

**Recent Developments on Strategic Cooperation** June 2016

The Group is committed to the strategy of joining hands with strong business partners to achieve win-win scenarios, with the aim of bringing new business growth to the Group. We will continue to provide updates regarding the Group's strategic cooperation to the public, allowing the Company's shareholders and followers to keep up with the Group's latest business developments.

**Official launch of strategic cooperation with Country Garden**

In May 2016, the Group reached a cooperative agreement with Country Garden, one of the top ten real estate developers in China, to provide its communities' residents with 5100 Tibet Glacier Water, including our 330ml bottled water and 10-litre family soft barreled water, both of which will be co-branded under the titles of both Country Garden's "Phoenix Selected" (碧桂園鳳凰優選) and our brand "5100". Leveraging on the advantages and strength of both parties, the products will first be launched in selected premium communities in coastal regions in Guangdong, and are estimated to reach residents in more than 200 of Country Garden's premium communities in over 20 provinces in China within this year.



"Phoenix Selected" is a new initiative Country Garden plans to develop which seeks to work with excellent food suppliers in China and provide residents with high-quality daily necessities such as grain, oil, wine and water. In Country Garden's promotional poster, "Why are we recommending 5100 Tibet Glacier Water?" – "Because the quality of your drinking water today determines the health of you and your family in the next 10 years. 'Phoenix Selected' has chosen 5100 Tibet Glacier Water, a world-class drinking water supplier, for your family. With our exclusive partnership and joint brand, residents in Country Garden are offered household drinking water at the best price so that your family water choice is made easier and healthier."



**Strategic cooperation with Humin.cn has begun**

Our cooperation with Huimin.cn is well underway and proceeding smoothly. From February to April 2016, we progressed the strategic cooperation from signing the strategic cooperation agreement to entering into the purchase contract and achieving functional personnel coordination. This cooperation features our Group's new product, Gesang Spring Water, which has been well received during the trial launch at a few supermarkets and will be a top priority for Huimin.cn in 2016. Gesang Spring Water has entered over 10,000 supermarkets and convenience stores cooperating with Huimin.cn within the first month of launch, and its coverage will expand to over 200,000 stores in around 20 provinces, including Beijing, Tianjin, Henan, Liaoning, Guangdong, Jiangsu, Shandong, Anhui, Sichuan, Hubei, Shanghai, Hunan, Fujian, Zhejiang and Hebei, with the aim of achieving sales volume of 35,000 tons within one year.



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**Successful launch of cooperation with PetroChina**

We achieved an important milestone in May 2016 in terms of our cooperation with PetroChina. Our product, Gesang Spring Water, became popular in "uSmile" convenience stores in Tibet Autonomous Region's PetroChina gas stations. Also, PetroChina subsidiaries in several places, including Tianjin, Jiangsu, Guangdong, Jilin, Sichuan and Gansu, have placed their first batch of orders and are ready to launch large-scale sales.



**A new cooperative model with JD Mall**

In May 2016, the Group announced a strategic cooperation with Xintonglu (京東商城新通路). Mr. Haoyu Shen, Chief Executive Officer of JD Mall, signed an agreement with Mr. Sunny Wong Hak Kun, Executive Director of Tibet Water, to introduce Gesang Spring Water to its B2B ordering platform Zhangguibao (京東掌櫃寶) to deliver products to small- and medium-sized retailers through Xintonglu's business channels. Xintonglu will provide one-stop service for the Group in warehousing and distribution, ground service, store marketing as well as data sharing. This will help the Group effectively enhance product layout to increase its market share.



**A new cooperative model with CRE**

China Railway Express (CRE) has been one of the Group's long-term strategic partners. We have been in discussion on a new cooperative model since the prior agreement expired in June 2015. In May 2016, both parties have engaged in a new agreement to sell Gesang Spring Water products. This demonstrates the beginning of a new round of cooperation between the Group and CRE. The Group will continue to provide passengers with quality water from Tibet.

