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Hua Xia Water Group Limited

華夏水務集團有限公司

(formerly known as Stream Ideas Group Limited 源想集團有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8401)

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



References are made to the announcement of Hua Xia Water Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 15 July 2026 in relation to, among others, the placing of new Shares under the General Mandate by the Company (the “**Announcement**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Announcement.

COMPLETION OF THE PLACING OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that all the conditions precedent set out in the Placing Agreement have been fulfilled and that completion of the Placing (the “**Completion**”) took place on 30 July 2026 (the “**Completion Date**”). An aggregate of 135,535,101 Placing Shares, representing approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares immediately upon Completion, have been successfully placed to not less than six Placees at the Placing Price of HK\$0.026 per Placing Share, pursuant to the terms of the Placing Agreement.

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Placees and their respective ultimate beneficial owners are Independent Third Parties, and none of the Placees nor their respective associates has become a substantial shareholder of the Company as a result of the Placing.

The gross proceeds from the Placing amount to approximately HK\$3.52 million. The net proceeds from the Placing, after deducting the placing commission and other related expenses incurred in connection with the Placing, amount to approximately HK\$3.50 million, representing a net price of approximately HK\$0.0258 per Placing Share.

The Company intends to apply the entire net proceeds from the Placing for general working capital of the Group, in particular towards, among others, the settlement of staff costs and other employee related expenses of the Group; the settlement of marketing and promotional expenses incurred in connection with the expansion of the Group's online advertising and interactive multi-media display advertising businesses in the PRC and other markets; the settlement of costs relating to the production and procurement of media content for the Group's interactive multi-media display advertising business; the settlement of general administrative and operating expenses of the Group, including rental, utilities and professional fees; and the general working capital of the Group to support its daily business operations.

The Directors confirm that the Placing has been completed in accordance with the terms of the Placing Agreement as disclosed in the Announcement, and that there has been no change to the Placing Price, the number of Placing Shares or the intended use of proceeds as disclosed in the Announcement.

The Placing Shares, having been issued and fully paid, rank *pari passu* in all respects among themselves and with the Shares in issue on the Completion Date.

The General Mandate has been fully utilised by the allotment and issue of the Placing Shares. As at the date of this announcement, the Company has not issued any further Shares under the General Mandate.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The table below illustrates the shareholding structure of the Company (i) immediately before the Completion; and (ii) immediately after the Completion (assuming there is no other change in the issued share capital of the Company between the date of the Announcement and the Completion Date, other than the allotment and issue of the Placing Shares):

Name of Shareholders	Immediately before the Completion		Immediately after the Completion	
	Number of Shares	Approx. %	Number of Shares	Approx. %
Director and his close associate				
Mr. Lee Wing Leung Garlos (<i>Note 1</i>)	50,826,000	7.50%	50,826,000	6.25%
Public Shareholders:				
The Placees (<i>Note 2</i>)	—	—	135,535,101	16.67%
Other public Shareholders	626,849,506	92.50%	626,849,506	77.08%
<i>Sub-total (public)</i>	<u>626,849,506</u>	<u>92.50%</u>	<u>762,384,607</u>	<u>93.75%</u>
Total	<u>677,675,506</u>	<u>100.00%</u>	<u>813,210,607</u>	<u>100.00%</u>

Notes:

1. These Shares are held by JAG United Company Limited, the issued share capital of which is beneficially owned as to 33.33% by Ms. Jenny Cheung, as to 33.33% by Mr. Anakin Law and as to 33.33% by Mr. Lee Wing Leung Garlos (an executive Director). By virtue of the SFO, Mr. Lee Wing Leung Garlos is deemed to be interested in the Shares held by JAG United Company Limited.
2. The Placees and their respective ultimate beneficial owners are Independent Third Parties.

By Order of the Board
Hua Xia Water Group Limited
Wong Tsz Tuk Alexis
Executive Director

Hong Kong, 30 July 2026

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Yam Yuet Hang (Chairman), Ms. Cai Ying (Chief Executive Officer), Mr. Lee Wing Leung Garlos, Mr. Zhang Yu and Mr. Wong Tsz Tuk Alexis; and three independent non-executive Directors, namely Mr. Kwan Chi Hong, Mr. Yiu Chun Wing and Ms. Meng Mei.

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 GEM of The Stock Exchange of Hong Kong Limited 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 for at least 7 days from the date of its publication and on the website of the Company at www.hwaxiawater.com.