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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Tibet Water Resources Ltd., you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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### **Tibet Water Resources Ltd.** **西藏水資源有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1115)**

- (1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;  
(2) PROPOSED GRANTING OF GENERAL MANDATES TO  
REPURCHASE SHARES AND TO ISSUE NEW SHARES;  
(3) PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT AND  
SERVICE PROVIDER SUBLIMIT;  
AND  
(4) NOTICE OF ANNUAL GENERAL MEETING**

**Independent Financial Adviser to the Independent Board Committee and  
the Independent Shareholders**



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A notice convening the Annual General Meeting of Tibet Water Resources Ltd. to be held at Edinburgh Room No. 5, 17/F., Edinburgh Tower, No. 15 Queen's Road Central, Hong Kong on Monday, 30 June 2025 at 11:00 a.m. is set out on pages V-1 to V-6 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed.

If you are not able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours (Hong Kong time) before the time appointed for the holding of the Annual General Meeting (i.e. before 11:00 a.m. on Saturday, 28 June 2025) or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting or any adjournment thereon should you so wish.

*This circular is in English and Chinese. In case of any inconsistency, the English version shall prevail.*

6 June 2025

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## DEFINITIONS

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

“Adoption Date”	30 June 2023, the date on which the Share Option Scheme was conditionally adopted by an ordinary resolution of the Shareholders;
“Annual General Meeting” or “AGM 2025”	an annual general meeting of the Company to be held at Edinburgh Room No. 5, 17/F., Edinburgh Tower, No. 15 Queen’s Road Central, Hong Kong on Monday, 30 June 2025 at 11:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages V-1 to V-6 of this circular, or any adjournment thereof;
“Articles of Association”	the articles of association of the Company currently in force;
“associate(s)”	shall have the meaning ascribed to it in the Listing Rules;
“Audit Committee”	the audit committee of the Company;
“Board”	the board of Directors;
“business day”	shall have the meaning ascribed to it in the Listing Rules;
“close associate(s)”	shall have the meaning ascribed to it in the Listing Rules;
“Company”	Tibet Water Resources Ltd. (西藏水資源有限公司), a company incorporated in the Cayman Islands on 8 November 2010 as an exempted company and the issued Shares of which are listed on the Main Board of the Stock Exchange;
“core connected person”	shall have the meaning ascribed to it in the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong” or “HKSAR”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited;

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## DEFINITIONS

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“Independent Board Committee”	the independent committee of the Board comprising all independent non-executive Directors, namely Dr. ZHANG Chunlong, Mr. LO Wai Hung and Ms. LIN Ting, established to advise the Independent Shareholders in respect of the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit;
“Independent Financial Adviser”	Goldlink Capital (Corporate Finance) Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed for the purpose of advising the Independent Board Committee and the Independent Shareholders as to the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit;
“Independent Shareholders”	Shareholders other than any controlling shareholders and their associates (or if there is no controlling shareholder, directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) who are required to abstain from voting on the relevant resolutions at the AGM 2025 approving the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit under the Listing Rules;
“Issuance Mandate”	the issuance mandate referred to in paragraph 3(b) of the Letter from the Board;
“Latest Practicable Date”	4 June 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Nomination Committee”	the nomination committee of the Company;
“Option(s)”	option(s) to subscribe for Shares granted pursuant to the Share Option Scheme;
“PRC”	The People’s Republic of China;
“Remuneration Committee”	the remuneration committee of the Company;
“Risk Management Committee”	the risk management committee of the Company;

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## DEFINITIONS

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“Scheme Mandate Limit”	the total number of Shares which may be issued in respect of all Options to be granted under the Share Option Scheme and all options and awards to be granted under any other share schemes of the Company, which must not, in aggregate, exceed 10% of the total number of Shares in issue (excluding any treasury shares) as at the Adoption Date or (if the Scheme Mandate Limit is refreshed) the date of Shareholders’ approval for the refreshment;
“Service Providers”	<p>persons who provide services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group, including but not limited to any of the following persons:-</p> <ul style="list-style-type: none"><li>(a) persons or entities (as independent contractors, consultants, advisors or otherwise) that provide support or any advisory, consultancy, professional or other services (such as, without limitation, support or services in relation to design, research and development, marketing, strategic or commercial planning on corporate image, investor relations, product quality control, regulations and policies) to any members of the Group;</li><li>(b) suppliers of goods to any member of the Group; and</li><li>(c) joint venture partners, franchisees, distributors, agents or other business partners of any members of the Group,</li></ul> <p>provided that (i) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, and (ii) professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity shall not be Service Providers for the purpose of the Share Option Scheme;</p>
“Service Provider Sublimit”	within the Scheme Mandate Limit, the total number of Shares which may be issued in respect of all Options to be granted under the Share Option Scheme and all options and awards to be granted under any other share schemes of the Company to the Service Providers, which must not, in aggregate, exceed 5% of the total number of Shares in issue (excluding any treasury shares) as at the Adoption Date or (if the Service Provider Sublimit is refreshed) the date of Shareholders’ approval for the refreshment;

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## DEFINITIONS

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“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company;
“Share Option Scheme”	the share option scheme adopted by the Company at the annual general meeting of the Company which was held on 30 June 2023;
“Share Repurchase Mandate”	the share repurchase mandate referred to in paragraph 3(a) of the Letter from the Board;
“Shareholder(s)”	holder(s) of Share(s);
“substantial shareholder”	shall have the meaning ascribed to it in the Listing Rules;
“Takeovers Codes”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong;
“treasury shares”	shall have the meaning ascribed to it in the Listing Rules;
“%”	per cent; and
“*”	for identification purpose only.

References to time and dates in this circular are to Hong Kong time and dates.

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LETTER FROM THE BOARD

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**Tibet Water Resources Ltd.**

**西藏水資源有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1115)**

*Executive Directors:*

Mr. CHOW Wai Kit  
Mr. CHENG Gwan Sing  
Mr. YUE Zhiqiang

*Non-executive Directors:*

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

*Independent Non-executive Directors:*

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

*Registered Office:*

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

*Headquarters and Principal Place  
of Business in Hong Kong:*

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

6 June 2025

*To the Shareholders*

**Dear Sir/Madam,**

- (1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;  
(2) PROPOSED GRANTING OF GENERAL MANDATES TO  
REPURCHASE SHARES AND TO ISSUE NEW SHARES;  
(3) PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT AND  
SERVICE PROVIDER SUBLIMIT;  
AND  
(4) NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting for (i) the re-election of the retiring Directors; (ii) the granting to the Directors of the Share Repurchase Mandate and the Issuance Mandate to repurchase Shares and to issue new Shares; (iii) refreshment of the Scheme Mandate Limit and Service Provider Sublimit; and (iv) to give you the notice of the Annual General Meeting.

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## LETTER FROM THE BOARD

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### 2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

The Board currently consists of nine Directors, namely Mr. CHOW Wai Kit, Mr. CHENG Gwan Sing and Mr. YUE Zhiqiang being the executive Directors, Ms. JIANG Xiaohong, Mr. XIE Kun and Mr. WEI Zheming being the non-executive Directors and Dr. ZHANG Chunlong (Chairman), Mr. LO Wai Hung and Ms. LIN Ting being the independent non-executive Directors.

According to Article 84(1) of the Articles of Association, at each annual general meeting, one-third of the Directors for the time being (or if their number is not a multiple of three, then the number nearest to but not less than one-third) will retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

In accordance with Article 84(1) of the Articles of Association, Mr. WEI Zheming (“**Mr. WEI**”), Dr. ZHANG Chunlong (“**Dr. ZHANG**”) and Ms. LIN Ting (“**Ms. LIN**”) shall retire by rotation, and being eligible, have offered themselves for re-election at the Annual General Meeting.

Regarding the nomination of the above mentioned retiring Directors for re-election at the Annual General Meeting, the Nomination Committee and the Board had taken into account their respective contributions to the Board and their commitment to their roles, meritocracy and various aspects set out in the Board Diversity Policy, including but not limited to gender, age, cultural and educational background, ethnicity, their respective professional experience (e.g. legal, accounting, finance and capital operation, etc.), skills, knowledge and length of service.

During the past year, Mr. WEI, Dr. ZHANG and Ms. LIN had very good attendance in all Board meetings, relevant board committee meetings and general meetings of the Company.

Dr. ZHANG and Ms. LIN have confirmed their independence pursuant to Rule 3.13 of the Listing Rules. The Nomination Committee and the Board have also assessed and reviewed their respective confirmation of independence based on the criteria set out in Rule 3.13 of the Listing Rules, and are satisfied that they remain independent.

During the tenure of office of Dr. ZHANG and Ms. LIN, they have discharged their duties as independent non-executive Directors and Chairman/members of the relevant Board committees to the satisfaction of the Board. They have been providing fresh perspectives, objective insights and independent judgment on matters that came to the attention of the relevant Board committees and the Board. The Board has benefited from the presence and experience of Dr. ZHANG and Ms. LIN since their appointments.

The Nomination Committee and the Board are also of the view that Dr. ZHANG and Ms. LIN as independent non-executive Directors contribute to the diversity of the Board given their perspectives, skills, expertise and experience as further described in their biographies in Appendix I to this circular. All Directors offered for re-election accumulated extensive experience in corporate management through their directorships in various sizeable companies. With reference to their past contributions to the Company during their tenure, the Board is of the view that they are able to complement the professional background of the composition of the Board in terms of expertise in banking, finance, risk management and corporate management.



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## LETTER FROM THE BOARD

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As such, the Board nominated Mr. WEI as non-executive Director and Dr. ZHANG and Ms. LIN as independent non-executive Directors for re-election and believes their re-election as Directors is in the best interests of the Company and the Shareholders as a whole and therefore recommends the Shareholders to re-elect them at the AGM 2025.

Details of the retiring Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix I to this circular.

### **3. PROPOSED GRANTING OF GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES**

By Shareholders' ordinary resolutions passed on 27 June 2024, general mandates were granted to the Directors to repurchase and issue Shares. Such mandates will lapse at the conclusion of the Annual General Meeting.

Since the Company was listed on the Main Board of the Stock Exchange in 2011, general mandates were granted to the Directors to repurchase and issue Shares in eleven annual general meetings of the Company, except the ones on 30 June 2021 (but such general mandates were subsequently granted at the extraordinary general meeting held on 11 August 2021) and 30 June 2022 (where only the general mandate to repurchase Shares was granted). In order to give the Company the financial flexibility to capture real time market opportunities as well as enhance Shares' value timely through repurchasing and issuing Shares as and when appropriate, the Board considers that it is in the interests of the Company and the Shareholders as a whole to grant the Directors such mandates and proposes to the Shareholders to consider the following ordinary resolutions which will be proposed at the Annual General Meeting to approve:

- (a) the granting of the Share Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the aggregate number of issued Shares (excluding any treasury shares) as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the Annual General Meeting as set out on pages V-1 to V-6 of this circular (i.e. an aggregate number of 469,994,557 Shares on the basis that the number of issued Shares remains unchanged from the Latest Practicable Date to the date of the Annual General Meeting);
- (b) the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the aggregate number of issued Shares (excluding any treasury shares) as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting as set out on pages V-1 to V-6 of this circular (i.e. an aggregate number of 939,989,115 Shares on the basis that the number of issued Shares remains unchanged from the Latest Practicable Date to the date of the Annual General Meeting); and
- (c) the extension of the number of Shares which may be allotted, issued or dealt with under the Issuance Mandate by the number of Shares repurchased by the Company pursuant to the Share Repurchase Mandate (i.e. up to a maximum of 10% of the number of issued Shares (excluding any treasury shares) as at the date of the grant of the Share Repurchase Mandate).

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## LETTER FROM THE BOARD

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With reference to the Share Repurchase Mandate and the Issuance Mandate, as at the Latest Practicable Date, the Directors wish to state that they have no immediate plan to repurchase any Shares or issue any new Shares pursuant thereto.

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Repurchase Mandate is set out in Appendix II to this circular.

#### 4. PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT AND SERVICE PROVIDER SUBLIMIT

##### Background

The Share Option Scheme was approved and adopted by the Shareholders at the annual general meeting of the Company held on 30 June 2023. The purpose of the Share Option Scheme is to enable the Company to grant share options to eligible participants as incentives or rewards for their contribution to the growth of the Group and to provide the Group with a more flexible means to attract, retain, reward, remunerate, compensate and/or provide benefits to the eligible participants.

The Scheme Mandate Limit is 407,918,800 Shares, representing 10% of the total number of Shares in issue on the Adoption Date. Within the Scheme Mandate Limit, the Service Provider Sublimit is 203,959,400 Shares, representing 5% of the total number of Shares in issue on the Adoption Date.

On 14 April 2025, the Company granted Options to subscribe for up to a total of 407,918,800 Shares under the Share Option Scheme. Options to subscribe for up to a total of 203,959,400 Shares were granted to directors and employees of the Group. Options to subscribe for up to a total of 203,959,400 Shares were granted to distributors of the Group. Please refer to the announcements of the Company dated 14 April 2025 and 15 April 2025 for details. Following the grant of such Options, the Scheme Mandate Limit and the Service Provider Sublimit have been fully utilized.

Details of the Options granted on 14 April 2025 are set out in the table below. The exercise price of all such Options is HK\$0.31 per Share.

Name of Grantee	Number of Options Granted	Number of Outstanding Options as at the Latest Practicable Date
<b>Executive Directors and Non-Executive Directors</b> <sup>(Notes 1(a) and 1(b))</sup>		
Mr. Chow Wai Kit <i>(Executive Director)</i>	27,000,000	27,000,000
Mr. Cheng Gwan Sing <i>(Executive Director)</i>	27,000,000	27,000,000
Mr. Yue Zhiqiang <i>(Executive Director)</i>	27,000,000	27,000,000

## LETTER FROM THE BOARD

Name of Grantee	Number of Options Granted	Number of Outstanding Options as at the Latest Practicable Date
Ms. Jiang Xiaohong ( <i>Non-Executive Director</i> )	27,000,000	27,000,000
Mr. Xie Kun ( <i>Non-Executive Director</i> )	3,000,000	3,000,000
Mr. Wei Zheming ( <i>Non-Executive Director</i> )	3,000,000	3,000,000
<b>Independent Non-Executive Directors</b> <sup>(Notes 2(a) and 2(b))</sup>		
Dr. Zhang Chunlong ( <i>Independent Non-Executive Director and Chairman of the Board</i> )	3,000,000	3,000,000
Mr. Lo Wai Hung ( <i>Independent Non-Executive Director</i> )	3,000,000	3,000,000
Ms. Lin Ting ( <i>Independent Non-Executive Director</i> )	3,000,000	3,000,000
Sub-total:	123,000,000	123,000,000
<b>Employees</b> <sup>(Notes 1(a) and 1(b))</sup>		
Mr. Wang Dong ( <i>Co-Chief Executive Officer</i> )	27,000,000	27,000,000
Mr. Du Hui ( <i>Co-Chief Executive Officer</i> )	27,000,000	27,000,000
Other employees of the Group	26,959,400	26,959,400
Sub-total:	80,959,400	80,959,400
<b>Distributors</b> <sup>(Notes 3(a) and 3(b))</sup>		
Russell Breweries (Hong Kong) Company Limited	46,000,000	46,000,000
Tibet Life Water Holding Company Limited	46,000,000	46,000,000
China Prosper Holding Group Co., Limited	30,000,000	30,000,000
Sofia Jade Limited	30,000,000	30,000,000
Smoothly Good Investment Development Limited	28,800,000	28,800,000
Pentart Industrial Limited	10,000,000	10,000,000
Other distributors <sup>(Note 3(c))</sup>	13,159,400	13,159,400
Sub-total:	203,959,400	203,959,400
<b>Total:</b>	<b>407,918,800</b>	<b>407,918,800</b>

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## LETTER FROM THE BOARD

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Notes:

1.
  - (a) The vesting of the Options granted to each of these Directors (excluding independent non-executive Directors) and employees is subject to the satisfaction of certain performance targets. The vesting of: (i) 50% of his/her Option is subject to the performance targets in respect of the six months ending 30 June 2025 (the “**First Performance Target Period**”) being satisfied; and (ii) the remaining 50% of his/her Option is subject to the performance targets in respect of the year ending 31 December 2025 (the “**Second Performance Target Period**”) being satisfied. In case of partial satisfaction of the performance targets of a performance target period, the relevant batch of Option may vest in proportion to the performance targets actually achieved (or such other proportion not exceeding the proportion of the performance targets actually achieved) as determined by the Remuneration Committee on the recommendation of the senior management.
  - (b) Within 30 days after (a) the date of publication of the interim results announcement of the Company for the six months ended 30 June 2025 and (b) the date of publication of the annual results announcement of the Company for the year ending 31 December 2025, the Remuneration Committee shall determine, on the recommendation of the senior management, whether each such Director and employee satisfies his/her performance targets in respect of the First Performance Target Period and Second Performance Target Period respectively. Subject to the satisfaction of the relevant performance targets, a batch of Option (or any portion thereof, as the case may be) to be vested (if any) shall vest on the date on which the Remuneration Committee determines that the performance targets in respect of the relevant performance target period are satisfied, and becomes exercisable forthwith, in whole or in part, up to and including 29 June 2033.
2.
  - (a) The Options granted to independent non-executive Directors are not subject to any performance targets.
  - (b) The Options shall vest 12 months after the date of grant (14 April 2025) and become exercisable forthwith, in whole or in part, up to and including 29 June 2033.
3.
  - (a) The vesting of the Options granted to the distributors is subject to their satisfaction of certain performance targets during a period of 12 months from the date of grant (14 April 2025). In case of partial satisfaction of the performance targets, the Option may vest in proportion to the performance targets actually achieved (or such other proportion not exceeding the proportion of the performance targets actually achieved) as determined by the Remuneration Committee on the recommendation of the senior management.
  - (b) The Remuneration Committee shall determine and verify, on the recommendation of the senior management, each distributor’s satisfaction of the performance target within the 45 days after the expiry of the performance target period. The Options (or any portion thereof, as the case may be) to be vested (if any) shall vest on the date of the completion of such determination, and become exercisable forthwith, in whole or in part, up to and including the last trading day of the 3-year period after the vesting date.
  - (c) None of these other distributors is a service provider with options and awards granted and to be granted in any 12-month period exceeding 0.1% of the Shares in issue (excluding any treasury shares) as referred to in Rule 17.06A(2)(c) of the Listing Rules or a connected person of the Company.

As to the Directors and employees who were granted Options, the Options are a means to reward them for their past contribution to the success of the Group, and will provide them with (i) financial incentives to make contribution to the future business operations and long-term development of the Group and (ii) an opportunity to have a personal stake in the Group, thus aligning their interests with those of the Group.

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## LETTER FROM THE BOARD

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The Company highly recognizes the valuable contributions of these Directors and employees, all of whom have made contributions to the Company in various capacities and many of whom have served the Group for over 10-15 years. Some of grantees are based in Tibet or have to spend a great amount of time in Tibet during the year. They have to work at an elevation of 5,100 meters above the sea level, having to endure challenging environment conditions at work including the freezing winters and the high altitude effects (such as altitude sickness). They have however made valuable contributions to the Group during their tenure, demonstrating their long-term commitment to the development of the Group. Meanwhile, prior to the grant of these Options, the Company had not granted any share options to directors and employees of the Group since its listing, whether under the Share Option Scheme or the expired share option scheme of the Company. Having considered the contributions of these Directors and employees to the Company over the years, the flexible mechanism provided by the Share Option Scheme to retain, reward and incentivize key personnel, the past utilization rate of share option schemes in respect of directors and employees as well as other circumstances particular to the Company, the Board considered that it was a good timing for the Company to reward and retain these Directors and employees, in alignment with the purpose of the Share Option Scheme, by way of granting the Share Options to them. The Board therefore decided to fully utilize the Scheme Mandate Limit.

As to the distributors who were granted Options, they are existing and new distributors of the Group's products (including water and/or beer products) with sales channels targeting specific customer profiles. The Board has considered, among others, (i) their background, business networks, market connections and sales channels; (ii) the degree of cooperation and scale of cooperation with the Group; (iii) the length of business relationship with the Group; (iv) their contribution provided or expected to be provided to the Group in connection with its business development and/or operations; and (v) the performance targets imposed. The grant of Options to them with the performance targets would incentivize them to continue to provide their valuable contributions to Group's water and beer businesses, motivate them to strengthen their long-term service commitment to the Group, and align the distributors' interests with those of the Group.

In face of the challenges posed by the current market conditions, the Group is hoping to tap into customer base through granting share options to these distributors so as to incentivize them to achieve higher target sales and to allow the Group's products to reach more consumers. The Board therefore decided to fully utilize the Service Provider Sublimit.

### **Proposed Refreshment of Scheme Mandate Limit and Service Provider Sublimit**

At the AGM 2025, ordinary resolutions will be proposed to the Independent Shareholders to approve (i) the proposed refreshment of the Scheme Mandate Limit to 10% of the total number of Shares in issue (excluding any treasury shares) as at the date of passing of the relevant resolution; and (ii) the proposed refreshment of the Service Provider Sublimit to 5% of the total number of Shares in issue (excluding any treasury shares) as at the date of passing of the relevant resolution.

As at the Latest Practicable Date, there were 4,699,945,575 Shares in issue and no treasury shares were held by the Company. Assuming there is no change in the number of issued Shares (excluding any treasury shares) during the period from the Latest Practicable Date to the AGM 2025, the Scheme Mandate Limit and the Service Provider Sublimit will be 469,994,557 Shares and 234,997,278 Shares respectively.

There has been no refreshment of the Scheme Mandate Limit or the Service Provider Sublimit since the Adoption Date.

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## LETTER FROM THE BOARD

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### **Reasons for the proposed refreshment of Scheme Mandate Limit and Service Provider Sublimit**

In view of the full utilization of the Scheme Mandate Limit and the Service Provider Sublimit, their refreshment will allow the Company to continue to grant share options to eligible participants (including but not limited to the Service Providers) as incentives or rewards for their contribution to the growth of the Group and to attract, retain, reward, remunerate, compensate and/or provide benefits to the eligible participants (including but not limited to the Service Providers) using a more flexible means.

As at the Latest Practicable Date, the Company has no concrete plan or intention to grant any Options under the Share Option Scheme immediately after obtaining Independent Shareholders' approval for the refreshment of the Scheme Mandate Limit and the Service Provider Sublimit. Although there is no such concrete plan at present and the Company has not frequently granted share options in the past, the Company may however consider granting Options under the Share Option Scheme in future as and when appropriate considering the circumstances of the Company at the relevant time. Nonetheless, both the Scheme Mandate Limit and the Service Provider Sublimit have recently been fully utilized for the reasons set out in the subsection headed "Background" at page 8 above. If the Company were to refresh the Scheme Mandate Limit and the Service Provider Sublimit after three years from the Adoption Date, which would be in 2026, the Company would be severely restricted in utilizing the Share Option Scheme to attract, retain or reward eligible participants or incentivize them to make contributions to the growth of the Group during the period.

The Company recognizes the importance of maintaining a flexible and effective share option scheme to support its long-term business objectives. The grant of Options is a talent retention strategy and an important means to reward and align the interests of employees, directors, and service providers with those of the Company and its shareholders. Maintaining the sufficiency of Scheme Mandate Limit and Service Provider Sublimit, and hence the flexibility to grant Options as and when necessary, would enable the Company to respond dynamically to future market conditions, operational and business needs, which may all evolve over time, and to remain competitive in retaining and incentivizing high-caliber individuals and service providers. The recent grant of Options in April 2025 in accordance with the purposes of the Share Option Scheme as more particularly discussed in the subsection headed "Background" above exemplifies the importance of maintaining a viable share option scheme as part of the Company's overall talent and business development strategy to reward and retain employees and service providers alike who are instrumental to Group's success. In particular, as disclosed in the annual report of the Company for the year ended 31 December 2024, the Group's water and beer businesses are facing keen competition, and the Group will strive to cope with the challenges by developing its distributor network throughout the country and increasing its market share through optimizing channel layout. In this connection, as also mentioned in the subsection headed "Background" above, the Group is tapping into customer base through granting share options to distributors with sales channels targeting specific customer profiles so as to incentivize them to achieve higher target sales and to allow the Group's products to reach more consumers. It is therefore necessary to refresh the Scheme Mandate Limit and Service Provider Sublimit which have already been fully utilized so that the Company may continue to leverage the Share Option Scheme to cope with the challenges posed by the changing market conditions.

In view of the above, the Board (excluding the independent non-executive Directors whose views are set out in the letter from the Independent Board Committee in Appendix III) considers that the refreshment is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## LETTER FROM THE BOARD

### Effects on the shareholding structure of the Company

The following table illustrates the dilution impact of the refreshment of the Scheme Mandate Limit and Service Provider Sublimit, taking into account one or more of the following events:

- (A) full exercise of the Options which may be granted under the Scheme Option Scheme assuming full utilization of the proposed refreshed Scheme Mandate Limit and the Service Provider Sublimit;
- (B) full exercise of the outstanding Options under the Share Option Scheme (i.e. the Options granted on 14 April 2025); and
- (C) full conversion of all the outstanding convertible bonds issued by the Company.

	As at the Latest Practicable Date		(A)		(A)+(B)		(A)+(B)+(C)	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Tibet Water Resources Limited <sup>(Note 1)</sup>	437,410,960	9.31%	437,410,960	8.46%	437,410,960	7.84%	437,410,960	6.88%
Tianshan Industry Investment Limited <sup>(Note 2)</sup>	370,533,043	7.88%	370,533,043	7.17%	370,533,043	6.64%	370,533,043	5.83%
Harvest International Premium Value (Alternative Investments) Fund SPC on behalf of Harvest Water Resources Investment SP <sup>(Note 3)</sup>	300,000,000	6.38%	300,000,000	5.80%	300,000,000	5.38%	300,000,000	4.72%
Other Shareholders	3,592,001,572	76.43%	3,592,001,572	69.48%	3,592,001,572	64.40%	3,592,001,572	56.50%
<b>Refreshed Scheme Mandate Limit</b>								
Maximum number of Shares which may be issued under full utilization of the refreshed Scheme Mandate Limit	—	—	469,994,557	9.09%	469,994,557	8.43%	469,994,557	7.39%
<b>Outstanding Options</b>								
Maximum number of Shares which may be issued upon full exercise of the outstanding Options	—	—	—	—	407,918,800	7.31%	407,918,800	6.42%
<b>Outstanding convertible bonds</b>								
Maximum number of Shares which may be issued upon full conversion of 8% convertible bonds in principal amount of HK\$165,000,000 due 2025	—	—	—	—	—	—	379,242,424	5.97%
Maximum number of Shares which may be issued upon full conversion of 8% convertible bonds in principal amount of HK\$138,000,000 due 2025	—	—	—	—	—	—	400,000,000	6.29%
<b>Total</b>	<b><u>4,699,945,575</u></b>	<b><u>100.00%</u></b>	<b><u>5,169,940,132</u></b>	<b><u>100.00%</u></b>	<b><u>5,577,858,932</u></b>	<b><u>100.00%</u></b>	<b><u>6,357,101,356</u></b>	<b><u>100.00%</u></b>



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## LETTER FROM THE BOARD

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*Notes:*

1. Tibet Water Resources Limited is held as to 100% by Maple Essence Investments Limited, which is in turn wholly-owned by True Asset Holdings Limited, which is wholly-owned by Mr. WANG Peter Jian. For 200,000,000 Shares out of these 437,410,960 Shares, please refer to the Company's announcement dated 14 November 2019.
2.
  - (a) Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership holds 100% equity interest in Tianshan Industry Investment Limited and is therefore deemed to be interested in the 370,533,043 Shares held by Tianshan Industry Investment Limited.
  - (b) Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership is held as to 0.66% by and is accustomed to act in accordance with the directions of 新疆天山產業投資基金管理有限公司. Therefore, 新疆天山產業投資基金管理有限公司 is deemed to be interested in the 370,533,043 Shares held by Tianshan Industry Investment Limited.
  - (c) 新疆金融投資有限公司 holds 46.36% equity interest in Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership. 新疆金融投資有限公司 also holds 30% equity interest in 新疆天山產業投資基金管理有限公司. Therefore, 新疆金融投資有限公司 is deemed to be interested in the 370,533,043 Shares held by Tianshan Industry Investment Limited.
  - (d) 新疆維吾爾自治區人民政府國有資產監督管理委員會 wholly owns 新疆金融投資有限公司. Therefore, 新疆維吾爾自治區人民政府國有資產監督管理委員會 is deemed to be interested in the 370,533,043 Shares held by Tianshan Industry Investment Limited.
  - (e) 申萬宏源產業投資管理有限責任公司 holds 30% equity interest in 新疆天山產業投資基金管理有限公司 and is deemed to be interested in the 370,533,043 Shares held by Tianshan Industry Investment Limited.
  - (f) 申萬宏源集團股份有限公司 holds 33.11% equity interest in Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership. Further, 申萬宏源集團股份有限公司 wholly owns 申萬宏源產業投資管理有限責任公司. Therefore, 申萬宏源集團股份有限公司 is deemed to be interested in the 370,533,043 Shares held by Tianshan Industry Investment Limited.
  - (g) 中央匯金投資有限責任公司, directly and indirectly through its subsidiaries, holds 51.17% equity interest in 申萬宏源集團股份有限公司. Therefore, 中央匯金投資有限責任公司 is deemed to be interested in the 370,533,043 Shares held by Tianshan Industry Investment Limited.
3. Harvest International Premium Value (Alternative Investments) Fund SPC (on behalf of Harvest Water Resources Investment SP) is held as to 91% by Harvest Global Investments Limited, which is wholly owned by Harvest Fund Management Co., Ltd., which is in turn held as to 40% by China Credit Trust Co., Ltd.



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## LETTER FROM THE BOARD

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### Conditions of the proposed refreshment of Scheme Mandate Limit and Service Provider Sublimit

The proposed refreshment of the Scheme Mandate Limit is conditional upon:

- (a) the passing of the necessary resolution by the Independent Shareholders at the AGM 2025 for approving the refreshment of the Scheme Mandate Limit; and
- (b) the Listing Committee of the Stock Exchange granting the approval of the listing of, and permission to deal in, the Shares to be allotted and issued upon the exercise of the Options that may be granted under the Share Option Scheme under the refreshed Scheme Mandate Limit.

The proposed refreshment of the Service Provider Sublimit is conditional upon:

- (a) the passing of the necessary resolutions by the Independent Shareholders at the AGM 2025 for approving the refreshment of the Scheme Mandate Limit and the Service Provider Sublimit; and
- (b) the Listing Committee of the Stock Exchange granting the approval referred to above.

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares to be allotted and issued upon the exercise of the Options that may be granted under the Share Option Scheme under the refreshed Scheme Mandate Limit.

The refreshment of the Service Provider Sublimit is subject to separate approval by the Independent Shareholders at the AGM 2025. In case the refreshment of the Scheme Mandate Limit is approved by the Independent Shareholders but the refreshment of the Service Provider Sublimit is not so approved by the Independent Shareholders, no further Options shall be granted to any Service Provider in view of the full utilization of the Service Provider Sublimit, but the Company may, as and when appropriate and in compliance with all applicable requirements under the Listing Rules, seek approval of the refreshment of the Service Provider Sublimit again.

The Company has no intention to satisfy any Options to be granted under the Share Option Scheme by treasury shares.

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## LETTER FROM THE BOARD

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### **Listing Rules Implications**

As the Scheme Mandate Limit and the Service Provider Sublimit are proposed to be refreshed within three years from the Adoption Date, pursuant to Rule 17.03C(1)(b)(i) of the Listing Rules, the proposed refreshment must be approved by the Independent Shareholders.

As at the Latest Practicable Date, to the best knowledge, belief and information of the Directors having made all reasonable enquiries, the Company has no controlling Shareholder. Accordingly, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates are required to abstain from voting in favour of the resolutions to approve the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit. As at the Latest Practicable Date, to the best knowledge, belief and information of the Directors having made all reasonable enquiries, save for Mr. CHOW Wai Kit, an executive Director who held 1,000 Shares (representing approximately 0.00002% of the total number of Shares in issue as at the Latest Practicable Date), no other Directors and no co-chief executive officers of the Company held any issued Shares. Accordingly, Mr. CHOW Wai Kit will abstain from voting in favour of the relevant resolutions. To the best of the Director's knowledge, information and belief having made all reasonable enquiries, save as disclosed, no other Shareholder is required to abstain from voting on the relevant resolutions.

Pursuant to Rule 17.03C(1)(b)(ii) of the Listing Rules, the Company shall also establish an independent board committee and appoint an independent financial adviser to advise the Independent Shareholders on the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit. The Independent Board Committee comprising all the independent non-executive Directors, namely Dr. ZHANG Chunlong, Mr. LO Wai Hung and Ms. LIN Ting, has been established to advise the Independent Shareholders and Goldlink Capital (Corporate Finance) Limited has been appointed as the Independent Financial Adviser to make recommendations to the Independent Board Committee and the Independent Shareholders on the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit. The letter from the Independent Board Committee is set out in Appendix III and the letter from the Independent Financial Adviser is set out in Appendix IV.

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## LETTER FROM THE BOARD

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### 5. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages V-1 to V-6 of this circular.

Pursuant to Rule 13.39(4) of the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and of the Company (<http://www.twr1115.net>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority, to the Company's Hong Kong branch share registrar, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours (Hong Kong Time) before the time appointed for holding the Annual General Meeting (i.e. before 11:00 a.m. on Saturday, 28 June 2025) or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereon should you so wish.

To the extent that the Company is aware having made all reasonable enquiries, none of the Shareholders is required to abstain from voting in respect of the resolutions proposed at the Annual General Meeting save and except that, as mentioned above, Mr. CHOW Wai Kit, an executive Director who held 1,000 Shares (representing approximately 0.00002% of the total number of Shares in issue as at the Latest Practicable Date) will abstain from voting in favour of the resolutions to approve the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit.

### 6. CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 25 June 2025 to Monday, 30 June 2025 (both days inclusive), during which period no transfer of shares will be registered, in order to determine the entitlement to attend the AGM 2025. In order to qualify for attending and voting at the AGM 2025, all properly completed transfer documents accompanied by the relevant share certificate(s) must be lodged with the Company's share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not later than 4:00 p.m. on Tuesday, 24 June 2025.

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## LETTER FROM THE BOARD

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### 7. RECOMMENDATION

The Directors consider that the proposed resolutions set out in the notice of the Annual General Meeting, including but not limited to the re-election of the retiring Directors, the granting of the Share Repurchase Mandate and Issuance Mandate and the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit, are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

### 8. RESPONSIBILITY STATEMENT

This circular, 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 Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular 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 circular misleading.

### 9. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular including the letter from the Independent Board Committee in Appendix III and the letter from the Independent Financial Adviser in Appendix IV.

Yours faithfully,  
For and on behalf of the Board  
**Tibet Water Resources Ltd.**  
**Dr. ZHANG Chunlong**  
*Chairman and Independent non-executive Director*

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## APPENDIX I                      DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

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Pursuant to the Articles of Association, the details of the Directors, who will retire and offer themselves for re-election at the Annual General Meeting, are provided below.

### (1) Mr. WEI Zheming

#### *Position and Experience*

Mr. WEI Zheming, aged 42, is a non-executive Director and was appointed to the Board on 25 May 2022. He was a non-executive Director from 31 December 2019 to 30 June 2020. He graduated with a bachelor's degree in law at Xinjiang University (新疆大學) in 2005 and obtained a master degree in business administration at Xinjiang University of Finance & Economics (新疆財經大學) in 2013. He passed the National Judicial Examination in 2009 in the PRC and was qualified as a secretary of board of directors in May 2009, an independent director in October 2017 and a fund practitioner in October 2018 in the PRC. Mr. WEI was the deputy general manager and the secretary of the board of directors of Xinjiang Tianshan Wool Textile Co., Ltd.\* (新疆天山毛紡織股份有限公司) (now known as Dezhan Healthcare Company Limited (德展大健康股份有限公司) (stock code: 000813.SZ)) and a director of Xinjiang Zhilian Qushi Information Technology Co., Ltd.\* (新疆智聯趨勢信息科技有限公司). Currently, Mr. WEI is the party branch secretary and the chairman of Dezhan Healthcare Company Limited (德展大健康股份有限公司) (stock code: 000813.SZ), the deputy secretary of the party committee, a director and general manager of Xinjiang Financial Investment (Group) Co., Ltd.\* (新疆金融投資(集團)有限責任公司), the deputy general manager and investment director of Xinjiang Kaidi Investment Co., Ltd.\* (新疆凱迪投資有限責任公司), a director of Xinjiang Kaidi Mining Investment Co., Ltd.\* (新疆凱迪礦業投資股份有限公司), a director of Huarong International Trust Co., Ltd.\* (華融國際信託有限責任公司) and the chairman of Xinjiang Tianshan Industrial Investment Fund Management Co., Ltd.\* (新疆天山產業投資基金管理有限公司) (which has an interest in the shares of the Company which would fall to be disclosed to the Company under Part XV of the Securities and Futures Ordinance).

As at the Latest Practicable Date, save as disclosed above, Mr. WEI did not hold any directorships in other public listed companies in the last three years and did not hold other major appointments and professional qualifications and other positions with the Company or other members of the Group.

#### *Relationships*

Xinjiang Financial Investment (Group) Co., Ltd.\*, of which Mr. WEI is the deputy secretary of the party committee, a director and general manager, is a limited partner owning 46.36% equity interest in Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership\* (霍爾果斯天山一號產業投資基金有限合夥企業) (“**Khorgos Tianshan**”), a substantial Shareholder. Xinjiang Tianshan Industrial Investment Fund Management Co., Ltd.\*, of which Mr. WEI is the chairman, is a general partner owning 0.66% equity interest in Khorgos Tianshan.

As far as the Directors are aware, save as disclosed above, Mr. WEI does not have any relationship with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules).

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## APPENDIX I                      DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

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### *Length of service and Director's emoluments*

Pursuant to a letter of appointment entered into between Mr. WEI and the Company, Mr. WEI has been appointed as a non-executive Director for a term of 3 years commencing from 25 May 2022 unless terminated by 3 months' prior written notice given by either party to the other. He is subject to retirement by rotation and re-election in accordance with the Articles of Association. Pursuant to such letter of appointment, Mr. WEI is not entitled to receive any remuneration.

### *Other information and matters that need to be disclosed or brought to the attention of the Shareholders*

As far as the Directors are aware, there is no information of Mr. WEI required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr. WEI that need to be brought to the attention of the Shareholders.

## **(2) Dr. ZHANG Chunlong**

### *Position and Experience*

Dr. ZHANG Chunlong, aged 61, is an independent non-executive Director, the chairman of the Board, the chairman of the Remuneration Committee and a member of each of the Audit Committee and Nomination Committee and was appointed to the Board with effect from 8 July 2022.

He obtained a bachelor's degree in mechanical engineering from Dalian University in 1986, a master's degree in business administration from Hong Kong Baptist University in 2002 and a doctoral degree in enterprise management from Dalian University of Technology in 2017. Dr. Zhang successively worked in the Dalian representative office of Standard Chartered Bank, China Railway Construction Investment Company\* (中國鐵路建設投資公司) and CITIC Shenzhen (Group) Company\* (中信深圳(集團)公司) and held various senior management positions, with more than 35 years of working experience in financial institutions and state-owned enterprises. Dr. Zhang is also a member of The Hong Kong Institute of Bankers and a Certified Credit Risk Management Professional (Credit Portfolio Management) (CCRP(CPM)) registered with The Hong Kong Institute of Bankers.

As at the Latest Practicable Date, save as disclosed above, Dr. ZHANG did not hold any directorships in other public listed companies in the last three years and did not hold other major appointments and professional qualifications and other positions with the Company or other members of the Group.

### *Relationships*

As far as the Directors are aware, Dr. ZHANG does not have any relationship with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules).

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## APPENDIX I                      DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

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### *Length of service and Director's emoluments*

Pursuant to a letter of appointment entered into between Dr. ZHANG and the Company, Dr. ZHANG has been appointed as an independent non-executive Director for a term of 3 years commencing from 8 July 2022 unless terminated by 3 months' prior written notice given by either party to the other. Pursuant to such letter of appointment, Dr. ZHANG is entitled to receive a director's fee in the amount of HK\$2,600,000 per annum, which was determined by the Board on the recommendation of the Remuneration Committee, with reference to the prevailing market conditions and the terms of the Company's remuneration policy. Apart from his remuneration under the letter of appointment, Mr. ZHANG is also entitled to an additional fee of HK\$20,000 per annum as the chairman of the Remuneration Committee. He is subject to retirement by rotation and re-election in accordance with the Articles of Association.

### *Other information and matters that need to be disclosed or brought to the attention of the Shareholders*

As far as the Directors are aware, there is no information of Dr. ZHANG required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Dr. ZHANG that need to be brought to the attention of the Shareholders.

### **(3) Ms. LIN Ting**

#### *Position and Experience*

Ms. LIN Ting, aged 55, is an independent non-executive Director and a member of each of the Audit Committee, Nomination Committee, Remuneration Committee and Risk Management Committee and was appointed to the Board with effect from 8 July 2022.

She obtained a bachelor's degree in industrial enterprise management from Shanghai University of Engineering Science in 1992 and a master's degree in technology management in information technology from The Hong Kong University of Science and Technology in 2004. Ms. Lin was qualified as a project management professional by the Project Management Institute in 2014 and was awarded the qualification certificate of board secretary by the Shanghai Stock Exchange in 2017.

From March 2009 to April 2013, Ms. Lin successively served as the deputy general manager of the business development department and the general manager of the information department of China Cargo Airlines Co., Ltd., and the general manager of the information department of Eastern Air Logistics Co., Ltd. (a company now listed on the Shanghai Stock Exchange (stock code: 601156.SH)). From April 2013 to January 2015, she was the general manager of logistics product department of the information solutions department of China Eastern Airlines Co., Ltd. (whose H shares (stock code: 670), A shares (stock code: 600115.SH) and American depositary shares (stock code: CEA) are listed on the Stock Exchange, the Shanghai Stock Exchange and the New York Stock Exchange, respectively).

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## APPENDIX I                      DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

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Ms. Lin was an independent non-executive director of Hang Tai Yue Group Holdings Limited (formerly known as China Mobile Games and Cultural Investment Limited and Interactive Entertainment China Cultural Technology Investments Limited) (a company listed on GEM of the Stock Exchange (stock code: 8081)) from December 2015 to June 2016 and a director of Shanghai Changxin Technology Corp., Ltd. (a company whose shares are quoted on the National Equities Exchange and Quotations (stock code: 430611)) from March to August 2017. She was an executive director of Finsoft Financial Investment Holdings Limited (a company listed on GEM of the Stock Exchange (stock code: 8018)) from June 2016 to March 2025 and an independent non-executive director of UJU Holding Limited (a company listed on the Main Board of the Stock Exchange (stock code: 1948)) from October 2021 to October 2024. Ms. Lin was a director of Shanghai Yuefu Investment Management Consulting Co., Ltd.\* (上海悅輔投資管理諮詢有限公司), a company incorporated in the People's Republic of China which was engaged in the provision of investment management consultancy services, prior to its deregistration on 7 February 2021.

As at the Latest Practicable Date, save as disclosed above, Ms. LIN did not hold any directorships in other public listed companies in the last three years and did not hold other major appointments and professional qualifications and other positions with the Company or other members of the Group.

### *Relationships*

As far as the Directors are aware, save as disclosed above, Ms. LIN does not have any relationship with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules).

### *Length of service and Director's emoluments*

Pursuant to a letter of appointment entered into between Ms. LIN and the Company, Ms. LIN has been appointed as an independent non-executive Director for a term of 3 years commencing from 8 July 2022 unless terminated by 3 months' prior written notice given by either party to the other. Pursuant to such letter of appointment, Ms. LIN is entitled to receive a director's fee in the amount of HK\$150,000 per annum, which was determined by the Board on the recommendation of the Remuneration Committee, with reference to the prevailing market conditions and the terms of the Company's remuneration policy. She is subject to retirement by rotation and re-election in accordance with the Articles of Association.

### *Other information and matters that need to be disclosed or brought to the attention of the Shareholders*

As far as the Directors are aware, there is no information of Ms. LIN required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Ms. LIN that need to be brought to the attention of the Shareholders.



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**APPENDIX I                      DETAILS OF THE RETIRING DIRECTORS PROPOSED  
TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

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**INTERESTS OF DIRECTORS**

As at the Latest Practicable Date, none of the above mentioned retiring Directors had any interest in the Shares within the meaning of Part XV of the SFO.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolutions to be proposed at the Annual General Meeting in relation to the granting of the Share Repurchase Mandate.

### **1. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company is HK\$46,999,455.75 comprising of 4,699,945,575 Shares.

Subject to the passing of the proposed ordinary resolution set out in item 4 of the notice of the Annual General Meeting in respect of the granting of the Share Repurchase Mandate and assuming that the number of issued Shares (excluding any treasury shares) remains unchanged between the Latest Practicable Date and the date of the Annual General Meeting i.e. being 4,699,945,575 Shares, the Directors would be authorized under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, an aggregate number of 469,994,557 Shares, representing 10% of the aggregate number of Shares in issue (excluding any treasury shares) as at the date of the Annual General Meeting.

### **2. REASONS FOR REPURCHASE OF SHARES**

The Directors believe that the granting of the Share Repurchase Mandate is in the best interests of the Company and the Shareholders.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

### **3. FUNDING OF REPURCHASE**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

Any payment for repurchases by the Company may be made out of profits of the Company, the share premium account of the Company or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase or, if authorized by the Articles of Association and subject to any applicable laws of the Cayman Islands, out of capital. Any premium payable on a redemption or purchase over the par value of the Shares to be repurchased must be provided for out of either or both of the profits or from the share premium account of the Company, or, if authorized by the Articles of Association and subject to any applicable laws of the Cayman Islands, out of capital.

**4. IMPACT OF REPURCHASE**

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report of the Company for the year ended 31 December 2024) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

**5. MARKET PRICES OF SHARES**

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange for the year ended 31 December 2024 and up to the Latest Practicable Date were as follows:

<b>Month</b>	<b>Highest HK\$</b>	<b>Lowest HK\$</b>
<b>2024</b>		
January	0.305	0.216
February	0.255	0.220
March	0.310	0.232
April	0.320	0.230
May	0.360	0.235
June	0.325	0.280
July	0.350	0.260
August	0.330	0.300
September	0.335	0.300
October	0.445	0.305
November	0.360	0.310
December	0.365	0.310
<b>2025</b>		
January	0.380	0.330
February	0.380	0.330
March	0.350	0.315
April	0.395	0.290
May	0.380	0.285
June (up to the Latest Practicable Date)	0.310	0.290

**6. GENERAL**

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) has any present intention to sell any Shares to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that he/she/it has a present intention to sell any Shares to the Company, or that he/she/it has undertaken not to sell any Shares held by him/her/it to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Directors will exercise the power of the Company to make repurchases of Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands. In the event that the Share Repurchase Mandate is exercised, the Company intends to cancel the repurchased Shares.

Neither the explanatory statement in this Appendix II nor the proposed share repurchase has any unusual features.

**7. TAKEOVERS CODES**

If as a result of a repurchase of Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Codes. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Codes), depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Codes.

The Directors are not aware of any consequences of such repurchases of Shares that would result in any Shareholder, or a group of Shareholders acting in concert, becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Codes if the Share Repurchase Mandate is exercised in full.

The Directors have no intention to exercise the Share Repurchase Mandate to such an extent that would result in the number of Shares held by the public falling below the minimum prescribed percentage of 25% as required by the Listing Rules. At the Latest Practicable Date, to the best knowledge, belief and information of the Directors having made all reasonable enquiries, Mr. CHOW Wai Kit, an executive Director, held 1,000 Shares (representing only approximately 0.00002% of the total number of Shares in issue as at the Latest Practicable Date). Accordingly, assuming that there is no change in the number of issued Shares (excluding any treasury shares), the public float of the Company before and after the exercise of the Share Repurchase Mandate in full would be over 99.99%, well above the minimum prescribed percentage of 25% as required by the Listing Rules.

**8. REPURCHASE OF SHARES MADE BY THE COMPANY**

During the six months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).



**Tibet Water Resources Ltd.**

**西藏水資源有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1115)**

6 June 2025

*To the Independent Shareholders,*

Dear Sir or Madam,

## **PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT AND SERVICE PROVIDER SUBLIMIT**

### **INTRODUCTION**

We refer to the circular issued by the Company to its Shareholders dated 6 June 2025 (the “**Circular**”) of which this letter forms part. Unless the context requires otherwise, terms defined in the Circular shall have the same meaning when used herein.

We have been appointed as the Independent Board Committee to consider and advise the Independent Shareholders on the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit. Goldlink Capital (Corporate Finance) Limited has been appointed as the Independent Financial Adviser to make recommendations to the Independent Board Committee in this regard. Details of the advice of the Independent Financial Adviser, together with the principal factors and reasons taken into consideration in arriving at its advice, are set out on in the “Letter from the Independent Financial Adviser” as set out in Appendix IV to the Circular. We also wish to draw your attention to the additional information set out in the “Letter from the Board” in the Circular.

### **RECOMMENDATION**

We, having taken into account the advice of Independent Financial Adviser, consider that the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit is fair and reasonable, and is in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the resolutions for approving the refreshment of the Scheme Mandate Limit and the Service Provider Sublimit to be proposed at the AGM 2025.

Yours faithfully,  
For and on behalf of the  
**Independent Board Committee**

**Dr. ZHANG Chunlong**  
*Independent non-executive  
Director*

**Mr. LO Wai Hung**  
*Independent non-executive  
Director*

**Ms. LIN Ting**  
*Independent non-executive  
Director*

*The following is the full text of a letter of advice from Goldlink Capital (Corporate Finance) Limited to the Independent Board Committee and the Independent Shareholders in respect of the proposed refreshment of Scheme Mandate Limit and Service Provider Sublimit, which has been prepared for the purpose of inclusion in this circular.*



28/F

Bank of East Asia Harbour View Centre  
56 Gloucester Road  
Wanchai  
Hong Kong

6 June 2025

*To: The Independent Board Committee and the Independent Shareholders of  
Tibet Water Resources Ltd.*

Dear Sir or Madam,

## **PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT AND SERVICE PROVIDER SUBLIMIT**

### **INTRODUCTION**

We refer to our appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the proposed refreshment of Scheme Mandate Limit and Service Provider Sublimit, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company to the Shareholders dated 6 June 2025 (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

References are made to the announcements of the Company dated 14 April 2025 and 15 April 2025, the Company granted Options to subscribe for up to a total of 407,918,800 Shares under the Share Option Scheme. Options to subscribe for up to a total of 203,959,400 Shares were granted to directors and employees of the Group. Options to subscribe for up to a total of 203,959,400 Shares were granted to distributors of the Group. Following the grant of such Options, the Scheme Mandate Limit and the Service Provider Sublimit have been fully utilized.

At the AGM 2025, ordinary resolutions will be proposed to the Independent Shareholders to approve (i) the proposed refreshment of the Scheme Mandate Limit to 10% of the total number of Shares in issue (excluding any treasury shares) as at the date of passing of the relevant resolution; and (ii) the proposed refreshment of the Service Provider Sublimit to 5% of the total number of Shares in issue (excluding any treasury shares) as at the date of passing of the relevant resolution.



As at the Latest Practicable Date, there were 4,699,945,575 Shares in issue and no treasury shares were held by the Company. Assuming there is no change in the number of issued Shares (excluding any treasury shares) during the period from the Latest Practicable Date to the AGM 2025, the Scheme Mandate Limit and the Service Provider Sublimit will be 469,994,557 Shares and 234,997,278 Shares respectively. There has been no refreshment of the Scheme Mandate Limit or the Service Provider Sublimit since the Adoption Date.

As the Scheme Mandate Limit and the Service Provider Sublimit are proposed to be refreshed within three years from the Adoption Date, pursuant to Rule 17.03C(1)(b)(i) of the Listing Rules, the proposed refreshment must be approved by the Independent Shareholders.

As at the Latest Practicable Date, to the best knowledge, belief and information of the Directors having made all reasonable enquiries, the Company has no controlling Shareholder. Accordingly, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates are required to abstain from voting in favour of the resolutions to approve the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit. As at the Latest Practicable Date, to the best knowledge, belief and information of the Directors having made all reasonable enquiries, save for Mr. CHOW Wai Kit, an executive Director who held 1,000 Shares (representing approximately 0.00002% of the total number of Shares in issue as at the Latest Practicable Date), no other Directors and no co-chief executive officers of the Company held any issued Shares. Accordingly, Mr. CHOW Wai Kit will abstain from voting in favour of the relevant resolutions. To the best of the Director's knowledge, information and belief having made all reasonable enquiries, save as disclosed, no other Shareholder is required to abstain from voting on the relevant resolutions.

The Independent Board Committee (comprising all independent non-executive Directors namely, Dr. ZHANG Chunlong, Mr. LO Wai Hung and Ms. LIN Ting) has been established to consider the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit and to advise the Independent Shareholders as to whether the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit is fair and reasonable and is in the interests of the Company and the Shareholders as a whole. We, Goldlink Capital (Corporate Finance) Limited, are appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in these regards.

As at the Latest Practicable Date, we did not have any relationship with or interest in the Company and any other parties that could reasonably be regarded as relevant to our independence. Apart from normal professional fees payable to us in connection with this appointment as the Independent Financial Adviser, no arrangement exists whereby we will receive any fees or benefits from the Company or any other parties that could reasonably be regarded as relevant to our independence. During the past two years, we did not have any engagement with the Company or the Directors, chief executives and substantial Shareholders of the Company or any of their associates. We are therefore independent of the Company pursuant to Rule 13.84 of the Listing Rules.

**BASIS OF OUR OPINION**

In arriving at our recommendations, we have relied on the statements, information and representations contained in the Circular and the information and representations provided to us by the Company, the Directors and the management of the Company. We have assumed that all information, representations and opinions contained or referred to in the Circular and all information and representations which have been provided by the Company, the Directors and the management of the Company for which they are solely and wholly responsible, are true and accurate at the time they were made and will continue to be accurate as at the Latest Practicable Date. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the management of the Company.

The Circular, 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 Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in the Circular 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 therein or the document misleading.

We consider that we have been provided with sufficient information on which to form a reasonable basis for our opinion. We have no reason to suspect that any relevant information has been withheld, nor are we aware of any material facts or circumstances which would render the information provided and representations made to us untrue, inaccurate or misleading. We consider that we have performed all the necessary steps to enable us to reach an informed view and to justify our reliance on the information provided so as to provide a reasonable basis for our opinion. We have not, however, carried out any independent verification of the information provided by the Company, the Directors and the management of the Company, nor have we conducted an independent investigation into the business and affairs of the Group and any parties in relation to the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit.

This letter is issued for the information of the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit. Except for its inclusion in the Circular, this letter is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

**PRINCIPAL FACTORS AND REASONS CONSIDERED**

In arriving at our opinions and recommendations, we have taken into consideration the following principal factors and reasons:

**1. BACKGROUND INFORMATION ON THE GROUP****1.1 Background information of the Group**

The Company is an investment holding company listed on the main board of the Stock Exchange. The Company operates through two business segments, which are the water business segment and the beer business segment. The principal activities of the Group's water business segment are manufacturing and selling a range of water products through wholesales in the PRC, selling raw materials and consumables to associates and third parties, and leasing production lines to associates. The principal activities of the Group's beer business segment are manufacturing and selling a range of beer products mainly in the PRC through wholesales.

**1.2 Financial performance of the Group**

Set out below is a summary of the consolidated statements of profit or loss of the Group for each of the three years ended 31 December 2022, 2023 and 2024 which are extracted from the Company's annual report for the year ended 31 December 2023 ("**2023 Annual Report**") and the Company's annual report for the year ended 31 December 2024 ("**2024 Annual Report**").

	<b>Year ended 31 December</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
Revenue	225,811	314,428	311,947
Cost of sales	(164,630)	(236,814)	(221,063)
Gross profit	61,181	77,614	90,884
Loss for the year attributable to owners of the Company	(573,947)	(352,867)	(102,466)

*For the year ended 31 December 2024 ("**FY2024**")*

According to the 2024 Annual Report, the Group recorded a revenue of approximately RMB225.8 million for FY2024, representing a decrease of approximately 28.2% as compared to the revenue of approximately RMB314.4 million for the year ended 31 December 2023 ("**FY2023**"). Such decrease was mainly due to the decrease in revenue generated from beer business segment from approximately RMB223.2 million for FY2023 to approximately RMB137.3 million for FY2024. The Group's gross profit margin increased from approximately 24.7% for FY2023 to approximately 27.1%, representing an increase of approximately 2.4 percentage point.

The Group's loss attributable to owners of the Company increased by approximately 62.7%, from approximately RMB352.9 million for FY2023 to approximately RMB573.9 million for FY2024. Such increase was mainly attributable to the increase in impairment loss on investments accounted for using the equity method related to the Group's investment in Shannan Yalaxiangbu and Highland Natural Water.

*For the year ended 31 December 2023*

According to the 2023 Annual Report, the Group recorded a revenue of approximately RMB314.4 million for FY2023, representing an increase of approximately 0.8% as compared to the revenue of approximately RMB311.9 million for the year ended 31 December 2022 ("FY2022"). Such increase was mainly due to the combined effect of (i) the increase in revenue generated from water business segment from approximately RMB65.6 million for FY2022 to approximately RMB87.1 million for FY2023; and (ii) the decrease in revenue generated from beer business segment from approximately RMB246.4 million for FY2022 to approximately RMB223.2 million for FY2023. The Group's gross profit margin decreased from approximately 29.1% for FY2022 to approximately 24.7%, representing a decrease of approximately 4.4 percentage point.

The Group's loss attributable to owners of the Company increased by approximately 244.4%, from approximately RMB102.5 million for FY2022 to approximately RMB352.9 million for FY2023. The increase in loss attributable to owners of the Company was mainly due to the increase in impairment loss on investments accounted for using the equity method related to the Group's investment in Shannan Yalaxiangbu and Highland Natural Water.

### 1.3 Financial position on the Group

Set out below is a summary of the consolidated statement of financial position of the Group as at 31 December 2022, 2023 and 2024 as extracted from the 2023 Annual Report and the 2024 Annual Report:

	As at 31 December		
	2024	2023	2022
	RMB'000	RMB'000	RMB'000
	(audited)	(audited)	(audited)
Non-current assets	1,825,563	2,328,898	2,605,241
Current assets	1,681,935	1,656,658	1,534,892
<b>Total Assets</b>	<b>3,507,498</b>	<b>3,985,556</b>	<b>4,140,133</b>
Current liabilities	1,082,550	1,060,727	953,596
Non-current liabilities	44,988	69,068	327,077
<b>Total Liabilities</b>	<b>1,127,538</b>	<b>1,129,795</b>	<b>1,280,673</b>
<b>Net Assets</b>	<b>2,379,960</b>	<b>2,855,761</b>	<b>2,859,460</b>

As at 31 December 2023, total assets of the Group were approximately RMB3,985.6 million, representing a decrease by approximately 3.7% from approximately RMB4,140.1 million as at 31 December 2022. Such decrease was mainly attributable to the decrease in investments accounted for using the equity method by approximately RMB228.4 million. As at 31 December 2024, total assets of the Group were approximately RMB3,507.5 million, representing a further decrease of approximately 12.0% from approximately RMB3,985.6 million as at 31 December 2023. Such decrease was mainly attributable to the decrease in investments accounted for using the equity method by approximately RMB474.0 million.

As at 31 December 2023, total liabilities of the Group amounted to approximately RMB1,129.8 million, representing a decrease of approximately 11.8% as compared to approximately RMB1,280.7 million as at 31 December 2022. The decrease in total liabilities was mainly due to (i) the decrease in trade and notes payable by approximately RMB93.0 million; and (ii) the decrease in bank borrowings by approximately RMB25.5 million. As at 31 December 2024, total liabilities of the group remained stable at approximately RMB1,127.5 million as compared to approximately RMB1,129.8 million as at 31 December 2023.

## **2. BACKGROUND AND REASONS FOR THE REFRESHMENT OF SCHEME MANDATE LIMIT AND SERVICE PROVIDER SUBLIMIT**

### **2.1 Background for the refreshment of Scheme Mandate Limit and Service Provider Sublimit**

The Share Option Scheme was approved and adopted by the Shareholders at the annual general meeting of the Company held on 30 June 2023. The purpose of the Share Option Scheme is to enable the Company to grant share options to eligible participants as incentives or rewards for their contribution to the growth of the Group and to provide the Group with a more flexible means to attract, retain, reward, remunerate, compensate and/or provide benefits to the eligible participants.

The Scheme Mandate Limit is 407,918,800 Shares, representing 10% of the total number of Shares in issue on the Adoption Date. Within the Scheme Mandate Limit, the Service Provider Sublimit is 203,959,400 Shares, representing 5% of the total number of Shares in issue on the Adoption Date.

On 14 April 2025, the Company granted Options to subscribe for up to a total of 407,918,800 Shares under the Share Option Scheme. Options to subscribe for up to a total of 203,959,400 Shares were granted to directors and employees of the Group. Options to subscribe for up to a total of 203,959,400 Shares were granted to distributors of the Group. Following the grant of such Options, the Scheme Mandate Limit and the Service Provider Sublimit have been fully utilized.

Details of the Options granted on 14 April 2025 are set out in the table below. The exercise price of all such Options is HK\$0.31 per Share.

Name of Grantee	Number of Options Granted	Number of Outstanding Options as at the Latest Practicable Date
<b>Executive Directors and Non-Executive Directors</b> <sup>(Note 1(a) and 1(b))</sup>		
Mr. Chow Wai Kit ( <i>Executive Director</i> )	27,000,000	27,000,000
Mr. Cheng Gwan Sing ( <i>Executive Director</i> )	27,000,000	27,000,000
Mr. Yue Zhiqiang ( <i>Executive Director</i> )	27,000,000	27,000,000
Ms. Jiang Xiaohong ( <i>Non-Executive Director</i> )	27,000,000	27,000,000
Mr. Xie Kun ( <i>Non-Executive Director</i> )	3,000,000	3,000,000
Mr. Wei Zheming ( <i>Non-Executive Director</i> )	3,000,000	3,000,000
<b>Independent Non-Executive Directors</b> <sup>(Note 2(a) and 2(b))</sup>		
Dr. Zhang Chunlong ( <i>Independent Non-Executive Director and Chairman of the Board</i> )	3,000,000	3,000,000
Mr. Lo Wai Hung ( <i>Independent Non-Executive Director</i> )	3,000,000	3,000,000
Ms. Lin Ting ( <i>Independent Non-Executive Director</i> )	3,000,000	3,000,000
Sub-total:	123,000,000	123,000,000
<b>Employees</b> <sup>(Note 1(a) and 1(b))</sup>		
Mr. Wang Dong ( <i>Co-Chief Executive Officer</i> )	27,000,000	27,000,000
Mr. Du Hui ( <i>Co-Chief Executive Officer</i> )	27,000,000	27,000,000
Other employees of the Group	26,959,400	26,959,400
Sub-total:	80,959,400	80,959,400
<b>Distributors</b> <sup>(Note 3(a) and 3(b))</sup>		
Russell Breweries (Hong Kong) Company Limited	46,000,000	46,000,000
Tibet Life Water Holding Company Limited	46,000,000	46,000,000
China Prosper Holding Group Co., Limited	30,000,000	30,000,000
Sofia Jade Limited	30,000,000	30,000,000
Smoothly Good Investment Development Limited	28,800,000	28,800,000
Pentart Industrial Limited	10,000,000	10,000,000
Other distributors <sup>(Note 3(c))</sup>	13,159,400	13,159,400
Sub-total:	203,959,400	203,959,400
<b>Total:</b>	407,918,800	407,918,800

*Notes:*

1.
  - (a) The vesting of the Options granted to each of these Directors (excluding independent non-executive Directors) and employees is subject to the satisfaction of certain performance targets. The vesting of: (i) 50% of his/her Option is subject to the performance targets in respect of the six months ending 30 June 2025 (the “**First Performance Target Period**”) being satisfied; and (ii) the remaining 50% of his/her Option is subject to the performance targets in respect of the year ending 31 December 2025 (the “**Second Performance Target Period**”) being satisfied. In case of partial satisfaction of the performance targets of a performance target period, the relevant batch of Option may vest in proportion to the performance targets actually achieved (or such other proportion not exceeding the proportion of the performance targets actually achieved) as determined by the Remuneration Committee on the recommendation of the senior management.
  - (b) Within 30 days after (a) the date of publication of the interim results announcement of the Company for the six months ended 30 June 2025 and (b) the date of publication of the annual results announcement of the Company for the year ending 31 December 2025, the Remuneration Committee shall determine, on the recommendation of the senior management, whether each such Director and employee satisfies his/her performance targets in respect of the First Performance Target Period and Second Performance Target Period respectively. Subject to the satisfaction of the relevant performance targets, a batch of Option (or any portion thereof, as the case may be) to be vested (if any) shall vest on the date on which the Remuneration Committee determines that the performance targets in respect of the relevant performance target period are satisfied, and becomes exercisable forthwith, in whole or in part, up to and including 29 June 2033.
2.
  - (a) The Options granted to independent non-executive Directors are not subject to any performance targets.
  - (b) The Options shall vest 12 months after the date of grant (14 April 2025) and become exercisable forthwith, in whole or in part, up to and including 29 June 2033.
3.
  - (a) The vesting of the Options granted to the distributors is subject to their satisfaction of certain performance targets during a period of 12 months from the date of grant (14 April 2025). In case of partial satisfaction of the performance targets, the Option may vest in proportion to the performance targets actually achieved (or such other proportion not exceeding the proportion of the performance targets actually achieved) as determined by the Remuneration Committee on the recommendation of the senior management.
  - (b) The Remuneration Committee shall determine and verify, on the recommendation of the senior management, each distributor’s satisfaction of the performance target within the 45 days after the expiry of the performance target period. The Options (or any portion thereof, as the case may be) to be vested (if any) shall vest on the date of the completion of such determination, and become exercisable forthwith, in whole or in part, up to and including the last trading day of the 3-year period after the vesting date.
  - (c) None of these other distributors is a service provider with options and awards granted and to be granted in any 12-month period exceeding 0.1% of the Shares in issue (excluding any treasury shares) as referred to in Rule 17.06A(2)(c) of the Listing Rules or a connected person of the Company.

As to the Directors and employees who were granted Options, the Options are a means to reward them for their past contribution to the success of the Group, and will provide them with (i) financial incentives to make contribution to the future business operations and long-term development of the Group and (ii) an opportunity to have a personal stake in the Group, thus aligning their interests with those of the Group.



Meanwhile, prior to the grant of these Options, the Company had not granted any share options to directors and employees of the Group since its listing, whether under the Share Option Scheme or the expired share option scheme of the Company. Having considered the contributions of these Directors and employees to the Company over the years, the flexible mechanism provided by the Share Option Scheme to retain, reward and incentivize key personnel, the past utilization rate of share option schemes in respect of directors and employees as well as other circumstances particular to the Company, the Board considered that it was a good timing for the Company to reward and retain these Directors and employees, in alignment with the purpose of the Share Option Scheme, by way of granting the Share Options to them. The Board therefore decided to fully utilize the Scheme Mandate Limit.

## 2.2 Reasons for the refreshment of Scheme Mandate Limit and Service Provider Sublimit

In view of the full utilization of the Scheme Mandate Limit and the Service Provider Sublimit, their refreshment will allow the Company to continue to grant share options to eligible participants (including but not limited to the Service Providers) as incentives or rewards for their contribution to the growth of the Group and to attract, retain, reward, remunerate, compensate and/or provide benefits to the eligible participants (including but not limited to the Service Providers) using a more flexible means.

We have obtained and reviewed the list of employee participants in relation to the share options granted on 14 April 2025 and their personal profile. We note that there are 20 employee participants, comprised of 9 directors and 11 employees, all of the employee participants have had valuable contributions to the development of the Group. Most of the employee participants have served the Group for over 10-15 years. We are also given to understand that some of the grantees are based in Tibet or have to spend a great amount of time in Tibet during the year. They have to work at an elevation of 5,100 meters above the sea level, having to endure challenging environment conditions at work including the freezing winters and the high altitude effects (such as altitude sickness). They have however made valuable contributions to the Group during their tenure, demonstrating their long-term commitment to the development of the Group.

As set out in the announcements of the Company dated 14 April 2025, under the Share Option Scheme, the vesting of the Options granted to the employee participants is subject to the satisfaction of certain performance targets (the “**Employee Participant Performance Targets**”). The Employee Participant Performance Targets of an employee participant for the relevant performance target period will be satisfied if the results of the performance evaluations are satisfactory as determined by the Remuneration Committee on the recommendation of the senior management. The Board considers that the grant of Options to the employee participants is a means to reward them for their past contribution to the success of the Group and will (i) provide them with financial incentives to make contribution to the future business operations and long-term development of the Group; and (ii) provide them an opportunity to have a personal stake in the Group, thus aligning their interests with those of the Group.



Under the Share Option Scheme, the vesting of the Options granted to the distributors is subject to their satisfaction of certain performance targets as stipulated in the offer letters (the “**Distributor Performance Target**”). In respect of each distributor, the vesting of its Option is conditional upon the distributor’s achievement of certain target sales of the products of the Group (in terms of revenue realized and recognized by the Group from the Group’s sales of its products to the distributor and/or its affiliated companies) during a period of 12 months from the Date of Grant.

We have obtained and reviewed the list of distributors, and note that all of the distributors are existing or new distributors of the Group’s products, including water and/or beer products, with established networks throughout the PRC. We have also reviewed and noted from the 2024 Annual Report that the domestic packaged drinking water market and the Group’s beer business were in keen competition in 2024, and the Group will develop distributor network throughout the country and continuously enhancing product exposure and brand awareness, with the aim to attract more consumers to pay attention to and purchase its products. In this regard, the distributors are existing and new distributors of the Group’s products, with sales channels targeting specific customer profiles. In determining the grant of Options to the distributors, the Board has considered factors such as (i) their background, business networks, market connections and sales channels; (ii) the degree of cooperation and scale of cooperation with the Group; (iii) the length of business relationship with the Group; (iv) their contribution provided or expected to be provided to the Group in connection with its business development and/or operations; and (v) the Distributor Performance Target imposed. The grant of Options to the distributors with the Distributor Performance Target would be able to incentivise the distributors to continue to provide their valuable contributions to Group’s water and beer businesses, motivate them to strengthen their long-term service commitment to the Group, and align the distributors’ interests with those of the Group.

According to the 2024 Annual Report, the domestic packaged drinking water market was in keen competition, but the Group’s packaged drinking water products are still focusing on the expansion of special channels. On the other hand, against the backdrop of the overall decline in sales volume in the beer industry and shrinking market demand, the Group’s beer business was affected by the interplay of the increasing market competition in Tibet and slow market expansion outside Tibet, resulting in a year-on-year decrease in sales volume of 35.4% and revenue of 38.5%. Regarding the water resources industry, we noted that the industry is under keen competitions among the key market players as reflected from the fact that price competition occurred in 2024 with a leading packaged drinking water manufacturer in the PRC cutting its the single bottle price of mainstream bottled water. Regarding the beer industry, according to the data from National Bureau of Statistics of China, the national beer production was 35.21 million kiloliters in 2024, representing a year-on-year of 0.6%, continuing the downward trend since its peak in 2013. Furthermore, the top four beer brands experienced decline in their revenue in 2024, reflecting the overall weak market demand as a whole.

According to the 2024 Annual Report, the Group continued to be committed to the development of the water resources industry and the beer industry in Tibet, striving to enhance the user experience and optimize channel expansion, so as to enable Tibet's distinctive and premium products to reach more consumers and potential consumers. As set out in the section headed "1.2 Financial performance of the Group" above, the Group recorded a revenue of approximately RMB225.8 million for FY2024, representing a decrease of approximately 28.2% as compared to the revenue of approximately RMB314.4 million for FY2023. As discussed with the Directors, in face of the challenges posed by the current market conditions, it was announced on 14 April 2025 that the Group tapped into customer base through granting share options with performance targets to certain existing and new distributors with diverse background and sales channels targeting specific customer profiles so as to incentivise the distributors to achieve higher target sales and to allow the Group's products to reach more consumers.

As at the Latest Practicable Date, the Company has no concrete plan or intention to grant any Options under the Share Option Scheme immediately after obtaining Independent Shareholders' approval for the refreshment of the Scheme Mandate Limit and the Service Provider Sublimit. Although there is no such concrete plan at present and the Company has not frequently granted share options in the past, the Company may however consider granting Options under the Share Option Scheme in future as and when appropriate considering the circumstances of the Company at the relevant time. Nonetheless, both the Scheme Mandate Limit and the Service Provider Sublimit have recently been fully utilized for the reasons set out in the subsection headed "Background" in the Letter from the Board. If the Company were to refresh the Scheme Mandate Limit and the Service Provider Sublimit after three years from the Adoption Date pursuant to Rule 17.03C(1)(a) of the Listing Rules, which would be in 2026, the Company would be severely restricted in utilizing the Share Option Scheme to attract, retain or reward eligible participants or incentivise them to make contributions to the growth of the Group during the period.

The Company recognizes the importance of maintaining a flexible and effective share option scheme to support its long-term business objectives. The grant of Options is a talent retention strategy and an important means to reward and align the interests of employees, directors, and service providers with those of the Company and its shareholders. Maintaining the sufficiency of Scheme Mandate Limit and Service Provider Sublimit, and hence the flexibility to grant Options as and when necessary, would enable the Company to respond dynamically to future market conditions, operational and business needs, which may all evolve over time, and to remain competitive in retaining and incentivizing high-caliber individuals and service providers. The recent grant of Options in April 2025 in accordance with the purposes of the Share Option Scheme as more particularly discussed in the subsection headed "Background" in the Letter from the Board exemplifies the importance of maintaining a viable share option scheme as part of the Company's overall talent and business development strategy to reward and retain employees and service providers alike who are instrumental to Group's success. In particular, as disclosed in the annual report of the Company for the year ended 31 December 2024, the Group's water and beer businesses are facing keen competition, and the Group

will strive to cope with the challenges by developing its distributor network throughout the country and increasing its market share through optimizing channel layout. In this connection, as also mentioned in the subsection headed “Background” in the Letter from the Board, the Group is tapping into customer base through granting share options to distributors with sales channels targeting specific customer profiles so as to incentivize them to achieve higher target sales and to allow the Group’s products to reach more consumers. It is therefore necessary to refresh the Scheme Mandate Limit and Service Provider Sublimit which have already been fully utilized so that the Company may continue to leverage the Share Option Scheme to cope with the challenges posed by the changing market conditions. Having considered that the Group’s business objective to continue to be committed to the development of the water resources industry and the beer industry in Tibet, striving to enhance the user experience and optimize channel expansion, so as to enable Tibet’s distinctive and premium products to reach more consumers and potential consumers as set out in the 2024 Annual Report, we concur with the view of the Directors that the grant of Options is a talent retention strategy and an important means to reward and align the interests of employees, directors, and service providers with those of the Company and its shareholders.

As set out in the 2024 Annual Report, the Group’s interest-bearing borrowings amounted to approximately RMB610.1 million, of which RMB578.1 million were repayable within one year and RMB32.0 million were repayable between one to two years, while its cash and cash equivalents amounted to approximately RMB121.8 million as at 31 December 2024. The exercise of the Options by the eligible participants would provide cash inflow to the Company. For illustrative purpose, the maximum number of Shares subject to the Options is 407,918,800 Shares and the exercise price of the Options granted is HK\$0.31 per Share under the Share Option Scheme, the Company would receive HK\$126.5 million upon exercise of the Options. Based on the above, we concur with the view of the Directors that the grant of Option is a more appropriate mean for providing incentives to eligible persons as compared to other means of incentive as it will preserve cash resources for the Group’s business operation.

Having considered the above reasons, we are of the view and concur with the Directors’ view that the refreshment of the Scheme Mandate Limit and the Service Provider Sublimit is fair and reasonable, and in the interests of the Company and its Shareholders as a whole.

## 2. EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table illustrates the dilution impact of the refreshment of the Scheme Mandate Limit and Service Provider Sublimit, taking into account one or more of the following events:

- (A) full exercise of the Options which may be granted under the Share Option Scheme assuming full utilization of the proposed refreshed Scheme Mandate Limit and the Service Provider Sublimit;
- (B) full exercise of the outstanding Options under the Share Option Scheme (i.e. the Options granted on 14 April 2025); and
- (C) full conversion of all the outstanding convertible bonds issued by the Company.

	As at the Latest Practicable Date		(A)		(A)+(B)		(A)+(B)+(C)	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Tibet Water Resources Limited <sup>(Note 1)</sup>	437,410,960	9.31%	437,410,960	8.46%	437,410,960	7.84%	437,410,960	6.88%
Tianshan Industry Investment Limited <sup>(Note 2)</sup>	370,533,043	7.88%	370,533,043	7.17%	370,533,043	6.64%	370,533,043	5.83%
Harvest International Premium Value (Alternative Investments) Fund SPC on behalf of Harvest Water Resources Investment SP <sup>(Note 3)</sup>	300,000,000	6.38%	300,000,000	5.80%	300,000,000	5.38%	300,000,000	4.72%
Other Shareholders	3,592,001,572	76.43%	3,592,001,572	69.48%	3,592,001,572	64.40%	3,592,001,572	56.50%
<b>Refreshed Scheme Mandate Limit</b>								
Maximum number of Shares which may be issued under full utilization of the refreshed Scheme Mandate Limit	—	—	469,994,557	9.09%	469,994,557	8.43%	469,994,557	7.39%
<b>Outstanding Options</b>								
Maximum number of Shares which may be issued upon full exercise of the outstanding Options	—	—	—	—	407,918,800	7.31%	407,918,800	6.42%
<b>Outstanding convertible bonds</b>								
Maximum number of Shares which may be issued upon full conversion of 8% convertible bonds in principal amount of HK\$165,000,000 due 2025	—	—	—	—	—	—	379,242,424	5.97%
Maximum number of Shares which may be issued upon full conversion of 8% convertible bonds in principal amount of HK\$138,000,000 due 2025	—	—	—	—	—	—	400,000,000	6.29%
<b>Total</b>	<b>4,699,945,575</b>	<b>100.00%</b>	<b>5,169,940,132</b>	<b>100.00%</b>	<b>5,577,858,932</b>	<b>100.00%</b>	<b>6,357,101,356</b>	<b>100.00%</b>

Notes:

- Tibet Water Resources Limited is held as to 100% by Maple Essence Investments Limited, which is wholly-owned by True Asset Holdings Limited, which is in turn wholly-owned by Mr. Wang Peter Jian. For 200,000,000 Shares out of these 437,410,960 Shares, please refer to the Company's announcement dated 14 November 2019.

2. (a) Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership holds 100% equity interest in Tianshan Industry Investment Limited and is therefore deemed to be interested in the 370,533,043 Shares held by Tianshan Industry Investment Limited.
  - (b) Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership is held as to 0.66% by and is accustomed to act in accordance with the directions of 新疆天山產業投資基金管理有限公司. Therefore, 新疆天山產業投資基金管理有限公司 is deemed to be interested in the 370,533,043 Shares held by Tianshan Industry Investment Limited.
  - (c) 新疆金融投資有限公司 holds 46.36% equity interest in Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership. 新疆金融投資有限公司 also holds 30% equity interest in 新疆天山產業投資基金管理有限公司. Therefore, 新疆金融投資有限公司 is deemed to be interested in the 370,533,043 Shares held by Tianshan Industry Investment Limited.
  - (d) 新疆維吾爾自治區人民政府國有資產監督管理委員會 wholly owns 新疆金融投資有限公司. Therefore, 新疆維吾爾自治區人民政府國有資產監督管理委員會 is deemed to be interested in the 370,533,043 Shares held by Tianshan Industry Investment Limited.
  - (e) 申萬宏源產業投資管理有限責任公司 holds 30% equity interest in 新疆天山產業投資基金管理有限公司 and is deemed to be interested in the 370,533,043 Shares held by Tianshan Industry Investment Limited.
  - (f) 申萬宏源集團股份有限公司 holds 33.11% equity interest in Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership. Further, 申萬宏源集團股份有限公司 wholly owns 申萬宏源產業投資管理有限責任公司. Therefore, 申萬宏源集團股份有限公司 is deemed to be interested in the 370,533,043 Shares held by Tianshan Industry Investment Limited.
  - (g) 中央匯金投資有限責任公司, directly and indirectly through its subsidiaries, holds 51.17% equity interest in 申萬宏源集團股份有限公司. Therefore, 中央匯金投資有限責任公司 is deemed to be interested in the 370,533,043 Shares held by Tianshan Industry Investment Limited.
3. Harvest International Premium Value (Alternative Investments) Fund SPC (on behalf of Harvest Water Resources Investment SP) is held as to 91% by Harvest Global Investments Limited, which is wholly owned by Harvest Fund Management Co., Ltd., which is in turn held as to 40% by China Credit Trust Co., Ltd.

As illustrated above, assuming there is no change in the number of Shares in issue from the Latest Practicable Date, the shareholding of the existing public Shareholders would be diluted from approximately 76.43% to approximately 69.48% immediately upon full exercise of the Options which may be granted under the Share Option Scheme assuming full utilization of the proposed refreshed Scheme Mandate Limit and the Service Provider Sublimit.

On the other hand, assuming there is no change in the number of Shares in issue from the Latest Practicable Date, the shareholding of the existing public Shareholders would be diluted from approximately 76.43% to approximately 64.40% immediately upon (i) full exercise of the Options which may be granted under the Share Option Scheme assuming full utilization of the proposed refreshed Scheme Mandate Limit and the Service Provider Sublimit; and (ii) full exercise of the outstanding Options under the Share Option Scheme (i.e. the Options granted on 14 April 2025). Assuming there is no change in the number of Shares in issue from the Latest Practicable Date, the shareholding of the existing public Shareholders would be diluted from approximately 76.43% to approximately 56.50% immediately upon (i) full exercise of the Options which may be granted under

the Share Option Scheme assuming full utilization of the proposed refreshed Scheme Mandate Limit and the Service Provider Sublimit; (ii) full exercise of the outstanding Options under the Share Option Scheme (i.e. the Options granted on 14 April 2025); and (iii) full conversion of all the outstanding convertible bonds issued by the Company.

Notwithstanding the potential dilution effect to the shareholdings of the existing Shareholders, we consider that the aforementioned dilution is acceptable, taking into account the reasons for and benefits of the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit, in particular (i) the refreshed Scheme Mandate Limit and the Service Provider Sublimit would allow the Company to continue to provide incentives to eligible participants; (ii) the grant of Option is a more appropriate mean for providing incentives to eligible participants as compared to other means of incentive as it will preserve cash resources for the Group's business operation. As such, we are of the view and concur with the view of the Directors that the refreshment of the Scheme Mandate Limit and the Service Provider Sublimit is fair and reasonable and is in the interest of the Company and the Shareholders as a whole.

## **RECOMMENDATION**

Having taken into account the above principal factors and reasons, in particular that (i) the Scheme Mandate Limit is fully utilized; (ii) the refreshment of Scheme Mandate Limit and Service Provider Sublimit will allow the Company to continue to grant share options to eligible participants as incentives or rewards for their contribution to the growth of the Group and to attract, retain, reward, remunerate, compensate and/or provide benefits to the eligible participants; (iii) the grant of Options is a talent retention strategy and an important means to reward and align the interests of employees, directors, and service providers with those of the Company and its shareholders; (iv) the grant of Option is a more appropriate mean for providing incentives to eligible participants as compared to other means of incentive as it will preserve cash resources for the Group's business operation, we are of the view that the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit is fair and reasonable and is in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend, and we ourselves recommend, the Independent Shareholders to vote in favor of the relevant resolutions to be proposed at the AGM 2025 to approve the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit.

Yours faithfully,  
For and on behalf of  
**Goldlink Capital (Corporate Finance) Limited**  
**Vincent Cheung**  
*Managing Director*

*Mr. Vincent Cheung is a licensed person registered with the Securities and Futures Commission and regarded as a responsible officer of Goldlink Capital (Corporate Finance) Limited to carry out type 6 (advising on corporate finance) regulated activities under the SFO and has more than 15 years of experience in corporate finance industry.*

**Tibet Water Resources Ltd.****西藏水資源有限公司***(Incorporated in the Cayman Islands with limited liability)***(Stock Code: 1115)****NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an annual general meeting of Tibet Water Resources Ltd. (the “**Company**”) will be held at Edinburgh Room No. 5, 17/F., Edinburgh Tower, No. 15 Queen’s Road Central, Hong Kong on Monday, 30 June 2025 at 11:00 a.m. to consider and, if thought fit, transact the following ordinary businesses:

1. to receive and approve the audited consolidated financial statements and the directors’ report of the Company and the independent auditor’s report of the Company for the year ended 31 December 2024;
2.
  - (a) to re-elect Mr. WEI Zheming as non-executive director;
  - (b) to re-elect Dr. ZHANG Chunlong as independent non-executive director;
  - (c) to re-elect Ms. LIN Ting as independent non-executive director; and
  - (d) to authorise the board (the “**Board**”) of directors of the Company (the “**Directors**”) to fix the remuneration of the Directors;
3. to re-appoint HLB Hodgson Impey Cheng Limited as the auditor of the Company and to authorise the Board to fix its remuneration;

and, to consider and, if thought fit, pass the following resolutions (with or without modifications):

**ORDINARY RESOLUTIONS**

4. “**THAT:**
  - (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to purchase shares of the Company (the “**Shares**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), or any other stock exchange on which the Shares may be listed and recognised by The Securities and Futures Commission of Hong Kong (the “**SFC**”) and the Stock Exchange for this



purpose, subject to and otherwise in accordance with the rules and regulations of the SFC, the Stock Exchange, any applicable laws of the Cayman Islands and all other applicable laws as amended from time to time in this regard, be and the same is hereby generally and unconditionally approved;

- (b) the aggregate number of Shares which may be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the authority granted pursuant to paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the aggregate number of Shares in issue and fully paid-up (excluding any treasury shares) as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution, “**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:
  - (i) the conclusion of the next annual general meeting of the Company;
  - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company (the “**Articles**”) or any applicable law of the Cayman Islands to be held; and
  - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”

5. “**THAT:**

- (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with the unissued Shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which might require the exercise of such powers after the expiry of the Relevant Period;



(c) the aggregate number of Shares allotted and issued or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:

- (i) a Rights Issue (as defined below); or
- (ii) the grant or exercise of options granted under any share option scheme or similar arrangement adopted from time to time by the Company for the grant or issue of options to subscribe for or rights to acquire Shares; or
- (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles in force from time to time; or
- (iv) the exercise of any rights of subscription or conversion under any existing warrants, bonds, debentures, notes and other securities issued by the Company which carry rights to subscribe for or are convertible into Shares,

shall not exceed 20 per cent. of the aggregate number of Shares in issue (excluding any treasury shares) on the date of the passing of this resolution, and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

(d) for the purposes of this resolution:

- (i) **“Relevant Period”** means the period from the date of the passing of this resolution until whichever is the earliest of:
  - (aa) the conclusion of the next annual general meeting of the Company;
  - (bb) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable law of the Cayman Islands to be held; and
  - (cc) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution; and

- (ii) “**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to shareholders of the Company whose names appear on the Company’s register of members (and where appropriate to holders of other securities entitled to the offer) on a fixed record date in proportion to their then holdings of Shares (or, where appropriate such other securities) (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in, or in any territory outside Hong Kong, or the expense or delay that may be incurred in the determination of any such restrictions or obligations).”
6. “**THAT** conditional on the passing of resolutions numbered 4 and 5 above, the general mandate granted to the Directors pursuant to resolution numbered 5 above be and is hereby extended by the addition to the aggregate number of the Shares which may be allotted, issued or dealt with by the Directors pursuant to or in accordance with such mandate of an amount representing the aggregate number of the Shares repurchased by the Company pursuant to or in accordance with the authority granted under resolution numbered 4 above provided that such amount shall not exceed 10 per cent of the aggregate number of Shares (excluding any treasury shares) as at the date of passing of the resolution numbered 4.”
7. “**THAT** subject to and conditional upon the Listing Committee of the Stock Exchange granting the approval of the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of any options (the “**Options**”) which may be granted under the share option scheme of the Company adopted on 30 June 2023 (the “**Share Option Scheme**”) under the Refreshed Scheme Mandate Limit (as hereinafter defined), the refreshment of the total number of Shares which may be issued in respect of all options which may be granted under the Share Option Scheme and all options and awards which may be granted under any other share schemes of the Company be and is hereby approved provided that the total number of such Shares shall not exceed 10 per cent of the total number of Shares in issue (excluding any treasury shares) as at the date of the passing of this resolution (the “**Refreshed Scheme Mandate Limit**”) and the Directors be and are hereby authorised, subject to compliance with the Listing Rules, to grant Options under the Share Option Scheme under the Refreshed Scheme Mandate Limit, to exercise all powers of the Company to allot, issue and deal with Shares pursuant to the exercise of any Options granted thereunder and to do such acts and execute such documents for or incidental to such purposes.”
8. “**THAT** subject to and conditional upon (i) the Listing Committee of the Stock Exchange granting the approval of the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of any Options which may be granted under the Share Option Scheme under the Refreshed Scheme Mandate Limit, and (ii) the passing of the ordinary resolution numbered 7 above, the refreshment of the total number of Shares which may be issued in respect of all Options to be granted under the Share Option Scheme and all options and awards which may be granted under any other share schemes of the Company to the Service Providers (as defined in the Share Option Scheme) be and is hereby approved provided that the total number of such Shares shall not exceed 5 per cent of the total number of Shares in issue (excluding any treasury shares) as at the date of passing of this resolution (the “**Refreshed**

**Service Provider Sublimit**”), and the Directors be and are hereby authorised, subject to compliance with the Listing Rules, to grant Options to the Service Providers under the Share Option Scheme under the Service Provider Sublimit, to exercise all the powers of the Company to allot, issue and deal with Shares pursuant to the exercise of any Options granted thereunder and to do such acts and execute such documents for or incidental to such purposes.”

By order of the Board  
**Tibet Water Resources Ltd.**  
**Dr. ZHANG Chunlong**  
*Chairman and Independent non-executive Director*

Hong Kong, 6 June 2025

*Principal place of business in Hong Kong:*

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

*Notes:*

1. A shareholder being a holder of more than one share and entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more than one proxy to attend and, subject to the provisions of the Articles of Association of the Company, vote in his/her stead. A proxy need not be a shareholder of the Company.
2. A form of proxy for use at the meeting is enclosed. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, at the office of the Company’s Hong Kong branch share registrar, Union Registrars Limited (“**Branch Registrar**”) at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong not less than 48 hours (Hong Kong time) before the time appointed for holding the meeting (i.e. before 11:00 a.m. on Saturday, 28 June 2025) or adjourned meeting.
3. The register of members of the Company will be closed from Wednesday, 25 June 2025 to Monday, 30 June 2025 (both days inclusive), during which period no transfer of shares will be registered, in order to determine the entitlement to attend the AGM 2025. In order to qualify for attending and voting at the AGM 2025, all properly completed transfer documents accompanied by the relevant share certificate(s) must be lodged with the Branch Registrar at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong not later than 4:00 p.m. on Tuesday, 24 June 2025.
4. In relation to the proposed resolution numbered 4 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase the securities of the Company in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders of the Company to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in Appendix II to the circular disseminated to the shareholders of the Company on the date hereof.

5. If Typhoon Signal No. 8 or above, or a “black” rainstorm warning signal or “extreme conditions” announced by the HKSAR Government is/are in force in Hong Kong any time from 7:00 a.m. to the meeting time on the date of the annual general meeting, the meeting will be adjourned according to the articles of association of the Company. The Company will publish an announcement on the website of the Company at <http://www.twr1115.net> and on the HKExnews website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) to notify shareholders of the date, time and venue of the rescheduled meeting.
6. If shareholders have any particular access request or special needs for participating in the meeting, he/she will have to leave his/her contact information, including name, telephone number and email address to the Company, at telephone number (852) 2891 3997 during business hours from 9:30 a.m. to 5:30 p.m. from Monday to Friday, excluding Hong Kong public holidays.

*As of the date hereof, the executive Directors are Mr. CHOW Wai Kit, Mr. CHENG Gwan Sing and Mr. YUE Zhiqiang, the non-executive Directors are Ms. JIANG Xiaohong, Mr. XIE Kun and Mr. WEI Zheming and the independent non-executive Directors are Dr. ZHANG Chunlong (Chairman), Mr. LO Wai Hung and Ms. LIN Ting.*