
IMPORTANT

IMPORTANT: If you are in any doubt about the contents of this supplemental prospectus, you should seek independent professional advice.

This is a supplemental prospectus (the “**Supplemental Prospectus**”) issued by TIL Enviro Limited which amends and supplements the prospectus issued by it on 31 October 2018 (the “**Prospectus**”) in connection with the Share Offer and listing of its shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). A copy of this Supplemental Prospectus in English and Chinese versions having attached thereto (i) a printed copy of the confirmation form (the “**Confirmation Form**”); (ii) a certificate in the approved manner as to the accuracy of the Chinese translation of this Supplemental Prospectus and the Confirmation Form; (iii) a certificate in the approved manner as to the competency of the Chinese translator given by the Sponsor; (iv) the written consents of the Sponsor and PricewaterhouseCoopers to the issue of this Supplemental Prospectus with the inclusion of their respective names and references in the form and context in which they respectively appear in this Supplemental Prospectus; and (v) copies of the additional material contracts referred to in the paragraph headed “2. Amendments to the Prospectus — 2.8 Statutory and General Information” in this Supplemental Prospectus have been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission and the Registrar of Companies in Hong Kong take no responsibility as to the contents of this Supplemental Prospectus or any other documents referred to above. This Supplemental Prospectus is a prospectus for the purpose of the Companies (Winding Up and Miscellaneous Provisions) Ordinance. If you are in doubt about this Supplemental Prospectus, you should consult your broker, bank manager, solicitor, professional accountant or other professional advisor. Hong Kong Exchanges and Clearing Limited, the Stock Exchange and Hong Kong Securities Clearing Company Limited (“**HKSCC**”) take no responsibility for the contents of this Supplemental Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Supplemental Prospectus. Potential investors should read this Supplemental Prospectus in conjunction with the Prospectus in order to understand the offer to which the documents relate, in particular before confirming applications in respect of the Public Offer Shares which have already been submitted. To the extent that anything in this Supplemental Prospectus qualifies or contradicts anything in the Prospectus, this Supplemental Prospectus amends the Prospectus. This Supplemental Prospectus, for which our Directors (including our independent non-executive 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 our Company. Our Directors (including our independent non-executive Directors), having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Supplemental Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Supplemental Prospectus misleading. Unless otherwise defined herein, terms used in this Supplemental Prospectus shall have the same meanings as those defined in the Prospectus.

TIL ENVIRO LIMITED

達力環保有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1790

SUPPLEMENTAL PROSPECTUS

Our Company is issuing this Supplemental Prospectus pursuant to the Twentieth Schedule, Part 2, section 1(a)(i) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance and Rule 11.13 of the Listing Rules. This document amends and supplements the Prospectus and should be read in conjunction with the Prospectus, the Application Forms and the Confirmation Form.

Copies of this Supplemental Prospectus and the Confirmation Form may be obtained from (1) 9:00 a.m. to 5:00 p.m. on Wednesday, 14 November 2018, Thursday, 15 November 2018 and Friday, 16 November 2018; (2) 9:00 a.m. to 1:00 p.m. on Saturday, 17 November 2018; and (3) 9:00 a.m. to 12:00 noon on Monday, 19 November 2018 at any of the places stated in the sections headed “Addresses of the Public Offer Underwriters” and “Relevant branches of the receiving bank” in this Supplemental Prospectus and also during normal business hours from 9:00 a.m. on Wednesday, 14 November 2018 till 12:00 noon on Monday, 19 November 2018 at the Depository Counter of HKSCC at 1/F, One & Two Exchange Square, 8 Connaught Place, Central, Hong Kong. This Supplemental Prospectus and the Confirmation Form will also be available at the website of the Stock Exchange at www.hkexnews.hk and our Company’s website at www.tilenviro.com. The contents of our Company’s website do not form part of this Supplemental Prospectus. No reliance shall be made on the contents of our Company’s website.

Potential investors are reminded that you must confirm your application for the Public Offer Shares before the deadline as stipulated in item (3) of the revised timetable in the section headed “Revised Timetable of the Share Offer” in this Supplemental Prospectus. If you have made valid application for the Public Offer Shares, but do not confirm the application for such Public Offer Shares in accordance with the procedures for confirmation set out in the section headed “Confirmation of applications” in this Supplemental Prospectus, you will be taken as not proceeding with your application, and your application will be rejected and refund cheques will be sent out as stipulated in item (8) of the revised timetable in the section headed “Revised Timetable of the Share Offer” in this Supplemental Prospectus.

The information contained in this Supplemental Prospectus is not for distribution, directly or indirectly, in or into the United States (including its territories and dependencies, any State of the United States and the District of Columbia). These materials do not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The Offer Shares have not been and will not be registered under the U.S. Securities Act or any state securities law in the United States and may not be offered, sold, pledged or transferred, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with Regulation S of the U.S. Securities Act.

Prior to making an investment decisions, prospectus investors should carefully consider all of the information set out in the Prospectus and this Supplement Prospectus, including, without limitation, the risk factors set out in the section headed “Risk Factors” in the Prospectus and this Supplement Prospectus.

14 November 2018

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1. DETERMINATION OF OFFER PRICE AT BELOW THE ORIGINAL OFFER PRICE RANGE

As referred in the announcement of our Company dated 5 November 2018, our Company, in consultation with the Sole Bookrunner (for itself and on behalf of the Underwriters) and after taking into consideration the current market conditions, has determined that the indicative Offer Price as disclosed in the Prospectus and the Application Forms, i.e., not more than HK\$0.80 per Offer Share and not less than HK\$0.60 per Offer Share (exclusive of brokerage of 1%, the SFC transaction levy of 0.0027% and the Stock Exchange trading fee of 0.005%) (the “**Original Offer Price Range**”), to not more than HK\$0.599 per Offer Share and not less than HK\$0.50 per Offer Share (exclusive of brokerage of 1%, the SFC transaction levy of 0.0027% and the Stock Exchange trading fee of 0.005%). Subsequently, our Company, in consultation with the Sole Bookrunner (for itself and on behalf of the Underwriters) and after taking into consideration current market conditions, has determined the Offer Price to be HK\$0.58 (the “**New Offer Price**”), which is below the Original Offer Price Range as set out in the Prospectus (the “**Triggering Events**”). The Public Offer Underwriting Agreement dated 30 October 2018 and the price determination agreement (the “**Price Determination Agreement**”) dated 12 November 2018 between our Company and the Sole Bookrunner determining the New Offer Price are conditional upon and subject to, among other things, the execution of the Placing Underwriting Agreement. Our Company has issued this Supplemental Prospectus which resulted in a delay in the timetable of the Share Offer.

2. AMENDMENTS TO THE PROSPECTUS

In view of the New Offer Price, the following amendments to the Prospectus have been made.

2.1 Summary

2.1.1 The fourth paragraph in the subsection headed “Summary — Recent Development after the Track Record Period” on page 10 of the Prospectus has been amended to read as follows:

Our Directors confirm that, up to the date of this prospectus, there has been no material adverse change, other than the impact of the listing expenses, in our financial, operational or trading position since 30 April 2018, being the end of the period reported on in the Accountant’s Report in Appendix I to this prospectus. Our estimated listing expenses are approximately HK\$40.6 million (based on the final Offer Price of HK\$0.58 per Offer Share), of which approximately HK\$17.8 million is directly attributable to the issue of the Offer Shares to the public and is to be accounted for as a deduction from equity. For the four months ended 30 April 2018, we recorded listing expenses of approximately HK\$8.4 million which was charged to our combined income statements. The remaining approximately HK\$14.4 million is expected to be charged to our profit or loss during the remaining period of 2018.

2.1.2 The subsection headed “Summary — Listing expenses” on page 11 of the Prospectus has been amended to read as follows:

For the three years ended 31 December 2015, 2016 and 2017, we did not record any listing expenses. The estimated total listing expenses to be borne by our Group, which primarily represent professional fees for our Share Offer is non-recurrent in nature, has been estimated to be approximately HK\$40.6 million (based on the final Offer Price of HK\$0.58 per Offer Share), of which approximately HK\$17.8 million is directly attributable to the issue of the Offer Shares to the public and is to be accounted for as a deduction from equity. For the four months ended 30 April 2018, we recorded listing expenses of approximately HK\$8.4 million which was charged to our combined income statements. The remaining approximately HK\$14.4 million is expected to be charged to our profit or loss during the remaining period of 2018. Our Board wishes to inform our Shareholders and potential investors that our Group’s financial performance and results of operations for the year ending 31 December 2018 will be affected by the estimated expenses in relation to the Listing. It should be noted that the listing expenses are current estimate and for references only.

2.1.3 The first paragraph in the subsection headed “Summary — Use of proceeds and reasons for the Share Offer” on page 11 of the Prospectus has been amended to read as follows:

We estimate that the aggregate net proceeds from the Share Offer, after deducting underwriting commissions and estimated expenses paid and payable by our Company in connection thereto, to be approximately HK\$104.4 million, based on the final Offer Price of HK\$0.58 per Offer Share. We intend to apply such net proceeds in the following manner:

- Approximately HK\$83.6 million or approximately 80% of the net proceeds will be applied towards funding the remaining contemplated upgrading and expansion works;
- Approximately HK\$10.4 million or approximately 10% of the net proceeds will be applied towards funding our identification and evaluation of new wastewater treatment projects in Ningxia and/or in other regions in the PRC should the opportunities arise, which would mainly involve engaging an Independent Third Party consultancy firm to perform feasibility studies on the potential project(s);
- Approximately HK\$5.2 million or 5% of the net proceeds will be applied towards establishing and future upgrading of our own centralised monitoring system providing realtime data on the wastewater quality and wastewater treatment processes; and
- Approximately HK\$5.2 million or 5% of the net proceeds will be applied as general working capital and for general corporate purposes.

2.1.4 The subsection headed “Summary — Statistics of the Share Offer” on page 12 of the Prospectus has been amended to read as follows:

| | Based on the final Offer Price of HK\$0.58 per Offer Share |
|--|---|
| Market capitalisation (<i>Note 1</i>) | HK\$580 million |
| Unaudited pro forma adjusted consolidated net tangible assets attributable to owners of our Company per Share (<i>Note 2</i>) | HK\$0.91 |

Notes:

1. The calculation of the market capitalisation is based on 1,000,000,000 Shares expected to be in issue immediately upon completion of the Share Offer and the Capitalisation Issue without taking into account any Shares which may be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme or any Shares which may be allotted and issued or repurchased by the Company under the General Mandate as described in the section headed “Share Capital”.
2. Please see “Unaudited pro forma Financial Information” in Appendix I to this Supplemental Prospectus for details regarding the assumptions and calculation basis used.

2.2 Information about this prospectus and the Share Offer

2.2.1 The subsection headed “Information about this prospectus and the Share Offer — Determination of the Offer Price” on page 59 of the Prospectus has been amended to read as follows:

The Offer Shares are being offered at the Offer Price which will be determined by the Sole Bookrunner (for itself and on behalf of the Underwriters) and our Company on the Price Determination Date, or such later date or time as may be agreed by the Sole Bookrunner (for itself and on behalf of the Underwriters) and our Company. The Offer Price was originally expected to be not more than HK\$0.80 per Offer Share and not less than HK\$0.60 per Offer Share. Investors applying for the Public Offer Shares must pay, on application, the maximum Offer Price of HK\$0.80 per Offer Share, together with brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%, subject to refund if the Offer Price is lower than HK\$0.80 per Offer Share. The Sole Bookrunner (for itself and on behalf of the Underwriters) may reduce the indicative Offer Price range stated in this prospectus at any time prior to the Price Determination Date. In such case, a notice of the reduction of the indicative Offer Price range will be published on the Stock Exchange’s website at www.hkexnews.hk and our Company’s website at www.tilenviro.com.

As referred in the announcement of our Company dated 5 November 2018, our Company, in consultation with the Sole Bookrunner (for itself and on behalf of the Underwriters) and after taking into consideration the current market conditions, has determined that the indicative Offer Price as disclosed in the Prospectus and the Application Forms, i.e., not more than HK\$0.80 per Offer Share and not less than HK\$0.60 per Offer Share (exclusive of brokerage of 1%, the SFC transaction levy of 0.0027% and the Stock Exchange trading fee of 0.005%), be revised to not more than HK\$0.599 per Offer Share and not less than HK\$0.50 per Offer Share (exclusive of brokerage of 1%, the SFC transaction levy of 0.0027% and the Stock Exchange trading fee of 0.005%). Subsequently, in consultation with the Sole Bookrunner (for itself and on behalf of the Underwriters) and after taking into consideration current market conditions, our Company has determined the final Offer Price to be HK\$0.58 per Offer Share, which is below the original indicative range as set out above.

2.3 Business

2.3.1 The last paragraph in the subsection headed “Business — Business strategies — Upgrade and expand the capacities of our existing wastewater treatment facilities” on page 115 has been amended and read as follows:

As disclosed in “Business — Project Financing” in this prospectus, the construction costs required for completing the contemplated upgrading and expansion works (inclusive of the estimated construction cost for the upgrading to Quasi Surface Water Standard Class IV (準四類水標準) for the additional capacity of 100,000 cubic meters to be built at Plant 4) as at 30 April 2018 was approximately RMB468.0 million (equivalent to approximately HK\$585.0 million), which will be satisfied by a combination of bank borrowings, internally generated funds and a portion of the net proceeds from the Share Offer. For this purpose we have allocated approximately HK\$83.6 million (based on the final Offer Price of HK\$0.58 per Offer Share) or 80% of the net proceeds to partially fund the completing of the contemplated upgrading and expansion works.

2.3.2 The last paragraph in the subsection headed “Business — Business strategies — Strengthen our market position in Yinchuan, Ningxia and other regions in the PRC through obtaining new wastewater treatment projects” on page 116 has been amended and read as follows:

As an initial step, our Group will carry out evaluation of the regions where the new projects are located and feasibility studies on the individual merits of the new projects when opportunities arise. For this purpose, our Company has allocated approximately 10% or HK\$10.4 million (based on the final Offer Price of HK\$0.58 per Offer Share) out of the net proceeds from the Share Offer to fund the cost and expenses for new project evaluation.

2.3.3 The second paragraph in the subsection headed “Business — Business strategies — Continue to enhance the quality control system by establishing a new wastewater inflow and outflow remote monitoring system” on page 116 has been amended and read as follows:

We have allocated approximately HK\$5.2 million (based on the final Offer Price of HK\$0.58 per Offer Share) or 5% of the net proceeds for this purpose.

2.3.4 The third paragraph in the subsection headed “Business — Project financing” on page 134 has been amended and read as follows:

As at 30 April 2018, we estimated that the construction costs required to complete the remaining contemplated upgrading and expansion works is approximately RMB468.0 million (equivalent to approximately HK\$585.0 million) (inclusive of the estimated construction cost for the upgrading to Quasi Surface Water Standard Class IV (準四類水標準) for the additional capacity of 100,000 cubic meters to be built at Plant 4), which is expected to comprise of (i) purchase of equipment and installation cost of approximately RMB231.6 million (equivalent to approximately HK\$289.5 million); (ii) costs for civil and structural works of approximately RMB158.3 million (equivalent to approximately HK\$197.9 million); (iii) design and exploration cost of approximately RMB35.2 million (equivalent to approximately HK\$44.0 million); and (iv) other ancillary costs of approximately RMB42.9 million (equivalent to approximately HK\$53.6 million). The above-mentioned estimated construction cost is expected to be satisfied as to (i) approximately 65% by bank borrowings (including unutilised bank facilities and additional bank facilities to be obtained by our Group in future); and (ii) the remaining approximately 35% by a combination of internally generated funds and approximately 80% of the net proceeds from the Share Offer, being approximately HK\$83.6 million (based on the final Offer Price of HK\$0.58 per Offer Share). It is expected that, out of the aforesaid estimated construction costs, approximately HK\$108.2 million has incurred between 1 May 2018 to 30 August 2018, the balance of approximately HK\$476.8 million is expected to be incurred from September 2018 onward.

2.4 Cornerstone Investors

2.4.1 The subsection headed “Cornerstone Investors — The Cornerstone Placing” on page 190 has been amended and read as follows:

As part of the Placing, we have entered into cornerstone investment agreements with Mr. Robert Tan Chung Meng (“**Mr. Robert Tan**”) and Fit Source Holdings Limited (“**Fit Source**“, together with Mr. Robert Tan, the “**Cornerstone Investors**“, each a “**Cornerstone Investor**”) and the Sponsor and the Sole Bookrunner, pursuant to which the Cornerstone Investors have agreed to subscribe for, at the final Offer Price of HK\$0.58 per Offer Share (excluding brokerage, SFC transaction levy and the Stock Exchange trading fee), an aggregate of 86,210,000 Offer Share, equivalent to approximately 34.5% of the Offer Shares available under the Share Offer and 8.6% of the total issued Shares of our Company immediately upon the completion of the Share Offer and Capitalisation Issue (“**Cornerstone Placing**”).

Base on the final Offer Price of HK\$0.58 per Offer Share, the details of their respective investments in our Company are as follows (*Note 1*):

| <u>Cornerstone Investor</u> | <u>Number of Offer Shares to be subscribed</u> | <u>Investment amount</u> <i>(Note 2)</i> | <u>Approximate % of the total Offer Shares in the Placing</u> <i>(Note 3)</i> | <u>Approximate % of total Offer Shares in the Share Offer</u> | <u>Approximate % of total Shares in issue immediately following the completion of the Capitalisation Issue and the Share Offer</u> |
|-----------------------------|--|---|--|---|--|
| Mr. Robert Tan | 43,105,000 Shares | HK25,000,900 | 19.2% | 17.2% | 4.3% |
| Fit Source | 43,105,000 Shares | HK25,000,900 | 19.2% | 17.2% | 4.3% |

Notes:

1. For the avoidance of doubt, the respective number of Shares, investment amounts and percentage figures referred to in the above table relate to the investment by each of the Cornerstone Investors individually.
2. The investment amount is exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and the Stock Exchange trading fee of 0.005% which the Cornerstone Investor will pay in respect of such Offer Shares.
3. For the avoidance of doubt, the total number of Shares in the Placing for the purpose of calculating this percentage figure has not taken into account any reallocation of Offer Shares between the Placing and the Public Offer (if any).

2.5 Financial Information

2.5.1 The subsection headed “Financial Information — Listing expenses” on page 250 of the Prospectus has been amended to read as follows:

For the three years ended 31 December 2015, 2016 and 2017, we did not record any listing expenses. The estimated total listing expenses borne/to be borne by our Group, which primarily represent professional fees for our Share Offer is non-recurrent in nature, has been estimated to be approximately HK\$40.6 million (based on the final Offer Price of HK\$0.58 per Offer Share), of which approximately HK\$17.8 million is directly attributable to the issue of the Offer Shares to the public and is to be accounted for as a deduction from equity. For the four months ended 30 April 2018, we recognised approximately HK\$8.4 million of listing expenses which was charged to our combined income statements. The remaining approximately HK\$14.4 million is expected to be charged to our profit or loss during remaining period of 2018. The Board wishes to inform the Shareholders and potential investors that our Group’s financial performance

and results of operations for the year ending 31 December 2018 will be affected by the estimated expenses in relation to the Listing. It should be noted that the listing expenses are current estimate and for references only.

2.6 Future Plans and Use of Proceeds

2.6.1 The subsection headed “Future Plans and Use of Proceeds — Use of proceeds” on page 255 of the Prospectus has been amended to read as follows:

We estimate that the aggregate net proceeds from the Share Offer, after deducting underwriting commissions and estimated expenses paid and payable by our Company in connection thereto, to be approximately HK\$104.4 million, based on the final Offer Price of HK\$0.58 per Offer Share. We intend to apply such net proceeds in the following manner:

- To continue to complete the contemplated upgrading and expansion works of our existing facilities, approximately HK\$83.6 million or 80% of the net proceeds will be applied towards this purpose. Such remaining contemplated upgrading and expansion works are expected to be completed by the end of 2020. For details of our contemplated upgrading and expansion works and the status as at the Latest Practicable Date, please see “Business — Our existing wastewater treatment facilities” in this prospectus;
- Approximately HK\$10.4 million or 10% of the net proceeds will be applied towards funding our identification and evaluation of new wastewater treatment projects in Yinchuan and/or in other regions in the PRC should the opportunities arise, which would mainly involve engaging an Independent Third Party consultancy firm to perform feasibility studies on the potential project(s), as an initial step to facilitate us to implement our business strategy of undertaking the new wastewater treatment projects which are considered to be suitable and meeting our own set of criteria after such identification and evaluation. Our Directors intend to apply this portion of the net proceeds within three years from the date of the Listing. As at the Latest Practicable Date, we had not yet identified any new projects for evaluation;
- Approximately HK\$5.2 million or 5% of the net proceeds will be applied for establishing and future upgrading of our own centralised monitoring system to enable our technical team and management to gain access to real-time data on the wastewater quality and wastewater treatment processes starting from the inflow to the outflow and provide timely appoint to resolve technical issues and oversee and manage our facilities without geographical restriction. Our Directors intend to apply this portion of the net proceeds by the end of 2019; and
- Approximately HK\$5.2 million or 5% of the net proceeds is expected to be used as general working capital and for general corporate purposes.

To the extent that the net proceeds from the Share Offer are not immediately required for the above purposes and to the extent permitted by applicable laws and regulations, if we are unable to effect any part of our future plans as intended, it is the present intention of our Directors that such net proceeds be placed in short-term interest bearing deposit accounts held with authorised financial institutions in Hong Kong and/or the PRC. In the event that we would require additional financing apart from the net proceeds from the issue of the Offer Shares for our future plans, the shortfall will be financed by our internal resources and/or bank financing.

We will issue an appropriate announcement if there is any material change in the aforementioned use of proceeds.

2.6.2 The second paragraph in the subsection headed “Future Plans and Use of Proceeds — Reasons for the Listing” on page 257 of the Prospectus has been amended to read as follows:

As disclosed in “Business — Project Financing” in this prospectus, as at 30 April 2018, we estimated that the construction cost, required to complete the remaining contemplated upgrading and expansion works (inclusive of the estimated construction cost for the upgrading to Quasi Surface Water Standard Class IV (準四類水標準) for the additional capacity of 100,000 cubic meters to be built at Plant 4) is approximately RMB468.0 million (equivalent to approximately HK\$585.0 million), which is expected to comprise of (i) purchase of equipment and installation cost of approximately RMB231.6 million (equivalent to approximately HK\$289.5 million); (ii) costs for civil and structural works of approximately RMB158.3 million (equivalent to approximately HK\$197.9 million); (iii) design and exploration cost of approximately RMB35.2 million (equivalent to approximately HK\$44.0 million); and (iv) other ancillary costs of approximately RMB42.9 million (equivalent to approximately HK\$53.6 million). The above-mentioned estimated construction cost is expected to be satisfied as to (i) approximately 65% by bank borrowings (including unutilised bank facilities and additional bank facilities to be obtained by our Group in future); and (ii) the remaining approximately 35% by a combination of internally generated funds and approximately 80% of the net proceeds from the Share Offer, being approximately HK\$83.6 million (based on the final Offer Price of HK\$0.58 per Offer Share). Out of the said approximately HK\$585.0 million estimated construction costs required for completing the remaining contemplated upgrading and expansion works, approximately HK\$108.2 million had been incurred between 1 May 2018 to 31 August 2018, the balance of approximately HK\$476.8 million is expected to be incurred from September 2018 onward.

2.7 Underwriting

2.7.1 The third paragraph in the subsection headed “Underwriting — Commission and expenses” on page 268 of the Prospectus has been amended to read as follows:

The total commission and expenses relating to the Share Offer and Listing (including the Listing fees, legal and other professional fees, and printing), are estimated to approximately HK\$40.6 million, based on the final Offer Price of HK\$0.58 per Offer Share, which will be payable by our Company.

2.8 Statutory and General Information

2.8.1 Three new sub-paragraphs (m), (n) and (o) are added under the section entitled “Appendix IV — Statutory and General Information — B. Further Information about our Business — 1. Summary of material contracts” on page IV-7 to the Prospectus, and have been amended to read as follows:

- “(m) an amended and restated cornerstone investment agreement in respect of TIL Enviro Limited dated 12 November 2018 entered into among our Company, Robert Tan Chung Meng, Opus Capital and the Sponsor;
- (n) an amended and restated cornerstone investment agreement in respect of TIL Enviro Limited dated 12 November 2018 entered into among our Company, Fit Source Holdings Limited, Opus Capital and the Sponsor; and
- (o) a price determination agreement entered in among Opus Capital and our Company dated 12 November 2018.”

3. WORKING CAPITAL

Taking into account the financial resources available to us, revenue generated from our operations and the estimated proceeds from the Share Offer, and in the absence of unforeseen circumstances, our Directors are of the opinion that we have available sufficient working capital for our present requirements and for at least 12 months from the date of this Supplemental Prospectus and the Sponsor concurs with the Directors.

We do not expect the determination of the New Offer Price to have a material impact on our current operations, which throughout the Track Record Period have grown steadily. We expect our business to continue to grow in the market in which we currently operate and that our present leading market position in Yinchuan and Ningxia will allow us to capture growth opportunities in the wastewater treatment industry in Yinchuan and Ningxia as well as other parts of the PRC. However, because of the New Offer Price we have had to adjust the amounts that we will allocate across the various components of our future expansion plans, as disclosed in “2. Amendments to the Prospectus — 2.6 Future Plans and Use of Proceeds” herein. While we do not believe that this reduction and reallocation of proceeds will affect our ability to continue operating our business, it may impact our ability to grow at the rate and in the ways that we had previously anticipated. To the extent the proceeds from the Share Offer at the New Offer Price are insufficient to execute our expansion plans, we expect to utilise alternative financing options, including internally generated cash flow from operating activities, bank borrowings and other debt financing activities as well as additional equity financing, if and when such financing options become available. Further, we cannot guarantee that any of our growth plans, whether based on the amount of proceeds from the originally anticipated Offer Price or the New Offer Price, will be successful and bring about the results we expect. See “Risk Factors — Risks Relating to Our Business and Industry — Our Group may not be able to renew our Concession Agreement upon its expiry and may not be able to secure new projects to sustain or grow our business”, “Risk Factors — Our Group may not be successful when undertaking new wastewater treatment projects”, “Risk Factors — Failure to obtain further and sufficient funding on a timely basis to fund our operations, upgrading and expansion works at reasonable rates, or at all, may adversely affect our Group’s financial condition and results of operations and could prevent us from fulfilling our contractual obligations and business objectives” and “Risk Factors — We finance a substantial portion of our wastewater treatment project through bank loans and our financing costs and profitability are subject to changes in interest rates” in the Prospectus.

4. SIGNIFICANT NEW INFORMATION

Our Directors are of the opinion that the determination of the New Offer Price and the relevant amendments in the Prospectus constitute significant new information which might be material to investors’ ability to make an informed assessment of our Company in deciding whether to confirm an application for the Public Offer Shares.

Notwithstanding the above circumstances, you should note that it is the intention of our Company and the Sole Bookrunner to proceed with the Share Offer.

If the conditions set out in the section headed “Structure and Conditions of the Share Offer — Conditions of the Share Offer” in the Prospectus, which include the formal approval of the Stock Exchange for the listing of the Shares, are not fully satisfied or waived (where possible) by 8.00 a.m. on Thursday, 29 November 2018, the Share Offer will lapse. You are urged to read carefully this Supplemental Prospectus and, if you have applied for the Public Offer Shares, to consider carefully your right to confirm your application for Shares before the deadline as stipulated in item (3) of the revised timetable below. Applicants who have made valid applications for the Public Offer Shares, but who do not confirm the applications for such Public Offer Shares in accordance with the procedures for confirmation set out in the section headed “Confirmation of Applications” below, will be taken as not proceeding with their applications, and their applications will be rejected and refund cheques will be sent out as stipulated in item (8) of the revised timetable below.

5. REVISED TIMETABLE OF THE SHARE OFFER

The allocation and listing of the Shares have been postponed in order to enable you to consider the potential impact of the determination of the Offer Price, which has been set at a price that is HK\$0.58 per Offer Share, which is lower than the lowest end of the Original Offer Price Range of between HK\$0.60 and HK\$0.80 per Offer Share as disclosed in the Prospectus, together with other matters disclosed in this Supplemental Prospectus, on your decision to invest in the Offer Shares. Accordingly, our Company is asking applicants to confirm their applications.

The revised timetable⁽¹⁾ of the Share Offer is as follows:

- (1) Announcement of the publication of this Supplemental Prospectus will be published on the websites of the Stock Exchange at **www.hkexnews.hk** and the Company at **www.tilenviro.com**Wednesday, 14 November 2018
- (2) This Supplemental Prospectus and the Confirmation Form published on the websites of the Stock Exchange at **www.hkexnews.hk** and the Company at **www.tilenviro.com**Wednesday, 14 November 2018

- (3) The period when Eligible Applicants may confirm their applications for the Public Offer Shares under the Public Offer in full⁽²⁾ :
- (a) For Eligible Applicants who applied by using **WHITE** or **YELLOW** Application Forms or using **White Form eIPO** service 9:00 a.m. to 5:00 p.m.
on Wednesday, 14 November 2018
Thursday, 15 November 2018
Friday, 16 November 2018
9:00 a.m. to 1:00 p.m.
on Saturday, 17 November 2018
9:00 a.m. to 12:00 noon
on Monday, 19 November 2018
- (b) For Eligible Applicants who applied by giving **electronic application instructions** to HKSCC via CCASS 9:00 a.m. to 8:30 p.m.
on Wednesday, 14 November 2018
8:00 a.m. to 8:30 p.m.
on Thursday, 15 November 2018
Friday, 16 November 2018
8:00 a.m. to 12:00 noon
on Monday, 19 November 2018
- (4) Announcement of the level of indication of interest in the Placing, the level of applications in the Public Offer and the basis of allocation of the Public Offer Shares to be published on the website of our Company at **www.tilenviro.com**⁽³⁾ and the Stock Exchange at **www.hkexnews.hk** on or beforeWednesday, 28 November 2018
- (5) Results of allocations in the Public Offer (with successful applicants' identification document or business registration numbers, where appropriate) to be available through a variety of channels as described in the section headed "How to Apply for the Public Offer Shares — 11. Publication of Results" of the Prospectus including the website of our Company at **www.tilenviro.com**⁽³⁾ and the Stock Exchange at **www.hkexnews.hk** from.Wednesday, 28 November 2018
- (6) Results of allocations in the Public Offer will be available at **www.iporesults.com.hk** (alternatively: English: **https://www.eipo.com.hk/en/Allotment**; Chinese: **https://www.eipo.com.hk/zh-hk/Allotment**) with a "search by ID" function fromWednesday, 28 November 2018

- (7) Despatch/Collection of Share certificates or deposit of the Share certificates into CCASS in respect of wholly or partially successful applications pursuant to the Public Offer on or beforeWednesday, 28 November 2018
- (8) Despatch of **White Form** e-Refund payment instructions and despatch/collection of refund cheques in respect of wholly or partially successful applications (if applicable) or wholly or partially unsuccessful applications (including unconfirmed applications) pursuant to the Public Offer on or beforeWednesday, 28 November 2018
- (9) Dealings in the Shares on the Stock Exchange expected to commence at 9:00 a.m. on Thursday, 29 November 2018

Notes:

1. All times and dates refer to Hong Kong local time and date. If there is any change of the above expected timetable, a separate announcement will be made by our Company on the Stock Exchange's website and our Company's website accordingly.
2. If there is a tropical cyclone warning signal number eight or above or a "black" rainstorm warning or in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Monday, 19 November 2018, the last day of the period in which Eligible Applicants can confirm their applications for the Offer Shares under the Public Offer will be postponed to the next Business Day which does not have either of those warning signals in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on such day. A further announcement will be made by the Company if there is any postponement to the dates mentioned in the section entitled "Revised timetable of the Share Offer" of this Supplemental Prospectus.
3. None of our Company's website or any of the information contained in our Company's website forms part of the Prospectus or this Supplemental Prospectus.
4. Share certificates for the Offer Shares will only become valid certificates of title at 8:00 a.m. on Thursday, 29 November 2018 provided that (i) the Share Offer has become unconditional in all respects; and (ii) the right of termination as described in the section headed "Underwriting — Grounds for Termination" in the Prospectus has not been exercised and has lapsed."

6. CONFIRMATION OF APPLICATIONS

In order for the application of an applicant who has made a valid application in accordance with the Application Forms ("**Eligible Applicant**") not to be rejected, positive confirmation of the application, through the due completion of a Confirmation Form for an Eligible Applicant to confirm its/his/her application, will have to be received from the relevant Eligible Applicant. If a Confirmation Form is lodged, the confirmation must (and will) apply to all the Public Offer Shares allocated to the Eligible Applicant concerned.

Any confirmation will be irrevocable once made.

Eligible Applicants who wish to confirm their applications will be required to take action, on the basis described below, no later than the deadline as stipulated in item (3) of the revised timetable.

Eligible Applicants who do not confirm their applications in the prescribed manner will have their applications rejected.

No interest shall be payable on or with respect to application monies (including any refunded application monies) on account of or following the extension to the timetable of the Share Offer or otherwise.

Confirmation Form may be obtained from (1) 9:00 a.m. to 5:00 p.m. on Wednesday, 14 November 2018, Thursday, 15 November 2018 and Friday, 16 November 2018; (2) 9:00 a.m. to 1:00 p.m. on Saturday, 17 November 2018; and (3) 9:00 a.m. to 12:00 noon on Monday, 19 November 2018 at any of the places stated in the sections headed “Addresses of the Public Offer Underwriters” and “Relevant branches of the receiving bank” below. (Eligible Applicants who applied by using **White Form eIPO** will receive a copy of the Confirmation Form, together with a link to the Supplemental Prospectus and the announcement referred to in item (1) of the revised timetable posted on the Stock Exchange’s website, by email from the designated **White Form eIPO** Service Provider.) Confirmation of an application by an Eligible Applicant can only be given by validly completing and lodging a Confirmation Form.

- (a) For Eligible Applicants who applied by using **WHITE** or **YELLOW** Application Forms or using **White Form eIPO**

To confirm, the applicant must:

1. complete the Confirmation Form by filling in all required information (including the applicant’s identification document number which must be the same as the one filled in the **WHITE** or **YELLOW** Application Form or **White Form eIPO**) and sign the Confirmation Form. For joint applicants, a Confirmation Form must be completed and signed by all the joint applicants in order to be valid; and
2. deposit the completed Confirmation Form at any of the branches set out in the section headed “Relevant branches of the receiving bank” below, which must be lodged by 12:00 noon on Monday, 19 November 2018.

Eligible Applicants who applied using **YELLOW** Application Forms through brokers, banks or other intermediaries and/or who had not provided their names and addresses on their Application Forms should check with their brokers, banks or other intermediaries to establish the latest time on which they can give instructions for the application confirmation as such latest time may be earlier than the deadline as stipulated in item (3)(a) of the above revised timetable. Eligible Applicants who do not meet the deadlines set by their brokers, banks or other intermediaries may not be able to confirm their applications. If a broker, bank or other intermediary fails to confirm an applicant’s application in accordance with the procedures stipulated for confirmation, then the applicant’s confirmation may not be accepted and neither our Company nor anyone else connected with the Public Offer will be responsible for any loss incurred thereby.

- (b) For Eligible Applicants who applied by giving electronic application instructions to HKSCC via CCASS

To confirm:

Eligible Applicants who are CCASS Investor Participants may give instructions to HKSCC to confirm their applications. For details, such Eligible Applicants may refer to the internet broadcast message via the CCASS Internet System at <https://ip.ccass.com> or call the CCASS Phone System by calling 2979 7888 for assistance; and

Eligible Applicants who are not CCASS Investor Participants may instruct their brokers or custodians who are CCASS Clearing Participants or CCASS Custodian Participants to give instructions to HKSCC to confirm their applications. For details, CCASS Clearing Participants and CCASS Custodian Participants may refer to the broadcast message via the CCASS terminal. For enquiries, they may call the CCASS hotline 2979 7111.

Eligible Applicants who applied by giving electronic application instructions to HKSCC via CCASS should check with their brokers, banks or other intermediaries to establish the latest time on which they can give instructions for the application confirmation as such latest time may be earlier than the deadline as stipulated in item (3)(b) of the above revised timetable. Eligible Applicants who do not meet the deadlines set by their brokers, banks or other intermediaries may not be able to confirm their applications. If a broker, bank or other intermediary fails to confirm an applicant's application in accordance with the procedures stipulated for confirmation, then the applicant's confirmation may not be accepted and neither our Company nor anyone else connected with the Public Offer will be responsible for any loss incurred thereby.

The results of allocations and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants under the Public Offer will be available at the times and date and in the manner specified below:

- in the announcement to be posted on the Company's website at www.tilenviro.com and the Stock Exchange's website at www.hkexnews.hk by no later than 9:00 a.m. on Wednesday, 28 November 2018;
- from the designated results of allocations website at www.iporeresults.com.hk (alternatively: English <https://www.eipo.com.hk/en/Allotment>; Chinese <https://www.eipo.com.hk/zh-hk/Allotment>) with a "search by ID" function on a 24-hour basis from 8:00 a.m., Wednesday, 28 November 2018 to 12:00 midnight, Tuesday, 4 December 2018;
- by telephone enquiry line by calling 2862 8669 between 9:00 a.m. and 10:00 p.m. from Wednesday, 28 November 2018 to Saturday, 1 December 2018;
- in the special allocation results booklets which will be available for inspection during opening hours from Wednesday, 28 November 2018 to Friday, 30 November 2018 at all the receiving bank designated branches.

7. ADDRESSES OF THE PUBLIC OFFER UNDERWRITERS

| | |
|--|---|
| Opus Capital Limited | 18/F, Fung House 19–20 Connaught Road Central Central Hong Kong |
| Red Sun Capital Limited | Room 3303, 33/F, West Tower Shun Tak Centre 168–200 Connaught Road Central Sheung Wan Hong Kong |
| Astrum Capital Management Limited | Room 2704, Tower 1 Admiralty Centre 18 Harcourt Road Admiralty Hong Kong |
| China Yinsheng International Securities Limited | 6/F, 9 Des Voeux Road West Sheung Wan Hong Kong |

8. RELEVANT BRANCHES OF THE RECEIVING BANK

Bank of China (Hong Kong) Limited

| | | |
|-------------------------|-----------------------------------|---|
| Hong Kong Island | Bank of China Tower Branch | 1 Garden Road, Hong Kong |
| | Lee Chung Street Branch | 29–31 Lee Chung Street, Chai Wan, Hong Kong |
| Kowloon | 194 Cheung Sha Wan Road Branch | 194–196 Cheung Sha Wan Road, Sham Shui Po, Kowloon |
| New Territories | Tuen Mun San Hui Branch | G13–G14 Eldo Court, Heung Sze Wui Road, Tuen Mun, New Territories |

9. REALLOCATION OF PUBLIC OFFER SHARES FOR WHICH VALID CONFIRMATIONS ARE NOT RECEIVED

The Public Offer Shares in respect of which valid confirmations are not received will be reallocated to investors under the Placing and will not be re-offered under the Public Offer.

10. CERTIFICATES OF EXEMPTION AND WAIVER GRANTED IN RESPECT OF THIS SUPPLEMENTAL PROSPECTUS

Rule 8.06 of the Listing Rules

We have applied to, and have obtained from, the Stock Exchange a waiver from strict compliance with requirements under Rule 8.06 of the Listing Rules in relation to the inclusion to the Prospectus and/or this Supplemental Prospectus of our Company's audited financial results covering a period not more than six months before the date of this Supplemental Prospectus. The waiver is applied for on the grounds that (i) postponement of the Share Offer was due to the Triggering Events which were not attributable to the Company, the Directors or any other party involved in the Share Offer and beyond their control; (ii) strict compliance with the requirements under Rule 8.06 of the Listing Rules would be unduly burdensome, as additional works would have to be undertaken by our Company and the professional parties involved in the Share Offer which will inevitably cause further delay to the Listing timetable; and (iii) our Directors are satisfied that the rights of the investing public will not be prejudiced given that our Directors have confirmed that, up to the date of the Prospectus and this Supplemental Prospectus and save as otherwise disclosed therein and herein, there has been no material adverse change in the Group's financial, operational or trading position since 30 April 2018, being the end of the period reported on in the Accountant's Report in Appendix I to the Prospectus.

The waiver from strict compliance with Rule 8.06 of the Listing Rules is subject to the following conditions:

1. the Triggering Events which resulted in the issue of this Supplemental Prospectus are outside our Company's control;
2. the Supplemental Prospectus will include a statement from our Directors and the reporting accountant of our Company confirming that, taking into account the Triggering Events, there are no changes to the information contained in the Accountant's Report as set forth in Appendix I to the Prospectus as of the date of this Supplemental Prospectus;
3. the Supplemental Prospectus will include a statement from the Sponsor confirming that, taking into account the Triggering Events and save as disclosed in this Supplemental Prospectus, there are no other material changes to the information contained in the Prospectus (including any statements made by the Sponsor in the Prospectus) as of the date of this Supplemental Prospectus;
4. the Supplemental Prospectus will include a statement from the Directors confirming that that the information contained in the Prospectus, as supplemented by this Supplemental Prospectus, remains 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 in the Prospectus or herein misleading; and
5. the Accountant's Report is not outdated by more than 15 days and our Directors and the Sponsor have demonstrated that it is impracticable to update the Accountant's Report within the period between the occurrence of the Triggering Events and the proposed issue of this Supplemental Prospectus.

Section 44A(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Our Company has applied for, and obtained from the SFC, a certificate of exemption from strict compliance with the requirements under section 44A(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to the opening of the subscription lists for the allotment of the Shares following the issue of the Prospectus as amended by this Supplemental Prospectus. The certificate of exemption is applied for on the grounds that strict compliance with the requirement under section 44A(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance would be unduly burdensome.

As disclosed in the Prospectus, the application lists for the Share Offer opened at 11:45 am on 6 November 2018 and closed at 12:00 noon on the same day based on the original Listing timetable. As the Prospectus will be taken as re-issued on the same day on which the Supplemental Prospectus is issued, if the requirement under section 44A(1) of the Companies (Winding Up and Miscellaneous Provisions Ordinance) is to be strictly complied with, there will be a further delay to the Listing timetable. Our Directors consider that as the information contained in this Supplemental Prospectus would not affect the substance of the Prospectus which forms the basis of the investors' decision in subscribing for the Company's shares, a further delay in the Listing timetable due to strict compliance with the requirement under Section 44A(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance may not be justified.

An exemption from strict compliance with section 44A(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance would not prejudice the interests of the investing public. Our Company is of the view that the rights of the Eligible Applicants and the investing public will not be prejudiced given that the Eligible Applicants will be granted an opportunity to confirm whether or not to proceed with their applications for Public Offer Shares after considering the additional information contained in this Supplemental Prospectus.

Our Directors confirmed that they have also considered the materiality of the amendments made in this Supplemental Prospectus and have concluded that these amendments are not sufficiently material as to justify extension or delay of the offer period, nor are they likely to affect the decision of a reasonable prospective investor in making an investment decision in respect of the Public Offer Shares.

Section 342(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (except for paragraph 3 of Part 1 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance)

We have also applied for, and obtained from the SFC, a certificate of exemption from strict compliance with the requirements of section 342(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (except for paragraph 3 of Part 1 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance) in respect of the contents of this Supplemental Prospectus. The certificate of exemption is applied for on the grounds that (i) the information required to be included in a prospectus as prescribed under Section 342(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance has been disclosed in the Prospectus. As this Supplemental Prospectus will be read in conjunction with the Prospectus, the repetition of the requisite information in this Supplemental Prospectus would be unduly burdensome and unnecessary; and (ii) if the requirements of section 342(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance are to be strictly complied with, the Company would have to undertake a considerable amount of work to prepare, update and finalize the information to be included in this Supplemental Prospectus. Our Directors consider that the

benefits of such work to the prospective investors of the Company may not justify the additional work and expenses involved and the delay in the original timetable, given that the required information has been included in the Prospectus which will be read in conjunction with this Supplemental Prospectus.

The exemption from strict compliance with the requirements under section 44A(1) and section 342(1) (except for paragraph 3 of Part 1 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance is subject to the following conditions:

- (i) particulars of this exemption are set out in this Supplemental Prospectus;
- (ii) this Supplemental Prospectus will be issued on or before 14 November 2018; and
- (iii) this Supplemental Prospectus will be made available or distributed at all locations at which copies of the Prospectus were made available or distributed to the public.

11. BILINGUAL PROSPECTUS

The English language and Chinese language versions of this Supplemental Prospectus are being published separately in reliance upon the exemption provided by section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

12. NO SIGNIFICANT CHANGE AND NO SIGNIFICANT NEW MATTER

Save as disclosed in this Supplemental Prospectus, there has been no significant change and no significant new matter that has arisen since the publication of the Prospectus dated 31 October 2018. Since 31 October 2018, there has been no material adverse change in the financial or trading position or prospects of our Company.

Our Directors and PricewaterhouseCoopers (being the reporting accountant) have confirmed that, taking into account the change of Offer Price, there are no changes to the information contained in the Accountant's Report as set forth in Appendix I to the Prospectus as of the date of this Supplemental Prospectus.

The Sponsor has confirmed that, taking into account the Triggering Events and save as disclosed in this Supplemental Prospectus, there are no other material changes to the information contained in the Prospectus (including any statements made by the Sponsor in the Prospectus) as of the date of this Supplemental Prospectus.

Our Directors have confirmed that the information contained in the Prospectus, as supplemented by this Supplemental Prospectus, remains 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 in the Prospectus or herein misleading.

13. EXPERT AND CONSENT

Qualification of experts

The following sets forth the qualification of experts who have given opinions and/or whose name is included in this Supplemental Prospectus:

| Name | Qualification |
|-------------------------|--|
| Red Sun Capital Limited | A licensed corporation under the SFO to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities |
| PricewaterhouseCoopers | Certified Public Accountants |

14. DOCUMENTS AVAILABLE FOR PUBLIC INSPECTION

Copies of the following documents will be available for inspection at the office of Loong & Yeung at Room 1603, 16/F, China Building, 29 Queen's Road Central, Central, Hong Kong during the normal business hours up to and including the date which is 14 days from the date of this Supplemental Prospectus along with the documents set out under "Documents available for inspection" in Appendix V to the Prospectus:

- (a) the report from PricewaterhouseCoopers in respect of the unaudited pro forma financial information, the text of which is set out in Appendix I to this Supplemental Prospectus;
- (b) the additional material contracts referred to in the paragraph headed "2. Amendments to the Prospectus — 2.8 Statutory and General Information" in this Supplemental Prospectus; and
- (c) the written consents of the Sponsor and PricewaterhouseCoopers in relation to the issue of this Supplemental Prospectus with the inclusion of their respective names and references in the form and context in which they respectively appear in this Supplemental Prospectus.

By Order of the Board
TIL Enviro Limited
Lim Chin Sean
Chairman

As at the date of this Supplemental Prospectus, the non-executive Director is Mr. Lim Chin Sean; the executive Director is Mr. Wong Kok Sun; and the independent non-executive Directors are Mr. Tan Yee Boon, Mr. Hew Lee Lam Sang and Mr. Tam Ka Hei Raymond.

APPENDIX I

UNAUDITED PRO FORMA FINANCIAL INFORMATION

For illustrative purpose only, the unaudited pro forma financial information based on the New Offer Price of HK\$0.58 per Share prepared in accordance with Rule 4.29 of the Listing Rules is set forth below to provide the prospective investors with further information on how the proposed listing might have affected the financial position of our Group after the completion of the Share Offer.

The unaudited pro forma financial information is derived according to a number of adjustments. Although reasonable care has been exercised in preparing such information, prospective investors who read the information should bear in mind that these figures are inherently subject to adjustments and may not give a complete picture of the actual financial performance and condition of our Group during the Track Record Period or any further date.

The information set forth in this Appendix does not form part of the accountants' report prepared by PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, the reporting accountant of our Company, as set forth in Appendix I to the Prospectus, and is included herein for illustrative purposes only.

The unaudited pro forma financial information should be read in conjunction with the sections headed "Financial Information" in the Prospectus and "Amendments to the Prospectus" in this Supplemental Prospectus, and the accountants' report set forth in Appendix I to the Prospectus.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

The following unaudited pro forma statement of adjusted net tangible assets of the Group prepared in accordance with Rule 4.29 of the Listing Rules is for illustrative purposes only, and is set out below to illustrate the effect of the proposed Share Offer on the net tangible assets of the Group attributable to the owners of the Company as of 30 April 2018 as if the proposed Share Offer had taken place on 30 April 2018.

This unaudited pro forma statement of adjusted net tangible assets has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the combined net tangible assets of the Group as at 30 April 2018 or at any future dates following the proposed Share Offer. It is prepared based on the combined net assets of the Group as at 30 April 2018 as set out in the Accountant's Report of the Group, the text of which is set out in Appendix I to the Prospectus, and adjusted as described below. The unaudited pro forma statement of adjusted net tangible assets does not form part of the Accountant's Report.

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| | Audited combined net tangible assets of the Group attributable to owners of the Company as at 30 April 2018 <i>(Note 1)</i> <i>HK\$'000</i> | Estimated net proceeds from the proposed Share Offer <i>(Note 2)</i> <i>HK\$'000</i> | Capitalisation of amount due to LGB Group (HK) Limited <i>(Note 3)</i> <i>HK\$'000</i> | Unaudited pro forma adjusted net tangible assets attributable to owners of the Company as at 30 April 2018 <i>HK\$'000</i> | Unaudited pro forma adjusted net tangible assets per Share <i>(Note 4)</i> <i>HK\$</i> |
|--|---|---|---|---|---|
| Based on an Offer Price of HK\$0.58 per Share | 205,909 | 112,774 | 590,962 | 909,645 | 0.91 |

Notes:

- (1) The audited combined net tangible assets attributable to owners of the Company as at 30 April 2018 is extracted from the Accountant's Report set out in Appendix I to the Prospectus, which is based on the audited combined net assets of the Group attributable to owners of the Company as at 30 April 2018 of HK\$269,819,000 with an adjustment for the intangible assets as at 30 April 2018 of HK\$63,910,000.
- (2) The estimated net proceeds from the Share Offer are based on the Offer Price of HK\$0.58 per Share, after deduction of the underwriting fees and other related expenses paid/payable by the Company (excluding listing expenses of approximately HK\$8.4 million which have been accounted for in the profit or loss during the Track Record Period) and takes no account of any Shares which may be issued upon the exercise of the options granted under the Share Option Scheme or any Shares which may be allotted and issued or repurchased by the Company under the General Mandate as described in the section headed "Share Capital" in the Prospectus.
- (3) Pursuant to the Reorganisation and the agreement dated on 28 September 2018, the outstanding balance of amount due to LGB Group (HK) Limited ("**LGB (HK)**") by the Group of HK\$591.0 million have been assigned to Sparkle Century Group Limited ("**Sparkle Century**"), the immediate holding company of the Company by LGB (HK). On the same date, the entire outstanding amount have been capitalised by Sparkle Century in consideration for 90,000 new shares issued by the Company.
- (4) The unaudited pro forma net tangible assets per Share is arrived at after the adjustments referred to in the preceding paragraphs and on the basis that 1,000,000,000 Shares were in issue assuming that the Share Offer and Capitalisation Issue had been completed on 30 April 2018 but takes no account of any Shares which may be issued upon the exercise of the options granted under the Share Option Scheme or any Shares which may be allotted and issued or repurchased by the Company under the General Mandate as described in the section headed "Share Capital" in the Prospectus.
- (5) No adjustment has been made to reflect any trading result or other transactions of the Group entered into subsequent to 30 April 2018.

APPENDIX I

The following is the text of a report received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this Supplemental Prospectus.

B. ACCOUNTANT'S REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION



羅兵咸永道

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

To the Directors of TIL Enviro Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of TIL Enviro Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”) by the directors for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statements of adjusted net tangible assets of the Group as at 30 April 2018, and related notes (the “**Unaudited Pro Forma Financial Information**”) as set out on pages S-I-1 to S-I-2 of the Company’s supplemental prospectus dated 14 November 2018, in connection with the proposed Share Offer of the shares of the Company. The applicable criteria on the basis of which the directors have compiled the Unaudited Pro Forma Financial Information are described on pages S-I-1 to S-I-2.

The Unaudited Pro Forma Financial Information has been compiled by the directors to illustrate the impact of the proposed Share Offer on the Group’s financial position as at 30 April 2018 as if the proposed Share Offer had taken place at 30 April 2018. As part of this process, information about the Group’s financial position has been extracted by the directors from the Group’s financial information for the period ended 30 April 2018, on which an accountant’s report has been published and included in the Company’s prospectus dated 31 October 2018.

Directors’ Responsibility for the Unaudited Pro Forma Financial Information

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

*PricewaterhouseCoopers, 22/F, Prince’s Building, Central, Hong Kong
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com*

APPENDIX I

Our Independence and Quality Control

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

Our firm applies Hong Kong Standard on Quality Control 1 issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibilities

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

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

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

The purpose of unaudited pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the proposed Share Offer at 30 April 2018 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

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The procedures selected depend on the reporting accountant's judgement, having regard to the reporting accountant's understanding of the nature of the company, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

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

Opinion

In our opinion:

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

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 14 November 2018