information” page of the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk) for at least 7 days from the date of its posting and be posted on the website of the Company at [www.greatwater.com.cn](http://www.greatwater.com.cn).*

\* For identification purposes only