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TiantuCapital  天图投资

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Tian Tu Capital Co., Ltd.

深圳市天圖投資管理股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1973)

**DISCLOSEABLE TRANSACTION —
FORMATION OF THE TIAN TU XINGQIN VC FUND**

THE PARTNERSHIP AGREEMENT

The Company announces that on December 8, 2023 (after trading hours), Tiantu Capital Management Center, Shenzhen Xingyi and Ms. Wang Yaping entered into the Partnership Agreement, pursuant to which they have agreed to establish the Tiantu Xingqin VC Fund with an initial committed capital of RMB266.4 million, of which RMB1.0 million, RMB215.0 million and RMB50.4 million will be contributed by Tiantu Capital Management Center, Shenzhen Xingyi and Ms. Wang Yaping respectively. Tiantu Capital Management Center will serve as the general partner, while Shenzhen Xingyi and Ms. Wang Yaping will serve as limited partners of the Tiantu Xingqin VC Fund.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratio(s) in respect of the Group's maximum possible contribution to the Tiantu Xingqin VC Fund exceed 5% but all the percentage ratios are less than 25%, the entering into of the Partnership Agreement constitutes a discloseable transaction and is subject to notification and announcement requirements pursuant to Chapter 14 of the Listing Rules.

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Principal terms of the Partnership Agreement

Set out below are the principal terms of the Partnership Agreement:

Date:	December 8, 2023 (after trading hours)
Parties:	Tiantu Capital Management Center (as the general partner and fund manager) Shenzhen Xingyi (as a limited partner) Ms. Wang Yaping (as a limited partner)
Name of the fund:	Qingdao Tiantu Xingqin Venture Capital Fund Partnership (Limited Partnership) (青島天圖興琴創業投資基金合夥企業(有限合夥)) (subject to regulatory approval of the final fund name) (i.e. the Tiantu Xingqin VC Fund)
Term of the fund:	Seven years from the formation date, extendable for two years subject to the approval obtained from meeting of partners
Purpose and scope of the fund:	Established primarily to make equity investments (including convertible bonds) with funds of its partners in emerging industries with a focus in the consumer sector, and subject to regulatory approval of the scope of operations. Pursuant to the Partnership Agreement, the balance of convertible bond investments made by the Tiantu Xingqin VC Fund (other than any investments made in convertible bonds as a result of regulatory approval requirements) shall not exceed 20% of its paid-in capital.

More specifically, an investment of RMB equivalent of US\$30 million into AiFenLei or Shanghai Yuekun (or other affiliated entities upon reorganization or incorporation) has been agreed by all partners and should not be subject to any additional authorization by the partners of the Tiantu Xingqin VC Fund. The Tiantu Xingqin VC Fund currently contemplates that it may make the investment into AiFenLei and Shanghai Yuekun by accepting a transfer of Shenzhen Xingyi's right and obligations pursuant to the Investment Agreement which, if materialized, will be regarded as a group restructuring and a transfer of Shenzhen Xingyi's equity interests in Shanghai Yuekun to a non-wholly owned subsidiary which is owned as to approximately 81% by the Group. The Group will comply with the applicable requirements under Chapter 14 of the Listing Rules in relation to any such group restructuring.

Capital contribution: The initial committed capital to be contributed by each of Tiantu Capital Management Center, Shenzhen Xingyi and Ms. Wang Yaping is RMB1.0 million, RMB215.0 million and RMB50.4 million, respectively.

The general partner may keep the Tiantu Xingqin VC Fund open for up to 12 months after its incorporation, and may accept an aggregate committed capital of up to RMB500.0 million during this period (the “**Fundraising Period**”).

In the event that the committed capital at the conclusion of the Fundraising Period is not more than RMB266.4 million, the fund manager may choose to change the fund investment strategy from portfolio investment to single target investment.

Capital contribution may be made in one lumpsum or by installments according to the general partner's written capital contribution notice.

Investment term: The first three years are the investment period and the fourth to seventh year is the post-investment period, no investments may be made other than investment in projects for which legally binding investment agreements have been executed during the investment period or as otherwise approved by the partners at a partners' meeting.

Fund structure: A non-publicly raised fund to be registered with the Asset Management Association of China and the relevant governmental authorities in the PRC.

Distribution: For funds received from exited projects during the investment period, the general partner may determine whether funds should be distributed or re-invested.

For funds received from exited project during the post-investment period, the general partner shall distribute the distributable income received from the exit within 30 days of exit.

The general partner is entitled to carried interests charged at 20% of the Tiantu Xingqin VC Fund's realized gains when the gain exceeds an 8% rate of return. If the fund's gains exceed three times of its paid-in capital, the carried interest rate for such excess gains would be 30% on the Tiantu Xingqin VC Fund's realized gains.

Fund management: Tiantu Capital Management Center will serve as both the general partner and fund manager, and shall be responsible for, amongst others, sourcing investment projects, making investments, management and exit decisions in relation to the investment projects and other administrative functions pertaining to the Tiantu Xingqin VC Fund. Tiantu Capital Management Center's role as the fund manager may only be determinate in accordance with the Partnership Agreement.

The fund manager is entitled to a management fee at a rate prescribed in the Partnership Agreement (which shall be passed on paid-in capital (excluding paid-in capital from the Company) during the investment period. The rate of the management fee during the Tiantu Xingqin VC Fund's investment period is 1% per annum for paid-in capital not contributed by the Group (for the first RMB266.4 million of contributed capital to the fund) and 2% per annum for paid-in capital not contributed by the Group (for contributed capital in excess of RMB266.4 million to the fund), and no management fee is payable during the post-investment period and any subsequent extension periods.

The general partner shall first pay the cost for establishment of the limited partnership and will be reimbursed by the Tiantu Xingqin VC Fund upon its establishment.

Investment Committee: The limited partners agree that the fund manager shall establish an investment committee which shall be the body which makes investment decisions on behalf of the Tiantu Xingqin VC Fund.

The investment committee shall consist of four members (including one chairman) to be determined by the fund manager, the terms of reference of the investment committee's appointment shall be aligned with the terms of the Tiantu Xingqin VC Fund.

General: Each partner of the Tiantu Xingqin VC Fund has made certain customary representations and warranties related to their participation in the Partnership Agreement. The limited partnerships will be entitled to customary rights including making significant determination at a partners' meeting in accordance with the Partnership Agreement, to transfer or withdraw their partnership interest and to be entitled certain information rights.

Subject to applicable laws and waivers, limited partners is entitled to a 24-hour cooling off period, during which the fund manager will not actively contact the limited partner and the limited partner may unilaterally terminate their participation in the Partnership Agreement.

INFORMATION OF THE PARTIES

The Company

The Company is a joint stock company incorporated in the PRC with limited liability and is listed on the Main Board of the Stock Exchange. The Company is a leading private equity investor and fund manager who manages capital for institutional investors, high-net-worth individuals and makes investments through its funds under management and directly with its own capital.

Tiantu Capital Management Center is a limited partnership incorporated in the PRC and an indirect wholly-owned subsidiary of the Company. It is an entity registered with the Asset Management Association of China as an observing member and primarily engages in the management of private equity funds and manages private equity funds including the Group's consolidated RMB-denominated funds.

Shenzhen Xingyi is a limited partnership incorporated in the PRC and an indirect wholly-owned subsidiary of the Company. It is primarily engaged in equity investments, its general partner is Hangzhou Tiantu Capital Management Co., Ltd.* (杭州天圖資本管理有限公司), which is an indirect wholly-owned subsidiary of the Company.

Ms. Wang Yaping

Ms. Wang Yaping is a PRC based high-net-worth individual and a seasoned entrepreneur engaged in the wholesale of electronic products. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Ms. Wang Yaping is an Independent Third Party.

SOURCE OF FUNDING FOR THE INVESTMENT

The Company intends to finance capital contribution to the Tiantu Xingqin VC Fund from its internal financial resources, including through funds which were previously designated for investment into Shanghai Yuekun and AiFenLei upon transfer of the investment rights and obligations of Shenzhen Xingyi under the Investment Agreement to the Tiantu Xingqin VC Fund (if a transfer of the rights and obligations materializes).

REASONS FOR AND BENEFITS OF THE FUND FORMATION

The Company is principally engaged as a private equity investor and fund manager. The formation of the Tiantu Xingqin VC Fund represents a good opportunity for the Company to further deepen its investment in emerging industries within the consumer sector in the PRC. The Group specializes in investment in the consumer sector in the PRC and the investment scope and focus of the Tiantu Xingqin VC Fund falls within the area that the Group has specialty and significant experience in. The opportunity will also enable the Group to leverage on committed capital of limited partners of the Tiantu Xingqin VC Fund and make investments in a greater scale as compared to direct investments made solely by the Group.

The capital commitment to the Tiantu Xingqin VC Fund and the capital commitment of each partner were determined after arm's length negotiations among the partners with reference to expected capital needs and market conditions for private equity fundraising. It is expected that the financial results of the Tiantu Xingqin VC Fund will be consolidated into the accounts of the Company.

The Directors are therefore of the view that the terms of the Partnership Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratio(s) in respect of the Group's maximum possible contribution to the Tiantu Xingqin VC Fund exceed 5% but all the percentage ratios are less than 25%, the entering into of the Partnership Agreement constitutes a discloseable transaction and is subject to notification and announcement requirements pursuant to Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and phrases have the following meanings:

“AiFenLei” AiFenLei Global Co., Ltd., a company incorporated in the Cayman Islands with limited liability and the financials and results of operations of Shanghai Yuekun are consolidated into it, which controls Shanghai Yuekun through a set of contractual arrangements

“Board”	the board of Directors
“Company”	Tian Tu Capital Co., Ltd. (深圳市天圖投資管理股份有限公司), a joint stock company with limited liability incorporated in the PRC, the H Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1973)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas-listed share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are traded in Hong Kong dollars and are listed on the Main Board of the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) who is/are independent of the Company and connected persons of the Company
“Investment Agreement”	the investment agreement entered into amongst Shenzhen Xingyi, Shanghai Yuekun and AiFenLei on November 20, 2023 in connection with a proposed investment by Shenzhen Xingyi in Shanghai Yuekun
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Partnership Agreement”	the partnership agreement entered into amongst Tiantu Capital Management Center, Shenzhen Xingyi and Ms. Wang Yaping on December 8, 2023 in connection with the formation of the Tiantu Xingqin VC Fund
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC

“Shanghai Yuekun”	Shanghai Yuekun Environmental Protection Technology Co., Ltd.* (上海悦鯤環保科技有限公司), a company established in the PRC with limited liability, its financials and results of operations are consolidated into AiFenLei, which controls Shanghai Yuekun through a set of contractual arrangements
“Share(s)”	ordinary share(s) in the capital of the Company with a nominal value of RMB1.00 each
“Shareholder(s)”	holder(s) of the Shares
“Shenzhen Xingyi”	Shenzhen Tiantu Xingyi Investment Partnership (Limited Partnership)* (深圳天圖興宜投資合夥企業(有限合夥)), a limited partnership incorporated in the PRC and an indirect wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tiantu Capital Management Center”	Shenzhen Tiantu Capital Management Center (Limited Partnership) (深圳天圖資本管理中心(有限合夥)), a limited partnership incorporated in the PRC and an indirect wholly-owned subsidiary of the Company
“Tiantu Xingqin VC Fund”	Qingdao Tiantu Xingqin Venture Capital Fund Partnership (Limited Partnership) (青島天圖興琴創業投資基金合夥企業(有限合夥)) (subject to regulatory approval of the final fund name)
“US\$”	United State dollars, the lawful currency of the United States of America
“%”	per cent.

By order of the Board
Tian Tu Capital Co., Ltd.
(深圳市天圖投資管理股份有限公司)
Mr. Wang Yonghua
Chairman and Executive Director

Shenzhen, the PRC
December 8, 2023

As at the date of this announcement, the board of directors of the Company comprises Mr. Wang Yonghua, Mr. Feng Weidong. Ms. Zou Yunli and Mr. Li Xiaoyi as executive directors; Mr. Li Lan and Mr. Dai Yongbo as non-executive directors; and Mr. Liu Pingchun, Mr. Diao Yang and Mr. Tsai Lieh (alias. Tsai Leo) as independent non-executive directors.

* *The English translation of the Chinese names in this announcement is included for reference only.*