

SUMMARY

This summary aims to give you an overview of the information contained in this document. Since this is a summary, it does not contain all the information that may be important to you. You should read the whole document before you decide to invest in the [REDACTED]. There are risks associated with any investment. Some of the particular risks in investing in the [REDACTED] are set out in "Risk Factors" in this document. You should read that section carefully before you decide to invest in the [REDACTED].

OUR BUSINESS AND BUSINESS MODEL

Overview

We are a wastewater treatment service provider operating and managing four wastewater treatment facilities located in Yinchuan, being the capital city of Ningxia, the PRC. According to the CIC Report, we are the leading and the largest wastewater treatment services provider in Yinchuan and Ningxia in terms of both (i) our total designed wastewater treatment capacity which accounted for approximately 65.3% and 37.5% of the total designed wastewater treatment capacity in Yinchuan and Ningxia, respectively, as of 31 December 2017; and (ii) our total wastewater treatment volume which accounted for approximately 78.0% and 43.4% of the total wastewater treatment volume in Yinchuan and Ningxia, respectively, during the year ended 31 December 2017.

Pursuant to the Concession Agreement, we are granted an exclusive right for 30 years since September 2011 to September 2041 to operate and manage our four wastewater treatment facilities in Yinchuan i.e., Yinchuan Wastewater Treatment Plant 1, Yinchuan Wastewater Treatment Plant 2, Yinchuan Wastewater Treatment Plant 3 and Yinchuan Wastewater Treatment Plant 4, to provide wastewater treatment services to the communities and industries located in Yinchuan. We receive wastewater treatment service fees from the local government of Yinchuan which is calculated in accordance with formulae stipulated in the Concession Agreement, which is based on tariff per cubic meter multiplied by a daily guaranteed basic volume of wastewater assigned to each of our plants and a rate of 60% of the tariff applicable multiplied by any additional volume in excess of the basic volume treated by our facilities.

We also undertake the upgrading and expansion of our wastewater treatment facilities to achieve higher wastewater discharge standards and to increase our designed treatment capacities. In return, we are entitled to an increment in the wastewater treatment service fees payable to us by upward revisions in the tariff and basic volume for the calculation of our wastewater treatment service fees upon (i) completion of such upgrading and expansion works; (ii) the auditing of the construction cost incurred by us; and (iii) the final approval by our customer, i.e., Yinchuan Construction Bureau.

In December 2011 when we took over the Wastewater Treatment Plants which were already in operation, the total wastewater treatment capacity was 300,000 cubic metres per day and the discharge standard of all our four plants were Class II. According to Concession Agreement and feasibility study reports approved by the local governmental authorities of Yinchuan, we are obliged to undertake upgrading works for our four Wastewater Treatment Plants from Class II to Class IA, and expansion works to expand the designed treatment capacity of each of Plant 2 and Plant 3 from 50,000 cubic metres per day to 100,000 cubic metres per day, and to expand the designed treatment capacity of Plant 4 from 100,000 cubic meters per day to 200,000 cubic meters per day. In addition, the discharge

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standard for the additional 100,000 cubic meters capacity for Plant 4 shall be Quasi Surface Water Quality Standard Class IV (準四類水標準) which is a standard higher than Class IA in the National Wastewater Discharge Standards and was prescribed by the local government of Yinchuan as being a discharge standard close to Surface Water Quality Standard Class IV where the treated water can be suitable for water replenishment at scenery locations, street flushing and landscaping.

As at the Latest Practicable Date, the discharge standard of our Plant 2, Plant 3 and Plant 4 have been upgraded to Class IA and our total designed capacity has been expanded to 375,000 cubic meters per day, and we expect to complete all the remaining contemplated upgrading and expansion works as aforesaid by the end of 2020. Upon completion of all of the contemplated upgrading and expansion works, our aggregate designed treatment capacity will be 500,000 cubic metres per day. For details of the latest status of our contemplated upgrading and expansion works, please refer to “Business — Our Existing Wastewater Treatment Facilities” in this document.

Our TOT project model

We operate and manage our Wastewater Treatment Plants on a “Transfer — Operate — Transfer” (TOT) basis for a term of 30 years pursuant to the Concession Agreement entered into with the local government of Yinchuan in September 2011. Under a TOT project model, we took over the operations of our Wastewater Treatment Plants from the local government and operate and manage the facilities to provide wastewater treatment services during the concession period and we are required to return the operations and facilities to the local government upon the expiry of the concession period.

Project Financing

Under the Concession Agreement, we are responsible to provide funding for the operations and maintenance as well as the upgrading and expansion works of our wastewater treatment facilities. The initial consideration for acquiring the concession right and taking over the underlying assets of the facilities pursuant to the TOT Transfer Agreement was RMB810.0 million (equivalent to approximately HK\$1,012.5 million), where RMB526.5 million (equivalent to approximately HK\$658.1 million) was funded by a bank loan and the remaining was funded by shareholder’s equity. The bank loan is a 16-year term loan with a fixed repayment schedule. As at the Latest Practicable Date, our daily operating costs are mainly funded by our internally generated funds and a working capital bank loan facility of RMB17.5 million (equivalent to approximately HK\$21.9 million) with a term from 1 January 2017 to 30 June 2019.

Since the takeover in December 2011 and up to 31 December 2017, we had incurred an aggregate amount of approximately HK\$310.7 million in the contemplated upgrading and expansion works, with approximately HK\$161.8 million funded by shareholder’s equity and approximately HK\$148.9 million funded by bank loans. As at the Latest Practicable Date, we had four project loans to partially finance the construction costs of the contemplated upgrading and expansion works (i) with fixed terms ranging from two years to 10 years; and (ii) respective maturity dates ranging from 2019 to 2026. All of our bank loans are secured by (i) the receivables of our wastewater treatment service fees; and (ii) the land use rights over the lands parcels on which our Wastewater Treatment Plants are located.

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As at 31 December 2017, we estimated that the construction cost required to complete the remaining contemplated upgrading and expansion works is approximately RMB512.8 million (equivalent to approximately HK\$641.0 million) which will be satisfied by bank borrowings, internally generated funds and a portion of the net proceeds from the [REDACTED]. As at 31 March 2018, being the latest practicable date for determining our indebtedness, our total indebtedness amounted to approximately HK\$1,412.2 million.

Supply of recycled water as ancillary business

As an ancillary business, we also supply recycled water treated by our treatment plants to end-users in Yinchuan which includes but not limited to a power plant and a public institution in Yinchuan in charge of public area landscaping. For our sale of recycled water, we generally receive supply fees calculated based on the volume of water supplied by us multiplied by the unit price agreed in the supply agreements entered into with our customers. The unit price can be determined by negotiation and agreement between both parties with reference to local government’s guidelines on recycled water pricing published from time to time. The recycled water is delivered from our facilities to the designated locations of our customers through pipeline network built and maintained by the local government and our customers of recycled water. For further details of our supply of recycled water, please refer to “Business — Supply of recycled water” in this document.

OUR REVENUE

In accordance with IFRIC 12 Service Concession Arrangements, we recognise revenue (i) for the upgrading and expansion of our existing wastewater treatment facilities; (ii) for our wastewater treatment operation, whereby revenue is recognised for the provision of wastewater treatment operation services; and (iii) as finance income from service concession arrangement, despite that we generally only receive payments for our services rendered during the operational phase of the upgraded parts and expanded parts of our facilities. For details on revenue recognition of our Group, please refer to “Financial information — Critical accounting policies estimates and judgement — TOT and service concession arrangement” in this document.

During the Track Record Period, our revenue was approximately HK\$250.5 million, HK\$207.4 million and HK\$366.4 million, respectively, while our gross profits for the same periods were HK\$113.4 million, HK\$112.0 million and HK\$132.8 million, respectively. During the same periods, the aggregate revenue generated from our (i) wastewater treatment construction services; (ii) wastewater treatment operation services; and (iii) finance income from service concession arrangement accounted for approximately 97.0%, 97.0% and 98.2% of our revenue, respectively, and approximately 2.5%, 2.5% and 1.5% of our revenue was derived from our supply of recycled water.

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OUR COMPETITIVE STRENGTHS

We believe that our success is attributable to, among other things, the following competitive strengths of ours:

- We possess extensive experiences and proven track record in the provision of wastewater treatment services and in upgrading and expanding the treatment capacities of our Wastewater Treatment Plants;
- We are well-positioned to benefit from the PRC Government’s increasing focus and policy support on environmental protection as well as population growth in urban areas;
- Our service fees are contractually guaranteed based on a basic volume of wastewater; and
- We have an experienced management team with strong technical skills and an in-depth understanding and knowledge in managing our operations.

For details of our competitive strengths, please refer to “Business — Competitive strengths” in this document.

OUR STRATEGIES

Our principal business strategies include:

- Continue to complete the contemplated upgrading and expansion works for our existing wastewater treatment facilities;
- Strengthen our market position in the PRC through obtaining new wastewater treatment projects when the opportunities arise; and
- Continue to enhance the quality control system by establishing a new wastewater inflow and outflow remote real-time monitoring system.

For details of our competitive strengths, please refer to “Business — Business strategies” in this document.

HIGHLIGHTS OF RISK FACTORS

Our business operations involve certain risks and uncertainties, many of which are beyond our control. These risks can be broadly categorised into (i) risks relating to our business and industry; (ii) risks relating to business operations in the PRC; and (iii) risks relating to the [REDACTED]. The following are highlights of some of our risks which our Directors consider to be material:

- Our Group may not be able to renew our Concession Agreement upon its expiry and may not be able to secure new projects to sustain or grow our business;

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- Our Group's largest customer accounted for approximately 97.0%, 97.0% and 98.2% of our revenue during each of the financial years ended 31 December 2015, 2016 and 2017, respectively, and in the event that our Concession Agreement is early terminated, it could have a material adverse impact on our business, financial condition and operational results;
- We recognize revenue during the construction of our upgrading and expansion works, but typically do not receive any actual payments in return for that until the operational phase of these upgraded and/or expanded parts, which may adversely affect our results of operations and liquidity;
- Our Group may not be granted revisions to our tariffs and/or basic volumes in a timely manner to fully reflect any increase in our actual costs incurred in day-to-day operations as well as in our contemplated upgrading and expansion works which are capital intensive in nature;
- Failure to obtain further and sufficient funding on a timely basis to fund our operations, upgrading and expansion works at reasonable rates, or at all, may adversely affect our Group's financial condition and results of operations and could prevent us from fulfilling our contractual obligations and business objectives;
- We had net current liabilities during the Track Record Period and may continue to have net current liabilities in future;
- We finance a substantial portion of our wastewater treatment project through bank loans and our financing costs and profitability are subject to changes in interest rates;
- The operation of our Wastewater Treatment Plants is exposed to risks associated with the construction and maintenance of pipeline network by the local governmental authorities; and
- Our Group's wastewater treatment facilities are subject to operational and construction risks.

CUSTOMERS AND SUPPLIERS

During the Track Record Period, our largest customer was Yinchuan Construction Bureau and, our revenue attributable to our largest customer amounted to approximately HK\$243.1 million, HK\$201.2 million and HK\$359.8 million, representing approximately 97.0%, 97.0% and 98.2%, respectively of our total revenue. Our remaining top five customers other than Yinchuan Construction Bureau were mainly customers of our supply of recycled water. The revenue attributable to our top five largest customers for the three years ended 31 December 2015, 2016 and 2017 was approximately HK\$248.9 million, HK\$205.8 million and HK\$365.0 million, respectively. The percentage of our total revenue attributable to our top five customers for the same periods was approximately 99.3%, 99.3% and 99.6%, respectively.

During the Track Record Period, our principal suppliers were construction contractors, design institutes and supervision agencies engaged by us to carry out contemplated upgrading and expansion works, suppliers of chemicals used in our wastewater treatment processes and suppliers of materials for equipment maintenance and replacements.

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Our largest supplier during the Track Record Period was a construction contractor engaged for undertaking our contemplated upgrading and expansion works. Our purchases from our largest supplier for the three years ended 31 December 2015, 2016 and 2017 were approximately HK\$46.0 million, HK\$25.4 million and HK\$69.0 million, representing approximately 43.3%, 39.7% and 33.8% of our total purchases, respectively. Our purchases from our top five suppliers for the three years ended 31 December 2015, 2016 and 2017 were approximately HK\$84.2 million, HK\$50.1 million and HK\$111.4 million, representing approximately 79.2%, 78.3% and 54.5% of our total purchases, respectively.

For procurement of materials and equipment not related to our upgrading and expansion works, we have established a centralized internal procurement policy for the selection of suppliers from our internal list of approved suppliers from which we invite quotations for our selection. For procurement of materials and equipment and construction-related services within the scope of our contemplated upgrading and expansion works, we are required to go through tender processes led by a tender committee comprising Independent Third Party representatives from the local government and our own representative(s).

NET CURRENT LIABILITIES AS AT 31 MARCH 2018

As at 31 December 2015, 2016 and 2017, we had net current liabilities of approximately HK\$391.2 million, HK\$265.4 million and HK\$293.4 million. The key components of our current liabilities as at such dates included amount due to Taliworks Corporation Berhad/LGB (HK), trade and other payables, current portion of long-term borrowings as well as short-term borrowings. The key components of our current assets as at such dates included receivable under service concession arrangement, cash and cash equivalents, financial assets at fair value through profit or loss, trade and other receivables as well as amounts due from fellow subsidiaries.

As at 31 March 2018, we had net current liabilities of approximately HK\$255.4 million, representing a decrease of approximately HK\$38.0 million, as compared to that as at 31 December 2017. Such movement was mainly attributable to (i) the increase in trade and other receivables of approximately HK\$76.8 million; (ii) the decrease in financial assets at fair value through profit or loss HK\$29.9 million; (iii) the decrease in cash and cash equivalents of approximately HK\$27.0 million; (iv) the increase in receivable under service concession arrangement of approximately HK\$18.5 million; and (v) the decrease of trade and other payables of approximately HK\$9.3 million. Our net current liability position as at 31 March 2018, which mainly consisted of (i) current liabilities of approximately HK\$799.8 million, including amount due to LGB (HK) of approximately HK\$598.8 million, trade and other payables of approximately HK\$124.7 million; and (ii) current assets of approximately HK\$544.4 million, including receivable under service concession arrangement of approximately HK\$269.9 million, trade and other receivables of approximately HK\$112.9 million, and cash and cash equivalents of approximately HK\$103.2 million, shall improve as we intend to settle and/or capitalise the outstanding amounts due to related parties prior to [REDACTED]. Please refer to “Financial information — Net current liabilities” in this document for further details.

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OUR CONTROLLING SHAREHOLDERS

Immediately following completion of the [REDACTED] and the [REDACTED] (without taking into account of any Shares which may be allotted and issued pursuant to the exercise of any options that may be granted under the Share Option Scheme), Sparkle Century will directly hold [REDACTED]% of the issued share capital of our Company. As at the Latest Practicable Date, Sparkle Century was wholly-owned by LGB (HK), which was in turn owned as to 70%, 25% and 5% by LGB (Malaysia), Mr. CM Lim and Mr. CS Lim, respectively. During the Track Record Period and up to the Latest Practicable Date, LGB (Malaysia) was owned as to 30.40%, 30.40%, 10.43%, 10.43%, 10.43%, 5.41% and 2.50% by Mr. CM Lim, Mr. CS Lim, Ms. Lim Shiak Ling, Ms. Lim Ai Ling, Ms. Lim Siew Ling, Ms. Geh Sok Lan (also known as Ms. Goay Sook Lan) and Ms. Lim Wang Ling, respectively. Accordingly, LGB (Malaysia), Mr. CM Lim, Mr. CS Lim, Ms. Lim Shiak Ling, Ms. Lim Ai Ling, Ms. Lim Siew Ling, Ms. Geh Sok Lan, Ms. Lim Wang Ling, LGB (HK) and Sparkle Century will together form a group of our Controlling Shareholders within the meaning of Listing Rules.

SUMMARY FINANCIAL INFORMATION AND OPERATING DATA

The tables below present summary of certain key financial information of our Group for the periods indicated and should be read in conjunction with Appendix I to this document:

Selected information from the combined income statements

	Year ended 31 December		
	2015	2016	2017
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	250,521	207,419	366,381
Gross profit	113,361	111,969	132,784
Profit before taxation	60,794	62,729	80,559
Profit for the year	45,053	45,555	58,900

Breakdown by revenue type in relation to revenue derived from wastewater treatment services

	Year ended 31 December					
	2015		2016		2017	
	<i>HK\$'000</i>	%	<i>HK\$'000</i>	%	<i>HK\$'000</i>	%
Wastewater treatment construction services	91,243	36.4	32,647	15.8	197,249	53.8
Wastewater treatment operation services	73,194	29.2	87,571	42.2	76,590	20.9
Finance income from service concession arrangement	78,694	31.4	80,938	39.0	86,002	23.5
Recycle water supply operation services	6,299	2.5	5,189	2.5	5,428	1.5
Other revenue (<i>note</i>)	1,091	0.5	1,074	0.5	1,112	0.3
Total revenue	<u>250,521</u>	<u>100.0</u>	<u>207,419</u>	<u>100.0</u>	<u>366,381</u>	<u>100.0</u>

Note: Other revenue represented management fees from related companies during the Track Record Period.

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The following table sets forth the volume of wastewater treated by each of our Wastewater Treatment Plants during the Track Record Period:

Wastewater Treatment Plants:	Average volume of wastewater treated per day (Note 1)			Average utilisation during the Track Record Period (Note 2)
	Year ended 31 December			
	2015 (thousand m ³ /day)	2016 (thousand m ³ /day)	2017 (thousand m ³ /day)	
— Plant 1	98	93	90	approximately 93.6%
— Plant 2	61	66	67	prior to Phase 1 of Plant 2 expansion: approximately 128.7%; and after completion of Phase 1 of Plant 2 expansion: approximately 96.8%
— Plant 3	59	66	69	prior to expansion: approximately 110.6%; and after completion of expansion: approximately 67.1%
— Plant 4	112	108	104	approximately 107.8%

Notes:

- (1) rounded to the nearest thousand cubic metres
- (2) Utilisation rate of our wastewater treatment facilities was calculated by dividing the actual volume of wastewater treated by the total designed capacity taking into consideration the expansion in capacity completed from time to time.

Selected information from the combined statements of financial position

	As at 31 December		
	2015 HK\$'000	2016 HK\$'000	2017 HK\$'000
Current assets	255,796	400,822	509,405
Current liabilities	646,998	666,216	802,828
Net current liabilities	391,202	265,384	293,423
Non-current assets	1,214,950	1,083,315	1,265,636
Non-current liabilities	751,058	737,588	790,727
Net assets	72,690	80,333	181,486

Selected information from the combined statements of cash flows

	Year ended 31 December		
	2015 HK\$'000	2016 HK\$'000	2017 HK\$'000
Net cash flow from operating activities	48,646	41,046	35,709
Net cash flow from/(used in) investing activities	(83,456)	18,178	(4,872)
Net cash flow from/(used in) financing activities	11,596	(14,259)	16,979
Cash and cash equivalents at end of year	37,972	80,214	130,141

Please refer to “Financial Information — Period to period comparison of results of operations” in this document for details of fluctuation to our financial results.

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KEY FINANCIAL RATIOS

	As at/for the year ended 31 December		
	2015	2016	2017
Current ratio	0.4	0.6	0.6
Quick ratio	0.4	0.6	0.6
Gearing ratio	94.4%	93.6%	87.2%
Return on equity	62.0%	56.7%	32.5%
Return on total assets	3.1%	3.1%	3.3%
Interest coverage	2.2	2.5	2.9
Net profit margin	18.0%	22.0%	16.1%

For details of our key financial ratios, please refer to “Financial Information — Key financial ratios” in this document.

RECENT DEVELOPMENT AFTER THE TRACK RECORD PERIOD

Based on our Group’s unaudited management accounts made up to the period of three months ended 31 March 2018, the unaudited monthly revenue for the three months ended 31 March 2018 was lower than the monthly average revenue for the year ended 31 December 2017, which was mainly attributable to less revenue derived from wastewater treatment construction services as the upgrading and expansion works for Phase I of Yinchuan Wastewater Treatment Plant 2 and Yinchuan Wastewater Treatment Plant 4 were completed in December 2017.

Subsequent to the Track Record Period, our ongoing and planned upgrading and expansion works include (i) Plant I upgrading works involving the improvement in wastewater treatment standard from Class II to Class IA, which is expected to be completed by the end of 2018; (ii) Phase II of Plant 2 expansion works, which is expected to commence in the second half of 2018 and completed by the end of 2019 whereby the designed capacity will be further expanded to 100,000 cubic metres per day; and (iii) the physical construction works for the expansion of Plant 4 for an additional treatment capacity of 100,000 cubic meters per day with treated water discharge meeting Quasi Surface Water Quality Standard Class IV (準四類水標準), which is expected to commence in the second half of 2018 and completed by the end of 2020. For details of our contemplated upgrading and expansion works and the latest status as at the Latest Practicable Date, please refer to the summary table set out under paragraph headed “Business — Our Existing Wastewater Treatment Facilities” in this document.

The total indebtedness of our Group as at 31 March 2018, being the latest practicable date for determining the amount of indebtedness in this document, amounted to approximately HK\$1,412.2 million.

Further details of our Group’s indebtedness statement as at 31 December 2015, 2016 and 2017 and 31 March 2018, are set out in “Financial Information — Indebtedness” in this document.

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[REDACTED] EXPENSES

For the three years ended 31 December 2015, 2016 and 2017, we did not record any [REDACTED] expenses. The estimated total [REDACTED] expenses to be borne by our Group, which primarily represent professional fees for our [REDACTED] is non-recurrent in nature, has been estimated to be approximately HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED]) per [REDACTED], being the mid-point of the indicative [REDACTED] range), of which approximately HK\$[REDACTED] is directly attributable to the issue of the [REDACTED] to the public and is to be accounted for as a deduction from equity. The remaining HK\$[REDACTED] is expected to be charged to our profit or loss during the year ending 31 December 2018. Our Board wishes to inform our Shareholders and potential investors that our Group's financial performance and results of operations for the year ending 31 December 2018 will be affected by the estimated expenses in relation to the [REDACTED]. It should be noted that the [REDACTED] expenses are current estimate and for references only.

USE OF [REDACTED] AND REASONS FOR THE [REDACTED]

We estimate that the aggregate net [REDACTED] the [REDACTED], after deducting [REDACTED] commissions and estimated expenses paid and payable by our Company in connection thereto, to be approximately HK\$[REDACTED] million, assuming the [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the proposed [REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED] per Share. We intend to apply such net proceeds in the following manner:

- Approximately HK\$[REDACTED] or approximately [REDACTED] of the net [REDACTED] will be applied towards funding our carrying out the remaining contemplated upgrading and expansion works of our existing facilities;
- Approximately HK\$[REDACTED] or approximately [REDACTED] of the net [REDACTED] will be applied towards funding our identification and evaluation of new wastewater treatment projects in Ningxia and/or in other regions in the PRC should the opportunities arise;
- Approximately HK\$[REDACTED] or [REDACTED] of the net [REDACTED] will be applied towards establishing and future upgrading of our own centralized monitoring system to enable our technical team and management to gain access to real-time data on the wastewater quality and wastewater treatment processes starting from the inflow to the outflow and provide timely support to resolve technical issues and enable our senior management and core technical team to oversee and manage our facilities without geographical restriction; and
- Approximately HK\$[REDACTED] or [REDACTED] of the net [REDACTED] is expected to be used as general working capital and for general corporate purposes.

The primary reason for the [REDACTED] are to allow us to raise funds for us (i) to continue to carry out the contemplated upgrading and expansion works of our existing facilities so as to aim for higher tariffs and basic volumes and hence to receive higher wastewater treatment service fees and to maintain and strengthen our competitiveness and market share in Yinchuan and Ningxia by continuing to raise our discharge standards and treatment capacities; (ii) to identify and evaluate suitable new projects in the PRC for the purpose of growing our business by operating additional wastewater treatment

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facilities; and (iii) to upgrade our wastewater treatment real-time monitoring system to facilitate our management to gain real-time comprehensive data in our wastewater treatment processes and remote access to such data so that our operations can be managed more effectively without geographical restrictions and such upgrading of our centralised monitoring system is important for enabling us to comply with the increasingly stringent wastewater treatment standards of the relevant governmental authorities and thereby maintaining and strengthening our reputation and market position.

For further details, please see “Future Plans and Use of Proceeds” in this document.

STATISTICS OF THE [REDACTED]

	Based on an [REDACTED] [REDACTED] of HK\$[REDACTED] HK\$[REDACTED] per per [REDACTED] [REDACTED]	
Market capitalisation (<i>Note 1</i>)	HK\$[REDACTED]	HK\$[REDACTED]
Unaudited pro forma adjusted consolidated net tangible assets attributable to owners of our Company per Share (<i>Note 2</i>)	HK\$[REDACTED]	HK\$[REDACTED]

Notes:

1. The calculation of the market capitalisation is based on [REDACTED] Shares expected to be in issue immediately upon completion of the [REDACTED] and the [REDACTED] without taking into account any Shares which may be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme.
2. Please see “Unaudited pro forma Financial Information” in Appendix II to this document for details regarding the assumptions and calculation basis used.

DIVIDEND

No dividend has been paid by our Company during the Track Record Period. In addition, no dividend or distribution has been declared, made or paid by our Company or any of the other companies comprising our Group as at the Latest Practicable Date in respect of any period subsequent to 31 December 2017 up to the date of [REDACTED].

We currently do not have a formal dividend policy. The declaration of dividends is subject to our discretion, and the amounts of dividends actually declared and paid will also depend upon our operating results, financial condition, capital requirements, interests of our Shareholders and other factors which our Directors consider relevant. Any declaration and payment as well as the amount of dividends that may be declared by us will be subject to our constitutional documents and the relevant laws.