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## **China Futex Holdings Limited**

**中國福紡控股有限公司**

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

**(Stock Code: 8506)**

### **UPDATE ON MAJOR TRANSACTION – PROVISION OF GUARANTEES; AND SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO DISCLOSEABLE TRANSACTIONS**

Reference is made to the announcement of China Futex Holdings Limited (the “**Company**”) dated 20 May 2021 (the “**Announcement**”) in relation to, among other things, the litigation in relation to the Everbright Guarantee (being one of the guarantees provided by Zhangzhou Kaixing under the Greenfresh Arrangement) and the discloseable transactions relating to (i) provision of the ICBC Guarantee; and (ii) provision of loan to an entity. Unless otherwise defined, capitalised terms used herein shall bear the same meanings as those defined in the Announcement.

#### **UPDATE ON MAJOR TRANSACTION – PROVISION OF GUARANTEES**

As disclosed in the Announcement, (i) Zhangzhou Kaixing (without notice to and the proper approval of the Board and/or the Company) had entered into the Everbright Guarantee in favour of Everbright for the due performance of repayment obligations of Fujian Greenfresh for an aggregate maximum guaranteed amount of RMB20 million; and (ii) Everbright had instituted legal proceedings against, among others, Zhangzhou Kaixing to be jointly liable together with other guarantors for the amounts payable by Fujian Greenfresh to Everbright. The Board would like to provide supplemental information on the latest status of the Litigation in relation to the Everbright Guarantee based on information currently available to the Board.

Pursuant to an enforcement notice dated 19 May 2021 issued by the Zhangzhou Court which was received by the Board subsequent to the issue of the Announcement, Zhangzhou Kaixing was ordered to be jointly liable together with other guarantors for the amounts payable by Fujian Greenfresh to Everbright, including the principal of the loan in the amount of RMB20 million together with the interests accrued and the legal fees. Under the Everbright Guarantee, the maximum guaranteed amount of Zhangzhou Kaixing shall be RMB20 million.

The Company is in the course of seeking legal advice in respect of the Litigations. Further announcement(s) will be made by the Company as and when appropriate should there be any significant progress of the Litigations.

## **DISCLOSEABLE TRANSACTIONS – INFORMATION ON THE ICBC BORROWER AND THE ZK BORROWER**

This announcement is also made to provide supplemental information on the identities of the ultimate beneficial owners of (i) Longhuai Industry (Zhangzhou) Co., Ltd\* (龍懷工業(漳州)有限公司) (i.e. the ICBC Borrower as defined in the Announcement); and (ii) Xiamen Xinzhonglue Trading Co., Ltd\* (廈門鑫中略貿易有限公司) (i.e. the ZK Borrower as defined in the Announcement), as at the date of the Announcement.

To the best knowledge, information and belief of the Directors, as at the date of the Announcement, the ICBC Borrower is directly owned as to (i) 25% by 英國 S·H 貿易(私人)有限公司, a company incorporated in the United Kingdom of which no information about its shareholder(s) is revealed through the Company's public search; and (ii) 75% by Longhai Kaiyue Food Co., Ltd\* (龍海凱悅食品有限公司), which is directly owned as to 35% and 65% by Zheng Afu (鄭阿福) and Zheng Songhui (鄭松輝), respectively.

To the best knowledge, information and belief of the Directors, as at the date of the Announcement, the ZK Borrower is directly wholly owned by Zheng Qingtu (鄭清塗).

For further information on Zheng Afu, Zheng Songhui and Zheng Qingtu, please refer to the section headed "GEM Listing Rule Implications on the Financial Assistance Viewed in Aggregate" in the Announcement.

To the best knowledge, information and belief of the Directors, save as disclosed in the Announcement and in this announcement, (i) the ICBC Borrower and the ZK Borrower and their respective ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons; and (ii) all other information as set out in the Announcement remains unchanged and shall continue to be valid for all purposes, while this announcement is supplemental to and should be read in conjunction with the Announcement.

By order of the Board  
**China Futex Holdings Limited**  
**Cheng Jun**  
*Chairman and executive Director*

Hong Kong, 4 June 2021

*As at the date of this announcement, the executive Directors are Mr. Cheng Jun (Chairman), Mr. Guan Min, Mr. Zheng Liangjian and Mr. Wang Kun; and the independent non-executive Directors are Dr. Hu Xudong, Mr. Shum Shing Kei and Mr. Chan Ka Leung Kevin.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and will be published on the Company’s website at [www.kx-machine.com](http://www.kx-machine.com).*

*\* For identification purposes only*