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Private and Confidential

The Board of Directors
China Wantian Holdings Limited
Suite 2106A, 21/F, Exchange Tower
33 Wang Chiu Road, Kowloon Bay
Hong Kong

19 May 2023
Our ref: 079062/RI0323/1905

Dear Sirs

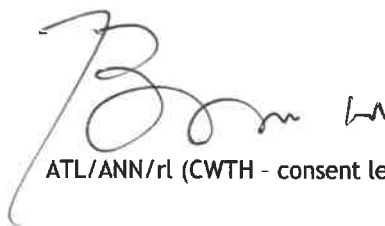
**China Wantian Holdings Limited (the “Company”) and its subsidiaries
(hereinafter collectively referred to as the “Group”)
Consent letter**

We refer to the prospectus dated 19 May 2023 (the “Prospectus”) in connection with the proposed rights issue on the basis of one rights share for every five existing shares of the Company, a final proof of which is attached and initialled by us on its front cover for the purpose of identification.

We hereby consent to the inclusion of our accountants’ report dated 19 May 2023 on the compilation of the unaudited pro forma financial information of the Group as at 31 March 2023 in the Prospectus, and the references to our name in the form and context in which they are included.

We also hereby consent to a copy of this letter and the accountants’ report being published on the HKEX’s website and the Company’s own website as described in the section headed “14. Documents on display” in Appendix III to the Prospectus.

Yours faithfully
BDO Limited



ATL/ANN/rl (CWTH - consent letter)

Encl

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 stockbroker, other licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

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

A copy of each of the Prospectus Documents, and the other document(s) specified in the paragraph headed "13. 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 Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility as to the contents of any of these documents.

Dealings in the Rights Shares in their nil-paid and fully-paid forms may be settled through CCASS. You should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers for details of those settlement arrangements and how such arrangements may affect your rights and interests.

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 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 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 and HKSCC 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.



CHINA WANTIAN HOLDINGS LIMITED

中國萬天控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1854)

RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY FIVE (5) EXISTING SHARES HELD ON THE RECORD DATE

Financial Adviser to the Company

RaffAello
CAPITAL LIMITED



Underwriter of the Rights Issue

RaffAello
Securities (HK) Ltd

[Handwritten signature]
19 May 2023

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

Dealings in the Rights Shares in the nil-paid form will take place from Tuesday, 23 May 2023 to Wednesday, 31 May 2023 (both dates inclusive). If the conditions of the Rights Issue are not fulfilled or the Underwriting Agreement is terminated by the Underwriter, the Rights Issue will not proceed. Any person contemplating dealing in the nil-paid Rights Shares during the period from Tuesday, 23 May 2023 to Wednesday, 31 May 2023 (both dates inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional and/or may not proceed. Any person contemplating dealing in the Shares and/or the Rights Shares in their nil-paid form are recommended to consult his/her/its/their own professional advisers.

The Underwriting Agreement contains provisions granting the Underwriter, by notice in writing to the Company, served prior to the Latest Time for Termination, the right to terminate the Underwriting Agreement on the occurrence of certain events including force majeure. These certain events are set out in the section headed "Termination of the Underwriting Agreement" on pages 11 to 12 of this Prospectus. If the Underwriting Agreement is terminated by the Underwriter, the Rights Issue will not proceed.

The latest time for acceptance of, and payment for, the Rights Shares is 4:00 p.m. on Monday, 5 June 2023. The procedures for acceptance and payment for or transfer of the Rights Shares are set out on pages 21 to 23 of this Prospectus.

19 May 2023

CONTENTS

	<i>Page</i>
Definitions	1
Expected Timetable	9
Termination of the Underwriting Agreement	11
Letter from the Board	13
Appendix I — Financial Information of the Group	39
Appendix II — Unaudited Pro Forma Financial Information of the Group	42
Appendix III — General Information	47

DEFINITIONS

In this Prospectus, unless the context otherwise requires, the following terms or expressions shall have the meanings set out below:

“Ace Source”	Ace Source Holdings Limited, a limited liability company incorporated in the British Virgin Islands, the issued shares of which are beneficially owned as to 81% by China Wantian International, and is a controlling shareholder of the Company
“Announcement”	the announcement of the Company dated 11 April 2023 relating to, among others, the Rights Issue
“associate(s)”	has the meaning as ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day on which licensed banks in Hong Kong are open for normal banking business and excludes Saturdays, Sundays, public holidays in Hong Kong and any day on which a tropical cyclone warning number 8 or above is hoisted or remains hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m. or on which a “black rainstorm” warning signal is issued or remains issued in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.
“Catering Premises A”	中國廣東省中山市東區沙崗天王路9號萬谷菜籃子廣場壹層Y16、Y17、Y18二分之一卡商舖 (Shops Y16, Y17 and 1/2 of Y18, G/F, Wangu Shopping Basket Plaza, No. 9 Shagang Tianwang Road, East District, Zhongshan, Guangdong, the PRC#)
“Catering Premises B”	中國廣東省中山市東區沙崗天王路9號萬谷菜籃子廣場壹層Y15-1、Y18二分之一卡商舖 (Shops Y15-1 and 1/2 of Y18, G/F, Wangu Shopping Basket Plaza, No. 9 Shagang Tianwang Road, East District, Zhongshan, Guangdong, the PRC#)
“Catering Premises C”	中國廣東省中山市東區沙崗天王路9號萬谷菜籃子廣場六層602卡商舖 (Shop 602, 6/F, Wangu Shopping Basket Plaza, No. 9 Shagang Tianwang Road, East District, Zhongshan, Guangdong, the PRC#)
“CCASS”	The Central Clearing and Settlement System established and operated by HKSCC

DEFINITIONS

“Champion Point”	Champion Point Limited, a company incorporated under the laws of the British Virgin Islands with limited liability, and an indirect wholly-owned subsidiary of the Company following the completion of the Share Acquisition
“China Wantian International”	China Wantian International Group Limited, a company incorporated in Hong Kong with limited liability and is beneficially owned as to 60% and 40% respectively by Dr. Hooy and Mr. Zhong, and is a controlling shareholder of the Company
“Classic Line”	Classic Line Holdings Limited, a limited liability company incorporated in the British Virgin Islands, the issued shares of which are wholly-owned by Mr. Liu, and is a substantial shareholder of the Company
“close associate(s)”	has the meaning as ascribed thereto under the Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented and modified from time to time
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented and modified from time to time
“Company”	China Wantian Holdings Limited (中國萬天控股有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1854)
“connected person(s)”	has the meaning as ascribed thereto under the Listing Rules
“controlled corporation(s)”	has the meaning as ascribed thereto under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“controlling shareholder(s)”	has the meaning as ascribed thereto under the Listing Rules

DEFINITIONS

“Courage Rise”	Courage Rise Holdings Limited, a limited liability company incorporated in the British Virgin Islands and wholly-owned by Mr. Zhong
“Director(s)”	director(s) of the Company
“Dr. Hooy”	Dr. Hooy Kok Wai, an executive Director, chairman of the Board and a controlling shareholder of the Company
“EAF(s)”	the form(s) of application for use by the Qualifying Shareholders who wish to apply for excess Rights Shares, being in such form as may be agreed between the Company and the Underwriter
“Extreme Conditions”	the extreme conditions the government of Hong Kong may announce in the event of, for example, serious disruption of public transport services, extensive flooding, major landslides or large-scale power outage caused by super typhoons according to the revised “Code of Practice in Times of Typhoons and Rainstorms” issued by the Labour Department of Hong Kong
“Great Point”	Great Point Limited, a company incorporated under the laws of the British Virgin Islands with limited liability, and a direct wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“HIBOR”	the Hong Kong Interbank Offered Rate
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“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”	11 April 2023, the last day on which the Shares were traded on the Stock Exchange immediately preceding the publication of the Announcement

DEFINITIONS

“Latest Practicable Date”	15 May 2023, being the latest practicable date prior to the printing of this Prospectus for the purpose of ascertaining certain information for inclusion in this Prospectus
“Latest Time for Acceptance”	4:00 p.m. on Monday, 5 June 2023 or such other time as may be agreed between the Company and the Underwriter, being the latest time for application for, acceptance and payment in respect of the provisional allotments under the Rights Issue and for application and payment for excess Rights Shares as described in this Prospectus
“Latest Time for Termination”	4:00 p.m. on Tuesday, 6 June 2023 or such later time as may be agreed between the Company and the Underwriter, being the latest time to terminate the Underwriting Agreement
“Listing Committee”	has the meaning as ascribed thereto under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules
“Mr. Kwong”	Mr. Kwong Ping Man, an individual who is an Independent Third Party
“Mr. Liu”	Mr. Liu Chi Ching, an executive Director, vice-chairman of the Board and a substantial shareholder of the Company
“Mr. Zhong”	Mr. Zhong Xueyong, an executive Director, the chief executive officer and a controlling shareholder of the Company
“Non-Qualifying Shareholder(s)”	Overseas Shareholder(s) to whom the Board, after making enquiries, considers it necessary or expedient not to offer the Rights Issue on account of either legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place

DEFINITIONS

“Outstanding Consideration Shares”	as defined in the paragraph headed “Outstanding Consideration Shares under the Share Acquisition” in this Prospectus
“Outstanding Share Options”	the outstanding share options granted by the Company on 13 April 2022 pursuant to the Share Option Scheme to subscribe for an aggregate of up to 52,740,000 Shares
“Overseas Shareholder(s)”	Shareholder(s) whose address on the register of members of the Company is outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) in respect of the Rights Issue issued to the Qualifying Shareholders
“PRC”	the People’s Republic of China, which, for the purpose of this Prospectus, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“PRC Company”	深圳豐源貿易發展有限公司 (Shenzhen Wealth Source Trading Development Company Limited [#]), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company following the completion of the Share Acquisition
“Prospectus”	this prospectus issued by the Company to the Shareholders on the Prospectus Posting Date in connection with the Rights Issue
“Prospectus Documents”	the Prospectus, the PAL and the EAF
“Prospectus Posting Date”	Friday, 19 May 2023 or such later date as may be agreed between the Underwriter and the Company for the despatch of the Prospectus Documents to the Qualifying Shareholders or the Prospectus to the Non-Qualifying Shareholders (as the case may be)
“Qualifying Shareholders”	Shareholders whose names appear on the register of members of the Company on the Record Date, other than the Non-Qualifying Shareholders
“Record Date”	Thursday, 18 May 2023 or such other date as may be agreed between the Company and the Underwriter for the determination of the entitlements under the Rights Issue

DEFINITIONS

“Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, being Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Rights Issue”	the proposed issue of one (1) Rights Share for every five (5) existing Shares in issue and held on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Prospectus Documents
“Rights Shares”	309,504,000 new Shares proposed to be offered to the Qualifying Shareholders pursuant to the Rights Issue, and each being a “ Rights Share ”
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented and modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Acquisition”	as defined in the paragraph headed “Outstanding Consideration Shares under the Share Acquisition” in this Prospectus
“Share Option Scheme”	the share option scheme adopted by the Company on 26 September 2016
“Shareholder(s)”	holder(s) of the Share(s)
“Shenzhen Wantian Catering”	深圳萬天餐飲零售發展有限公司 (Shenzhen Wantian Catering Retail Development Co., Ltd. [#]), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Specified Event”	an event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which if it had occurred or arisen before the date of the Underwriting Agreement would have rendered any of the warranties of the Company given under the Underwriting Agreement untrue or inaccurate in a material respect

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.36 per Rights Share
“substantial shareholder(s)”	has the meaning as ascribed thereto under the Listing Rules
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong, as may be amended from time to time
“Underwriter”	RaffAello Securities (HK) Limited, a licensed corporation to carry out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO
“Underwriting Agreement”	the underwriting agreement dated 11 April 2023 entered into between the Company and the Underwriter in relation to the underwriting arrangement of the Rights Issue
“Underwritten Shares”	309,504,000 Rights Shares to be underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement
“Wangu Basket”	中山市萬谷菜籃子廣場投資管理有限公司 (Zhongshan Wangu Basket Plaza Investment and Management Co., Ltd. [#]), a company established in the PRC with limited liability and ultimately beneficially owned as to approximately 59.6% and approximately 39.8% by Dr. Hooy and Mr. Zhong, respectively
“Wantian Catering Zhongshan Branch”	深圳萬天餐飲零售發展有限公司中山分公司 (Shenzhen Wantian Catering Retail Development Co., Ltd. Zhongshan Branch [#]), a Zhongshan branch of Shenzhen Wantian Catering, a branch of a company established in the PRC with limited liability
“Wantian Catering Zhongshan 3rd Branch”	深圳萬天餐飲零售發展有限公司中山第三分公司 (Shenzhen Wantian Catering Retail Development Co., Ltd. Zhongshan the 3rd Branch [#]), the third Zhongshan branch of Shenzhen Wantian Catering, a branch of a company established in the PRC with limited liability

DEFINITIONS

“Wantian Catering Zhongshan 4th Branch” 深圳萬天餐飲零售發展有限公司中山第四分公司 (Shenzhen Wantian Catering Retail Development Co., Ltd. Zhongshan the 4th Branch[#]), the fourth Zhongshan branch of Shenzhen Wantian Catering, a branch of a company established in the PRC with limited liability

“Wise Global” Wise Global Holding Limited, a limited liability company incorporated in the British Virgin Islands and wholly-owned by Dr. Hooy

“%” per cent

Certain figures included in this Prospectus have been subject to rounding adjustments and hence may not be an arithmetic aggregation of the related figures.

[#] *The English name is not the official name and is translated for reference purposes only.*

EXPECTED TIMETABLE

2023

First day of dealing in nil-paid Rights Shares	Tuesday, 23 May
Latest time for splitting nil-paid Rights Shares	4:30 p.m., Thursday, 25 May
Last day of dealing in nil-paid Rights Shares	Wednesday, 31 May
Latest time for acceptance of and payment for the Rights Shares and application and payment for excess Rights Shares	4:00 p.m., Monday, 5 June
Latest time for termination of the Underwriting Agreement and for the Rights Issue to become unconditional	4:00 p.m., Tuesday, 6 June
Announcement of results of acceptance of the Rights Issue to be published on the respective websites of the Stock Exchange and the Company	Monday, 12 June
Despatch of share certificates for fully-paid Rights Shares and refund cheques (if the Rights Issue is terminated or for unsuccessful applications for the Rights Issue)	Tuesday, 13 June
First day of dealing in the fully-paid Rights Shares	Wednesday, 14 June

All dates and times specified in this Prospectus refer to Hong Kong local dates and times. Dates stated in this Prospectus for event mentioned in the timetable are indicative only and may be extended or varied. Any changes to the expected timetable for the Rights Issue will be announced as and when appropriate in accordance with the Listing Rules.

EXPECTED TIMETABLE

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES AND FOR APPLICATION AND PAYMENT FOR EXCESS RIGHTS SHARES

The Latest Time for Acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares will not take place at 4:00 p.m. on Monday, 5 June 2023 if there is a tropical cyclone warning signal number 8 or above, or a “black” rainstorm warning or Extreme Conditions, and if such circumstances are:

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

If the Latest Time for Acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares does not take place on or before 4:00 p.m., Monday, 5 June 2023, the dates mentioned in this section (including but not limited to the Latest Time for Termination) may be affected. An announcement will be made by the Company in such event.

TERMINATION OF THE UNDERWRITING AGREEMENT

TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriter shall be entitled by notice in writing to the Company, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement if:

- (a) in the reasonable opinion of the Underwriter, the business or the financial or trading position or the prospects of the Group or the success of the Rights Issue would be materially and adversely affected by:
 - (i) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof); or
 - (ii) the occurrence of (1) any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before or after the date hereof) of a political, military, financial, economic or currency or other nature (whether or not such are of the same nature as any of the foregoing) or of the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities market; (2) a suspension or a material limitation in trading in securities generally on the Stock Exchange; (3) a suspension or a material limitation in trading in the Company's securities on the Stock Exchange for more than ten consecutive Business Days (other than any suspension in connection with the clearance of the Announcement, the Prospectus Documents or other announcements or circulars or any other documents relating to the Rights Issue); (4) a general moratorium on commercial banking activities in Hong Kong declared by a relevant authority or a material disruption in commercial banking or securities settlement or clearing services in Hong Kong; or (5) a change or development involving a prospective change in taxation affecting the Company, the Shares or the transfer thereof;
- (b) any change in the circumstances of the Company or any member of the Group occurs which, in the reasonable opinion of the Underwriter, will materially and adversely affect the prospects of the Company, including without limitation, the presentation of a petition or the passing of a resolution for the liquidation or winding-up or similar events occurring in respect of any member of the Group or the destruction of any material asset of the Group;
- (c) any event of force majeure occurs, including without limitation, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, pandemic outbreak, terrorism, armed conflict, strike or lock-out;
- (d) there occurs the commencement by any third party of any litigation or claim against any member of the Group which is material to the Group taken as a whole;
- (e) any other material adverse change in relation to the business or the financial or trading position of the Group as a whole occurs;

TERMINATION OF THE UNDERWRITING AGREEMENT

- (f) the Company commits a material breach of the Underwriting Agreement where, in the reasonable opinion of the Underwriter, such material breach will or is likely to have a material and adverse effect on the business or the financial or trading position of the Group taken as a whole or is otherwise likely to have a materially prejudicial effect on the Rights Issue;
- (g) the Underwriter receives notification from the Company of, or otherwise becomes aware of, the fact that any representation or warranty of the Company as set out in the Underwriting Agreement was, when given, untrue, inaccurate or would be untrue or inaccurate if repeated on the Latest Time for Termination, and the Underwriter shall, in its reasonable discretion, determine that untrue or inaccurate representation or warranty represents or is likely to represent a material adverse change in the business or the financial or trading position of the Group taken as a whole or is otherwise likely to have a materially prejudicial effect on the Rights Issue;
- (h) any condition to enable the Rights Shares (in their nil-paid and fully-paid forms) to be admitted as eligible securities for deposit, clearance and settlement in CCASS is not satisfied or notification is received by the Company from HKSCC that such admission or facility for holding and settlement has been or is to be refused;
- (i) any statement contained in the Announcement or any of the Prospectus Documents has been shown to be untrue, inaccurate, incomplete in any material respect or misleading with reference to the date on which such statement was made; or
- (j) the Company shall, after any Specified Event has occurred or come to the Underwriter's attention, fail promptly to send out any announcement or circular (after the despatch of the Prospectus Documents) in such manner and with such content as the Underwriter may reasonably request for the purpose of preventing the creation of a false market in the securities of the Company and in accordance with the Listing Rules and/or the SFO.

Upon the giving of notice referred to above by the Underwriter, all obligations of each of the parties to the Underwriting Agreement shall cease and no party thereto shall have any claim against the other party for costs, damages, compensation or otherwise in respect of any matter arising out of or in connection with the Underwriting Agreement save for any antecedent breaches.

If the Underwriter terminates the Underwriting Agreement, the Rights Issue will not proceed. A further announcement will be made if the Underwriting Agreement is so terminated.

LETTER FROM THE BOARD



CHINA WANTIAN HOLDINGS LIMITED

中國萬天控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1854)

Executive Directors:

Dr. Hooy Kok Wai (*Chairman*)

Mr. Liu Chi Ching (*Vice-chairman*)

Mr. Zhong Xueyong (*Chief executive officer*)

Independent non-executive Directors:

Ms. Lui Choi Yiu Angela

Mr. Leung Sui Chung

Mr. Siu Chun Pong Raymond

Registered office:

Windward 3, Regatta Office Park

PO Box 1350

Grand Cayman KY1-1108

Cayman Islands

*Head office and principal place of
business in Hong Kong:*

Suite 2106A, 21/F

Exchange Tower

33 Wang Chiu Road

Kowloon Bay

Hong Kong

19 May 2023

*To the Qualifying Shareholders; and
for information only, the Non-Qualifying Shareholders*

Dear Sir or Madam

RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY FIVE (5) EXISTING SHARES HELD ON THE RECORD DATE

INTRODUCTION

Reference is made to the Announcement in relation to, among other things, the Rights Issue. On 11 April 2023, the Board announced that the Company proposed to raise approximately HK\$111.4 million, before expenses, by issuing 309,504,000 Rights Shares by way of the Rights Issue, on the basis of one (1) Rights Share for every five (5) existing Shares held by the Qualifying Shareholders on the Record Date at the Subscription Price of HK\$0.36 per Rights Share. Qualifying Shareholders are entitled to apply for additional Rights Shares in excess of their respective entitlements under the Rights Issue by way of excess application. The Rights Issue is not available to the Non-Qualifying Shareholders.

LETTER FROM THE BOARD

The purpose of this Prospectus is to provide you with, among other things, further details of the Rights Issue, including the information on procedures for application and payment, together with the financial and other general information of the Group.

RIGHTS ISSUE

Issue statistics

Basis of the Rights Issue	:	One (1) Rights Share for every five (5) existing Shares held by the Qualifying Shareholders on the Record Date
Subscription Price	:	HK\$0.36 per Rights Share
Number of Shares in issue as at the Latest Practicable Date and the Record Date <i>(Note)</i>	:	1,547,520,000 Shares
Number of Rights Shares to be issued pursuant to the Rights Issue	:	309,504,000 Rights Shares
Number of Shares in issue immediately upon completion of the Rights Issue	:	1,857,024,000 Shares
Gross proceeds from the Rights Issue	:	Approximately HK\$111.4 million
Right of excess applications	:	Qualifying Shareholders may apply for the Rights Shares in excess of their provisional allotment
Underwriter	:	RaffAello Securities (HK) Limited
Number of Rights Shares underwritten by the Underwriter	:	The Rights Issue is fully underwritten by the Underwriter

Note: As the book closure period had already commenced, no Outstanding Share Options had been exercised and no Outstanding Consideration Shares had been allotted and issued as at the Latest Practicable Date, the number of Shares in issue on the Record Date was 1,547,520,000 Shares.

LETTER FROM THE BOARD

Based on the existing issued share capital of the Company as at the Latest Practicable Date, the 309,504,000 Rights Shares to be allotted and issued pursuant to the Rights Issue represent (i) 20.00% of the existing issued share capital of the Company; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares.

As at the Latest Practicable Date, save for the Outstanding Share Options and the Outstanding Consideration Shares, the Company did not have any outstanding convertible securities, options or warrants in issue or similar rights which confer any right to subscribe for, convert or exchange into the Shares. No Outstanding Share Options had been exercised and no Outstanding Consideration Shares had been allotted and issued from the date of the Announcement and up to the Latest Practicable Date, which is after the commencement of the book closure period.

Subscription Price

The Subscription Price is HK\$0.36 per Rights Share, payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares under the Rights Issue or application for excess Rights Shares or when a renouncee of any provisional allotment of the Rights Shares or a transferee of the nil-paid Rights Shares subscribes for the Rights Shares.

The Subscription Price represents:

- (i) a discount of 20.00% to the closing price of HK\$0.450 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 41.94% to the closing price of HK\$0.620 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of 40.00% to the average closing price of HK\$0.600 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 37.82% to the average closing price of HK\$0.579 per Share as quoted on the Stock Exchange for the ten consecutive trading days up to and including the Last Trading Day;
- (v) a discount of approximately 37.61% to the theoretical ex-rights price of approximately HK\$0.577 per Share based on the closing price of HK\$0.620 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (vi) a premium of 3.5 times over the net asset value per Share of approximately HK\$0.08 per Share based on the latest published unaudited consolidated net asset value attributable to owners of the Company of approximately HK\$124.4 million as at 30

LETTER FROM THE BOARD

September 2022 as set out in the interim report of the Company for the six months ended 30 September 2022 and the total number of issued Shares of 1,547,520,000 Shares as at the Latest Practicable Date; and

- (vii) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) represented by a discount of approximately 6.99% of the theoretical diluted price (as defined under Rule 7.27B of the Listing Rules) of approximately HK\$0.577 per Share to the benchmarked price of HK\$0.620 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of the closing price of HK\$0.620 per Share on the Last Trading Day and the average closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the Last Trading Day of HK\$0.586 per Share).

During the 12-month period immediately preceding the date of the Announcement, the Company had not undertaken (whether by reference to the date of agreement or announcement or the date of commencement of dealing of shares) any rights issue, open offer or specific mandate placing. The theoretical diluted price, the benchmarked price and theoretical dilution effect (all defined under Rule 7.27B of the Listing Rules) for the Rights Issue are approximately HK\$0.577 per Share, HK\$0.620 per Share and 6.99%, respectively. The Rights Issue will not result in a theoretical dilution effect of 25% or more on its own. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

The Subscription Price was arrived at after arm's length negotiation between the Company and the Underwriter with reference to, among others, (i) the market price and trading liquidities of the Shares under the prevailing market conditions; (ii) the latest business performance and the financial condition of the Group; and (iii) the reasons for and benefits of the Rights Issue as set out in the section headed "Reasons for the Rights Issue and Use of Proceeds" in this Prospectus.

As all Qualifying Shareholders are entitled to subscribe for the Rights Shares in the same proportion to his/her/its shareholding in the Company held on the Record Date, the Board is of the view that the discount of the Subscription Price would encourage the Qualifying Shareholders to take up their entitlements to maintain their shareholdings in the Company, thereby minimising possible dilution impact. The Board considers that the terms of the Rights Issue, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The estimated net price per Rights Share after deducting the related expenses of the Rights Issue is approximately HK\$0.329.

Undertaking

As at the Latest Practicable Date, the Company had not received any information or irrevocable undertaking from any Shareholders of their intention to take up the Rights Shares to be provisionally allotted to them under the Rights Issue.

LETTER FROM THE BOARD

Conditions of the Rights Issue

The Rights Issue is conditional upon the fulfilment of the following conditions:

- (i) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong of the Prospectus Documents in compliance with the Listing Rules and the Companies (WUMP) Ordinance not later than the Prospectus Posting Date;
- (ii) the posting of the Prospectus Documents to the Qualifying Shareholders on or before the Prospectus Posting Date;
- (iii) the Listing Committee granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of, and permission to deal in, the Rights Shares, in nil-paid and fully-paid forms; and
- (iv) the Underwriting Agreement not being terminated in accordance with the terms thereof on or before the Latest Time for Termination.

The Company shall use its reasonable endeavours to procure the fulfilment of all the above conditions by the Latest Time for Termination or such other time as the Company and the Underwriter may agree.

If the conditions set out in paragraphs (i) to (iv) above are not fulfilled by the Latest Time for Termination or such other time as the Company and the Underwriter may agree, the Underwriting Agreement shall terminate (save and except for the provisions regarding fees, notices and governing law and jurisdiction which shall remain in full force and effect) and no party thereto shall have any claim against the other party for costs, damages, compensation or otherwise save for any antecedent breaches.

As at the Latest Practicable Date, none of the above conditions had been fulfilled.

Basis of provisional allotment

The basis of the provisional allotment shall be one (1) Rights Share for every five (5) existing Shares held by the Qualifying Shareholders on the Record Date. Acceptance of all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance.

Qualifying Shareholders who take up their pro-rata entitlement in full will not suffer any dilution to their interests in the Company. If a Qualifying Shareholder does not take up his/her/its entitlement under the Rights Issue in full, his/her/its shareholding in the Company will be diluted.

LETTER FROM THE BOARD

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully paid, will rank *pari passu* with the Shares then in issue in all respects. Holders of the fully-paid Rights Shares 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 in their fully-paid form.

Qualifying Shareholders

The Rights Issue will only be available to the Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must on the Record Date (i) be registered as a member of the Company; and (ii) not be a Non-Qualifying Shareholder.

Non-Qualifying Shareholders

The Prospectus Documents will not be registered under the applicable securities legislation of any territory or jurisdiction other than Hong Kong. Based on the latest available register of members of the Company as at the Latest Practicable Date, which is after the commencement of the book closure period, there will not be any Overseas Shareholders on the Record Date. Accordingly, there will be no Non-Qualifying Shareholders for the purpose of the Rights Issue.

Application for excess Rights Shares

Qualifying Shareholders are entitled to apply for, by way of excess application:

- (i) any unsold entitlements to the Rights Shares of the Non-Qualifying Shareholders, if any;
- (ii) any of the Rights Shares created by aggregating fractions of the Rights Shares; and
- (iii) any nil-paid Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders or otherwise not subscribed for by renounees or transferees of nil-paid Rights Shares

(collectively referred to as “**Untaken Rights**”).

Application for excess Rights Shares may be made by completing an EAF and lodging the same with a separate remittance for the full amount payable in respect of the excess Rights Shares being applied for. The Directors will allocate any excess Rights Shares at their discretion on a fair and equitable basis on the following principles:

- (a) subject to availability of the excess Rights Shares, any excess Rights Shares will be allocated to Qualifying Shareholders who apply for them as far as practicable on a pro-rata basis by reference to the number of the excess Rights Shares applied for under each application;

LETTER FROM THE BOARD

- (b) no reference will be made to the Rights Shares subscribed through applications by PALs or the existing number of Shares held by Qualifying Shareholders;
- (c) no preference will be given to applications for topping up odd-lot holdings to whole-lot holdings as the giving of such preference may potentially be abused by certain investors by splitting their Shares and thereby receiving more Rights Shares than they would receive if such preference is not given, which is an unintended and undesirable result; and
- (d) pursuant to Rule 7.21(3)(b) of the Listing Rules, the Company will also take steps to identify the applications for excess Rights Shares made by any controlling shareholder of the Company or its associates (the “**Relevant Shareholders**”), whether in their own names or through nominees.

The Company shall disregard the Relevant Shareholders’ applications for excess Rights Shares to the extent that the total number of excess Rights Shares they have applied for exceeds a maximum number equivalent to the total number of Rights Shares offered under the Rights Issue minus the number of Rights Shares taken up by the Relevant Shareholders under their assured entitlement to the Rights Shares.

If the aggregate number of Rights Shares underlying the Untaken Rights is greater than the aggregate number of excess Rights Shares being applied for under EAFs, the Directors will allocate to each Qualifying Shareholder who applies for excess Rights Shares the actual number of excess Rights Shares being applied for. Any Rights Shares not taken up by the Qualifying Shareholders and not taken up by excess applications will be taken up by the Underwriter pursuant to the terms and conditions of the Underwriting Agreement.

In the event that the Board notices unusual patterns of excess applications and has reason to believe that any excess application may have been made with the intention to abuse the mechanism, such application(s) for excess Rights Shares may be rejected at the sole discretion of the Board.

Qualifying Shareholders who wish to apply for excess Rights Shares in addition to their provisional allotment must complete and sign an EAF and lodge it, together with a separate remittance for the amount payable on application in respect of the excess Rights Shares applied for, with the Registrar, Tricor Investor Services Limited, on or before the Latest Time for Acceptance. All remittances must be made in Hong Kong dollars by cheque which must be drawn on a bank account with, or by cashier’s order which must be issued by, a licensed bank in Hong Kong and made payable to “**China Wantian Holdings Limited – Excess Application Account**” and crossed “**Account Payee Only**”.

If no excess Rights Shares are allotted to a Qualifying Shareholder who has applied for excess Rights Shares, the remittance tendered on application is expected to be returned by refund cheque to that Qualifying Shareholder in full without interest by ordinary post at his/her/its own risk by the Registrar on or before Tuesday, 13 June 2023. If the number of

LETTER FROM THE BOARD

excess Rights Shares allotted to a Qualifying Shareholder is less than that applied for, the surplus application monies are also expected to be returned by refund cheque to that Qualifying Shareholder without interest by ordinary post to his/her/its registered address at his/her/its own risk by the Registrar on or before Tuesday, 13 June 2023.

All cheques or cashier's orders accompanying completed EAFs 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 EAF together with a cheque or a cashier's order in payment for the excess Rights Shares applied for will constitute a warranty by the applicant 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 EAF in respect of which the cheque or the cashier's order is dishonoured on first presentation.

The EAF is for use only by the person(s) to whom it is addressed and is not transferable. All documents, including refund cheques for wholly or partially unsuccessful applications for excess Rights Shares, will be sent by ordinary post at the risk of the person(s) entitled thereto to their registered addresses as at the Record Date by the Registrar on the respective despatch dates. The Company may, at its discretion, treat an EAF as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the EAF is not completed in accordance with the relevant instructions. No action has been taken to permit the offering of the Rights Shares or the distribution of the Prospectus Documents in any territory or jurisdiction other than Hong Kong. Accordingly, no person receiving a copy of the EAF in any territory or jurisdiction outside Hong Kong may treat it as an offer or invitation to apply for the excess Rights Shares, unless in a territory or jurisdiction where such an offer or invitation could lawfully be made without compliance with any registration or other legal or regulatory requirements thereof. Completion and return of the EAF together with a cheque or a cashier's order in payment for the excess Rights Shares applied for will constitute a representation and warranty from such Qualifying Shareholder(s) to the Company that all registration, legal and regulatory requirements of all relevant territories and jurisdictions in connection with the EAF and any application thereunder, have been, or will be, duly complied with. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the representations and warranties above. The Company reserves the right to refuse to accept any application for excess Rights Shares where it believes that doing so would violate the applicable securities or other laws or regulations of any territory or jurisdiction.

If any of the conditions of the Rights Issue as set out in the paragraph headed "Conditions of the Rights Issue" above is not fulfilled at or before 4:00 p.m. on Tuesday, 6 June 2023 (or such later time as may be agreed between the Company and the Underwriter), the Rights Issue will not proceed. Under such circumstances, the remittance received in respect of application for excess Rights Shares will be returned to the Qualifying Shareholders or, in the case of joint applicants, to the first named person without interest, by means of cheque despatched by ordinary post at the risk of such Qualifying Shareholders to their registered addresses by the Registrar on or before Tuesday, 13 June 2023.

LETTER FROM THE BOARD

Fractions of the Rights Shares

The Company will not provisionally allot and issue and will not accept application for any fraction of the Rights Shares and the entitlements of the Qualifying Shareholders will be rounded down to the nearest whole number. All fractions of Rights Shares will be aggregated (rounded down to the nearest whole number). Any Rights Shares created from the aggregation of fractions of the Rights Shares will be made available for excess application by the Qualifying Shareholders as described in the paragraph headed “Application for excess Rights Shares” under the section headed “Rights Issue” in this Prospectus. If there is no excess application by the Qualifying Shareholders, those Rights Shares created from the aggregation of fraction of the Rights Shares will be taken up by the Underwriter. No odd-lot matching services will be provided.

Share certificates and refund cheques for the Rights Issue

Subject to the fulfilment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted to those who have accepted and applied for and paid for the Rights Shares on or before Tuesday, 13 June 2023 by ordinary post at their own risk. If the Rights Issue is terminated or for unsuccessful applications for the Rights Issue, refund cheques are expected to be posted on or before Tuesday, 13 June 2023 by ordinary post to the applicants at their own risk.

Procedures for acceptance and payment or transfer

PAL – Acceptance, payment and transfer

A PAL is enclosed with this Prospectus, which entitles the Qualifying Shareholders to whom it is addressed to subscribe for the number of the Rights Shares shown thereon. If a Qualifying Shareholder wishes to accept all the Rights Shares provisionally allotted to him/her/it as specified in the PAL, he/she/it must lodge the PAL in accordance with the instructions printed thereon with the Registrar, together with a remittance for the full amount payable on acceptance, so that they will be received by no later than 4:00 p.m. (Hong Kong time) on Monday, 5 June 2023 (or, under bad weather conditions, such later time and/or date as mentioned in the paragraph headed “Effect of bad weather on the Latest Time for Acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares” in the section headed “Expected Timetable” in this Prospectus). All remittances must be made in Hong Kong dollars by cheque which must be drawn on a bank account with, or by cashier’s order which must be issued by, a licensed bank in Hong Kong and made payable to “**China Wantian Holdings Limited – Rights Issue Account**” and crossed “**Account Payee Only**”.

It should be noted that unless the duly completed PAL, together with the appropriate remittance, has been lodged with the Registrar by no later than 4:00 p.m. (Hong Kong time) on Monday, 5 June 2023, 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 and such

LETTER FROM THE BOARD

Rights Shares will be available for application under the EAFs by the Qualifying Shareholders. The Company may, at its sole and absolute discretion, treat a PAL 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 such incomplete PAL to be completed by the relevant applicant at a later stage.

If a Qualifying Shareholder wishes to accept only part of his/her/its provisional allotment or transfer part of his/her/its rights to subscribe for the Rights Shares provisionally allotted to him/her/it under the PAL, or to transfer part of his/her/its rights to more than one person, the entire and original PAL must be surrendered and lodged for cancellation by no later than 4:30 p.m. on Thursday, 25 May 2023 to the Registrar, 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 at 17/F, Far East Finance Centre, 16 Harcourt Road, 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 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.

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.

All cheques and cashier's orders will be presented for payment upon receipt and all interest earned on such monies, if any, will be retained for the benefit of the Company. Any PAL in respect of which the cheque or cashier's order is dishonoured on first presentation is liable to be rejected, and in that event the provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled. Applicants must pay the exact amount payable upon application for the Rights Shares, and underpaid application will be rejected. In the event of overpaid application, a refund cheque, without interest, will be made out to the applicant if the overpaid amount is HK\$100 or above.

Completion and return of the PAL together with a cheque or a cashier's order in payment for the Rights Shares, whether by a Qualifying Shareholder or by any nominated transferee(s), will constitute a warranty by the applicant 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 provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled.

No action has been taken by the Company to permit the offering of the Rights Shares or the distribution of the Prospectus Documents in any territory or jurisdiction outside Hong Kong. Accordingly, no person receiving the Prospectus Documents in any territory or jurisdiction

LETTER FROM THE BOARD

outside Hong Kong may treat it as an offer or invitation to apply for the Rights Shares, unless in the relevant territory or jurisdiction where such an offer or invitation could lawfully be made without compliance with any registration or other legal or regulatory requirements. Subject as referred to below, it is the responsibility of anyone outside Hong Kong wishing to make an application for the Rights Shares to satisfy himself/herself/itself, before subscribing for the provisionally allotted Rights Shares, as to the full observance of the applicable laws and regulations of the relevant territories and jurisdictions, including the obtaining of any governmental or other consents, and to pay taxes and duties required to be paid in such territory or jurisdiction in connection therewith. Any acceptance of the offer of the Rights Shares by any person will be deemed to constitute a representation and warranty from such person to the Company that these local laws and requirements have been or will be fully complied with. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the representation or warranty above. If you are in doubt as to your position, you should consult your own professional advisers. The Company reserves the right to refuse to accept any application for the Rights Shares where it believes that doing so would violate the applicable securities legislation or other laws and regulations of any territory or jurisdiction. No application for Rights Shares will be accepted from any person who is a Non-Qualifying Shareholder.

If the Underwriter exercises the right to terminate the Underwriting Agreement prior to the Latest Time for Termination or if any of the conditions of the Rights Issue is not fulfilled by the Latest Time for Termination or such other time as the Company and the Underwriter may agree, the monies received in respect of the relevant provisional allotment, without interest, 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, by means of cheque despatched by ordinary post at the risk of such Qualifying Shareholders or such other persons to their registered addresses by the Registrar on or before Tuesday, 13 June 2023.

No receipt will be issued in respect of any application monies received.

Application for listing of the Rights Shares

The Company has made an application to the Listing Committee for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange.

No part of the securities of the Company is listed or dealt in or on which listing or permission to deal is being or is proposed to be sought on any other stock exchange.

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

LETTER FROM THE BOARD

both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as may be 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 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. 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.

The nil-paid Right Shares shall have the same board lot size as the Shares, i.e. 10,000 Shares per each board lot.

Dealings in the Rights Shares in both their nil-paid and fully-paid forms, which are registered in the branch register of members of the Company in Hong Kong, will be subject to the payment of stamp duty, Stock Exchange trading fee, the Securities and Future Commission transaction levy, Financial Reporting Council transaction levy and any other applicable fees and charges in Hong Kong.

Taxation

Qualifying Shareholders are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of holding or disposal of, or dealing in the Rights Shares. It is emphasised that none of the Company, the Directors or any other parties involved in the Rights Issue accept responsibility for any tax effects or liability of holders of the Rights Shares resulting from purchase, holding or disposal of, or dealing in the Rights Shares.

THE UNDERWRITING AGREEMENT

The principal terms of the Underwriting Agreement are as follows:

Date	:	11 April 2023 (after trading hours)
Issuer	:	The Company
Underwriter	:	RaffAello Securities (HK) Limited
Number of Underwritten Shares	:	309,504,000 Rights Shares, representing all the Rights Shares to be issued pursuant to the Rights Issue. Accordingly, the Rights Issue is fully underwritten.
Underwriting commission	:	7.07% of the aggregate subscription amount in respect of the Underwritten Shares, being in the amount of approximately HK\$7.88 million

LETTER FROM THE BOARD

The Underwriter is a company incorporated in Hong Kong with limited liability and a licensed corporation to carry out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO, whose ordinary course of business includes underwriting of securities. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Underwriter and its ultimate beneficial owners are independent of the Company and its connected persons. As at the Latest Practicable Date, the Underwriter was not interested in any Shares. The Underwriter confirmed that it has complied with Rule 7.19(1)(a) of the Listing Rules.

The terms of the Underwriting Agreement (including the commission rate) were determined after arm's length negotiation between the Company and the Underwriter, taking into account the following:

- (i) the existing financial position of the Group, in particular, the loss-making track record for the three years ended 31 March 2022, and the expected net loss of approximately HK\$27 million for the year ended 31 March 2023 as compared to the net loss of approximately HK\$11 million for the year ended 31 March 2022;
- (ii) the size of the Rights issue and the basis of the underwriting arrangement, which determines the Company's extent of certainty in raising the necessary funds;
- (iii) the current and expected market volatility across the globe, which makes it relatively more difficult to find a reputable and trustworthy underwriter;
- (iv) the Company had approached three underwriters (including the Underwriter) in respect of the Rights Issue. Having provided the proposed terms and structure, the Company received the following responses:
 - a. one of the underwriters approached did not respond to the Company's proposal;
 - b. another underwriter approached did not express any interest in underwriting the Rights Shares on a fully underwritten basis and was not enthusiastic about the introduction of strong and credible investors given the historical financial results of the Company and the low historical trading volume of the Shares in the past year; and
 - c. the Underwriter was the sole candidate which agreed to proceed with the Rights Issue on the proposed terms and structure, and was willing to further negotiate the terms with the Company;
- (v) the Company has been advised that the Underwriter, who has been in the underwriting business for 10 years, is a reputable licensed corporation with a well-established network of credible investors; and

LETTER FROM THE BOARD

(vi) the commission rate charged by the Underwriter for the Rights Issue was analogous to that charged in some of the other recent rights issue exercises in which the Underwriter acted as an underwriter of other issuers the shares of which are listed on the Stock Exchange with similar terms and structure of the Rights Issue (the “Comparables”), which was 7.07% of the value of the underwritten rights shares.

The table below sets out the details of such Comparables with reference to the respective prospectuses:

Company name (stock code)	Date of underwriting agreement	Amounts raised from the rights issue before expenses	Basis of underwriting	Underwriting commission
Palinda Group Holdings Limited (stock code: 8179)	28 April 2022	Approximately HK\$29.3 million	Fully underwritten	7.07% of the total subscription price of the rights shares
CA Cultural Technology Group Limited (stock code: 1566)	12 April 2022	Not less than approximately HK\$84.52 million and not more than approximately HK\$87.58 million	Fully underwritten	7.07% of the aggregate subscription amount of the underwritten shares, being the maximum number of rights shares deducting the undertaken shares which were irrevocably undertaken by the parties acting in concert with the beneficiaries of the substantial shareholder of the company
Golden Power Group Holdings Limited (stock code: 3919)	9 April 2021	Approximately HK\$39.6 million	Fully underwritten	7.07% of the total subscription price of the rights shares

Accordingly, the Directors consider that the underwriting commission charged by the Underwriter is no less favourable to the Company as compared with other listed issuers in the market.

In view of the above, the Directors consider that the terms of the Underwriting Agreement (including the commission rate) are the best available option to the Company and on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

The Underwriter may enter into sub-underwriting arrangement with sub-underwriter(s) or appoint any person to be sub-agent(s) on its behalf for the purpose of arranging for the subscription of the Underwritten Shares with selected subscribers with such authority and rights as the Underwriter has pursuant to its appointment under the Underwriting Agreement. Pursuant to the Underwriting Agreement, the Underwriter undertakes to use its best endeavours to ensure that (i) each of the sub-underwriters, subscribers and purchasers of the Underwritten Shares procured by it shall be an Independent Third Party; and (ii) none of the sub-underwriters, subscribers and purchasers, together with any party(ies) acting in concert (within the meaning of the Takeovers Code) with it, will hold such number of Shares that will trigger a mandatory general offer obligation under the Takeovers Code on the part of such sub-underwriters or subscribers or purchasers and parties acting in concert (within the meaning of the Takeovers Code) with it upon completion of the Rights Issue.

The Underwriter has undertaken to the Company that, among others, other than the transactions contemplated under the Underwriting Agreement and as disclosed in the Announcement and/or as disclosed in the Prospectus Documents, unless with the prior consent of the Company, the Underwriter and its associates shall not deal in the Shares or other securities of the Company from the date of the Underwriting Agreement to the completion of the Rights Issue, provided that the Underwriter may, before completion of the Rights Issue, enter into agreement with any other person(s) in respect of (i) the sub-underwriting of the Rights Shares; and/or (ii) the subscription of the Underwritten Shares not taken up, so long as such transactions are in compliance with applicable laws and regulations.

Subject to the fulfilment of all the conditions set out in the Underwriting Agreement and provided that the Underwriting Agreement is not terminated prior to the Latest Time for Termination in accordance with the terms thereof, the Underwriter shall subscribe for or procure the subscription for the Underwritten Shares pursuant to the terms and conditions of the Underwriting Agreement.

Conditions of the Underwriting Agreement

The conditions of the Underwriting Agreement have been set out in the paragraph headed “Conditions of the Rights Issue” under the section headed “Rights Issue” above in this Prospectus.

Termination of the Underwriting Agreement

The Underwriter may terminate the Underwriting Agreement by notice in writing given to the Company at any time prior to the Latest Time for Termination upon the occurrence of certain events. For details, please refer to the section headed “Termination of the Underwriting Agreement” above in this Prospectus.

LETTER FROM THE BOARD

SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Latest Practicable Date, the Company had 1,547,520,000 Shares in issue. The table below sets out the shareholding structures of the Company (i) as at the Latest Practicable Date; (ii) immediately after completion of the Rights Issue assuming all Rights Shares are subscribed for by the Qualifying Shareholders; and (iii) immediately after completion of the Rights Issue assuming none of the Rights Shares are subscribed for by the Qualifying Shareholders and the Rights Shares underlying all the Untaken Rights are subscribed for by or through the Underwriter, assuming no change in the number of Shares in issue from the Latest Practicable Date to immediately after completion of the Rights Issue, for illustrative purposes only:

	As at the Latest Practicable Date		Immediately after completion of the Rights Issue			
			Assuming all Rights Shares are subscribed for by the Qualifying Shareholders		Assuming none of the Rights Shares are subscribed for by the Qualifying Shareholders and the Rights Shares underlying all the Untaken Rights are subscribed for by or through the Underwriter ^(Note 1)	
	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
Ace Source ^(Note 2)	927,080,000	59.91	1,112,496,000	59.91	927,080,000	49.92
Classic Line ^(Note 3)	200,000,000	12.92	240,000,000	12.92	200,000,000	10.77
Dr. Hooy ^(Note 4)	15,000,000	0.97	18,000,000	0.97	15,000,000	0.81
Mr. Zhong ^(Note 4)	7,660,000	0.49	9,192,000	0.49	7,660,000	0.41
Public Shareholders						
- The Underwriter ^(Note 5)	-	-	-	-	309,504,000	16.67
- Other public Shareholders	397,780,000	25.71	477,336,000	25.71	397,780,000	21.42
Total	1,547,520,000	100.00	1,857,024,000	100.00	1,857,024,000	100.00

LETTER FROM THE BOARD

Notes:

1. Assuming no excess applications are made by the Qualifying Shareholders.
2. Ace Source is beneficially owned as to 81% by China Wantian International, which is beneficially owned as to 60% by Dr. Hooy and 40% by Mr. Zhong, respectively. Dr. Hooy is an executive Director, chairman of the Board and a controlling shareholder of the Company. Mr. Zhong is an executive Director, chief executive officer and a controlling shareholder of the Company.
3. Classic Line is wholly and beneficially owned by Mr. Liu. Mr. Liu is an executive Director, vice-chairman of the Board and a substantial shareholder of the Company.
4. These 15,000,000 Shares and 7,660,000 Shares are beneficially owned by Dr. Hooy and Mr. Zhong, respectively.
5. In the event that the Underwriting Agreement becomes unconditional and the Underwriter is called upon to subscribe for or procure subscription of the Underwritten Shares pursuant to the Underwriting Agreement, the Underwriter has irrevocably undertaken to the Company that:
 - (a) without affecting the Underwriter's obligation to underwrite all the Underwritten Shares (whether to underwrite the same by itself or to procure sub-underwriting of the same), the Underwriter shall not subscribe, for its own account, for such number of Underwritten Shares, which will result in the shareholding of it and parties acting in concert (within the meaning of the Takeovers Code) with it in the Company to trigger a mandatory offer obligation under Rule 26 of the Takeovers Code on the part of the Underwriter and parties acting in concert (within the meaning of the Takeovers Code) with it upon the completion of the Rights Issue;
 - (b) the Underwriter shall use its best endeavours to ensure that each of the sub-underwriters, subscribers and purchasers of the Underwritten Shares procured by it (i) shall be third party independent of, not acting in concert (within the meaning of the Takeovers Code) with and not connected with the Company, any of the Directors, chief executive of the Company or substantial shareholders of the Company or their respective associates (as defined in the Listing Rules); and (ii) shall not, together with any party acting in concert (within in the meaning of the Takeovers Code) with it, hold such number of Shares which will trigger a mandatory offer obligation under Rule 26 of the Takeovers Code on the part of such sub-underwriters or subscribers or purchasers and parties acting in concert (within the meaning of the Takeovers Code) with it upon the completion of the Rights Issue; and
 - (c) the Underwriter shall ensure that the minimum public float requirement under the Listing Rules be fulfilled by the Company upon completion of the Rights Issue.
6. Certain percentage figures included in the table above have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

The public float requirements under the Listing Rules shall be fulfilled by the Company at all times. The Company and the Underwriter will closely monitor the daily report provided by the Registrar indicating the daily level of acceptance during the period from the Prospectus Posting Date to the Latest Time for Acceptance. Where required, the Underwriter will take such appropriate steps as may be reasonably required to maintain the minimum public float for the Shares in compliance with Rule 8.08(1) of the Listing Rules, including procuring the subscription for the Underwritten Shares. The Underwriter shall ensure that the minimum public float requirement under the Listing Rules be fulfilled by the Company upon completion of the Rights Issue.

LETTER FROM THE BOARD

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Company is an investment holding company and the Group is principally engaged in (i) food supply; (ii) catering; and (iii) environmental protection and technology.

As stated in the announcement of the Company dated 29 March 2023, it is expected that the Group will record a net loss of approximately HK\$27 million for the year ended 31 March 2023 as compared to a net loss of approximately HK\$11 million for the year ended 31 March 2022. The Group's management believes that it is essential to boost the Group's revenue and profit margin and to diversify its businesses for a sustainable development. In addition, following the establishment of the Group's Greater Bay Area headquarters, more capital resources are crucial to the development of its businesses in the area in order to capture the flourishing market opportunities and further expand its principal businesses.

The net proceeds from the Rights Issue after deducting the estimated expenses in relation to the Rights Issue are estimated to be approximately HK\$101.7 million. The Company intends to apply the net proceeds from the Rights Issue in the following manner:

- (i) approximately 30% of the net proceeds will be used for financing the launching of a live cattle breeding site project;
- (ii) approximately 25% of the net proceeds will be used for financing the development of live cattle trading business;
- (iii) approximately 10% of the net proceeds will be used for financing the expansion of fresh food supply business;
- (iv) approximately 10% of the net proceeds will be used for financing the development of catering business;
- (v) approximately 10% of the net proceeds will be used for the repayment of outstanding borrowing;
- (vi) approximately 5% of the net proceeds will be used for the enhancement and upgrading of offices in the Greater Bay Area; and
- (vii) approximately 10% of the net proceeds will be used as the general working capital of the Group, including but not limited to, staff costs, rental, professional fees and other overhead expenses in Hong Kong.

Launching of a live cattle breeding site project

The Group intends to expand its business to related upstream supply chain business by operating a live cattle breeding site in the PRC. At the initial stage, the Group has identified some potential projects located in Xinjiang and Guizhou and will attempt to evaluate their

LETTER FROM THE BOARD

respective potentials and feasibility. Given that a suitable location is determined, approximately 30% of the net proceeds will be used in the first half of 2024 to support the operation of a live cattle breeding site, including the breeding site initial setup cost, purchasing of live cattle and feed, rental and staff costs. The Group aims to commence running a breeding site in the first half of 2024 with an operating scale of around 900 units of live cattle. Feeder cattle will be purchased from local breeding sites and will be fattened for around three months until they grow out to the stage available for sale to slaughterhouses.

A breakdown of the use of approximately 30% of the net proceeds for the launching of a live cattle breeding site project is set out below:

	<i>Approximate %</i>
Initial setup cost	8.0
Purchases of live cattle and feed	20.5
Rental and staff costs	0.6
General working capital	0.9

Considering the rising shortage of live cattle in the PRC, the Board believes that the project will diversify the Group's income streams and boost its revenue and profit margin. In the long run, while the Group's beef cattle business connects upstream and downstream industries in the PRC market, stronger business synergies will be created along the value chain, thus catalysing the Group's business growth. As at the Latest Practicable Date, the Group had neither entered into any definitive or legally binding agreements or contracts in respect of the project nor identified any acquisition targets.

Development of live cattle trading business

To expedite the development of its live cattle trading business as well as to enhance its market share in the industry in the PRC, the Group intends to use approximately 25% of the net proceeds as working capital for increasing the trading volume of the live cattle and establishing a live cattle supply digital platform. Approximately 15% and 10% of the net proceeds will be used in the second half of 2023 and the first half of 2024, respectively. The Group plans to expand the scale of its live cattle trading business and the new trading capital can support an increase in the operating scale from the current trading volume of an average of approximately 400 units of cattle per month to a targeted trading volume of an average of approximately 2,400 units of cattle per month by the end of 2024. The Group will continue to source cattle from the live cattle breeding sites in Inner Mongolia, which is expected to be sold to slaughterhouses and/or downstream merchants such as supermarkets, meat product producers and restaurants in the Greater Bay Area. The digital platform will adopt a systematic approach to provide management support in multiple areas, including sales, orders, delivery routes, settlement and statistics, thus delivering cutting-edge solutions for the industry with advanced digital technology.

LETTER FROM THE BOARD

A breakdown of the use of approximately 25% of the net proceeds for the Group's development of live cattle trading business is set out below:

	<i>Approximate %</i>
Live cattle trading capital	20.0
Establishment of a live cattle supply digital platform	5.0

Expansion of fresh food supply business

Fresh food supply business is one of the Group's principal businesses. In late 2022, the Group completed the acquisition of the PRC Company, a domestic fresh food supply chain service provider in the PRC. The acquisition marks the Group's expansion of its fresh food ingredient business into the Greater Bay Area market. To foster its fresh food supply business, the Group intends to use approximately 10% of the net proceeds as working capital in the second half of 2023 for increasing the trading volume of the fresh food supply so as to strengthen its core competency.

Development of catering business

The Group has diversified its fresh food supply business to the downstream by setting up restaurants in the Greater Bay Area since 2022, with a particular focus on Zhongshan City. The catering business provides a stable distribution channel for its upstream business and meanwhile, it helps achieve full integration along the value chain by rapidly expanding Wantian Catering's footprint in the Greater Bay Area within a short period of time. The Group intends to use approximately 10% of the net proceeds to set up moderately-priced and upscale restaurants in Zhongshan City serving Chinese cuisine. Approximately 5% and 5% of the net proceeds will be used in the second half of 2023 and the first half of 2024, respectively.

A breakdown of the use of approximately 10% of the net proceeds for the Group's development of catering business is set out below:

	<i>Approximate %</i>
Leasehold improvement cost for the four restaurants	4.0
Equipment and furniture cost for the four restaurants	6.0

Repayment of outstanding borrowing

The Group intends to use approximately 10% of the net proceeds in the first half of 2024 for the repayment of a mortgage loan from a bank with an outstanding amount of approximately HK\$13.3 million as at 31 March 2023, carrying at the interest rate of three-month HIBOR plus 1.25% per annum and maturing on 11 October 2026.

LETTER FROM THE BOARD

Enhancement and upgrading of offices in the Greater Bay Area

In May 2022, the Group established its Greater Bay Area headquarters in Shenzhen, marking its official debut in the Greater Bay Area market. The Group also maintains an office in Zhongshan City. To cater for and to support the business development and continuous expansion of the Group, approximately 5% of the net proceeds will be used for the renovation of the existing offices in Shenzhen and Zhongshan City as well as the recruitment of additional employees. Approximately 4% and 1% of the net proceeds will be used in the second half of 2023 and the first half of 2024, respectively.

For illustration purposes, the table below has summarised the breakdown and the expected timeline in respect of the use of proceeds. As planned by the Group, the total net proceeds will be fully utilised in one and half years.

From June 2023 to December 2023

Use of proceeds	Implementation activities	Percentage of funding <i>Approximate %</i>
Development of live cattle trading business	– Establishing a live cattle supply digital platform	5.0
	– Trading capital for purchasing live cattle	10.0
Expansion of fresh food supply business	– Trading capital for purchasing fresh food	10.0
Development of catering business	– Setting up two restaurants	5.0
Enhancement and upgrading of offices in the Greater Bay Area	– Fitting out and renovating the offices and recruiting staff	4.0

LETTER FROM THE BOARD

From January 2024 to June 2024

Use of proceeds	Implementation activities	Percentage of funding <i>Approximate %</i>
Launching of a live cattle breeding site project	– Setting up a breeding site	8.0
	– Purchasing live cattle	17.4
	– Purchasing feed	3.1
	– Rental and staff costs	0.6
	– General working capital	0.9
Development of live cattle trading business	– Trading capital for purchasing live cattle	10.0
Development of catering business	– Setting up two restaurants	5.0
Repayment of outstanding borrowing	– Repaying the mortgage loan	10.0
Enhancement and upgrading of offices in the Greater Bay Area	– Fitting out and renovating the offices and recruiting staff	1.0

The Group expects that the proceeds to be applied as the general working capital of the Group, representing approximately 10% of the net proceeds, will be fully used by December 2024.

The Board is of the view that the Rights Issue will enable the Group to strengthen its business competitiveness as well as its capital base for the purpose of capturing suitable investment opportunities as and when they arise.

LETTER FROM THE BOARD

Despite the inherent dilutive nature of the Rights Issue in general if the Qualifying Shareholders do not take up their entitlements under the Rights Issue in full, it is the intention of the Company to set the Subscription Price at a discount to the current market price of the Shares so as to encourage the Shareholders to participate in the Rights Issue and reduce the possible dilution of approximately 16.67% to the shareholding of the existing Shareholders in case they decide not to take up their entitlements under the Rights Issue. Furthermore, the Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective shareholdings in the Company and participate in the growth and development of the Group. Accordingly, the Directors are of the view that fund raising through the Rights Issue is in the interests of the Company and the Shareholders as a whole. **However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Non-Qualifying Shareholders should note that their shareholdings in the Company will be diluted upon completion of the Rights Issue.**

The Board considers it to be prudent to finance the Group's long-term growth by way of long-term financing, preferably in the form of equity which will not increase the Group's finance costs. The Board has considered other fund-raising alternatives before resolving to the Rights Issue, including but not limited to, debt financing, placing and open offer. The Board is of the view that debt financing is not desirable as it will result in additional interest burden and higher gearing ratio of the Group, which will have a negative impact on the profitability of the Group in the future. Besides, the Company may not be able to achieve debt financing on favourable terms in a timely manner. As for placing of new Shares, it is relatively smaller in scale as compared to fund raising through a rights issue. Also, it would inevitably lead to immediate dilution in the shareholding interest of the existing Shareholders without offering them an opportunity to participate in the enlarged capital base of the Company. As for open offer, while it is similar to a rights issue in that Qualifying Shareholders are offered an opportunity to participate, unlike a rights issue, it does not allow free trading of rights entitlements in the open market, which would allow the Shareholders to have more flexibility in dealing with the Shares and the nil-paid rights attaching thereto.

The Board considers that the Rights Issue would allow all Qualifying Shareholders to participate in the future development of the Company and at the same time offer more flexibility to the Qualifying Shareholders to choose whether to maintain, increase or decrease their respective shareholdings in the Company by taking up only their respective rights entitlements, acquiring additional rights entitlements or disposing of their rights entitlements in the open market, subject to availability.

In view of the above, the Board considers that raising funds by way of the Rights Issue is beneficial to the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

OUTSTANDING CONSIDERATION SHARES UNDER THE SHARE ACQUISITION

References are made to the announcements of the Company dated 7 November 2022 and 25 November 2022. On 7 November 2022, the Company announced an acquisition of all the issued shares of Champion Point from Mr. Kwong (the “**Share Acquisition**”) through the entering into of a share purchase agreement dated 7 November 2022 by Great Point being the purchaser and Mr. Kwong being the vendor. Pursuant to the share purchase agreement, the Company shall allot and issue up to 91,660,000 Shares at the issue price of HK\$0.48 per Share to Mr. Kwong as consideration for the transaction. As at the Latest Practicable Date, the number of Shares to be allotted and issued by the Company to Mr. Kwong is up to 82,500,000 Shares (the “**Outstanding Consideration Shares**”), subject to the consideration adjustment pursuant to the share purchase agreement. Among the Outstanding Consideration Shares, (i) 27,490,000 new Shares will be allotted and issued to Mr. Kwong within 30 days after the issue of the audited financial statements of the PRC Company for the year ended 31 March 2023; and (ii) 55,010,000 new Shares will be allotted and issued to Mr. Kwong within 30 days after the issue of the audited financial statements of the PRC Company for the year ending 31 March 2024. None of the Outstanding Consideration Shares had been allotted and issued to Mr. Kwong on or before the Latest Practicable Date, which is after the commencement of the book closure period. The issue price and the number of the Outstanding Consideration Shares to be issued will not be subject to any adjustments on account of the Rights Issue.

POSSIBLE ADJUSTMENT TO THE OUTSTANDING SHARE OPTIONS UNDER THE SHARE OPTION SCHEME

The Rights Issue may lead to adjustments to, among others, the exercise price and/or the number of Shares to be issued upon exercise of the Outstanding Share Options under the Share Option Scheme. The Company will notify the holders of such Outstanding Share Options and the Shareholders by way of announcement (as and when appropriate) regarding adjustments to be made, if any, pursuant to the terms of the Share Option Scheme and such adjustments will be certified by an independent financial adviser or auditors of the Company (as the case may be). As at the Latest Practicable Date, there were 52,740,000 Outstanding Share Options granted by the Company at the exercise price of HK\$0.32 per Share pursuant to the Share Option Scheme. Among the 52,740,000 Outstanding Share Options, (i) a total of 3,700,000 outstanding share options are exercisable from 13 April 2023 to 12 April 2025; (ii) a total of 22,660,000 outstanding share options are exercisable from 1 July 2023 to 30 June 2025, subject to the performance target being met; (iii) a total of 3,700,000 outstanding share options are exercisable from 13 April 2024 to 12 April 2025; and (iv) a total of 22,680,000 outstanding share options are exercisable from 1 July 2024 to 30 June 2025, subject to the performance target being met. No Shares had been allotted and issued arising from the exercise of the Outstanding Share Options on or before the Latest Practicable Date, which is after the commencement of the book closure period.

LETTER FROM THE BOARD

IMPLICATIONS UNDER THE LISTING RULES

As at the Latest Practicable Date, (i) each of Dr. Hooy and Mr. Zhong beneficially owns 927,080,000 Shares through Ace Source as their controlled corporation, representing approximately 59.91% of the issued share capital of the Company, and is a controlling shareholder of the Company; (ii) each of Dr. Hooy and Mr. Zhong beneficially owns 15,000,000 Shares and 7,660,000 Shares, respectively, representing approximately 0.97% and approximately 0.49% of the issued share capital of the Company, respectively; and (iii) Mr. Liu beneficially owns 200,000,000 Shares through Classic Line as his controlled corporation, representing approximately 12.92% of the issued share capital of the Company, and is a substantial shareholder of the Company. As such, each of Ace Source, Dr. Hooy, Mr. Zhong, Classic Line and Mr. Liu is a connected person of the Company pursuant to Chapter 14A of the Listing Rules. According to Rule 14A.92(1) of the Listing Rules, the issue of the Rights Shares to each of Ace Source, Dr. Hooy, Mr. Zhong, Classic Line and Mr. Liu according to their pro rata entitlement under the Rights Issue constitutes an exempt connected transaction of the Company.

As the Rights Issue will not increase either the number of issued Shares or the market capitalisation of the Company by more than 50% within the 12-month period immediately preceding the date of the Announcement and the Rights Issue is fully underwritten by the Underwriter, who is not a Director, chief executive or substantial shareholder of the Company (or any of their respective close associates), the Rights Issue is not subject to the Shareholders' approval under the Listing Rules.

The Rights Issue will not result in a theoretical dilution effect of 25% or more on its own. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

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

Shareholders and potential investors of the Company should note that the Underwriter has the right in certain circumstances to terminate the Underwriting Agreement in accordance with the terms thereof, a summary of which is set out in the paragraph headed "Termination of the Underwriting Agreement" in this Prospectus. Accordingly, the Rights Issue may or may not proceed.

Any Shareholders or other persons dealing or contemplating dealing in the Shares and/or the Rights Shares in nil-paid form up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Underwriter's right of termination of the Underwriting Agreement ceases) 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 Wednesday, 10 May 2023. Dealings in the Rights Shares in nil-paid form are expected to take place from Tuesday, 23 May 2023 to Wednesday, 31 May 2023 (both dates inclusive).

LETTER FROM THE BOARD

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or the Rights Shares in nil-paid form. Any Shareholders or other persons dealing or contemplating dealing in the Shares or the Rights Shares in their nil-paid form are recommended to consult their own professional advisers.

FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

The Company has not conducted any other equity fund raising activities in the past twelve months immediately preceding the Latest Practicable Date.

ADDITIONAL INFORMATION

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

By order of the Board
China Wantian Holdings Limited
Hooy Kok Wai
Chairman and executive Director

1. FINANCIAL INFORMATION

The consolidated financial information of the Group for the three years ended 31 March 2022 and the six months ended 30 September 2022, together with the notes thereto, have been published in the annual reports and the interim report of the Company below:

- (i) the annual report of the Company for the year ended 31 March 2020 published on 16 July 2020, from pages 62 to 122 (<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0716/2020071600556.pdf>);
- (ii) the annual report of the Company for the year ended 31 March 2021 published on 29 July 2021, from pages 75 to 128 (<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0729/2021072900454.pdf>);
- (iii) the annual report of the Company for the year ended 31 March 2022 published on 20 July 2022, from pages 94 to 161 (<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0720/2022072000479.pdf>);
and
- (iv) the interim report of the Company for the six months ended 30 September 2022 published on 25 November 2022, from pages 3 to 21 (<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/1125/2022112500378.pdf>).

The said annual reports and interim report of the Company are also available on the Company's website at www.cwth.com.hk and the website of the Stock Exchange at www.hkexnews.hk.

2. STATEMENT OF INDEBTEDNESS

Borrowings

At the close of business on 31 March 2023, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this Prospectus, the Group had total borrowings of approximately HK\$26.6 million, which comprised the following:

- (a) a secured and guaranteed bank borrowing of approximately HK\$13.3 million; and
- (b) unsecured loans from a controlling shareholder of the Company of approximately HK\$13.2 million.

The secured and guaranteed bank borrowing is secured by buildings and right-of-use assets held by the Group. In addition, this bank borrowing is guaranteed by corporate guarantee provided by the Company.

Lease liabilities

As at 31 March 2023, all lease liabilities of the Group, which relate to the Group's leased properties, amounted to approximately HK\$9.8 million.

Save as aforesaid or otherwise disclosed herein, and apart from intragroup liabilities and normal trade payables in the ordinary course of business, as at the close of business on 31 March 2023, the Group did not have any debt securities authorised or created but unissued, or any term loans, other borrowings or indebtedness in the nature of borrowings including bank overdrafts, loans, liabilities under acceptances (other than normal trade bills), acceptance credits, other recognised lease liabilities or lease commitments, mortgages or charges, material contingent liabilities or guarantees outstanding.

Save as disclosed above, the Directors confirm that there has been no material change in the indebtedness and contingent liabilities of the Group since 31 March 2023.

3. WORKING CAPITAL

The Directors are of the opinion that, after taking into account the estimated net proceeds from the Right Issue and the present financial resources, including internally generated funds and existing banking facilities, the Group has sufficient working capital for its present requirements for at least the next 12 months from the date of this Prospectus in the absence of unforeseeable circumstances.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, save that the Company issued a profit warning on 29 March 2023, expecting a net loss of approximately HK\$27 million for the year ended 31 March 2023 as compared to the net loss of approximately HK\$11 million for the year ended 31 March 2022, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 March 2022, being the date to which the latest published audited consolidated financial statements of the Group were made up. For details of the aforesaid profit warning, please refer to the announcement issued by the Company on 29 March 2023.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group is principally engaged in (i) food supply; (ii) catering; and (iii) environmental protection and technology.

As the impact of the pandemic has gradually subsided since the beginning of the year 2023, the Group expects China's economy to recover rapidly during the post-pandemic era, and the business development and increasing economic activities of the Group in the Greater Bay Area are expected to improve the revenue of the Group.

The development of the Greater Bay Area is supported by favourable government policies. With the establishment of the Greater Bay Area headquarters in Shenzhen and leveraging the extensive management experience and the strong business network of the Group, the Group will continue to expand its Hong Kong business into the Greater Bay Area, and it is expected that such expansion will enlarge the potential customer base of the Group.

Going forward, the Group will focus on developing three main businesses in the Greater Bay Area, namely fresh food supply, retail and catering as well as environmental protection and technology. The Group will establish a whole-industry supply chain that includes upstream, midstream and downstream businesses in the Greater Bay Area, and boost its market share by leveraging its unique competitive advantages. The Directors believe that given the strong synergies achieved from the three main business initiatives, the Group will open up unique opportunities and lay a strong foundation for its future development.

In its fresh food supply business, the Group plans to expand its existing supply chain activities in Hong Kong to the Greater Bay Area to provide fresh ingredients such as seafood, meat and vegetables to customers' stores. With past successful experience in Hong Kong market, the Group will be able to exercise superior task management in respect of procurement, orders, inventory, receipt and delivery, boosting efficiency to deliver fresh ingredients to customers in a safe, efficient and cost-effective manner. At the same time, the Group will also explore and consider different ways to expedite the development in this new market such as identifying suitable acquisition targets, working with leading partners and efficiently sharing resources.

With regard to the Group's retail and catering business, the Group plans to grow its retail and catering related downstream business in the Greater Bay Area by leveraging its supply chain advantages, including opening restaurants specialising in dishes using fresh ingredients. Starting from Zhongshan, in Guangdong Province, the Group will gradually scale up and establish the food and beverage business presence "Wantian Catering" and aim to develop the business throughout the Greater Bay Area.

In the Group's environmental protection and technology business, the Group will endeavour to i) promote its "Sky Farm" project and expand urban green areas as the first step; and ii) promote green education, targeting primary and secondary schools in the Greater Bay Area to support the region's sustainable development as the second step. Such strategies adopted by the Group are in line with several recently launched national policies which offer bright prospects for enterprises involved in "modern agricultural technology and environmental protection".

Having considered that (1) the business development strategies of the Group will increase income; (2) enhancing cost control capability will reduce cost; and (3) the funds to be raised through the Rights Issue intended for the Group's business development and repayment of outstanding borrowing will reduce the gearing ratio, the management of the Group expects sound improvement in the business and financial performance of the Group in future.

A. INTRODUCTION TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The accompanying unaudited pro forma statement of adjusted consolidated net tangible assets (collectively the “**Unaudited Pro Forma Financial Information**”) of the Group has been prepared in accordance with paragraph 4.29 of the Listing Rules to illustrate the effect of the Rights Issue on the unaudited consolidated net tangible assets of the Group attributable to the equity holders of the Company on 30 September 2022 as if it had taken place on 30 September 2022. Capitalised terms used herein shall have the same meanings as those defined in this Prospectus unless the context otherwise requires.

The Unaudited Pro Forma Financial Information of the Group has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the actual consolidated net tangible assets of the Group had the Rights Issue been completed as at 30 September 2022 or at any future date.

The Unaudited Pro Forma Financial Information of the Group is prepared based on the unaudited condensed consolidated statement of financial position of the Group as at 30 September 2022, as extracted from the published interim financial report of the Group for the six months ended 30 September 2022, with adjustments described below.

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

Unaudited consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 30 September 2022 <i>HK\$'000</i> <i>(Note 1)</i>	Estimated net proceeds from the Rights Issue <i>HK\$'000</i> <i>(Note 2)</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 30 September 2022 after completion of the Rights Issue <i>HK\$'000</i>	Unaudited consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 30 September 2022 per Share <i>HK\$</i> <i>(Note 3)</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 30 September 2022 after completion of the Rights Issue per Share <i>HK\$</i> <i>(Note 4)</i>
Rights issue of 309,504,000 Rights Shares to be issued at the subscription price of HK\$0.36 per Rights Share				
124,351	101,721	226,072	0.08	0.12

Notes:

1. The unaudited consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 30 September 2022 of approximately HK\$124,351,000 represents the net assets of the Group attributable to the equity holders of the Company, as extracted from the unaudited condensed consolidated statement of financial position of the Group as at 30 September 2022.
2. The adjustment to the unaudited consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 30 September 2022 represents the estimated net proceeds from the Rights Issue of approximately HK\$101,721,000, which are calculated based on the 309,504,000 Rights Shares to be issued to the Qualifying Shareholders at the subscription price of HK\$0.36 per Rights Share and after deduction of estimated related expenses, including underwriting commission, legal and professional fees and other related expenses of approximately HK\$9,700,000 and take no account of any additional Shares or Rights Shares to be issued as a result of any vested outstanding Share Options.

On 11 April 2023, the Company and the Underwriter entered into an underwriting agreement (the “**Underwriting Agreement**”) in relation to underwriting in respect of the Rights Issue. The Underwriter, being RaffAello Securities (HK) Limited, is a company incorporated in Hong Kong. Pursuant to the Underwriting Agreement, the Underwriter has conditionally agreed to fully underwrite the Rights Shares at the subscription price of HK\$0.36 per Rights Share.

3. The unaudited consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 30 September 2022 per Share of HK\$0.08 was based on the unaudited consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 30 September 2022 of approximately HK\$124,531,000 and 1,538,360,000 Shares in issue as at 30 September 2022.

Unaudited consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 30 September 2022 (<i>HK\$'000</i>)	124,351
Number of Shares in issue as at 30 September 2022	1,538,360,000
Unaudited consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 30 September 2022 per Share (<i>HK\$</i>)	0.08

4. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 30 September 2022 after completion of the Rights Issue per Share is arrived after aggregating the unaudited consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 30 September 2022 of HK\$124,351,000 (Note 1) and the estimated net proceeds of HK\$101,721,000 from the Rights Issue (Note 2) and on the basis that 1,538,360,000 Shares were in issue as at 30 September 2022 and 309,504,000 Rights Shares were issued under the Rights Issue assuming the Rights Issue has been completed on 30 September 2022, but does not take into account any Shares which may be issued upon the exercise of options granted under the Share Option Scheme or any Shares which may be granted and issued or repurchased by the Company pursuant to the general mandate and the repurchase mandate.

Unaudited consolidated net tangible assets of the Group attributable to the equity holders of the Company (<i>HK\$'000</i>)	226,072
Number of Shares in issue as at 30 September 2022 and Rights Shares to be issued pursuant to the Rights Issue assuming that the Rights Issue had been completed on 30 September 2022	1,847,864,000
Unaudited consolidated net tangible assets of the Group attributable to the equity holders of the Company per Share (<i>HK\$</i>)	0.12

5. No adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to 30 September 2022, and because of its nature, it may not give a true picture of the Group's financial position or results.

C. ACCOUNTANTS' REPORT ON UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE GROUP

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

To the directors of China Wantian Holdings Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of China Wantian Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) by the directors of the Company 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 September 2022 and related notes as set out in Section B of Appendix II of the Company’s prospectus dated 19 May 2023 (the “**Prospectus**”) in connection with the proposed rights issue on the basis of one Rights Share for every five existing shares held on the Record Date (as defined in the Prospectus) (the “**Proposed Rights Issue**”). The applicable criteria on the basis of which the directors of the Company have compiled the unaudited pro forma financial information are described in Sections A and B of Appendix II of the Prospectus.

The unaudited pro forma financial information has been compiled by the directors of the Company to illustrate the impact of the Proposed Rights Issue on the Group’s financial position as at 30 September 2022 as if the Proposed Rights Issue had taken place at 30 September 2022. As part of this process, information about the Group’s financial position has been extracted by the directors of the Company from the Group’s condensed consolidated financial statements for the six months ended 30 September 2022, of which no auditor’s report or review report has been published.

Directors’ Responsibility for the Unaudited Pro Forma Financial Information

The directors of the Company 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 Management

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 behaviour.

Our firm applies Hong Kong Standard on Quality Management 1 “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements” issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies or 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 of the Company 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 unaudited pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the 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 Proposed Rights Issue at 30 September 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 entity, 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 by the directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Company; 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.

BDO Limited
Certified Public Accountants
Hong Kong

19 May 2023

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. SHARE CAPITAL

The following sets out the authorised and issued share capital of the Company as at the Latest Practicable Date and immediately following completion of the Rights Issue (assuming no change in the number of Shares in issue from the Latest Practicable Date up to the completion of the Rights Issue other than as a result of the issue of the Rights Shares):

(a) As at the Latest Practicable Date

<i>Authorised:</i>		<i>HK\$</i>
<u>2,000,000,000</u>	Shares	<u>20,000,000</u>
<i>Issued and full-paid:</i>		
<u>1,547,520,000</u>	Shares in issue	<u>15,475,200</u>

(b) Immediately following completion of the Rights Issue (assuming no change in the number of Shares in issue from the Latest Practicable Date up to the completion of the Rights Issue other than as a result of the issue of the Rights Shares)

<i>Authorised:</i>		<i>HK\$</i>
<u>2,000,000,000</u>	Shares	<u>20,000,000</u>
<i>Issued and full-paid:</i>		<i>HK\$</i>
1,547,520,000	Shares in issue as at the Record Date	15,475,200
<u>309,504,000</u>	Rights Shares to be allotted and issued under the Rights Issue	<u>3,095,040</u>
<u>1,857,024,000</u>	Shares in issue immediately after the completion of the Rights Issue	<u>18,570,240</u>

As at the Latest Practicable Date, save for (a) the Outstanding Share Options granted at the exercise price of HK\$0.32 per Share on 13 April 2022 pursuant to the Share Option Scheme; and (b) the Outstanding Consideration Shares to be allotted and issued by the Company at the issue price of HK\$0.48 per Share, the Company had no outstanding options, warrants, derivatives or convertible securities which may confer any right to the holder thereof to subscribe for, convert or exchange into new Shares.

Among the 52,740,000 Outstanding Share Options, (i) a total of 3,700,000 outstanding share options are exercisable from 13 April 2023 to 12 April 2025; (ii) a total of 22,660,000 outstanding share options are exercisable from 1 July 2023 to 30 June 2025, subject to the performance target being met; (iii) a total of 3,700,000 outstanding share options are exercisable from 13 April 2024 to 12 April 2025; and (iv) a total of 22,680,000 outstanding share options are exercisable from 1 July 2024 to 30 June 2025, subject to the performance target being met.

Among the Outstanding Consideration Shares, (i) 27,490,000 new Shares will be allotted and issued to Mr. Kwong within 30 days after the issue of the audited financial statements of the PRC Company for the year ended 31 March 2023; and (ii) 55,010,000 new Shares will be allotted and issued to Mr. Kwong within 30 days after the issue of the audited financial statements of the PRC Company for the year ending 31 March 2024, both subject to consideration adjustments.

Save as disclosed above, as at the Latest Practicable Date, no share or loan capital of the Company or any members of the Group had been put under option or agreed conditionally or unconditionally to be put under option.

All the issued Shares 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, issued and fully paid, will rank *pari passu* with the Shares then in issue in all respects. Holders of the fully-paid Rights Shares 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 in their fully-paid form. As at the Latest Practicable Date, there was no arrangement under which future dividends are waived or agreed to be waived.

The issued Shares are listed on the Stock Exchange. No part of the share capital or any other securities of the Company has been listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or the Rights Shares or any other securities of the Company to be listed or dealt in 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.

3. DISCLOSURE OF INTERESTS

(a) **Interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and the Company's associated corporations**

As at the Latest Practicable Date, the interests and short positions 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 (i) 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 they were taken or deemed to have under such provisions of the SFO); (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange, were as follows:

Long positions in the Shares and the underlying Shares

Name of Director	Capacity/Nature of interest	Number of Shares held	Number of underlying Shares pursuant to share options ²	Total	Approximate percentage of shareholding
Dr. Hooy	Member of concert party group ¹	927,080,000	–	927,080,000	59.91%
	Beneficial owner	15,000,000	30,000,000	45,000,000	2.91%
Mr. Zhong	Member of concert party group ¹	927,080,000	–	927,080,000	59.91%
	Beneficial owner	7,660,000	15,340,000	23,000,000	1.49%
Mr. Liu	Interest of a controlled corporation ³	200,000,000	–	200,000,000	12.92%

Notes:

- These Shares were held by Ace Source, which is a company incorporated in the British Virgin Islands. The shareholding of Ace Source is set out under the paragraph headed "(b) Substantial shareholders' interests and short positions in the shares, underlying shares and debentures of the Company". As Dr. Hooy and Mr. Zhong are parties acting in concert with Ace Source, each of them is deemed to be interested in the same number of Shares in which Ace Source is interested for the purposes of the SFO.

2. These underlying Shares represent the interests of share options granted to each of Dr. Hooy and Mr. Zhong under the Share Option Scheme to subscribe for Shares.
3. These Shares were held by Classic Line, which is a company incorporated in the British Virgin Islands and wholly-owned by Mr. Liu. Therefore, Mr. Liu is deemed, or taken to be, interested in the Shares held by Classic Line for the purposes of the SFO. Mr. Liu is the sole director of Classic Line.

Long positions in the shares of the Company's associated corporations

Name of Director	Name of associated corporation ^{Note}	Capacity/Nature of interest	Number of shares held	Approximate percentage of shareholding
Dr. Hooy	Ace Source	Interest of a controlled corporation	81	81%
	China Wantian International	Interest of a controlled corporation	6,000	60%
	Wise Global	Beneficial owner	1	100%
Mr. Zhong	Ace Source	Interest of a controlled corporation	81	81%
	China Wantian International	Interest of a controlled corporation	4,000	40%

Note: The respective shareholdings of these associated corporations are set out under the paragraph headed “(b) Substantial shareholders’ interests and short positions in the Shares, underlying Shares and debentures of the Company”.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (i) 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 was taken or deemed to have under such provisions of the SFO); (ii) were 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, to be notified to the Company and the Stock Exchange.

(b) Substantial shareholders’ interests and short positions in the Shares, underlying Shares and debentures of the Company

So far as known to the Directors, as at the Latest Practicable Date, the following persons (other than the Directors and chief executive of the Company) had or were taken or deemed to have interests or short positions in the Shares, underlying Shares or debentures

of the Company which were required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under section 336 of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

Long positions in the Shares and the underlying Shares

Name of Shareholder	Capacity/Nature of interest	Number of Shares held	Approximate percentage of shareholding
Ace Source ^{1,2}	Beneficial owner/ member of concert party group	927,080,000	59.91%
China Wantian International ^{1,2}	Member of concert party group	927,080,000	59.91%
Courage Rise ^{1,2}	Member of concert party group	927,080,000	59.91%
Wise Global ^{1,2}	Member of concert party group	927,080,000	59.91%
Hooy Investment Limited ²	Member of concert party group	927,080,000	59.91%
Yap Global Investment Limited ²	Member of concert party group	927,080,000	59.91%
Mr. Hooy Kok Kuen ²	Member of concert party group	927,080,000	59.91%
Mr. Hooy Kwok Pun ²	Member of concert party group	927,080,000	59.91%
Mr. Hooy Say Kai ²	Member of concert party group	927,080,000	59.91%
Ms. Hooy Siew Kuen ²	Member of concert party group	927,080,000	59.91%
Ms. Leong Kwai Ho ²	Member of concert party group	927,080,000	59.91%

Name of Shareholder	Capacity/Nature of interest	Number of Shares held	Approximate percentage of shareholding
Mr. Yap Fong Kee ²	Member of concert party group	927,080,000	59.91%
Ms. Yap Hong Akiw ²	Member of concert party group	927,080,000	59.91%
Ms. Yap Hong Kek ²	Member of concert party group	927,080,000	59.91%
Ms. Yap Hong Leng ²	Member of concert party group	927,080,000	59.91%
Mr. Yap Kong Meng ²	Member of concert party group	927,080,000	59.91%
Ms. Yap Siew Chow ²	Member of concert party group	927,080,000	59.91%
Ms. Yap Siew Ngoh ²	Member of concert party group	927,080,000	59.91%
Ms. Yap Su Chai ²	Member of concert party group	927,080,000	59.91%
Ms. Yap Yuk Kiew ^{2,3}	Member of concert party group/interest of spouse	972,080,000	62.82%
Mr. Yek Hon Su ²	Member of concert party group	927,080,000	59.91%
Classic Line	Beneficial owner	200,000,000	12.92%
Ms. Wu Shuk Kwan ⁴	Interest of spouse	200,000,000	12.92%
Mr. Kwong ⁵	Beneficial owner	96,740,000	6.25%
	Interest of a controlled corporation	25,520,000	1.65%

Notes:

1. These Shares were held by Ace Source, which is owned as to 81% equity interest by China Wantian International, 12% equity interest by Yap Global Investment Limited and 7% equity interest by Hooy Investment Limited. China Wantian International is a company incorporated in Hong Kong with limited liability and is owned as to 60% and 40% equity interest by Wise Global and Courage Rise, respectively. Each of Wise Global and Courage Rise is wholly-owned by Dr. Hooy and Mr. Zhong, respectively.
2. As China Wantian International, Courage Rise, Wise Global, Hooy Investment Limited, Yap Global Investment Limited, Mr. Hooy Kok Kuen, Mr. Hooy Kwok Pun, Mr. Hooy Say Kai, Ms. Hooy Siew Kuen, Ms. Leong Kwai Ho, Mr. Yap Fong Kee, Ms. Yap Hong Akiw, Ms. Yap Hong Kek, Ms. Yap Hong Leng, Mr. Yap Kong Meng, Ms. Yap Siew Chow, Ms. Yap Siew Ngoh, Ms. Yap Su Chai, Ms. Yap Yuk Kiew (the spouse of Dr. Hooy) and Mr. Yek Hon Su are parties acting in concert with Ace Source, each of them is deemed to be interested in the same number of Shares in which Ace Source is interested for the purposes of the SFO.
3. Ms. Yap Yuk Kiew is the spouse of Dr. Hooy. Under the SFO, Ms. Yap Yuk Kiew is deemed to be interested in the same number of Shares in which Dr. Hooy is interested, including the 15,000,000 Shares and the 30,000,000 underlying Shares beneficially owned by Dr. Hooy as set out under the paragraph headed “(a) Interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and the Company’s associated corporations”.
4. Ms. Wu Shuk Kwan is the spouse of Mr. Liu. Under the SFO, Ms. Wu Shuk Kwan is deemed to be interested in the same number of Shares in which Mr. Liu is interested.
5. The 96,740,000 Shares beneficially owned by Mr. Kwong are inclusive of the Outstanding Consideration Shares to be allotted and issued by the Company to Mr. Kwong pursuant to the Share Acquisition.

Save as disclosed above and so far as is known to the Directors, as at the Latest Practicable Date, no person (other than the Directors or chief executive of the Company) had any interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

4. DISCLOSURE OF OTHER INTERESTS

(a) 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 does not expire or is not terminable by such member of the Group within one year without payment of compensation (other than statutory compensation).

(b) Competing interests

As at the Latest Practicable Date, none of the Directors, controlling shareholders of the Company and their respective close associates had any interest in any business which competes or might compete, either directly or indirectly, with the business of the Group.

(c) Directors' interests in contracts and assets

As at the Latest Practicable Date, (1) there was no contract or arrangement subsisting in which any Director was materially interested and which was significant in relation to any business of the Group; and (2) none of the Directors had any direct or indirect interest in any assets which had been since 31 March 2022 (being the date to which the latest published audited financial statements of the Group were made up) acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group, save for:

- (i) the catering tenancy agreement dated 24 November 2022 entered into between Wangu Basket as the landlord and Wantian Catering Zhongshan Branch as the tenant, pursuant to which Wangu Basket leased the Catering Premises A to Wantian Catering Zhongshan Branch for a term of three years commencing on 24 November 2022 and expiring on 23 November 2025 (both days inclusive) at a monthly rental of approximately RMB74,000 (inclusive of tax) for the first two years and approximately RMB80,000 (inclusive of tax) for the third year;
- (ii) the catering tenancy agreement dated 24 November 2022 entered into between Wangu Basket as the landlord and Wantian Catering Zhongshan 3rd Branch as the tenant, pursuant to which Wangu Basket leased the Catering Premises B to Wantian Catering Zhongshan 3rd Branch for a term of three years commencing on 24 November 2022 and expiring on 23 November 2025 (both days inclusive) at a monthly rental of approximately RMB43,000 (inclusive of tax) for the first two years and approximately RMB46,000 (inclusive of tax) for the third year;
- (iii) the catering tenancy agreement dated 24 November 2022 entered into between Wangu Basket as the landlord and Wantian Catering 4th Branch as the tenant, pursuant to which Wangu Basket leased the Catering Premises C to Wantian Catering Zhongshan 4th Branch for a term of three years commencing on 24 November 2022 and expiring on 23 November 2025 (both days inclusive) at a monthly rental of approximately RMB38,000 (inclusive of tax) for the first two years and approximately RMB41,000 (inclusive of tax) for the third year; and
- (iv) the loan agreements entered into between the Company as the borrower and China Wantian International as the lender in respect of loans amounting to HK\$13.0 million, of which (i) HK\$1.0 million is due within six months, unsecured and interest-free; and (ii) approximately HK\$12.0 million is due within six months, unsecured and carries interest at the rate of 7% per annum.

5. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE

Registered office	Windward 3, Regatta Office Park PO Box 1350 Grand Cayman KY1-1108 Cayman Islands
Head office and principal place of business	Suite 2106A, 21/F Exchange Tower 33 Wang Chiu Road Kowloon Bay Hong Kong
Underwriter	RaffAello Securities (HK) Limited 1/F, E168 166–168 Des Voeux Road Central Hong Kong
Legal advisers to the Company in relation to the Rights Issue	<i>As to Hong Kong law:</i> K. B. Chau & Co. <i>Solicitors, Hong Kong</i> Unit B, 31/F & Unit A2, 32/F United Centre No. 95 Queensway Admiralty, Hong Kong <i>As to Cayman Islands law:</i> Ogier 11/F, Central Tower 28 Queen's Road Central Central, Hong Kong
Financial adviser to the Company	RaffAello Capital Limited 1/F, E168 166–168 Des Voeux Road Central Hong Kong
Auditor and reporting accountants	BDO Limited <i>Certified Public Accountants</i> <i>Registered Public Interest Entity Auditor</i> 25/F, Wing On Centre 111 Connaught Road Central Hong Kong

Principal bankers	OCBC Wing Hang Bank Limited 161 Queen's Road Central Hong Kong
	Bank of China (Hong Kong) Limited Bank of China Tower 1 Garden Road Hong Kong
Principal share registrar and transfer office in the Cayman Islands	Ocorian Trust (Cayman) Limited Windward 3, Regatta Office Park PO Box 1350 Grand Cayman, KY1-1108 Cayman Islands
Branch share registrar and transfer office in Hong Kong	Tricor Investor Services Limited 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong
Authorised representatives	Mr. Liu Chi Ching Suite 2106A, 21/F Exchange Tower 33 Wang Chiu Road Kowloon Bay Hong Kong
	Mr. Lau Yau Chuen Louis Suite 2106A, 21/F Exchange Tower 33 Wang Chiu Road Kowloon Bay Hong Kong
Company secretary	Mr. Lau Yau Chuen Louis <i>a member of the Association of Chartered Certified Accountants</i>

6. MATERIAL CONTRACTS

During the two years immediately preceding the date of this Prospectus, the following contracts (not being contracts entered into in the ordinary course of business of the Group) have been entered into by members of the Group which are or may be material:

- (a) the subscription agreement dated 29 June 2021 entered into between the Company as the issuer and Ace Source as the subscriber in relation to the subscription of 252,000,000 Shares at the subscription price of HK\$0.15 per Share;
- (b) the share purchase agreement dated 7 November 2022 entered into between Great Point as the purchaser and Mr. Kwong as the vendor in relation to the Share Acquisition; and
- (c) the Underwriting Agreement.

7. CLAIMS AND LITIGATION

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

8. DIRECTORS AND SENIOR MANAGEMENT OF THE COMPANY

Directors

(a) Name

Executive Directors	Dr. Hooy Kok Wai (<i>Chairman</i>) Mr. Liu Chi Ching (<i>Vice-chairman</i>) Mr. Zhong Xueyong (<i>Chief executive officer</i>)
Independent non-executive Directors	Ms. Lui Choi Yiu Angela Mr. Leung Sui Chung Mr. Siu Chun Pong Raymond

(b) Qualification and position held

Executive Directors

Dr. Hooy Kok Wai, aged 64, was appointed as chairman of the Board and an executive Director on 19 August 2021. He is the chairman of the nomination committee of the Company (the “**Nomination Committee**”) and also serves as a director of certain subsidiaries of the Company.

Dr. Hooy is a Singaporean Chinese entrepreneur and has extensive experience in investment and corporate management. He is the co-founder and has served as chairman of China Wantian International, which is principally engaged in modern agriculture in the PRC through the indirect holding of its subsidiaries. He is also the co-founder and has served as vice-chairman of Perfect (China) Co., Ltd. since 1995, a company which is principally engaged in research, development, manufacturing and sale of personal care products, cosmetics, health food and household cleaning necessities through direct sales in the PRC. Dr. Hooy has also been a director of Yen Lee Holdings Pte Ltd. since April 1980, a corporation based in Singapore which is principally engaged in wholesale and retail of various industrial tools, and firefighting, safety, rescue and life-saving equipment in Southeast Asia. Dr. Hooy is the founding president of Greater Bay Area Association of Listed Companies (formerly known as Guangdong-Hong Kong-Macau Greater Bay Area Industry and Commerce Federation) and the honorary president of Chung Shan Association (Singapore). He was awarded the Honorary Doctorate from Lincoln University College in Malaysia and was also honoured with ‘the 17th World Outstanding Chinese Award’ in 2022. He is a controlling shareholder and a director of Ace Source, which has an interest in the Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Mr. Liu Chi Ching, aged 57, is the founder of the Group. He was appointed as a Director on 6 April 2016, re-designated as an executive Director and chairman of the Board on 27 May 2016, and subsequently re-designated as vice-chairman of the Board on 19 August 2021. He is a member of the remuneration committee of the Company (the “**Remuneration Committee**”) and also serves as a director of certain subsidiaries of the Company.

Mr. Liu has over 25 years of experience in the food trading and processing industry. He worked as a chef at various restaurants of well-known clubs and hotels from 1983 to 1993, including The American Club Hong Kong and Hyatt Regency Hong Kong. Prior to founding the Group, Mr. Liu has been operating his business under the trade name of ‘C.Y. Trading Company’ since March 1993. He established CY Food Trading Limited in May 1998 and acted as a director of such company from May 1998 to March 2001. He is the sole shareholder and director of Classic Line, which has an interest in the Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Mr. Zhong Xueyong, aged 39, was appointed as an executive Director on 19 August 2021 and became the chief executive officer of the Company on 29 September 2021. He also serves as a director of certain subsidiaries of the Company.

Mr. Zhong is the founder and acted as chairman of Guangdong Wangu Industrial Development Company Limited, which is principally engaged in property development and investment, and hotel operation in the PRC. He is the co-founder and has served as the chief executive officer of China Wantian International. Mr. Zhong is the co-founding chairman of Greater Bay Area Association of Listed Companies (formerly known as Guangdong-Hong Kong-Macau Greater Bay Area Industry and Commerce Federation). He was accredited as the ‘Outstanding Young Entrepreneur of Zhongshan’ in 2020 and the ‘Outstanding Young Entrepreneur’ by the 2nd Guangdong-HK-Macao Bay Area Entrepreneurs Union in 2021. He was also awarded ‘the 3rd World Outstanding Chinese Youth Entrepreneur Award’ in 2022. He is a controlling shareholder and a director of Ace Source.

Independent non-executive Directors

Ms. Lui Choi Yiu Angela, aged 49, was appointed as an independent non-executive Director on 22 September 2022. She is the chairman of the audit committee of the Company (the “**Audit Committee**”) and a member of each of the Remuneration Committee and the Nomination Committee.

Ms. Lui holds a bachelor of science degree in accounting from Azusa Pacific University in California, USA and a postgraduate diploma in corporate administration from The Hong Kong Polytechnic University. She is currently a member of each of the American Institute of Certified Public Accountants, the Hong Kong Institute of Certified Public Accountants, the Institute of Public Accountants in Australia, the Institute of Financial Accountants in the United Kingdom and the Institute of Certified Management Accountants in Australia. Ms. Lui has over 3 years of audit experience in an international certified public accounting firm and over 20 years of experience in corporate management, company secretarial matters, accounting and finance of listed companies in Hong Kong. She served as the chief financial officer of Mason Group Holdings Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 273) from February 2016 to April 2020, and was an executive director and the company secretary of the company from April 2016 to April 2020 and from September 2016 to January 2020, respectively. Ms. Lui is currently the deputy chief financial officer of AGBA Group Limited.

Mr. Leung Sui Chung, aged 46, was appointed as an independent non-executive Director on 29 September 2021. He is the chairman of the Remuneration Committee and a member of each of the Audit Committee and the Nomination Committee.

Mr. Leung holds a bachelor’s degree in business administration from The University of Hong Kong. He has over 10 years of experience in the financial services industry and has extensive experience in capital markets. From February 2008 to January 2009, he was the senior business development manager (Asia Pacific) of Informa Group Plc. From March 2011 to December 2020, he was the associate director

of Success Finance Group. Mr. Leung is the co-founder and the chief marketing officer of UNO Co-working Space. He now also acts as the chief marketing officer of Fortune Capital Strategy Limited and the associate director of Asset Management of Chief Securities Limited. He is currently licensed with the Securities and Futures Commission of Hong Kong as a Representative of Chief Commodities Limited for type 2 (dealing in futures contracts), and of Chief Securities Limited for type 1 (dealing in securities) and type 9 (asset management) regulated activities.

Mr. Siu Chun Pong Raymond, aged 43, was appointed as an independent non-executive Director on 29 September 2021. He is a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee.

Mr. Siu holds a bachelor's degree in laws from The University of Hong Kong and a master's degree in laws from University College London. He has been a practising solicitor of The High Court of Hong Kong since 2005 and has over 17 years of practical experience in corporate finance and regulatory compliance. Mr. Siu was a partner of F. Zimmern & Co., Solicitors & Notaries from July 2012 to August 2017. He established his own law firm, Raymond Siu & Lawyers, in September 2017 and is now the senior partner of the firm. Mr. Siu is currently also the company secretary of several listed companies in Hong Kong, namely Allied Sustainability and Environmental Consultants Group Limited (stock code: 8320), EC Healthcare (stock code: 2138), UTS Marketing Solutions Holdings Limited (stock code: 6113), Aceso Life Science Group Limited (stock code: 474) and Hao Tian International Construction Investment Group Limited (stock code: 1341).

Senior management

Mr. Lau Yau Chuen Louis, aged 46, has been the company secretary and chief financial officer of the Company since 21 October 2021. He graduated from City University of Hong Kong and holds a master's degree in business administration from the University of Greenwich in the United Kingdom. He is currently a fellow of the Association of Chartered Certified Accountants. He has over 21 years of experience in accounting, financial management and listing compliance gained from international certified public accounting firms and listed companies in Hong Kong.

Mr. Lau was an independent non-executive director of IAG Holdings Limited (stock code: 8513) from June 2018 to May 2019. He was the company secretary of Shandong Hi-Speed Financial Group Limited (formerly known as China Shandong Hi-Speed Financial Group Limited) (stock code: 412) from May 2015 to May 2017. He was also an executive director and the financial controller of Artini Holdings Limited (formerly known as Primeview Holdings Limited and Artini China Co. Ltd.) (stock code: 789) from May 2010 to July 2011. He has been serving as an independent non-executive director of i.century Holding Limited (stock code: 8507) since March 2018. He is currently the chief financial officer of WG International Group Limited and a director of Ace Source.

The business address of the Directors and the senior management of the Company is the same as the head office and principal place of business in Hong Kong of the Company at Suite 2106A, 21/F, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Hong Kong.

9. EXPERT AND CONSENT

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

Name	Qualification
BDO Limited	Certified Public Accountants <i>Registered Public Interest Entity Auditor</i>

As at the Latest Practicable Date, the above expert has given, and has not withdrawn, its written consent to the issue of this Prospectus with the inclusion of its letter and references to its name in the form and context in which it appears.

As at the Latest Practicable Date, the above expert did not have any shareholding, direct or indirect, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for 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 asset which had been, since 31 March 2022 (being the date on which the latest published audited financial statements of the Group were made up), acquired or disposed of by, or leased to, or were proposed to be acquired or disposed of by, or leased to, any members of the Group.

The report from BDO Limited on the unaudited pro forma financial information of the Group is given as of the Latest Practicable Date for incorporation herein.

10. RESTRICTION AFFECTING REMITTANCE OF PROFIT AND CAPITAL

The Group generates and receives revenue from the PRC businesses in RMB, which is currently not a freely convertible currency. The PRC government imposes control on the convertibility of RMB into foreign currencies and, in certain cases, the remittance of currency out of the PRC. Under the existing PRC foreign exchange regulations, the foreign exchange disbursements under current accounts (including payment of dividends, trade and service-related foreign exchange) can be paid with self-owned foreign exchange or foreign exchange bought from designated financial institutions for foreign exchange operations without prior approval from PRC foreign exchange administrative department by complying with certain procedural requirements. However, for the foreign exchange disbursements under capital account (such as the repayment of foreign debts and foreign investments), which are required to be registered with or approved by the competent bank or governmental authority according to applicable PRC laws and regulations, such registration or approval shall be obtained before paying the foreign

exchange disbursements with self-owned foreign exchange or foreign exchange bought from designated financial institutions for foreign exchange operations.

Save as disclosed above, the Directors are not aware of any other restriction affecting the remittance of profits or repatriation of capital of the Group into Hong Kong from outside Hong Kong.

11. EXPENSES

The expenses in connection with the Rights Issue, including the underwriting commission, printing, registration, translation, legal, financial advisory, accounting and other professional fees and related expenses, are estimated to be approximately HK\$9.7 million, which are payable by the Company.

12. BINDING EFFECT

The Prospectus Documents and all acceptance 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 pursuant hereof, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (WUMP) Ordinance so far as applicable.

13. 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 “9. 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.

14. DOCUMENTS ON DISPLAY

The following documents are available on the website of Stock Exchange at www.hkexnews.hk and the website of the Company at www.cwth.com.hk for a period of 14 days from the date of this Prospectus:

- (a) the annual reports of the Company for the three years ended 31 March 2022;
- (b) the interim report of the Company for the six months ended 30 September 2022;
- (c) the material contracts referred to in the section headed “6. Material Contracts” in this Appendix;

- (d) the written consent referred to in the section headed “9. Expert and Consent” in this Appendix;
- (e) the letter from BDO Limited on the unaudited pro forma financial information of the Group, the text of which is set out in Appendix II to this Prospectus; and
- (f) the Prospectus Documents.

15. LANGUAGE

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