
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Prospectus or as to the action you should take, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser(s).

If you have sold or transferred all your shares in Tibet Water Resources Ltd., you should at once hand the Prospectus Documents to the purchaser(s) or transferee(s) or to the bank, or licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s). The Prospectus Documents should not, however, be distributed, forwarded or transmitted to, into or from any jurisdiction where to do so might constitute a violation of the relevant local securities laws or regulations.

A copy of each of the Prospectus Documents, together with the documents specified in the paragraph headed “12. Documents delivered to the Registrar of Companies in Hong Kong” in Appendix III to this Prospectus, have been registered with the Registrar of Companies in Hong Kong as required by section 342C of the Companies (WUMP) Ordinance. The Registrar of Companies in Hong Kong, The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission of Hong Kong take no responsibility as to the contents of any of the Prospectus Documents or any other document(s) referred to above.

Distribution of this Prospectus into jurisdictions other than Hong Kong may be restricted by law. Persons who come into possession of this Prospectus (including, without limitation, agents, custodians, nominees and trustees) should acquaint themselves with and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction for which the Company will not accept any liability. In particular, subject to certain exceptions as determined by the Company, this Prospectus and the PAL should not be distributed, forwarded to or transmitted in, into or from any jurisdiction where such release or distribution might be unlawful.

Subject to the granting of listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC and you should consult your stockbroker, a licensed dealer in securities, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited, and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of the Prospectus Documents, make no representation as to their 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 the Prospectus Documents.



Tibet Water Resources Ltd.

西藏水資源有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1115)

RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY THREE (3) EXISTING SHARES HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS

Capitalised terms used on this cover shall have the same meanings as those defined in this Prospectus.

The Rights Issue is on a non-underwritten basis. The Cayman legal advisers of the Company have confirmed that there are no applicable statutory requirements regarding minimum subscription levels in respect of the Rights Issue. Nevertheless, the Rights Issue is subject to fulfillment of the conditions of the Rights Issue as set out in the section headed “Letter from the Board — The Rights Issue — Conditions of the Rights Issue” in this Prospectus at or prior to the latest time for the Rights Issue to become unconditional (which is currently expected to be 5:00 p.m. on Thursday, 19 January 2023). If the conditions of the Rights Issue are not fulfilled at or prior to the latest time for the Rights Issue to become unconditional, the Rights Issue will not proceed.

Dealings in the Shares have been on an ex-rights basis from Monday, 12 December 2022. Dealings in the Rights Shares in their nil-paid form will take place from Friday, 23 December 2022 to Wednesday, 4 January 2023 (both dates inclusive).

Any Shareholders or other persons contemplating selling or purchasing Shares and/or Rights Shares in their nil-paid form up to the latest time when the conditions of the Rights Issue are fulfilled (which is currently expected to be 5:00 p.m. on Thursday, 19 January 2023) will accordingly bear the risk that the Rights Issue may not become unconditional and may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the Shares and/or the nil-paid Rights Shares, and if they are in any doubt about their position, they are recommended to consult their professional advisers.

The Latest Time for Acceptance is 4:00 p.m. on Monday, 9 January 2023.

The procedures for acceptance and transfer of the Rights Shares are set out in the section headed “Letter from the Board — The Rights Issue — Procedures for acceptance, splitting of provisional allotment and payment and/or transfer of the Rights Shares” in this Prospectus.

21 December 2022

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EXPECTED TIMETABLE

Set out below is the expected timetable for the Rights Issue which is indicative only and is subject to change. Further announcement(s) will be made by the Company as and when appropriate should there be any changes to the expected timetable.

All times and dates in this Prospectus refer to Hong Kong local times and dates.

Events	Time and Date (Hong Kong time)
First day of dealings in nil-paid Rights Shares	9:00 a.m. on Friday, 23 December 2022
Latest time for splitting the nil-paid PAL	4:00 p.m. on Thursday, 29 December 2022
Last day of dealings in nil-paid Rights Shares	Wednesday, 4 January 2023
Latest time to lodge transfer documents of nil-paid Rights Shares in order to qualify for the payment of Net Gain	4:00 p.m. on Monday, 9 January 2023
Latest time for acceptance of and payment for the Rights Shares	4:00 p.m. on Monday, 9 January 2023
Announcement of the number of Placing Shares subject to the Placing	Wednesday, 11 January 2023
Commencement of placing of Placing Shares by the Placing Agent	Thursday, 12 January 2023
Latest time of placing of Placing Shares by the Placing Agent	4:00 p.m. on Wednesday, 18 January 2023
Latest time for the Rights Issue to become unconditional	5:00 p.m. on Thursday, 19 January 2023
Announcement of the results of the Rights Issue (including the results of the placing of the Placing Shares and the amount of the Net Gain per Placing Share under the Placing)	Friday, 27 January 2023

EXPECTED TIMETABLE

Refund cheques, if any, to be despatched on or before Monday, 30 January 2023

Certificates for fully-paid Rights Shares to be
despatched on or before Monday, 30 January 2023

Commencement of dealings in fully-paid Rights
Shares 9:00 a.m. on
Tuesday, 31 January 2023

Designated broker starts to stand in the market to
provide matching services for odd lots of Shares. 9:00 a.m. on
Tuesday, 31 January 2023

Latest time for the designated broker to provide
matching services for odd lots of Shares 4:00 p.m. on
Wednesday, 15 February 2023

Payment of Net Gain to the No Action Shareholder(s)
and Prohibited Shareholders (if any) Monday, 20 February 2023

EFFECT OF BAD WEATHER AND/OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES

The Latest Time for Acceptance will not take place as scheduled at the time indicated above if there is a tropical cyclone warning signal number 8 or above, or a “black” rainstorm warning signal, or “extreme conditions” caused by super typhoons issued by the Hong Kong Observatory:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Monday, 9 January 2023. Instead the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; or
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Monday, 9 January 2023. Instead the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on the currently scheduled date, the dates mentioned in the section headed “Expected Timetable” may be affected. The Company will notify the Shareholders by way of announcement(s) of any changes to the expected timetable as soon as practicable.

DEFINITIONS

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

“Announcement”	the announcement of the Company dated 2 December 2022 in relation to, among other things, the Rights Issue and the Placing
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (excluding a Saturday, Sunday or public or statutory holiday in Hong Kong and any day on which a tropical cyclone warning No. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business in Hong Kong throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the operational procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to the operations and functions of CCASS, as from time to time in force
“China Connect”	Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, a securities trading and clearing platform under which PRC domestic investors may trade in the Stock Exchange via ChinaClear
“ChinaClear”	China Securities Depository and Clearing Corporation Limited
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended from time to time
“Company”	Tibet Water Resources Ltd., a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange

DEFINITIONS

“Compensatory Arrangements”	the compensatory arrangements pursuant to Rule 7.21(1)(b) of the Listing Rules as described in the paragraph headed “Procedures in respect of the Untaken Shares and the NQS Unsold Rights Shares and the Compensatory Arrangements” in this Prospectus
“Completion”	completion of the Rights Issue
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Convertible Bonds”	the 5% convertible bonds in the principal amount of HK\$379,620,000 due 2024 issued by the Company in March 2021 (with principal amount of HK\$356,976,000 remaining outstanding as at the Latest Practicable Date)
“CSRC”	China Securities Regulatory Commission
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“FRC”	the Financial Reporting Council of Hong Kong
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) who are not connected persons of the Company and its subsidiaries and who are independent of the Company and connected persons of the Company
“Last Trading Day”	Friday, 2 December 2022, being the last full trading day before the release of the Announcement
“Latest Practicable Date”	15 December 2022, being the latest practicable date prior to the printing of this Prospectus for ascertaining certain information for inclusion in this Prospectus
“Latest Time for Acceptance”	4:00 p.m. on Monday, 9 January 2023 (or such other time or date as may be determined by the Company), being the latest time for acceptance of and payment for the Rights Shares
“Listing Committee”	the listing committee of the Stock Exchange for considering applications for listing and the granting of listing
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time

DEFINITIONS

“Net Gain”	the aggregate of any premiums, being the aggregate amount paid by the placees after deducting the aggregate amount of the Subscription Price for the Placing Shares placed by the Placing Agent under the Placing Agreement
“No Action Shareholder(s)”	Qualifying Shareholders who do not subscribe for the Rights Shares (whether partially or fully) under the PAL(s) or their renounees, or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed
“NQS Unsold Rights Shares”	the Rights Shares which would otherwise have been provisionally allotted to the Prohibited Shareholders in nil paid form that have not been sold by the Company
“Overseas Letter”	a letter from the Company to the Prohibited Shareholders explaining the circumstances in which the Prohibited Shareholders are not permitted to participate in the Rights Issue
“Overseas Shareholders”	Shareholder(s) with registered address(es) (as shown on the register of members of the Company at the close of business on the Record Date) which is(are) outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) for the Rights Issue
“Placing”	the offer by way of private placing of the Placing Shares on a best effort basis by the Placing Agent to the independent placee(s) during the Placing Period on the terms and conditions set out in the Placing Agreement
“Placing Agent”	SBI China Capital Financial Services Limited, a licensed corporation to carry on Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (providing asset management) regulated activities under the SFO
“Placing Agreement”	the placing agreement dated 2 December 2022 and entered into between the Company and the Placing Agent in relation to the placing of the Placing Shares
“Placing Period”	the period commencing from the third Business Day after the Latest Time for Acceptance and ending at 4:00 p.m. on the seventh Business Day after the Latest Time for Acceptance
“Placing Share(s)”	the Untaken Shares and/or the NQS Unsold Rights Shares

DEFINITIONS

“Posting Date”	Wednesday, 21 December 2022 (or such other date as may be determined by the Company), being the date of despatch of Prospectus Documents to the Qualifying Shareholders or Prospectus to the Prohibited Shareholders for information only (as the case may be)
“PRC”	the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purpose of the Prospectus Documents
“PRC Southbound Investors”	investors from the PRC who hold Shares through ChinaClear as nominee under China Connect
“Prohibited Shareholder(s)”	those Overseas Shareholder(s) to whom the Board, after making enquires, considers it necessary or expedient on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place not to offer the Rights Shares
“Prospectus”	this prospectus
“Prospectus Documents”	collectively, the Prospectus and the PAL
“Qualifying Shareholders”	the Shareholders, other than the Prohibited Shareholders, whose names appear on the register of members of the Company as at the close of business on the Record Date
“Record Date”	Tuesday, 20 December 2022, (or such other date as may be determined by the Company), being the date for determining entitlements of Shareholders to participate in the Rights Issue
“Registrar”	the Company’s branch share registrar and transfer office in Hong Kong, Union Registrars Limited, Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong
“Rights Issue”	proposed offer for subscription of the Rights Shares by way of rights issue at the Subscription Price to be made by the Company to the Qualifying Shareholders on the basis of one (1) Rights Share for every three (3) existing Shares in issue and held on the Record Date
“Rights Share(s)”	up to 1,019,797,000 Shares to be allotted and issued pursuant to the Rights Issue (assuming no change in the number of Shares in issue on or before the Record Date and holders of the Convertible Bonds do not exercise their conversion rights on or before the Record Date)

DEFINITIONS

“RMB”	Renminbi, the lawful currency of the PRC
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$0.385 per Rights Share
“Takeovers Code”	The Codes on Takeovers and Mergers issued by the SFC (as may be amended from time to time)
“Untaken Share(s)”	the number of unsubscribed Rights Shares not taken up by Qualifying Shareholders under PAL(s) during the Rights Issue
“%”	per cent

The English transliteration of the Chinese name(s) in this Prospectus, where indicated with “”, is included for information purpose only, and should not be regarded as the official English name(s) of such Chinese name(s).*



Tibet Water Resources Ltd.

西藏水資源有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1115)

Executive Directors:

Mr. YAN Qingjiang
Mr. CHOW Wai Kit
Mr. CHENG Gwan Sing

Non-executive Directors:

Ms. JIANG Xiaohong
Mr. XIE Kun
Mr. WEI Zheming

Independent non-executive Directors:

Dr. ZHANG Chunlong (*Chairman*)
Mr. LO Wai Hung
Ms. LIN Ting

Registered Office:

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

*Principal place of business
in Hong Kong:*

Unit D, 23rd Floor
United Centre, 95 Queensway
Admiralty
Hong Kong

21 December 2022

To the Qualifying Shareholders, and for information only, the Prohibited Shareholders

Dear Sir or Madam,

**RIGHTS ISSUE ON THE BASIS OF
ONE (1) RIGHTS SHARE FOR EVERY THREE (3) EXISTING SHARES
HELD ON THE RECORD DATE
ON A NON-UNDERWRITTEN BASIS**

INTRODUCTION

Reference is made to the Announcement in relation to, among other things, the Rights Issue and the Placing.

The purpose of this Prospectus is to provide you with further information on the Rights Issue including the procedures for acceptance of the Rights Shares provisionally allotted to you, and certain financial and other general information of the Group.

LETTER FROM THE BOARD

THE RIGHTS ISSUE

The terms of the Rights Issue are set out below:

Basis of the Rights Issue:	One (1) Rights Share for every three (3) existing Shares held by the Qualifying Shareholders as at the close of business on the Record Date
Subscription Price:	HK\$0.385 per Rights Share
Number of Shares in issue as at the Latest Practicable Date:	3,059,391,000 Shares
Number of Rights Shares:	Up to 1,019,797,000 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date and holders of the Convertible Bonds do not exercise their conversion rights on or before the Record Date)
Gross proceeds from the Rights Issue:	Up to approximately HK\$392.62 million before expenses (assuming no change in the number of Shares in issue on or before the Record Date and all Rights Shares are taken up by the Qualifying Shareholders)

As at the Latest Practicable Date, there are outstanding Convertible Bonds in an aggregate principal amount of HK\$356,976,000, which are convertible into 482,400,000 conversion Shares at a conversion price of HK\$0.74. Assuming full conversion of the Convertible Bonds on or before the Record Date, the maximum number of new Shares that may fall to be allotted and issued under the terms and conditions of the Convertible Bonds will be 482,400,000 Shares, which will result in the issue and allotment of 160,800,000 additional Rights Shares.

Assuming no change in the number of Shares in issue on or before the Record Date and holders of the Convertible Bonds do not exercise their conversion rights on or before the Record Date, 1,019,797,000 Rights Shares to be issued pursuant to the terms of the Rights Issue represent (i) approximately 33.33% of the total number of issued Shares as at the Latest Practicable Date; and (ii) 25.00% of the total number of issued Shares as enlarged by the allotment and issue of the Rights Shares, and have an aggregate nominal value of HK\$10,197,970.

Other than the Shares which may be allotted as a result of the conversion of the Convertible Bonds, the Company has no intentions to issue or grant any Shares, convertible securities, share options, warrants and/or options on or before the Record Date. Given the conversion price of the Convertible Bonds (i.e. HK\$0.74) is higher than the prevailing market prices of the Shares, the Board expects that no Convertible Bonds would be converted into Shares on or before the Record Date.

Save as disclosed above, the Company has no outstanding share options, warrants, options or convertible securities or other similar rights which are convertible or exchangeable into Shares as at the Latest Practicable Date.

LETTER FROM THE BOARD

Undertakings

The Company has not received any information or irrevocable undertaking from any substantial Shareholder of any intention in relation to the Rights Shares to be provisionally allotted to that Shareholder under the Rights Issue as at the Latest Practicable Date.

Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. The Company will send (i) the Prospectus Documents to the Qualifying Shareholders; and (ii) the Overseas Letter together with the Prospectus, for information only, to the Prohibited Shareholders.

To qualify for the Rights Issue, a Shareholder must at the close of business on the Record Date: (i) be registered on the registers of members of the Company; and (ii) not be a Prohibited Shareholder.

In order to be registered as members of the Company on the Record Date, the Shareholders should have lodged any transfer of the Shares (with the relevant share certificates) for registration with the Registrar at the following address by 4:00 p.m. on Tuesday, 13 December 2022:

Union Registrars Limited
Suites 3301-04, 33/F.
Two Chinachem Exchange Square
338 King's Road
North Point, Hong Kong

Closure of register of members

The register of members of the Company has been closed from Wednesday, 14 December 2022 to Tuesday, 20 December 2022 (both days inclusive) for determining the entitlements to the Rights Issue during which period no transfer of Shares could be registered.

Subscription Price

The Subscription Price of HK\$0.385 per Rights Share is payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares under the Rights Issue or when a transferee of the nil-paid Rights Shares subscribes for the Rights Shares.

The Subscription Price represents:

- (i) a discount of 12.5% to the closing price of HK\$0.44 per Share as quoted on Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 9.84% to the average closing price of HK\$0.427 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day;

LETTER FROM THE BOARD

- (iii) a discount of approximately 9.68% to the theoretical ex-rights price of approximately HK\$0.43 per Share based on the closing price of HK\$0.44 per Share as quoted on the Stock Exchange on the Last Trading Day and the number of Shares as enlarged by the Rights Shares;
- (iv) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 3.13%, being the discount of the theoretical diluted price of approximately HK\$0.43 per Share to the benchmarked price of approximately HK\$0.44 per Share (as defined under Rule 7.27B of the Listing Rules, being the higher of (i) the closing price of the Shares as quoted on the Stock Exchange on the Last Trading Day and (ii) the average of the closing prices of the Shares as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to the date of the Announcement);
- (v) a discount of approximately 61.88% to the unaudited consolidated net asset value of the Company of approximately HK\$1.01 per Share (based on the latest published unaudited consolidated net asset value attributable to owners of the Company of approximately RMB2,817,429,000 (equivalent to approximately HK\$3,086,240,552) as at 30 June 2022 as disclosed in the interim report of the Company for the six months ended 30 June 2022 and 3,059,391,000 Shares in issue as at the date of the Announcement); and
- (vi) a discount of approximately 8.33% to the closing price of HK\$0.42 per Share as quoted on Stock Exchange on the Latest Practicable Date.

The Subscription Price was arrived at after arm's length negotiation with reference to, among other things, (i) the prevailing market price of the Shares and the financial conditions of the Group; (ii) the prevailing market conditions of the capital market in Hong Kong; and (iii) the reasons for the Rights Issue and the use of proceeds as set out in the section headed "Reasons for the Rights Issue and the Use of Proceeds" in this Prospectus. As the Rights Shares are offered to all Qualifying Shareholders, the Board would like to set the Subscription Price at a level that would attract the Qualifying Shareholders to participate in the Rights Issue. Each Qualifying Shareholder is entitled to subscribe for the Rights Shares at the same price in proportion to his/her/its existing shareholding in the Company. The Board considers that the Subscription Price is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Status of the Rights Shares

The Rights Shares (when allotted, issued and fully paid) will rank *pari passu* in all respects with the existing Shares in issue on the date of allotment and issue of the Rights Shares. Holders of the fully-paid Rights Shares will be entitled to receive all future dividends and distributions, which may be declared, made or paid on or after the date of allotment and issue of the fully-paid Rights Shares.

Basis of provisional allotments

The basis of the provisional allotment shall be one (1) Rights Share (in nil-paid form) for every three (3) existing Shares held by the Qualifying Shareholders as at the close of business on the Record Date.

LETTER FROM THE BOARD

Qualifying Shareholders may apply for all or any part of their respective provisional allotment by lodging a duly completed PAL(s) and a cheque or a banker's cashier order for the sum payable for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance.

Rights of PRC Southbound Investors

According to the "Stock Connect Southbound Shareholding Search" available on the Stock Exchange's website, as at the Latest Practicable Date, ChinaClear held 158,561,000 Shares, representing approximately 5.18% of the total number of the issued Shares.

The Board has made the relevant enquiries and was advised by the PRC legal adviser of the Company that the PRC Southbound Investors who hold Shares through ChinaClear as nominee under China Connect can participate in the Rights Issue through ChinaClear. ChinaClear will provide nominee services for the PRC Southbound Investors to (i) sell (in full or in part) their nil-paid Rights Shares on the Stock Exchange; and/or (ii) subscribe for the Rights Shares (in full or in part) for their pro rata entitlement in respect of Shares held on the Record Date at the Subscription Price under the Rights Issue in accordance with the relevant laws and regulations. In addition, according to the PRC legal adviser of the Company, the PRC Southbound Investors (or the relevant ChinaClear participants as the case may be) whose stock accounts are credited with nil-paid Rights Shares could only sell those nil-paid Rights Shares on the Stock Exchange under China Connect but could not purchase any other nil-paid Rights Shares nor transfer any nil-paid Rights Shares to other PRC Southbound Investors. The PRC Southbound Investors cannot sell or subscribe for Rights Shares until after the Company completes its filing with the CSRC.

The PRC Southbound Investors should seek advice from their intermediary (including broker, custodian, nominee or ChinaClear participant) and/or other professional advisers for details of the logistical arrangements as required by ChinaClear, and provide instructions for such intermediary in relation to the acceptance and/or sale of the nil-paid Rights Shares. Such instructions should be given in advance of the Latest Time for Acceptance (currently expected to be 4:00 p.m. on Monday, 9 January 2023) or last day of dealing in nil-paid Rights Shares (currently expected to be Wednesday, 4 January 2023) and otherwise in accordance with the requirements of the intermediary of the PRC Southbound Investors and/or ChinaClear in order to allow sufficient time to ensure that such instructions are given effect.

The Board has made the relevant enquiries and was advised by the PRC legal adviser of the Company that, as the Prospectus Documents will not be and are not intended to be filed with or approved by the CSRC other than in accordance with the relevant requirements of China Connect, the Rights Shares in nil-paid or fully-paid forms issued to the PRC Southbound Investors shall not be offered and may not be offered or sold directly or indirectly in the PRC to any person or entity, unless through China Connect, or the person or entity has otherwise been exempt by or has obtained the necessary and appropriate approvals from the relevant PRC authorities in accordance with the applicable PRC laws and regulations.

LETTER FROM THE BOARD

The Prospectus Documents may not be distributed in or forwarded to the PRC or used in connection with any offer for subscription or sale of the Rights Shares (in nil-paid and fully-paid forms) in the PRC, except that the same may be despatched to ChinaClear in the PRC or the Qualifying Shareholders in the PRC or to the extent in compliance with applicable PRC laws and regulations, and the Prospectus Documents may not be made publicly available in the PRC.

Rights of the Overseas Shareholders

In compliance with the necessary requirements of the Listing Rules, the Company has made enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholders (if any). If, based on legal opinions, the Board considers that it is necessary or expedient not to offer the Rights Shares to any Overseas Shareholders on account either of the legal restrictions under the laws of the relevant place(s) of their registered address(es) or the requirements of the relevant regulatory body(ies) or stock exchange(s) in such place(s), the Rights Issue will not be extended to such Overseas Shareholders.

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than (i) Hong Kong; and (ii) the PRC as mentioned in the paragraph headed “Rights of PRC Southbound Investors” above. Overseas Shareholders on the Record Date, if any, may not be eligible to take part in the Rights Issue as explained below.

As at the Latest Practicable Date, the Company had one (1) Overseas Shareholder with registered addresses situated in the PRC as follows:

Jurisdiction	Number of Overseas Shareholders	Aggregate number of Shares held by Overseas Shareholders in the jurisdiction	Approximate percentage of shareholding
The PRC	1	10,000,000 ^(Note)	0.33%

Note: For the avoidance of doubt, these 10,000,000 Shares do not include any of the 158,561,000 Shares, representing approximately 5.18% of the issued share capital of the Company, held by ChinaClear for and on behalf of the PRC Southbound Investors as at the Latest Practicable Date.

The Company has, in compliance with Rule 13.36(2)(a) of the Listing Rules, made enquiries with the PRC legal adviser of the Company of the legal requirements regarding the feasibility of extending the Rights Issue to Overseas Shareholders having registered addresses in the PRC.

LETTER FROM THE BOARD

Based on the relevant legal advice from the PRC legal adviser of the Company, the Board is of the view that it is not necessary or expedient to exclude the Overseas Shareholders with registered address(es) in the PRC. In particular, under the currently effective legislations of such jurisdiction, there is no regulatory restriction or requirement of any regulatory body or stock exchange with respect to the extending of the Rights Issue by the Company to the Overseas Shareholders in the relevant jurisdiction, provided that such Overseas Shareholders shall comply with and fulfil the provisions of the relevant laws and regulations as well as the policies and requirements of the relevant government authorities.

Accordingly, the Rights Issue will be extended to the Overseas Shareholders having registered addresses in the PRC and such Overseas Shareholders are Qualifying Shareholders.

It is the responsibility of the Shareholders (including the Overseas Shareholders) to observe the local legal and regulatory requirements applicable to them for taking up and onward sale (if applicable) of the Rights Shares.

As at the Latest Practicable Date, there were no Prohibited Shareholders. If there are any Prohibited Shareholders, arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Prohibited Shareholders, to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence on the Stock Exchange and before dealings in the nil-paid Rights Shares end, if a premium (net of expenses) can be obtained. The proceeds from such sale, less expenses, of more than HK\$100 will be paid to the relevant Prohibited Shareholders on a pro-rata basis (according to their respective entitlements on the Record Date and rounded down to the nearest cent). In view of administrative costs, the Company will retain individual amounts of HK\$100 or less for its own benefit.

The Company will send the Prospectus and the Overseas Letter to the Prohibited Shareholders (if any) for their information only but will not send any PAL to them.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue, subject to the results of enquiries made by the Board pursuant to Rule 13.36(2)(a) of the Listing Rules. Accordingly, Overseas Shareholders should exercise caution when dealing in the Shares.

Procedures in respect of the Untaken Shares and the NQS Unsold Rights Shares and the Compensatory Arrangements

The Company will make arrangements described in Rule 7.21(1)(b) of the Listing Rules to dispose of the Untaken Shares and the NQS Unsold Rights Shares by offering the Untaken Shares and the NQS Unsold Rights Shares to independent placees for the benefit of the No Action Shareholders and the Prohibited Shareholders. There will be no excess application arrangements in relation to the Rights Issue.

On 2 December 2022, the Company entered into the Placing Agreement with the Placing Agent in relation to the placing of Untaken Shares and the NQS Unsold Rights Shares to independent placees on a best effort basis. Pursuant to the Placing Agreement, the Company has appointed the Placing Agent to place the Placing Shares during the Placing Period to independent placees on a best effort basis, and any premium over the Subscription Price for those Rights Shares that is realised will be

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paid to those No Action Shareholders and Prohibited Shareholders on a pro-rata basis. The Placing Agent will, on a best effort basis, procure, by not later than 4:00 p.m. on Wednesday, 18 January 2023, placees to subscribe for all (or as many as possible) of those Untaken Shares and the NQS Unsold Rights Shares. Any Placing Shares which are not placed will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Net Gain (if any) will be paid (without interest) to the No Action Shareholders and Prohibited Shareholders as set out below on a pro-rata basis (but rounded down to the nearest cent):

- A. the relevant Qualifying Shareholders (or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed) whose nil-paid rights are not validly applied for in full, by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for; and
- B. the relevant Prohibited Shareholders with reference to their shareholdings in the Company on the Record Date.

If and to the extent in respect of any Net Gain, any No Action Shareholders or Prohibited Shareholders become entitled on the basis described above to an amount of HK\$100 or more, such amount will be paid to the relevant No Action Shareholder(s) and Prohibited Shareholder(s) in Hong Kong Dollars only and the Company will retain individual amounts of less than HK\$100 for its own benefit.

Placing Agreement for Untaken Shares and the NQS Unsold Rights Shares

Details of the Placing Agreement are summarised as follows:

Date	:	2 December 2022
Issuer	:	The Company
Placing Agent	:	SBI China Capital Financial Services Limited was appointed as the exclusive placing agent of the Company to procure, on a best efforts basis, placees to subscribe for the Untaken Shares and the NQS Unsold Rights Shares during the Placing Period.

The Placing Agent confirmed that it and its ultimate beneficial owner(s) are Independent Third Parties.

Placing Period	:	the period commencing from the third Business Day after the Latest Time for Acceptance and ending at 4:00 p.m. on the seventh Business Day after the Latest Time for Acceptance
Commitment Fee	:	The Placing Agent shall be entitled to a commitment fee (the “ Commitment Fee ”) equal to 1.00% of the maximum potential gross proceeds raised by the Rights Issue before expenses, and payable by the Company upon the Completion.

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- Placing price of the Placing Shares : The placing price of the Placing Shares shall be not less than the Subscription Price and the final price determination will be dependent on the demand for and the market conditions of the Placing Shares during the process of placement.
- Placees : The Placing Agent shall procure that not less than six placees will take up the Placing Shares. The Placing Agent shall use its best efforts and endeavours to ensure that the placees, and whose ultimate beneficial owner(s), shall be third party(ies) independent of and not connected with and are not acting in concert (as defined under the Takeovers Code) with the Company as well as its connected persons (including but not limited to the directors, chief executive, controlling shareholders and substantial shareholders of the Company and any of its subsidiaries and any of their respective associates). The Placing Agent and the Company shall ensure that the Company will continue to comply with the public float requirements under Rule 8.08(1) of the Listing Rules immediately after the Placing.
- Ranking of the placed Placing Shares : The placed Placing Shares (when allotted, issued and fully paid, if any) shall rank *pari passu* in all respects among themselves and with the existing Shares in issue as at the date of completion of the Placing.
- Conditions of the Placing Agreement : The obligations of the Placing Agent and the Company under the Placing Agreement are conditional upon the following conditions being fulfilled:
- (i) the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Rights Shares;
 - (ii) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated thereunder having been obtained; and
 - (iii) the Placing Agreement not having been terminated in accordance with the provisions thereof, including but not limited to provisions regarding the force majeure events.
- Conditions to the Placing Agreement may not be waived by the Company or the Placing Agent in any event.

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For the avoidance of doubt, if all the Rights Shares are fully subscribed under the Rights Issue, the Placing will not proceed.

The Company shall use its best endeavour to procure the fulfilment of the conditions to the Placing and undertakes to inform the Placing Agent promptly of any matter or circumstance which comes to the attention of it and indicating that any of such conditions being unable or fail to fulfil. If any of such conditions have not been fulfilled by the Placing Long Stop Date (as defined below) or become incapable of being fulfilled (unless extended by mutual consent of the Company and the Placing Agent), then all respective rights, obligations and liabilities of the Company and the Placing Agent in relation to the Placing shall cease and determine, save in respect of any accrued rights or obligations under the Placing Agreement and none of the parties thereto shall have any claim against any other in respect of the Placing.

- Termination :
- If any of the following events occur at any time prior to 5:00 p.m. on the first Business Day after the last day of the Placing Period (the “**Placing Long Stop Date**”), the Placing Agent may (after such consultation with the Company and/or its advisers as the circumstances shall admit or be necessary), by giving a written notice to the Company, at any time prior to the date of completion of the Placing provided that such notice is received by the Company prior to 5:00 p.m. on the Placing Long Stop Date, terminate the Placing Agreement without liability to the other parties and, subject to clauses in the Placing Agreement which survive termination, the Placing Agreement shall thereupon cease to have effect and none of the parties to the Placing Agreement shall have any rights or claims by reason thereof save for any rights or obligations which may accrue under the Placing Agreement prior to such termination:
- (a) in the opinion of the Placing Agent there shall have been since the date of the Placing Agreement such a change in national or international financial, political or economic conditions or taxation or exchange controls as would be likely to prejudice materially the consummation of the Placing; or

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- (b) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any matter whatsoever which may adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (c) any material breach of any of the representations and warranties by the Company comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the date of completion of the Placing which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the Placing Agreement; or
- (d) any moratorium, suspension or restriction on trading in shares or securities generally on the Stock Exchange due to exceptional financial circumstances; or
- (e) there is any adverse change in the financial position of the Company which in the reasonable opinion of the Placing Agent is material in the context of the Placing; or
- (f) any force majeure occurrence which would be likely to prejudice materially the consummation of the Placing.

The maximum number of Shares subject to the Placing is 1,019,797,000 Placing Shares assuming nil acceptance of the Rights Shares by the Qualifying Shareholders under the Rights Issue and there is no change in the number of Shares in issue on or before the Record Date and holders of the Convertible Bonds do not exercise their conversion rights on or before the Record Date. The maximum number of Shares subject to the Placing is 1,180,597,000 Placing Shares assuming nil acceptance of the Rights Shares by the Qualifying Shareholders under the Rights Issue, holders of the Convertible Bonds fully exercise their conversion rights on or before the Record Date and there is no other change in the number of Shares in issue on or before the Record Date.

The engagement between the Company and the Placing Agent in respect of the Placing Shares (including the Commitment Fee payable) was determined after arm's length negotiation between the Placing Agent and the Company and is on normal commercial terms with reference to the market comparables, the existing financial position of the Group, the size of the Rights Issue, and the current and expected market conditions. The Board considers that the terms of Placing Agreement in respect of the Placing Shares (including the Commitment Fee payable) are on normal commercial terms.

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As explained above, the Untaken Shares and the NQS Unsold Rights Shares will be placed by the Placing Agent to Independent Third Parties on a best effort basis for the benefits of the No Action Shareholders and Prohibited Shareholders. If all or any of Untaken Shares and the NQS Unsold Rights are successfully placed, any premium over the Subscription Price will be distributed to the relevant No Action Shareholders and Prohibited Shareholders. Any Untaken Shares and the NQS Unsold Rights that are not placed by the Placing Agent will not be issued by the Company. As at the Latest Practicable Date, the Placing Agent has not identified any placee(s). In any case, any placees shall be independent among themselves and should be independent of and not acting at the direction of or having any significant relationships with any connected person of the Company.

The Board considered that the Compensatory Arrangements are fair and reasonable and provide adequate safeguard to protect the interests of the Company's minority Shareholders since the Compensatory Arrangements would provide (i) a distribution channel of the Placing Shares to the Company; (ii) an additional channel of participation in the Rights Issue for the Qualifying Shareholders and the Prohibited Shareholders; and (iii) a compensatory mechanism for the No Action Shareholders and Prohibited Shareholders.

In particular, excess application is considered as a passive arrangement to facilitate additional participation of the Qualifying Shareholders. Taking into account the low liquidity of the Shares before the Last Trading Day, the Board considers it would be more desirable for the Company to adopt a more active measure by way of the Compensatory Arrangements to mitigate the uncertainty of the fund-raising exercise.

No fractional entitlement

The Company will not provisionally allot and will not accept application for any fractions of the Rights Shares. All fractions of the Rights Shares will be aggregated (and rounded down to the nearest whole number) and sold by the Company in the open market if a premium (net of expenses) can be obtained. Any unsold fractions of the Rights Shares will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Application for listing

The Company has made an application to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue. No part of the securities of the Company is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought, on any other stock exchanges.

Dealing in the Rights Shares in both their nil-paid and fully-paid forms will be in the board lots of 1,000 Rights Shares.

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Rights Shares will be eligible for admission into CCASS

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Stamp duty and other applicable fees

Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to the payment of (i) stamp duty; (ii) the Stock Exchange trading fee; (iii) SFC transaction levy; (iv) FRC transaction levy; and (v) any other applicable fees and charges in Hong Kong.

Odd lot arrangement

Upon completion of the Rights Issue, the board lots of the Company will remain as 1,000 Shares. In order to alleviate difficulties in relation to the existence of odd lots of the Shares arising from the Rights Issue, the Company has appointed SBI China Capital Financial Services Limited as an agent to provide matching services on a best effort basis to the Shareholders who wish to top up or sell their holdings of odd lots of the Shares during the period from 9:00 a.m. on Tuesday, 31 January 2023 to 4:00 p.m. on Wednesday, 15 February 2023, both dates inclusive. Holders of the Shares in odd lots represented by the existing share certificates for the Shares who wish to take advantage of this facility to either dispose of their odd lots of the Shares or top up their odd lots to a full new board lot may directly contact SBI China Capital Financial Services Limited at 4/F, Henley Building, No. 5 Queen's Road Central, Hong Kong (telephone number: (852) 2533 3712) during office hours (i.e., 9:00 a.m. to 4:30 p.m.) within such period. Holders of the Shares who would like to match odd lots are recommended to make an appointment in advance by dialling the telephone number of SBI China Capital Financial Services Limited set out above.

SBI China Capital Financial Services Limited is an independent third party not connected with the Company or any of the directors, chief executives, or substantial shareholders of the Company or any of its subsidiaries or associates. Holders of Shares in odd lots should note that the matching services mentioned above are on a "best effort" basis only and successful matching of the sale and purchase of odd lots of Shares is not guaranteed and will depend on there being adequate amount of odd lots of Shares available for matching. Shareholders are advised to consult their financial advisers if they are in doubt about the above arrangements.

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Share certificates and refund cheques for Rights Issue

Subject to the fulfilment of the conditions of the Rights Issue as set out below, share certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post to their registered address, at their own risks, on or before Monday, 30 January 2023. Those entitled, except HKSCC Nominees Limited, and in the case of joint Qualifying Shareholders, the first-named Qualifying Shareholder, will receive one share certificate for all the Rights Shares in fully-paid form, allotted and issued thereto.

If the Rights Issue does not become unconditional, the remittance received in respect of acceptances of the Rights Shares will be returned to the Qualifying Shareholders or such other persons to whom the Rights Shares in the nil-paid form have been validly transferred or, in the case of joint acceptances, to the first-named person, without interest, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders or such other persons to their registered addresses by the Registrar, Union Registrars Limited, on or before Monday, 30 January 2023.

Distribution of the Prospectus Documents

The Rights Issue will only be available to the Qualifying Shareholders. The Company will despatch the Prospectus Documents to the Qualifying Shareholders. To the extent reasonably practicable and legally permitted, the Company will send copies of this Prospectus (without the PAL) with the Overseas Letter to the Prohibited Shareholders (if any) for information purposes only.

The Prospectus Documents are not intended to be, have not been and will not be registered or filed under the applicable securities legislation of any jurisdiction other than (i) Hong Kong; and (ii) the PRC as mentioned in the paragraph headed “Rights of PRC Southbound Investors” above. Distribution of the Prospectus Documents into jurisdictions other than Hong Kong may be restricted by law. Persons who come into possession of the Prospectus Documents (including, without limitation, Shareholders and beneficial owners of the Shares, agents, custodians, nominees and trustees) should inform themselves of and observe any such restriction. Any failure to comply with such restriction may constitute a violation of the securities laws of any such jurisdiction. Any Shareholder or beneficial owner of the Shares who is in any doubt as to his/her/its position should consult an appropriate professional adviser without delay.

Receipt of the Prospectus Documents or the crediting of nil-paid Rights Shares to a stock account in CCASS does not and will not constitute an offer in any jurisdiction in which it would be illegal to make an offer and, in those circumstances, the Prospectus Documents must be treated as sent for information only and should not be copied or redistributed.

No action has been taken by the Company to permit the offering of Rights Shares or the distribution of the Prospectus Documents in any territory or jurisdiction outside Hong Kong. No persons receiving a copy of the Prospectus or a PAL in any territory or jurisdiction outside Hong Kong may treat it as an offer or invitation to apply for the Rights Shares, unless in the relevant territory or jurisdiction, such an offer or invitation could lawfully be made without compliance with any registration or other legal or regulatory requirements. Completion and return of the PAL by anyone outside Hong Kong will constitute a warranty and representation by such persons to the Company that all registration, legal and regulatory requirements of such relevant territory or jurisdiction other than

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Hong Kong in connection with the PAL and any acceptance of it, have been, or will be, duly complied with. For avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to any of the above warranty and representation. It is the responsibility of any person (including but not limited to Shareholders and beneficial owners of the Shares, any agent, custodian, nominee or trustee) outside Hong Kong wishing to make on his/her/its/their behalf an application for the Rights Shares under the Rights Issue to satisfy himself/herself/itself/themselves as to the observance of the laws and regulations of all relevant territories and jurisdictions including the obtaining of any governmental or other consents and to pay any taxes, duties and other amounts required to be paid in such territory or jurisdiction in connection therewith. Thus, should the Company suffer any losses or damages due to non-compliance with the relevant laws of such territory or jurisdiction by any such Overseas Shareholder and/or resident, the Overseas Shareholder and/or resident shall be responsible to compensate the Company for the same. The Company shall not be obliged to issue the nil-paid Rights Shares or fully-paid Rights Shares to any such Overseas Shareholder and/or resident, if, having made enquiries pursuant to Rule 13.36(2)(a) of the Listing Rules regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange, at the Company's absolute discretion issuing the nil-paid Rights Shares or fully-paid Rights Shares to them does not comply with the relevant laws of such territory or jurisdiction. No application for Rights Shares will be accepted from the Prohibited Shareholders (if any). The Company reserves the right to refuse at its absolute discretion to accept any application for Rights Shares where it believes that acceptance would violate the applicable securities or other laws or regulations of any jurisdiction outside Hong Kong.

Procedures for acceptance, splitting of provisional allotment and payment and/or transfer of the Rights Shares

Qualifying Shareholders will find enclosed with this Prospectus a PAL which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of Rights Shares shown therein.

If the Qualifying Shareholders wish to accept all the Rights Shares provisionally allotted to them as specified in the PALs, they must lodge the PALs in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, by no later than 4:00 p.m. on Monday, 9 January 2023 (or, under bad weather and/or extreme conditions, such later date and/or time as mentioned in the section headed "Expected Timetable — Effect of Bad Weather and/or Extreme Conditions on the Latest Time for Acceptance of and Payment for the Rights Shares" in this Prospectus). All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by cashier's orders which must be issued by, a licensed bank in Hong Kong and made payable to "**TIBET WATER RESOURCES LTD.**" and crossed "**ACCOUNT PAYEE ONLY**". Such payment will constitute acceptance of the provisional allotment of Rights Shares on the terms of the Prospectus Documents and subject to the memorandum and articles of association of the Company. Any payments for the Rights Shares should be rounded up to 2 decimal places.

It should be noted that unless the duly completed PAL, together with the appropriate remittance, has been lodged with the Registrar, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, by no later than 4:00 p.m.

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on Monday, 9 January 2023 (or, under bad weather and/or extreme conditions, such later date and/or time as mentioned in the section headed “Expected Timetable — Effect of Bad Weather and/or Extreme Conditions on the Latest Time for Acceptance of and Payment for the Rights Shares”), whether by the original allottee or any person in whose favour the provisional allotment has been validly transferred, that provisional allotment and all rights and entitlement thereunder will be deemed to have been declined and will be cancelled.

If the Qualifying Shareholders wish to accept only part of the provisional allotment or transfer part of their rights to subscribe for the Rights Shares provisionally allotted to them under the PAL or transfer all or part of their rights to more than one person (not as joint holders), the original PAL must be surrendered for cancellation by no later than 4:00 p.m. on Thursday, 29 December 2022 to the Registrar, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong, who will cancel the original PAL and issue new PALs in the denominations required. The new PALs will be available for collection from the Registrar, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong, after 9:00 a.m. on the second Business Day after the surrender of the original PAL. It should be noted that Hong Kong ad valorem stamp duty is payable in connection with the transfer of your rights to subscribe for the relevant Rights Shares to the transferee(s) and the acceptance by the transferee(s) of such rights.

The Company is not obliged to but may (at its sole and absolute discretion) treat PAL(s) as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions. The Company may require the relevant person(s) to complete such incomplete PAL(s) at a later stage.

The PAL contains further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders.

The Company reserves the right to refuse to register any transfer in favour of any person in respect of which the Company believes such transfer may violate applicable legal or regulatory requirements.

All cheques or cashier’s orders accompanying completed PALs will be presented for payment immediately following receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of the PAL with a cheque or a cashier’s order in payment for the Rights Shares whether by a Qualifying Shareholder or any nominated transferee, will constitute a warranty by such person that the cheque or the cashier’s order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the accompanying cheque or cashier’s order is dishonoured on first presentation, and in that event the relevant provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled. Qualifying Shareholders must pay the exact amount payable upon application for Rights Shares, and any underpaid application will be rejected. In the event of an overpaid application, a refund cheque, without interest, will be made out to such applicant only if the overpaid amount is HK\$100 or above.

No receipt will be given in respect of any PAL and/or relevant application monies received.

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If any of the conditions of the Rights Issue as set out in the section headed “Letter from the Board — The Rights Issue — Conditions of the Rights Issue” is not fulfilled at or before 5:00 p.m. on Thursday, 19 January 2023 (or such later date as the Company may determine), the Rights Issue will not proceed. Under such circumstances, the remittance received in respect of acceptances of the Rights Shares will be returned to the Qualifying Shareholders or such other persons to whom the Rights Shares in the nil-paid form have been validly transferred or, in the case of joint acceptances, to the first-named person, without interest, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders or such other persons to their registered addresses by the Registrar, Union Registrars Limited, on or before Monday, 30 January 2023.

Taxation

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, purchase, holding, exercising their rights in, disposing of or dealing in the nil-paid Rights Shares or the fully-paid Rights Shares and, regarding the Prohibited Shareholders, their receipt of the net proceeds, if any, from sale of the nil-paid Rights Shares on their behalf. It is emphasised that none of the Company, its Directors or any other parties involved in the Rights Issue accepts responsibility for any tax effects or liabilities of any person resulting from the purchase, holding or disposal of, or dealing in, the Rights Share in both their nil-paid and fully-paid forms.

The Rights Issue on a non-underwritten basis

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares. Any Untaken Shares or NQS Unsold Rights Shares remain not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Completion is conditional upon the fulfilment of the conditions set out in the section headed “Conditions of the Rights Issue” in this Prospectus. As the proposed Rights Issue is subject to conditions, it may or may not proceed.

The Cayman legal advisers of the Company have confirmed that there are no applicable statutory requirements regarding minimum subscription levels in respect of the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, any Shareholder who applies to take up all or part of his/her/its entitlement under the PAL may unwittingly incur an obligation to make a general offer under the Takeovers Code, unless a waiver from the Executive (as defined in the Takeovers Code) has been obtained. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Qualifying Shareholder (except for HKSCC Nominees Limited) for his/her/its entitlement under the PAL be scaled down to a level which does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance with the note to Rule 7.19(5)(b) of the Listing Rules.

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Conditions of the Rights Issue

The Rights Issue is conditional upon the following conditions:

- (1) the delivery of the Prospectus Documents to the Stock Exchange and the issue by the Stock Exchange on or before the Posting Date of a certificate authorising registration of the Prospectus Documents with the Registrar of Companies in Hong Kong;
- (2) a duly certified copy of each of the Prospectus Documents (and other required documents) having been lodged with the Registrar of Companies in Hong Kong and the Registrar of Companies in Hong Kong issuing a confirmation of registration on or before the Posting Date;
- (3) following registration, the posting of the Prospectus Documents to the Qualifying Shareholders (and where applicable, the posting of the Prospectus (without PAL) with the Overseas Letter to the Prohibited Shareholders, if any, for information purposes only) and the publication of the Prospectus Documents on the website of the Stock Exchange on or before the Posting Date;
- (4) the grant of listing of the Rights Shares (in both nil-paid and fully-paid forms) by the Stock Exchange (either unconditionally or subject only to the allotment and despatch of the share certificates in respect thereof) and the grant of permission to deal in the nil-paid Rights Shares and the fully-paid Rights Shares by the Stock Exchange (and such permission and listing not subsequently having been withdrawn or revoked); and
- (5) all other necessary waivers, consents and approvals (if required) from the relevant governmental or regulatory authorities for the Rights Issue and the transactions contemplated thereunder having been obtained and fulfilled.

None of the above conditions precedent can be waived. If any of the conditions referred to above are not fulfilled at or before 5:00 p.m. on Thursday, 19 January 2023 (or such later date as the Company may determine), the Rights Issue will not proceed.

As the proposed Rights Issue is subject to the above conditions, it may or may not proceed.

WARNING OF THE RISKS OF DEALING IN SHARES AND RIGHTS SHARES IN NIL-PAID FORM

The Rights Issue is subject to the fulfilment of conditions including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Please refer to the section headed “Conditions of the Rights Issue” in this “Letter from the Board” in this Prospectus.

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Shareholders and potential investors of the Company should note that if the conditions of the Rights Issue are not satisfied, the Rights Issue will not proceed. Any dealings in the Shares up to the date on which all the conditions of the Rights Issue are fulfilled, and any Shareholders dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

The Shares have been dealt in on an ex-rights basis from Monday, 12 December 2022. Dealings in the Rights Shares in nil-paid form are expected to take place from Friday, 23 December 2022 to Wednesday, 4 January 2023 (both days inclusive). Any Shareholders or other persons contemplating any dealings in the Shares or Rights Shares in their nil-paid form are recommended to consult their professional advisers.

REASONS FOR THE RIGHTS ISSUE AND THE USE OF PROCEEDS

The Group is principally engaged in the production and sale of water products and beer products in the PRC.

Allocation of the Proceeds

The net proceeds of the Rights Issue are estimated to be up to approximately HK\$388 million after the deduction of all estimated expenses and the net Subscription Price is estimated to be approximately HK\$0.380 (assuming full acceptance of the Rights Issue and assuming no change in the number of Shares in issue on or before the Record Date and holders of the Convertible Bonds do not exercise their conversion rights on or before the Record Date).

Depending on the level of subscription of the Rights Issue (or, if the Rights Shares are not fully taken up under the Rights Issue, in aggregate with the Placing), the Company intends to apply the net proceeds in the following proportion:

	Subscription level of the Rights Issue (in aggregate with the Placing, if any)	
	Less than 50%	50% or more
Repayment of the external debts of the Group to be payable in 2023 (<i>Note</i>)	85%, or a maximum of approximately HK\$164.9 million	70%, or a maximum of approximately HK\$271.6 million
General working capital of the Group	15%, or a maximum of approximately HK\$29.1 million	30%, or a maximum of approximately HK\$116.4 million

Note: As at the Latest Practicable Date, the external debts of the Group payable in 2023 consisted of bank loans and bank acceptance notes, and the total estimated external debts of the Company (comprising the total amount of principal amount and interest) which will be due and payable by the Company to its creditors for the year ending 31 December 2023 amounted to approximately RMB615 million, of which approximately RMB287 million, RMB168 million and RMB160 million will be due and payable in the first quarter, the second quarter and the fourth quarter of 2023, respectively. The Company expects to repay the remainder of such external debts of the Group by internal resources and/or banking facilities (such as bank loans) to be obtained by the Group.

LETTER FROM THE BOARD

The Board considers fund-raising for additional working capital is essential although, on 21 July 2022, a total of 459,898,000 new shares of the Company at nominal value of HK\$0.01 each were successfully placed at the placing price of HK\$0.425 per placing share (the “**July Placing**”). The net proceeds from the July Placing, after deducting the placing commission and other related expenses of the Placing, amounted to approximately HK\$193,500,000, 69% of which was intended to be used for the repayment of the external debts of the Group and the remaining 31% of which was intended to be used for general working capital of the Group.

Taking into account that substantial part of the proceeds from the July Placing (approximately HK\$191.0 million out of approximately HK\$193.5 million) has already been used by the Group for repayment of loans and payables and general working capital, the Board considers it is prudent and in the interests of the Company and the Shareholders as a whole to raise additional fund for working capital and repayment of external debts of the Group, so that the Group has sufficient financial resources to meet the financial obligations when they fall due in the following 18 months from the Latest Practicable Date.

Other Fund-raising Alternatives

Apart from the Rights Issue, the Board has considered other debt/equity fund raising alternatives such as bank borrowings, placing or an open offer. The Board noted that bank borrowings will carry interest costs and may require the provision of security and creditors will rank before the Shareholders, and placings will dilute the interests of Shareholders without giving them the opportunity to take part in the exercise. As opposed to an open offer, the Rights Issue enables the Shareholders to sell the nil-paid rights in the market. The Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company and to continue to participate in the future development of the Company.

Having considered the abovementioned alternatives, the Board considers that the Rights Issue will allow the Group to strengthen its capital structure without incurring additional debt financing cost. Furthermore, the proceeds from the Rights Issue will enhance the cash position of the Group. The Board has also considered that the Rights Issue will allow all the Qualifying Shareholders the equal opportunity to subscribe for their respective pro rata provisional entitlement of the Rights Shares and hence avoiding dilution in their shareholding interests in the Company. Therefore, the Board is of the view that the Rights Issue is in the interests of the Company and the Shareholders as a whole.

Based on the above, the Board considers that raising capital through the Rights Issue is in the interests of the Company and the Shareholders as a whole. In addition, having considered the capital needs of the Group, the terms of the Rights Issue and the Subscription Price, the Board also considers that it is in the interests of the Company to proceed with the Rights Issue on a non-underwritten basis. However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and the Prohibited Shareholder(s), if any, should note that their shareholdings will be diluted.

LETTER FROM THE BOARD

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Latest Practicable Date, the Company has 3,059,391,000 Shares in issue. Set out below are the shareholding structures of the Company, assuming there are no changes in the issued share capital of the Company on or before Completion other than the allotment and issue of the Rights Shares pursuant to the Rights Issue, (i) as at the Latest Practicable Date; and (ii) under the following two scenarios arising from different acceptance ratios of the Rights Issue and the Placing (if any) (for illustrative purpose only):

- (i) assuming full acceptance by the Qualifying Shareholders of the Rights Shares leaving no Placing Shares to be placed in the Placing (“**Scenario I**”); and
- (ii) assuming nil acceptance by the Qualifying Shareholders of the Rights Shares and successful placing of the maximum 1,019,797,000 Placing Shares (“**Scenario II**”).

	As at the Latest Practicable Date		Scenario I		Scenario II	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Substantial Shareholders						
Tianshan Industry Investment Limited	462,400,740	15.11	616,534,320	15.11	462,400,740	11.34
Tibet Water Resources Limited	437,410,960 <i>(Note 1)</i>	14.30	583,214,613 <i>(Note 2)</i>	14.30	437,410,960 <i>(Note 1)</i>	10.72
Sub-total	<u>899,811,700</u>	<u>29.41</u>	<u>1,199,748,933</u>	<u>29.41</u>	<u>899,811,700</u>	<u>22.06</u>
Public Shareholders						
Independent Placees ^{<i>(Note 5)</i>}	—	—	—	—	1,019,797,000	25.00
Others	2,159,579,300 <i>(Note 3)</i>	70.59	2,879,439,067 <i>(Note 4)</i>	70.59	2,159,579,300 <i>(Note 3)</i>	52.94
Sub-total	<u>2,159,579,300</u>	<u>70.59</u>	<u>2,879,439,067</u>	<u>70.59</u>	<u>3,179,376,300</u>	<u>77.94</u>
Total	<u><u>3,059,391,000</u></u>	<u><u>100.00</u></u>	<u><u>4,079,188,000</u></u>	<u><u>100.00</u></u>	<u><u>4,079,188,000</u></u>	<u><u>100.00</u></u>

Notes:

1. For 200,000,000 Shares out of these 437,410,960 Shares, please refer to the Company’s announcement dated 14 November 2019.
2. For 266,666,666 Shares out of these 583,214,613 Shares, 200,000,000 Shares are the Shares mentioned in Note 1 and another 66,666,666 Shares are the corresponding Rights Shares subscribed under these 200,000,000 Shares.
3. These 2,159,579,300 Shares have not taken into account the 200,000,000 Shares mentioned in Note 1.
4. These 2,879,439,067 Shares have not taken into account the 266,666,666 Shares mentioned in Note 2.
5. It is expected that the Placing Shares will be placed by the Placing Agent such that no Placee shall become a substantial shareholder of the Company immediately following the Placing.

LETTER FROM THE BOARD

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has conducted the following equity fund raising activities in the past twelve months immediately prior to the Latest Practicable Date:

Date of relevant announcements	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
24 June 2022 and 21 July 2022	Placing of new shares under general mandate	Approximately HK\$193.5 million	Approximately HK\$133.5 million for repayment of the external debts of the Group and approximately HK\$60 million for general working capital of the Group	- Approximately HK\$133.5 million for repayment of the external debts - Approximately HK\$57.5 million for general working capital.

The unutilised net proceeds amounting to approximately HK\$2.5 million as at the Latest Practicable Date are intended to be utilised according to the intentions previously disclosed by the Company in the said announcements. The unutilised net proceeds are intended to be fully utilised as general working capital in the next two months.

Save as disclosed above, the Company has not conducted any equity fund raising activities in the past twelve months immediately prior to the Latest Practicable Date.

LISTING RULES IMPLICATIONS

As the Company has not conducted any rights issue or open offer within the 12-month period prior to the Latest Practicable Date and the Rights Issue will not increase the number of issued Shares or market capitalisation of the Company by more than 50.00%, the Rights Issue is not subject to the Shareholders' approval under the Listing Rules. The Rights Issue will be carried out in compliance with Rule 7.21(1)(b) of the Listing Rules.

LETTER FROM THE BOARD

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this Prospectus.

By order of the Board
Tibet Water Resources Ltd.
CHOW Wai Kit
Executive Director and Company Secretary

1. CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP

Consolidated financial information of the Group (being the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows and consolidated statement of changes in equity) for each of the three financial years ended 31 December 2019, 2020 and 2021 and the six months ended 30 June 2022, together with the relevant notes thereto, are disclosed in the following documents which have been published on the websites of the Stock Exchange (www.hkexnews.hk) and/or the Company (<http://www.twr1115.net>):

- (i) annual report of the Company for the year ended 31 December 2019 published on 29 April 2020 (pages 103 to 251) which can be accessed via the link at <https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0429/2020042900551.pdf>;
- (ii) annual report of the Company for the year ended 31 December 2020 published on 30 April 2021 (pages 91 to 287) which can be accessed via the link at <https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0430/2021043000699.pdf>;
- (iii) annual report of the Company for the year ended 31 December 2021 published on 29 April 2022 (pages 91 to 292) which can be accessed via the link at <https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0429/2022042901416.pdf>; and
- (iv) interim report of the Company for the six months ended 30 June 2022 published on 30 September 2022 (pages 15 to 55) which can be accessed via the link at <https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0930/2022093000523.pdf>

2. STATEMENT OF INDEBTEDNESS

As at 30 November 2022, being the latest practicable date for the sole purpose of this indebtedness statement prior to the date of this Prospectus, the details of the outstanding bank loans of the Group were set out as follows:

	<i>RMB'000</i>
Secured and guaranteed:	
Bank loans	<u>455,000</u>

The variable-rate bank loans bear effective interest ranged from 1.85% to 3.85%.

The bank loans are secured by assets held by the Group and related party and guaranteed by the Group and associates, which include (i) the pledge of 35% of a subsidiary's equity interests; (ii) the pledge of 7% of an associate's equity interests; (iii) the Group's factory plant and land use rights; (iv) the pledge of 15% of an associate's equity interests; (v) the land use right of a third party; and (vi) the pledge of 20% an associate's equity interests.

As at 30 November 2022, being the latest practicable date for the sole purpose of this indebtedness statement prior to the date of this Prospectus, the Group had bank acceptance notes of approximately RMB186,110,000, which were guaranteed by bank deposits of approximately RMB26,111,000.

As at 30 November 2022, being the latest practicable date for the sole purpose of this indebtedness statement prior to the date of this Prospectus, the Company issued 5% convertible bonds with principal amount of HK\$379,620,000 (equivalent to RMB317,702,000) in March 2021 with principal amount of HK\$356,976,000 (equivalent to RMB327,954,000) remains outstanding. The Convertible Bonds are denominated in Hong Kong dollars and unsecured. The liability component of the Convertible Bonds at 30 November 2022 amounted to RMB316,809,000.

As at 30 November 2022, being the latest practicable date for the sole purpose of this indebtedness statement prior to the date of this Prospectus, the Group had lease liabilities of approximately HK\$942,000 (equivalent to RMB865,000), which were unguaranteed and secured.

As at 30 November 2022, being the latest practicable date for the sole purpose of this indebtedness statement prior to the date of this Prospectus, the Group provided financial guarantee net amounting to RMB265,000,000 to an associate. The guarantee was provided for bank borrowings obtained by the associate in the net amount of RMB135,000,000 and for bank acceptance note in the net amount of RMB130,000,000. The period of the guarantee for net amount RMB160,000,000 is from 13 October 2022 to 12 October 2023. The period of the remaining guarantee amounting to RMB105,000,000 is from 15 July 2021 to 15 July 2024.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, at the close of business 30 November 2022, being the latest practicable date for the sole purpose of preparation of the indebtedness statement prior to the date of this Prospectus, the Group did not have other outstanding mortgages, charges, debentures, loan capital, bank overdrafts, loans, debt securities or other similar indebtedness, lease liabilities, liabilities under acceptances (other than normal trade bills), acceptance credits, hire purchase commitments, guarantees or other material contingent liabilities outstanding.

3. WORKING CAPITAL

The Board, after due and careful enquiry, is of the opinion that, after taking into consideration the financial resources presently available to the Group, including the existing cash and bank balances, available facilities and the estimated net proceeds from the Rights Issue and the Placing, the Group will have sufficient working capital for its present requirements for at least the next 12 months from the date of this Prospectus in the absence of unforeseen circumstances.

4. MATERIAL ADVERSE CHANGE

The Directors confirmed that since 31 December 2021, being the date to which the latest published audited accounts of the Group were made up, up to and including the Latest Practicable Date, there was no material adverse changes in the financial or trading position or outlook of the Group and the general trend of the business of the Group.

5. BUSINESS AND FINANCIAL PROSPECTS OF THE GROUP

The Group is principally engaged in the production and sale of water products and beer products in the PRC. The Group has been committed to the development of Tibet's water resources industry and beer industry, strived to enhance customer experience and optimised channel construction so that Tibet's unique and quality products could reach more consumers and potential consumers.

Since the outbreak of the novel coronavirus disease (COVID-19) in the beginning of 2020, the Group has continued to experience a challenging operating environment. The sales of the Group's water products in key market channels such as airlines, cinemas, hotels, entertainment and restaurants were severely disrupted by massive extended regional lock downs in Mainland China. The resulting logistics and other supply chain disruptions have caused the timely supply of the Group's products very difficult.

Pursuant to the Company's announcement dated 21 September 2022, since early August 2022, after 920 consecutive days without any confirmed cases of COVID-19, a number of cases which tested positive by nucleic acid tests have been detected in the Tibet Autonomous Region of China, resulting in the rapid spread of the COVID-19 pandemic. In response to the pandemic prevention and control measures implemented by the Lhasa Leading Group for the COVID-19 pandemic, the Group's beer production factory in the Lhasa Economic Development Zone and the mineral water production factory in Dangxiong, Lhasa, ceased production starting from mid-August 2022 due to the unavailability of staff to work in the factories and the supply problem of raw materials, and the products in stock could not be delivered to distributors temporarily due to the interruption of logistics, which had a significant impact on the Group's original operation plan. At present, the prevention and control of the pandemic in Lhasa has achieved phased results and the production and living order is being gradually restored in an orderly manner. The Group is actively applying to and communicating with the relevant government departments to seek strong support from various parties and strive for an early and orderly resumption of production.

Meanwhile, the Group is actively negotiating with potential strategic partners to bring in new channel resources based on the Group's premium water resources to generate new revenue and cash flow for the Group's water business and beer business, and the relevant work is currently in progress. The management of the Group believes that although the impact of the pandemic has caused great disturbance, the Group will be able to cope with the challenges and usher in new development by consolidating the Group's resources and making efforts to adjust.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP

The following is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to equity owners of the Company as at 30 June 2022 (the “**Unaudited Pro Forma Financial Information**”) which has been prepared by the Directors in accordance with paragraph 4.29 of the Listing Rules to illustrate the effects of the Rights Issue on the unaudited consolidated net tangible assets of the Group attributable to equity owners of the Company as if the Rights Issue had been completed on 30 June 2022.

The Unaudited Pro Forma Financial Information is prepared based on the unaudited consolidated net tangible assets of the Group attributable to equity owners of the Company as at 30 June 2022, as extracted from the published interim report for the six months ended 30 June 2022.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only, and because of its hypothetical nature, may not give a true picture of the consolidated net tangible assets of the Group attributable to equity owners of the Company immediately after the completion of the Rights Issue as at 30 June 2022 or at any future date.

	Unaudited consolidated net tangible assets of the Group attributable to equity owners of the Company as at 30 June 2022 <i>(Note 1)</i> <i>RMB'000</i>	Unaudited consolidated net tangible assets of the Group attributable to equity owners of the Company as at 30 June 2022 per Share <i>(Note 2)</i> <i>RMB</i>	Estimated net proceeds from the Rights Issue <i>(Note 3)</i> <i>RMB'000</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity owners of the Company as at 30 June 2022 immediately after completion of the Rights Issue <i>RMB'000</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity owners of the Company as at 30 June 2022 immediately after completion of the Rights Issue per Share <i>(Note 4)</i> <i>RMB</i>
Based on 1,019,797,000 Rights Shares to be issued at the Subscription Price of HK\$0.385 per Share	2,066,784	0.80	331,818	2,398,602	0.66

Notes:

- (1) The amount of unaudited consolidated net tangible assets of the Group attributable to equity owners of the Company as at 30 June 2022 is based on the unaudited consolidated net assets of the Group attributable to equity owners of the Company of approximately RMB2,817,429,000, after deducting intangible assets and goodwill of approximately RMB29,506,000 and RMB721,139,000 respectively as at 30 June 2022, extracted from the published interim report of the Group for the six months ended 30 June 2022.
- (2) The unaudited consolidated net tangible assets of the Group attributable to equity owners of the Company as at 30 June 2022 per Share is calculated based on the unaudited consolidated net tangible assets of the Group attributable to the equity owners of the Company of approximately RMB2,066,784,000 divided by 2,599,493,000 Shares in issue as at 30 June 2022.
- (3) The estimated net proceeds from the Rights Issue of approximately HK\$388,000,000 (approximately to RMB331,818,000) is calculated based on the maximum number of 1,019,797,000 Rights Shares to be issued at the Subscription Price of HK\$0.385 per Share assuming nil acceptance by the Qualifying Shareholders of the Rights Shares to be placed in the Placing and after deduction of estimated related expenses of approximately HK\$4,620,000 (approximately to RMB3,951,000).
- (4) The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity owners of the Company as at 30 June 2022 immediately after completion of the Rights Issue per Share is calculated based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the equity owners of the Company immediately after completion of the Rights Issue of approximately RMB2,398,602,000 divided by 3,619,290,000 Shares, which represents (i) 2,599,493,000 Shares in issue as at 30 June 2022; and (ii) 1,019,797,000 Rights Shares to be issued, assuming nil acceptance by the Qualifying Shareholders of the Rights Shares to be placed in the Placing (“**Maximum Shares to be issued for the Rights Issue**”).
- (5) For the purpose of this unaudited pro forma adjusted consolidated net tangible assets of the Group per Share, the balance stated in HK\$ is converted into RMB at exchange rate of RMB0.8552 to HK\$1 for illustration purpose only, and such translation does not constitute a representation that any amount has been, could have been, or may otherwise be exchanged or converted at the above rate.
- (6) No adjustments have been made to the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity owners of the Company to reflect any trading results or other transactions of the Group entered into subsequent to 30 June 2022.
- (7) On 21 July 2022, a total of 459,898,000 new shares of the Company at nominal value of HK\$0.01 each were successfully placed at the placing price of HK\$0.425 per placing share. Upon the completion of the placing, the total number of issued shares of the Company increased from 2,599,493,000 shares to 3,059,391,000 shares. The net proceeds from the placing, after deduction of the placing commission and other related expenses of the placing, amounted to approximately HK\$193,500,000 (approximately to RMB166,681,000).

For illustrative purpose, the table below shows the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity owners of the Company as at 30 June 2022 immediately after completion of the Rights Issue and taken into consideration of the placing on 21 July 2022 per Share, which is calculated based on the unaudited adjusted consolidated net tangible assets of the Group attributable to the equity owners of the Company immediately after completion of the Rights Issue and taken into consideration of the placing on 21 July 2022 of approximately RMB2,565,283,000, divided by 4,079,188,000 shares, which represents (i) 3,059,391,000 shares in issue as at 21 July 2022; and (ii) the Maximum Shares to be issued for the Rights Issue.

	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity owners of the Company as at 30 June 2022 immediately after completion of the Rights Issue <i>RMB'000</i>	Net proceeds from the placing on 21 July 2022 <i>RMB'000</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity owners of the Company as at 30 June 2022 immediately after completion of the Rights Issue and taken into consideration of the placing on 21 July 2022 <i>RMB'000</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity owners of the Company as at 30 June 2022 immediately after completion of the Rights Issue and taken into consideration of the placing on 21 July 2022 per Share <i>RMB</i>
Based on 1,019,797,000 Rights Shares to be issued at the Subscription Price of HK\$0.385 per Share	<u>2,398,602</u>	<u>166,681</u>	<u>2,565,283</u>	<u>0.63</u>

**B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**

The following is the text of a report received from the reporting accountant, HLB Hodgson Impey Cheng Limited, Certified Public Accountants, Hong Kong, in respect of the Group's unaudited pro forma financial information for the purpose of incorporation in this prospectus.



國衛會計師事務所有限公司
HODGSON IMPEY CHENG LIMITED

31/F Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION****TO THE DIRECTORS OF TIBET WATER RESOURCES LTD.**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Tibet Water Resources Ltd. (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) prepared by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group as at 30 June 2022 and related notes (the “**Unaudited Pro Forma Financial Information**”) as set out on pages II-1 to II-2 of Appendix II to the prospectus dated 21 December 2022 (the “**Prospectus**”) issued by the Company. The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on pages II-1 to II-2 of Appendix II to the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed offer for subscription of the Rights Shares by way of rights issue at the Subscription Price to be made by the Company to the Qualifying Shareholders on the basis of one (1) Rights Share for every three (3) existing Shares in issue and held on the Record Date (the “**Proposed Rights Issue**”) on the Group's financial position as at 30 June 2022 as if the Proposed Rights Issue had taken place at 30 June 2022. As part of this process, information about the Group's consolidated financial position has been extracted by the Directors from the Group's unaudited consolidated financial statements for the year ended 30 June 2022 included in the published interim report of the Company for the year ended 30 June 2022.

Directors' Responsibilities for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Control 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements* issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of the Unaudited Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the Proposed Rights Issue on unadjusted financial information of the Group as if the event had occurred or transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 June 2022 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related unaudited pro forma adjustments give appropriate effect to those criteria; and
- the Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

HLB Hodgson Impey Cheng Limited

Certified Public Accountants

Hong Kong

21 December 2022

1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this Prospectus 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 Prospectus misleading.

2. DISCLOSURE OF INTERESTS

(i) Interests of Directors and chief executive of the Company

As at the Latest Practicable Date, the interests or short positions of each of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were (i) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of SFO); (ii) required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as set out in Appendix 10 to the Listing Rules (the “**Model Code**”), to be notified to the Company and the Stock Exchange were as follows:

Long position in the Shares

Name of Director	Capacity/Nature of Interest	Number of Shares Held	Percentage of Shares in Issue <i>(Note 1)</i>
Mr. Chow Wai Kit	Beneficial owner	1,000	0.000033%

Note:

- The percentage is calculated based on the total number of 3,059,391,000 Shares in issue as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practical Date, none of the other Directors and chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of SFO), or as recorded in the register required to be kept by the Company under section 352 of the SFO or required to be notified to the Company or the Stock Exchange under the Model Code.

(ii) Interests of substantial Shareholders

So far as is known to the Directors and chief executive of the Company, as at the Latest Practicable Date, the following persons (other than the Directors or chief executive of the Company) had interests or short positions in the Shares or the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept under section 336 of the SFO, or who were, directly or indirectly, interested in 10% or more of the issued voting shares of any other member of the Group or had any option in respect of such capital:

Name	Long/short position	Capacity	Number of shares/ underlying shares	Approximate percentage of shareholding (Note 1)
Tianshan Industry Investment Limited	Long position	Beneficial owner	462,400,740	15.11%
Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership (Note 2)	Long position	Interest of controlled corporation	462,400,740	15.11%
新疆天山產業投資基金管理有限公司 (Notes 2 & 3)	Long position	Interest of controlled corporation	462,400,740	15.11%
新疆金融投資有限公司 (Notes 2, 3 & 4)	Long position	Interest of controlled corporation	462,400,740	15.11%
新疆維吾爾自治區人民政府國有資產監督管理委員會 (Notes 2, 3 & 4)	Long position	Interest of controlled corporation	462,400,740	15.11%
申萬宏源產業投資管理有限責任公司 (Notes 2, 3 & 5)	Long position	Interest of controlled corporation	462,400,740	15.11%
申萬宏源集團股份有限公司 (Notes 2, 3, 5 & 6)	Long position	Interest of controlled corporation	462,400,740	15.11%
中央匯金投資有限責任公司 (Notes 2, 3, 5 & 6)	Long position	Interest of controlled corporation	462,400,740	15.11%
Tibet Water Resources Limited (Note 7)	Long position	Beneficial owner	437,410,960	14.30%
Maple Essence Investments Limited (Note 8)	Long position	Interest of controlled corporation	437,410,960	14.30%
True Asset Holdings Limited (Note 9)	Long position	Interest of controlled corporation	437,410,960	14.30%
Mr. WANG Peter Jian (also known as Mr. WANG Jian Peter) (Notes 9 & 10)	Long position	Interest of controlled corporation	437,410,960	14.30%

Name	Long/short position	Capacity	Number of shares/ underlying shares	Approximate percentage of shareholding (Note 1)
Mr. Wang Zhi (Note 11)	Long position	Beneficial owner	200,000,000	6.54%
		Interest of controlled corporation	105,000,000	3.43%
Wholeking Holdings Limited (Note 12)	Long position	Beneficial owner	205,000,000	6.70%
Hope Empire Limited (Note 12 & 13)	Long position	Interest of controlled corporation	205,000,000	6.70%
HSBC International Trustee Limited (Note 12, 13 & 14)	Long position	Trustee	232,957,000	7.61%
Cai Kui (Note 12, 13 & 14)	Long position	Founder of a discretionary trust who can influence how the trustee exercises its discretion	232,957,000	7.61%

Notes:

- (1) The percentage is calculated based on the total number of 3,059,391,000 Shares in issue as at the Latest Practicable Date.
- (2) Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership holds 100% equity interest in Tianshan Industry Investment Limited and is therefore deemed to be interested in the 462,400,740 shares in the Company held by Tianshan Industry Investment Limited.
- (3) Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership is held as to 0.66% by and is accustomed to act in accordance with the directions of 新疆天山產業投資基金管理有限公司. Therefore, 新疆天山產業投資基金管理有限公司 is deemed to be interested in the 462,400,740 shares in the Company held by Tianshan Industry Investment Limited.
- (4) 新疆金融投資有限公司 holds 46.36% equity interest in Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership. 新疆金融投資有限公司 also holds 30% equity interest in 新疆天山產業投資基金管理有限公司. Therefore, 新疆金融投資有限公司 is deemed to be interested in the 462,400,740 shares in the Company held by Tianshan Industry Investment Limited.

新疆維吾爾自治區人民政府國有資產監督管理委員會 wholly owns 新疆金融投資有限公司. Therefore, 新疆維吾爾自治區人民政府國有資產監督管理委員會 is deemed to be interested in the 462,400,740 shares in the Company held by Tianshan Industry Investment Limited.
- (5) 申萬宏源產業投資管理有限責任公司 holds 30% equity interest in 新疆天山產業投資基金管理有限公司 and is deemed to be interested in the 462,400,740 shares in the Company held by Tianshan Industry Investment Limited.
- (6) 申萬宏源集團股份有限公司 holds 33.11% equity interest in Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership. Further, 申萬宏源集團股份有限公司 wholly owns 申萬宏源產業投資管理有限責任公司. Therefore, 申萬宏源集團股份有限公司 is deemed to be interested in the 462,400,740 shares in the Company held by Tianshan Industry Investment Limited.

中央匯金投資有限責任公司, directly and indirectly through its subsidiaries, holds 51.17% equity interest in 申萬宏源集團股份有限公司. Therefore, 中央匯金投資有限責任公司 is deemed to be interested in the 462,400,740 shares in the Company held by Tianshan Industry Investment Limited.

- (7) Tibet Water Resources Limited is held as to 100% by Maple Essence Investments Limited, which is in turn wholly-owned by True Asset Holdings Limited. Tibet Water Resources Limited holds 437,410,960 shares in the Company. For 200,000,000 shares out of these 437,410,960 shares in the Company, please refer to the Company's announcement dated 14 November 2019.
- (8) Maple Essence Investments Limited holds 100% equity interest in Tibet Water Resources Limited and is therefore deemed to be interested in the 437,410,960 shares in the Company held by Tibet Water Resources Limited. Maple Essence Investments Limited is wholly-owned by True Asset Holdings Limited.
- (9) True Asset Holdings Limited holds 100% equity interest in Maple Essence Investments Limited, which in turn wholly-owns Tibet Water Resources Limited. Therefore, True Asset Holdings Limited is deemed to be interested in 437,410,960 shares in the Company held by Tibet Water Resources Limited.
- (10) True Asset Holdings Limited is wholly-owned by Mr. WANG Peter Jian. Therefore, Mr. WANG Peter Jian is deemed to be interested in 437,410,960 shares in the Company held by Tibet Water Resources Limited. For the purpose of the SFO, the spouse of Mr. WANG Peter Jian is taken to have a duty of disclosure in relation to the said 437,410,960 shares in the Company. The interest disclosed by the spouse of Mr. WANG Peter Jian is that of Mr. WANG Peter Jian which is deemed to be attributed to her pursuant to the SFO for disclosure purposes. Nevertheless, she has no interest, legal or beneficial, in those shares in the Company.
- (11) Mr. Wang Zhi directly holds 200,000,000 shares in the Company. Advanced Mining Limited, which is beneficially and wholly-owned by Mr. Wang Zhi, holds 105,000,000 shares in the Company, and therefore, Mr. Wang Zhi is deemed to be interested in the 105,000,000 shares in the Company held by Advanced Mining Limited.
- (12) Wholeking Holdings Limited is interested in 205,000,000 underlying shares in the Company through holding convertible bonds issued by the Company which are convertible into 205,000,000 shares in the Company upon full conversion at the initial conversion price.
- (13) Hope Empire Limited wholly owns Wholeking Holdings Limited and is therefore deemed to be interested in the 205,000,000 underlying shares in the Company in which Wholeking Holdings Limited is interested.
- (14) HSBC International Trustee Limited as trustee of a discretionary trust of which Cai Kui is the founder wholly owns Silverland Assets Limited, which in turn wholly owns (a) Hope Empire Limited, which is deemed to be interested in 205,000,000 underlying shares in the Company and (b) Junson Development International Limited, which is interested in 27,957,000 shares in the Company. Therefore, both HSBC International Trustee Limited and Cai Kui are deemed to be interested in an aggregate of 232,957,000 shares/ underlying shares in the Company.

Save as disclosed above and as at the Latest Practicable Date, the Company had not been notified by any person, other than a Director or chief executive of the Company, who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept under section 336 of the SFO, or who was, directly or indirectly, interested in 10% or more of the issued voting shares of any other member of the Group or had any option in respect of such capital.

3. DISCLOSURE OF OTHER INTERESTS OF THE DIRECTORS IN ASSETS OR CONTRACTS OR ARRANGEMENTS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been acquired or disposed of by, or leased to, or which were proposed to be acquired or disposed of by, or leased to, any member of the Group since 31 December 2021 (being the date to which the latest published audited consolidated financial statements of the Group were made up) and there were no subsisting contracts or arrangements in which a Director was materially interested, directly or indirectly, and which were significant in relation to the business of the Group.

4. SHARE CAPITAL

The authorised and issued share capital of the Company as at the Latest Practicable Date and immediately following Completion (assuming no new Shares (other than the Rights Shares) will be issued from the Latest Practicable Date to the Completion) will be as follows:

(a) As at the Latest Practicable Date

HK\$

Authorised share capital:

<u>100,000,000,000</u>	Shares of HK\$0.01 each	<u>1,000,000,000</u>
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Issued and fully paid:

<u>3,059,391,000</u>	Shares of HK\$0.01 each	<u>30,593,910</u>
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(b) Immediately following Completion (assuming all Qualifying Shareholders have taken up the Rights Shares to which they are entitled)

HK\$

Authorised share capital:

<u>100,000,000,000</u>	Shares of HK\$0.01 each	<u>1,000,000,000</u>
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Issued and fully paid:

3,059,391,000	Shares of HK\$0.01 each	30,593,910
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<u>1,019,797,000</u>	Rights Shares to be allotted and issued under the Rights Issue	<u>10,197,970</u>
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<u>4,079,188,000</u>	Shares in issue immediately upon Completion	<u>40,791,880</u>
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All the issued Shares in the capital of the Company rank *pari passu* with each other in all respects including the rights as to voting, dividends and return of capital. The Rights Shares (when allotted, fully paid or credited as fully paid) will rank *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Rights Shares. Holders of the Rights Shares in their fully paid form will be entitled to receive all future dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the Rights Shares.

Reference is made to the announcements of the Company dated 24 June 2022 and 21 July 2022, respectively. As disclosed in the aforementioned announcements, the completion of the placing of 459,898,000 Shares to not less than six independent placees has taken place on 21 July 2022. Save as disclosed above, the Company has not issued any Shares since 31 December 2021, being the date to which the latest audited financial statements of the Group were made up.

The issued Shares are listed on the Stock Exchange. None of the securities of the Company is listed or dealt in, and no listing or permission to deal in the securities of the Company is being or is proposed to be sought, on any other stock exchange. Accordingly, there are no dealing and settlement arrangements for the securities of the Company between the Stock Exchange and any other stock exchange.

As at the Latest Practicable Date, there was no arrangement under which future dividends are or will be waived or agreed to be waived.

As at the Latest Practicable Date, save for the Convertible Bonds, the Company had no outstanding warrants, options or convertible securities in issue or other similar rights which confer any right to convert into or subscribe for Shares and there was no share or loan capital of any member of the Group which was under option, or agreed conditionally or unconditionally to be put under option.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

6. MATERIAL CONTRACTS

In the two years immediately preceding the date of this Prospectus and up to the Latest Practicable Date, the following contracts, not being contracts entered into in the ordinary course of business, were entered into by the Company or any members of the Group which are or may be material:

- (i) the Placing Agreement dated 2 December 2022 between the Company and the Placing Agent (as the placing agent) pursuant to which (1) the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, up to 1,019,797,000 Untaken Shares and/or NQS Unsold Rights Shares (assuming nil acceptance of the Rights Shares by the Qualifying Shareholders under the Rights Issue) at a price no less than the Subscription Price to not less than six placees who and whose ultimate beneficial owner(s) shall be third party(ies) independent of and not connected with and are not acting in concert (as defined under the Takeovers Code) with the Company as well as its connected persons (including but not limited to the directors, chief executive, controlling shareholders and substantial shareholders of the Company and any of its subsidiaries and any of their respective associates); and (2) the Company shall pay the Placing Agent the Commitment Fee. For details, please refer to the section headed “Letter from the Board — The Rights Issue — Placing Agreement for the Untaken Shares and the NQS Unsold Rights Shares” in this Prospectus;
- (ii) the placing agreement dated 24 June 2022 between the Company and Placing Agent (as the placing agent) pursuant to which (1) the Company conditionally agreed to place through the Placing Agent, on a best effort basis, up to 516,898,000 placing shares of the Company at the placing price of HK\$0.425 per placing share of the Company to not less than six placees who, together with their respective ultimate beneficial owner(s), are third parties independent of and not connected with or are not acting in concert with the Company as well as its connected persons (including but not limited to the directors, chief executive, controlling shareholders and substantial shareholders of the Company and its subsidiaries and their respective associate(s)); and (2) the placing commission payable by the Company to the Placing Agent is 0.8% of the aggregate placing price of the placing shares actually placed. For details, please refer to the announcements of the Company dated 24 June 2022 and 21 July 2022;
- (iii) the agreement dated 18 January 2022 between Wealth Keeper Limited (“**Wealth Keeper**”), an indirect wholly-owned subsidiary of the Company, and Billion Apex Group Limited (“**Billion Apex**”), under which Wealth Keeper agreed to sell and Billion Apex agreed to purchase 9.9% equity interest in Tibet Tiandi Green Beverage Development Co., Ltd.* (西藏天地綠色飲品發展有限公司) at a cash consideration of HK\$58,000,000. For details, please refer to the announcement of the Company dated 18 January 2022; and

- (iv) the equity transfer agreement dated 30 March 2021 between Tibet Glacier Mineral Water Co., Ltd.* (西藏冰川礦泉水有限公司) (“**Glacier Mineral Water**”) (as purchaser), an indirect wholly-owned subsidiary of the Company, and Tibet Fudi Natural Beverage Ltd.* (西藏福地天然飲品有限責任公司) (“**Fudi Natural Beverage**”) (as vendor), pursuant to which Fudi Natural Beverage conditionally agreed to sell to Glacier Mineral Water and Glacier Mineral Water conditionally agreed to acquire from Fudi Natural Beverage 31% equity interests in Tibet Shannan Yalaxiangbu Industrial Ltd.* (西藏山南雅拉香布實業有限公司) for a total consideration of RMB465,000,000. For details, please refer to the announcements of the Company dated 30 March 2021 and 4 May 2021.

7. CLAIMS AND LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

8. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinions or advice contained in this Prospectus:

Name	Qualification
HLB Hodgson Impey Cheng Limited	Registered Public Interest Entity Auditors <i>Certified Public Accountants</i>

The above expert has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion herein of its report and/or opinion (as the case may be) and references to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, the above expert did not have any shareholding, directly or indirectly, in any member of the Group or any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of the Group.

As at the Latest Practicable Date, the above expert did not have any direct or indirect interest in any assets which had been, since 31 December 2021, the date to which the latest published audited consolidated financial statements of the Group were made up, acquired or disposed of by, or leased to, or are proposed to be acquired or disposed of by, or leased to, any members of the Group.

The accountant’s report of HLB Hodgson Impey Cheng Limited on the unaudited pro forma financial information of the Group is given as of the Latest Practicable Date for incorporation herein.

9. CORPORATE INFORMATION AND PARTIES TO THE RIGHTS ISSUE

Registered Office	Cricket Square, Hutchins Drive P.O. Box 2681 Grand Cayman, KY1-1111 Cayman Islands
Principal place of business in Hong Kong	Unit D, 23rd Floor United Centre, 95 Queensway Admiralty Hong Kong
Principal share registrar and transfer office	Conyers Trust Company (Cayman) Limited Cricket Square, Hutchins Drive P.O. Box 2681 Grand Cayman, KY1-1111 Cayman Islands
Hong Kong branch share registrar and transfer office	Union Registrars Limited Suites 3301-04, 33/F. Two Chinachem Exchange Square 338 King's Road, North Point Hong Kong
Company secretary	Mr. CHOW Wai Kit (a fellow of The Hong Kong Chartered Governance Institute)
Authorised representatives	Mr. CHOW Wai Kit Unit D, 23rd Floor United Centre 95 Queensway Admiralty Hong Kong Mr. YAN Qingjiang Unit D, 23rd Floor United Centre 95 Queensway Admiralty Hong Kong
Principal bankers	Bank of China (Hong Kong) Limited Bank of China Tower 1 Garden Road Hong Kong

Auditor and Reporting Accountant	HLB Hodgson Impey Cheng Limited <i>Certified Public Accountant</i> 31st floor, Gloucester Tower The Landmark 11 Pedder St, Central Hong Kong
Legal advisers to the Company	Sit, Fung, Kwong & Shum Solicitors 25A, United Centre 95 Queensway Admiralty Hong Kong
Legal advisers to the Company in relation to the Rights Issue	<i>As to laws of Hong Kong</i> Chungs Lawyers in association with DeHeng Law Offices 28/F Henley Building 5 Queen's Road Central Hong Kong <i>As to laws of the PRC</i> DeHeng Law Offices (Shenzhen) 11/F & 33/F Section B Anlian Plaza No. 4018, Jintian Road Shenzhen PRC

10. DIRECTORS AND SENIOR MANAGEMENT OF THE COMPANY

Set out below are the particulars and biographies of the existing Directors and senior management of the Company:

(a) Business address of the Directors and the senior management of the Company

The business address of the Directors and the senior management of the Company is the same as the principal place of business in Hong Kong of the Company located at Unit D, 23rd Floor, United Centre 95 Queensway, Admiralty Hong Kong.

(b) Biographies of the Directors*Executive Directors*

Mr. YAN Qingjiang (閆清江先生), aged 53, is an executive Director and the authorised representative of the Company and was appointed to the Board on 27 May 2020. He is the chairman of the risk management committee of the Company and a member of the nomination committee and the remuneration committee of the Company. Mr. Yan also serves as a director of certain subsidiaries of the Company. He was a director of Tibet Galaxy Science & Technology Development Co., Ltd.* (西藏銀河科技發展股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000752.SZ) from March 2002 to September 2017, during which he was the chairman of the board of directors from March 2002 to June 2017.

Mr. CHOW Wai Kit (周偉傑先生), aged 55, is an executive Director, the company secretary and authorised representative of the Company and was appointed to the Board with effect from 1 January 2022. He joined the Group in February 2011. Mr. Chow also serves as a director and company secretary of certain subsidiaries of the Company.

Mr. Chow has over thirty years of experience in corporate management, corporate finance, financial management and accounting. Mr. Chow began his career in the auditing profession and worked at Deloitte Touche Tohmatsu in Hong Kong from 1990 to 2000. After that, Mr. Chow was a key financial officer of various listed companies for over seven years. From 2000 to 2002, Mr. Chow was registered with the Securities and Futures Commission as an investment representative. From 2001 to 2002, he was the qualified accountant and company secretary of International Capital Network Holdings Limited (stock code: 8004). From 2003 to 2004, he was the deputy general manager of Oriental Investment Corporation Limited (stock code: 735, subsequently renamed as China Power New Energy Development Company Limited). From 2005 to 2007, he was the qualified accountant of Guangzhou Investment Company Limited (stock code: 123, subsequently renamed as Yuexiu Property Company Limited). Prior to joining the Group, Mr. Chow was the project manager of Top Ease (H.K.) Limited, a wholly-owned subsidiary of Sociedade de Turismo e Diversões de Macau, S.A., from 2008 to 2011.

Mr. Chow is a fellow of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. He is also a fellow of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators). Mr. Chow obtained a master degree in finance from the Royal Melbourne Institute of Technology University in 1999 and a professional diploma in company secretaryship and administration from the Hong Kong Polytechnic in 1990.

Mr. CHENG Gwan Sing (鄭鈞丞先生) (former name: CHENG Henry Ming Chun (鄭銘浚)), aged 46, is an executive Director and was appointed to the Board on 25 May 2022. He is responsible for overseeing the business development and merger and acquisition affairs, and legal and compliance of the Group. Mr. Cheng has extensive experience in the areas of e-commerce, real estate, consumer goods, investments, corporate finance and merger and acquisition transactions and legal and compliance. Prior to joining the Group, Mr. Cheng was a senior legal counsel in Alibaba Inc responsible for the legal and compliance aspects of Aliexpress, the international e-commerce platform of Alibaba. He was also a corporate finance partner of two leading international law firms, Kirkland & Ellis and DLA Piper. He accumulated extensive experience advising on initial public offerings, corporate restructuring and mergers and acquisitions to various parties during his time as a corporate finance partner in these international law firms since 2013. Mr. Cheng holds a Bachelor of Engineering degree in Mechanical Engineering and a Bachelor of Commerce degree from The University of Western Australia. He holds a Postgraduate Diploma in Law from The College of Law, England and Wales and a Postgraduate Certificate in Laws from The University of Hong Kong. He was admitted as a solicitor in Hong Kong.

Non-executive Directors

Ms. JIANG Xiaohong (姜曉虹女士), aged 64, is a non-executive Director and was appointed to the Board on 1 March 2011. Ms. Jiang is also the legal representative of our major subsidiary company, Tibet Glacier Mineral Water Co. Ltd., and is responsible for the operation, quality control, equipment and production site management. She has over 31 years of experience in operational management. She graduated from Xinjiang Vocational University (新疆職工大學) with a diploma in Economic Management, then from Jiangnan University (江南大學) (formerly known as Wuxi University of Light Industry (無錫輕工大學) with a diploma of Brewery Engineering, and from Xinjiang University (新疆大學) with a diploma of Analytical Chemistry.

Mr. XIE Kun (謝鯤先生), aged 44, is a non-executive Director and was appointed to the Board with effect from 1 January 2022. He obtained a bachelor's degree in economics from Chongqing College of Commerce* (重慶商學院) (currently known as Chongqing Technology and Business University) in 2000, and a master's degree in law from East China College of Political Science and Law* (華東政法學院) (currently known as East China University of Political Science and Law) in 2003.

Mr. Xie has served as the general manager of the legal and risk control department of Shenwan Hongyuan Group Co., Ltd. (stock code: 6806) since March 2020, and the general manager of the investment management department of that company since May 2020. He has served as a director of Xinjiang Tianshan Industrial Investment Fund Management Co., Ltd.* (新疆天山產業投資基金管理有限公司) (which has an interest in the shares of the Company which would fall to be disclosed to the Company under Part XV of the Securities and Futures Ordinance), since June 2020, and a director of Hongyuan Huifu Capital Co., Ltd.* (宏源匯富創業投資有限公司) since July 2020. Prior to this, Mr. Xie worked in the legal affairs department of the Shanghai management headquarter of Hengtai Securities Limited* (恒泰證券有限責任公司) from January 2004 to May 2007. He had served at

different positions ranging from senior manager of the risk management department, senior manager of the legal and compliance department, assistant to general manager of legal and compliance headquarter to deputy general manager of the legal and compliance department of Hongyuan Securities Co., Ltd.* (宏源證券股份有限公司) from May 2007 to May 2015. He had also served as an employee representative supervisor of Shenwan Hongyuan Group Co., Ltd. from May 2015 to May 2021, and the general manager of the legal and risk control department of that company from May 2015 to February 2017. He had served as the deputy director (headquarter general manager level) of the compliance and risk management center cum general manager of the legal and compliance headquarter, and the general manager of the internal review and appraisal headquarter cum manager of the review and appraisal department of Shenwan Hongyuan Securities Co., Ltd.* (申萬宏源證券股份有限公司) from February 2017 to March 2020.

Mr. WEI Zheming (魏哲明先生), aged 40, was a non-executive Director from 31 December 2019 to 30 June 2020 and was re-appointed as a non-executive Director on 25 May 2022. He graduated with a bachelor degree in law at Xinjiang University (新疆大學) in 2005 and obtained a master degree in business administration at Xinjiang University of Finance & Economics (新疆財經大學) in 2013. He passed the National Judicial Examination in 2009 in the People's Republic of China (the "PRC") and was qualified as a secretary of board of directors in May 2009, an independent director in October 2017 and a fund practitioner in October 2018 in the PRC. Mr. Wei was the deputy general manager and the secretary of the board of directors of Xinjiang Tianshan Wool Textile Co., Ltd.* (新疆天山毛紡織股份有限公司) (now known as Dezhan Healthcare Company Limited (德展大健康股份有限公司) (stock code: 00813.SZ)), a director of Xinjiang Zhilian Qushi Information Technology Co., Ltd.* (新疆智聯趨勢信息科技有限公司) and a director of Xinjiang Investment and Construction Group Co., Ltd.* (新疆交易市場投資建設集團股份有限公司). Currently, Mr. Wei is the deputy general manager of Xinjiang Financial Investment Co., Ltd.* (新疆金融投資有限公司) (which has an interest in the shares of the Company which would fall to be disclosed to the Company under Part XV of the Securities and Futures Ordinance), the investment director of Xinjiang Kaidi Investment Co., Ltd.* (新疆凱迪投資有限責任公司), a director of Xinjiang Kaidi Mining Investment Co., Ltd.* (新疆凱迪礦業投資股份有限公司), a director of Dezhan Healthcare Company Limited, a director of Huarong International Trust Co., Ltd.* (華融國際信託有限責任公司) and the chairman of Xinjiang Tianshan Industrial Investment Fund Management Co., Ltd.* (新疆天山產業投資基金管理有限公司) (which has an interest in the shares of the Company which would fall to be disclosed to the Company under Part XV of the Securities and Futures Ordinance).

Independent Non-executive Directors

Dr. ZHANG Chunlong (張春龍博士), aged 58, was appointed as an independent non-executive Director on 8 July 2022. He is the chairman of the Board, the chairman of the remuneration committee of the Company, and a member of each of the audit committee and nomination committee of the Company. He obtained a bachelor's degree in mechanical engineering from Dalian University in 1986, a master's degree in business administration from Hong Kong Baptist University in 2002 and a doctoral degree in enterprise management from Dalian University of Technology in 2017. Dr. Zhang successively

worked in the Dalian representative office of Standard Chartered Bank, China Railway Construction Investment Company* (中國鐵路建設投資公司) and CITIC Shenzhen (Group) Company* (中信深圳(集團)公司) and has held various senior management positions, with more than 35 years of working experience in financial institution and state-owned enterprise. Dr. Zhang is also a member of the Hong Kong Institute of Bankers and a Certified Credit Risk Management Professional (Credit Portfolio Management) (CCRP(CPM)) registered with the Hong Kong Institute of Bankers.

Mr. LO Wai Hung (盧偉雄先生), aged 62, joined the Group and was appointed as an independent non-executive Director on 28 September 2021. He is the chairman of the audit committee and nomination committee of the Company and a member of the remuneration committee and risk management committee of the Company. He obtained a bachelor's degree in Commerce from James Cook University of North Queensland, Australia in 1985. Mr. Lo is an associate member of Chartered Accountants in Australia and New Zealand and a fellow member of Hong Kong Institute of Certified Public Accountants. Mr. Lo has over 25 years of experience in auditing, finance and management.

Mr. Lo is an independent non-executive director of Talent Property Group Limited (stock code: 760), C Cheng Holdings Limited (stock code: 1486), and China New Town Development Company Limited (stock code: 1278), and is a non-executive director of SY Holdings Group Limited (formerly known as Sheng Ye Capital Limited) (stock code: 6069). Mr. Lo was an independent non-executive director of Lerthai Group Limited (formerly known as LT Commercial Real Estate Limited) (stock code: 112) during March 2017 to November 2018 and an independent non-executive director of Shandong Weigao Group Medical Polymer Company Limited (stock code: 1066) until 6 June 2022. All the aforementioned companies are listed on the Main Board of The Stock Exchange of Hong Kong Limited. Mr. Lo was also an independent director of China Merchant Property Development Co. Ltd.* since 2011 and the shares of which were ceased from listing on the Shenzhen Stock Exchange on 30 December 2015.

Ms. LIN Ting (林霆女士), aged 52, was appointed as an independent non-executive Director on 8 July 2022. She is a member of each of the audit committee, nomination committee, remuneration committee and risk management committee of the Company. She obtained a bachelor's degree in industrial enterprise management from Shanghai University of Engineering Science in 1992 and a master's degree in technology management in information technology from The Hong Kong University of Science and Technology in 2004. Ms. Lin was qualified as a project management professional by the Project Management Institute in 2014 and was awarded the qualification certificate of board secretary by the Shanghai Stock Exchange in 2017.

From March 2009 to April 2013, Ms. Lin successively served as the deputy general manager of the business development department and the general manager of the information department of China Cargo Airlines Co., Ltd., and the general manager of the information department of Eastern Air Logistics Co., Ltd. (a company now listed on the Shanghai Stock Exchange (stock code: 601156.SH)). From April 2013 to January 2015, she was the general manager of logistics product department of the information solutions

department of China Eastern Airlines Co., Ltd. (whose H shares (stock code: 670), A shares (stock code: 600115.SH) and American depositary shares (stock code: CEA) are listed on the Stock Exchange, the Shanghai Stock Exchange and the New York Stock Exchange respectively).

Ms. Lin was an independent non-executive director of Hang Tai Yue Group Holdings Limited (formerly known as China Mobile Games and Cultural Investment Limited and Interactive Entertainment China Cultural Technology Investments Limited) (a company listed on GEM of the Stock Exchange (stock code: 8081)) from December 2015 to June 2016 and a director of Shanghai Changxin Technology Corp., Ltd. (a company whose shares are quoted on the National Equities Exchange and Quotations (stock code: 430611)) from March to August 2017. She has been an executive director of Finsoft Financial Investment Holdings Limited (a company listed on GEM of the Stock Exchange (stock code: 8018)) since June 2016 and an independent non-executive director of UJU Holding Limited (a company listed on the Main Board of the Stock Exchange (stock code: 1948)) since October 2021.

Ms. Lin was a director of Shanghai Yuefu Investment Management Consulting Co., Ltd.* (上海悦輔投資管理諮詢有限公司), a company incorporated in the People's Republic of China which was engaged in the provision of investment management consultancy services, prior to its deregistration on 7 February 2021. She confirmed that it was solvent at the time of its deregistration and she is not aware of any actual or potential claim that has been or will be made against her as a result of such deregistration.

(c) Biographies of the senior management of the Company

Mr. WANG Dong (王東先生), aged 57, was appointed as executive Director on 29 May 2017 and further appointed as the chief executive officer of the Company on 18 August 2017. He retired as an executive Director on 30 June 2020. Mr. Wang graduated with a bachelor of laws degree at Xinjiang University. He obtained a master degree in engineering at Wuhan University and an EMBA degree at the South China University of Technology.

Mr. Wang is qualified as a lawyer of the PRC since 1989, a senior economist of the Industrial and Commercial Bank of China since 2001 and a practitioner of the Asset Management Association of China since 2016. He also received the "Qualification as an independent director of listed companies" from the Shenzhen Stock Exchange in 2016.

From 1987 to 2012, Mr. Wang worked in the provincial branch office as well as the case management department of the headquarters and the regional branch office of Industrial and Commercial Bank of China Limited. During the aforesaid period, he served as the department head of the case management department of the headquarters, general manager of the legal affairs department of the provincial branch office, general manager of the risk management department of the provincial branch office, general manager of the regional branch office, as well as the president of the regional urban finance society and regional banking industry association. In August 2012, Mr. Wang served as the head of the legal compliance department

at the headquarters of Guangdong Nanyue Bank and a member of the law committee of the Banking Association of Guangdong. From September 2016 to August 2018, Mr. Wang was the director and chief executive officer of Xinjiang Tianshan Industrial Investment Fund Management Co., Ltd.

11. EXPENSES

The expenses in connection with the Rights Issue, including the printing, registration, translation, legal, financial advisory, accounting and other professional fees, are estimated to be approximately HK\$4.6 million, which are payable by the Company.

12. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

A copy of each of the Prospectus Documents and the written consent referred to in the section headed “8. Expert and Consent” in this Appendix has been delivered to the Registrar of Companies in Hong Kong for registration as required by Section 342C of the Companies (WUMP) Ordinance.

13. LANGUAGE

The English text of this Prospectus shall prevail over its Chinese text in case of inconsistency.

14. BINDING EFFECT

The Prospectus Documents and all acceptances of any offer or application contained therein are governed by and shall be construed in accordance with the laws of Hong Kong. The Prospectus Documents shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all provisions (other than the penal provisions) of sections 44A and 44B of the Companies (WUMP) Ordinance, so far as applicable.

15. DOCUMENTS ON DISPLAY

Electronic copies of the following documents are available on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (<http://www.twr1115.net>) for a period of 14 days from the date of this Prospectus (both days inclusive):

- (i) the report on the unaudited pro forma financial information of the Group from HLB Hodgson Impey Cheng Limited as set out in Appendix II to this Prospectus;
- (ii) the material contracts referred to in the section headed “6. Material Contracts” in this Appendix; and
- (iii) the written consent referred to in the section headed “8. Expert and Consent” in this Appendix.