

ANNOUNCEMENT OF OFFER PRICE AND ALLOTMENT RESULTS

SUMMARY

Offer Price

- The Offer Price has been determined at HK\$2.28 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%)

Net proceeds from the Global Offering

- Based on the Offer Price of HK\$2.28 per Offer Share and 98,400,000 Offer Shares, the net proceeds from the Global Offering to be received by the Company, after deduction of the underwriting fees and commissions and other expenses payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$182.1 million. The Company intends to apply such net proceeds in accordance with the purposes as set out in the paragraph headed “Net Proceeds from the Global Offering” in this announcement.

Applications and indications of interest received

Hong Kong Public Offer

- The Hong Kong Offer Shares initially offered under the Hong Kong Public Offer have been significantly over-subscribed. A total of 6,494 valid applications have been received pursuant to the Hong Kong Public Offer on **WHITE** and **YELLOW** Application Forms and through giving **electronic application instructions** to HKSCC via CCASS and under the **White Form eIPO** service (www.eipo.com.hk) for a total of 81,416,000 Hong Kong Offer Shares, representing approximately 8.27 times of the total number of 9,840,000 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offer.
- As the oversubscription in the Hong Kong Public Offer is less than 15 times of the number of Offer Shares initially available under the Hong Kong Public Offer, no reallocation of the Offer Shares as described in the paragraph headed “Structure and Conditions of the Global Offering — The Hong Kong Public Offer — Reallocation” in the Prospectus has been applied. The final number of Offer Shares allocated to the Hong Kong Public Offer is 9,840,000 Offer Shares, representing 10% of the total number of Offer Shares initially available under the Global Offering.

International Placing

- The International Placing Shares initially offered under the International Placing have been slightly over-subscribed by approximately 0.21 times of the total number of 88,560,000 Offer Shares initially available for subscription under the International Placing. The final number of Offer Shares allotted to a total of 139 places under the International Placing is 88,560,000 Offer Shares, representing 90% of the total number of Offer Shares initially available under the Global Offering. A total of 69 places have been allotted two board lots or less of the International Placing Shares, representing approximately 49.6% of the total number of places under the International Placing. These places have been placed approximately 0.3% of the total number of the International Placing Shares under the International Placing.

Cornerstone Investor

- Pursuant to the Cornerstone Investment Agreement entered into by, among others, the Company, the Sole Global Coordinator, Zhongtai International Securities Limited, the Cornerstone Investor and the Guarantor, the Cornerstone Investor has subscribed for 22,000,000 Offer Shares, representing approximately 22.4% of the number of Offer Shares offered pursuant to the Global Offering or approximately 5.1% of the Company's total issued share capital immediately upon completion of the Capitalisation Issue and the Global Offering. Based on the Offer Prices of HK\$2.28 per Offer Share, the aggregate subscription price was approximately HK\$50.2 million. Please see "Cornerstone Investor" in the Prospectus for further details of the Cornerstone Investor.
- To the best knowledge and belief of the Directors and the Company, the Cornerstone Investor and its ultimate beneficial owners are Independent Third Parties and are independent of the Company, its connected persons and their respective associates (as defined in the Listing Rules). The Cornerstone Investor makes its own independent investment decisions. The Cornerstone Investor will not subscribe for any Offer Shares under the Global Offering (other than pursuant to the Cornerstone Investment Agreement). Immediately upon completion of the Capitalisation Issue and the Global Offering, the Cornerstone Investor will neither have any representation on the Board nor enjoy any preferential rights in the Company as compared with other public Shareholders, and the Cornerstone Investor will not become a substantial shareholder (as defined in the Listing Rules) of the Company.

- The Offer Shares to be subscribed for by the Cornerstone Investor will rank *pari passu* in all respects with the other fully paid Shares in issue and will be counted towards the public float of the Company under Rule 8.08 of the Listing Rules. Further, the Cornerstone Investor has agreed without the prior written consent of each of the Company and the Sole Global Coordinator, it will not at any time during the period of six months following the Listing Date dispose of (as defined in the Cornerstone Investment Agreement) any of the Shares to be subscribed for by the Cornerstone Investor pursuant to the Cornerstone Investment Agreement (including any Shares which are derived from the Cornerstone Investors Shares pursuant to any rights issue, capitalisation issue or any other form of capital reorganisation), nor will it agree or contract to, or publicly announce any intention to enter into a transaction with a third party for disposal thereof, as described in “Cornerstone Investors” in the Prospectus.

The Directors confirm that, to the best of their knowledge, information and belief and having made all reasonable enquiries, all placees and the public, including the Cornerstone Investor, who has subscribed for the Offer Shares and their ultimate beneficial owners are independent of and not connected with the Company and any of the Directors, chief executive, Controlling Shareholders, substantial shareholders or existing Shareholders (as defined under the Listing Rules) of the Company or any of its subsidiaries or their respective close associates (as defined under the Listing Rules), and are not any person or group of persons stated in paragraph 5 of Appendix 6 to the Listing Rules or any nominees of the foregoing, and none of the Offer Shares subscribed by the placees and the public, including the Cornerstone Investor, who has subscribed for the Offer Shares have been financed directly or indirectly by any of the Directors, chief executive, Controlling Shareholders, substantial shareholders or existing Shareholders (as defined under the Listing Rules) of the Company or any of its subsidiaries or their respective close associates, and none of the placees and the public, including the Cornerstone Investor, who has subscribed for the Offer Shares is accustomed to taking instructions from any of the Directors, chief executive, Controlling Shareholders, substantial shareholders or existing Shareholders (as defined under the Listing Rules) of the Company or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in his/her/its name or otherwise held by him/her/it. None of the Sole Sponsor, the Sole Global Coordinator, the Joint Lead Managers, the Joint Bookrunners, the Co-lead Manager, the Underwriters or their respective affiliate companies and connected clients of the lead broker or of any distributors (as defined in Appendix 6 of the Listing Rules) has taken up any Offer Shares for its own benefit under the Global Offering. No placee, individually, has been or will be placed more than 10% of the total number of issued shares of the Company immediately after completion of the Global Offering. The Directors also confirm that there will not be any new substantial Shareholder of the Company within the meaning of the Listing Rules immediately after completion of the Global Offering and there will be at least 300 Shareholders at the time of Listing in compliance with Rule 8.08(2) of the Listing Rules. The International Placing has been conducted in compliance with the Placing Guidelines under the Appendix 6 of the Listing Rules.

To the best knowledge of the Directors, no Offer Shares have been allocated to participants who are (i) core connected persons (as defined in the Listing Rules) of the Company, or (ii) Directors or existing Shareholders of the Company or their respective close associates (as defined in the Listing Rules), whether in their own names or through nominees.

The Directors also confirm that (i) immediately after completion of the Global Offering, the Company will comply with Rule 8.08(1) of the Listing Rules that the public float will be at least 25% of the total number of issued shares of the Company; (ii) not more than 50% of the Shares in public hands at the time of the Listing will be owned by the three largest public Shareholders as required under Rules 8.08(3) and 8.24 of the Listing Rules; and (iii) no public Shareholder will own more than 10% of the total number of issued shares of the Company immediately after completion of the Global Offering.

Results of allocations

- The final Offer Price, the level of indications of interests in the International Placing, the level of applications in the Hong Kong Public Offer and the basis of allocation of the Hong Kong Offer Shares are also published on the website of the Stock Exchange at www.hkexnews.hk and the Company at www.mechpipingtech.com.
- The results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offer successfully applied for under **WHITE** and **YELLOW** Application Forms and by giving **electronic application instructions** to HKSCC or through the designated **White Form eIPO** service, including the Hong Kong identity card numbers, passport numbers or Hong Kong business registration numbers of successful applicants (where supplied) and the number of the Hong Kong Offer Shares successfully applied for, will be made available at the times and dates and in the manner specified below:
 - in the announcement to be posted on the Company's website at www.mechpipingtech.com and the Stock Exchange's website at www.hkexnews.hk by no later than 9:00 a.m., on Tuesday, 17 December 2019;
 - from the designated results of allocations website 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 on a 24-hour basis from 8:00 a.m., Tuesday, 17 December 2019 to 12:00 midnight, Monday, 23 December 2019;
 - by telephone enquiry line by calling 2862 8669 between 9:00 a.m. and 10:00 p.m. from Tuesday, 17 December 2019 to Friday, 20 December 2019;

- in the special allocation results booklets which will be available for inspection during opening hours from Tuesday, 17 December 2019 to Thursday, 19 December 2019 at all the receiving bank's designated branches.

Despatch/collection of share certificates and refund cheques

- Applicants who have applied for 1,000,000 Hong Kong Offer Shares or more on **WHITE** Application Forms or through the **White Form eIPO** service and who have been successfully or partially successfully allocated Hong Kong Offer Shares and are eligible to collect share certificates (where applicable) in person may collect their share certificate(s) (where applicable) in person from the Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Tuesday, 17 December 2019 or any other date as notified by the Company as the date of despatch/collection of share certificates.
- Share certificates for Hong Kong Offer Shares allotted to applicants who applied on **WHITE** Application Forms or through **White Form eIPO** service, which are either not available for personal collection, or which are available but are not collected in person within the time specified for collection, are expected to be despatched by ordinary post to those entitled to the addresses specified in the relevant applications on or before Tuesday, 17 December 2019 at their own risk.
- Wholly or partially successful applicants who applied on **YELLOW** Application Forms or by giving **electronic application instructions** to HKSCC will have their share certificate(s) issued in the name of HKSCC Nominees and deposited directly into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participant as instructed by the applicants in their **YELLOW** Application Forms or any designated CCASS Participants giving **electronic application instructions** on their behalf on or about Tuesday, 17 December 2019, or upon contingency, on any other date determined by HKSCC or HKSCC Nominees.
- Applicants who applied through a designated CCASS Participant (other than a CCASS Investor Participant) should check the number of Hong Kong Offer Shares allocated to them with that CCASS Participant.

- Applicants who applied for 1,000,000 Hong Kong Offer Shares or more on **WHITE** or **YELLOW** Application Forms and have provided all information required by their **WHITE** or **YELLOW** Application Forms may collect their refund cheque(s) (where applicable) from the Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Tuesday, 17 December 2019 or such other date as notified by the Company.
- For applicants who applied for less than 1,000,000 Hong Kong Offer Shares on **WHITE** or **YELLOW** Application Forms, their refund cheque(s) will be sent to the address on the relevant Application Form on or before Tuesday, 17 December 2019, by ordinary post and at their own risk.
- Refund cheque(s) in respect of applicants using **WHITE** or **YELLOW** Application Forms, which are either not available for personal collection or which are available but are not collected in person, are expected to be despatched by ordinary post to those entitled at their own risk on or before Tuesday, 17 December 2019.
- For applicants who have applied for the Hong Kong Offer Shares through the **White Form eIPO** service and paid the application monies through a single bank account, refund monies (if any) will be despatched to that bank account in the form of e-Refund payment instructions. For applicants who have applied for the Hong Kong Offer Shares through the **White Form eIPO** service and paid the application monies from multiple bank accounts, refund monies (if any) will be despatched to the addresses specified on the **White Form eIPO** applications in the form of refund cheque(s) by ordinary post and at their own risk on or before Tuesday, 17 December 2019.
- Refund monies (if any) for applicants who applied by giving **electronic application instructions** to HKSCC via CCASS are expected to be credited to the relevant applicants’ designated bank accounts or the designated bank accounts of their broker or custodian on Tuesday, 17 December 2019.
- Share certificates will only become valid certificates of title at 8:00 a.m. on Wednesday, 18 December 2019 provided that the Global Offering has become unconditional in all respects and the right of termination as described in the paragraph headed “Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offer — Grounds for termination” in the Prospectus has not been exercised at or before that time.
- The Company will not issue any temporary documents of title in respect of the Hong Kong Offer Shares. No receipt will be issued for application monies received.

Commencement of dealings

- Assuming that the Global Offering becomes unconditional in all aspects at or before 8:00 a.m. on Wednesday, 18 December 2019, dealings in the Shares on the Main Board of the Stock Exchange are expected to commence at 9:00 a.m. on Wednesday, 18 December 2019. The Shares will be traded in board lots of 2,000 Shares each. The stock code of the Shares is 1553.

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could move substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.

OFFER PRICE

The Offer Price has been determined at HK\$2.28 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).

NET PROCEEDS FROM THE GLOBAL OFFERING

Based on the Offer Price of HK\$2.28 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deducting the underwriting fees and commissions and other expenses payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$182.1 million. The Company intends to apply such net proceeds for the following purposes:

- approximately 19.0% (or approximately HK\$34.6 million) will be used for increasing the Group's production capacity of its production of ERW steel pipes by addition of three new production lines. Out of the three production lines, two of them will be used to produce high-quality ERW steel pipes with different specifications to satisfy the Group's customers' needs and to diversify its product offerings, while the other new production line will focus on paint coating treatment;
- approximately 22.3% (or approximately HK\$40.6 million), will be used for strengthening the Group's competitiveness by upgrading one of its SSAW steel pipes production line; and approximately 9.4% (or approximately HK\$17.1 million), will be used for setting up a new production facilities building for the Group's SSAW production facilities. The Directors intend to set up a new production facilities building on the plot of land owned by the Group which is adjacent to the Group's production facilities and to house its production line of 2540 SSAW steel pipes;
- approximately 9.4% (or approximately HK\$17.1 million), will be used for expanding to overseas to increase the production capacity. As at the Latest Practicable Date, the Group had leased a production plant in Dong Nai, Vietnam which was built on a land piece with total land area of approximately 8,043 sq.m.. The Group intends to acquire an additional of three production lines in the production plant in Vietnam;

- approximately 10.0% (or approximately HK\$18.2 million), will be used for expanding the Group’s business horizontally through acquisition/collaboration to continue to broaden its production offerings and thereby further enhance its market penetration;
- approximately 10.0% (or approximately HK\$18.2 million), will be used for further strengthen the Group’s research and development capabilities by investing on four research and development projects;
- approximately 10.0% (or approximately HK\$18.2 million), will be used for the repayment of part of the Group’s borrowings. The Group intends to repay a loan advanced by Industrial and Commerce Bank of China to the Group with pursuant to a loan agreement dated 25 March 2019 which Industrial and Commerce Bank of China agreed to advance an amount of RMB100.0 million to the Group for a term of one year with an effective interest rate of the loan prime rate plus 0.04% per annum. The Group primarily used the proceeds of this loan for its operating activities; and
- approximately 9.9% (or approximately HK\$18.1 million), will be used for the Group’s general working capital.

For details, see “Business — Our business strategies” and “Future Plans and Use of Proceeds” in the Prospectus.

APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED

Hong Kong Public Offer

The Hong Kong Public Offer initially offered under the Hong Kong Public Offer have been significantly over-subscribed.

The Company announces that at the close of the application lists at 12:00 noon on Monday, 9 December 2019, a total of 6,494 valid applications pursuant to the Hong Kong Public Offer on **WHITE** and **YELLOW** Application Forms, by giving **electronic application instructions** to HKSCC via CCASS and through the **White Form eIPO** service for a total of 81,416,000 Hong Kong Offer Shares were received, representing approximately 8.27 times of the total number of 9,840,000 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offer.

Out of the 6,494 valid applications for a total of 81,416,000 Hong Kong Offer Shares:

- 6,485 valid applications in respect of a total of 60,416,000 Hong Kong Offer Shares were for the Hong Kong Public Offer with an aggregate subscription amount based on the maximum Offer Price of HK\$2.40 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) of HK\$5 million or less, representing approximately 12.28 times of the 4,920,000 Hong Kong Offer Shares initially comprised in Pool A of the Hong Kong Public Offer; and

- 9 valid applications in respect of a total of 21,000,000 Hong Kong Offer Shares for the Hong Kong Public Offer with an aggregate subscription amount based on the maximum Offer Price of HK\$2.40 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) of more than HK\$5 million, representing approximately 4.27 times of the 4,920,000 Hong Kong Offer Shares initially comprised in Pool B of the Hong Kong Public Offer.

No application has been identified and rejected for not being completed in accordance with the instructions set out in the Application Forms. No multiple or suspected multiple application has been identified and rejected. No application has been rejected due to bounced cheque. No application for more than 50% of the Hong Kong Offer Shares initially available under the Hong Kong Public Offer (that is, more than 4,920,000 Hong Kong Offer Shares) has been identified.

As the oversubscription in the Hong Kong Public Offer is less than 15 times of the number of Offer Shares initially available under the Hong Kong Public Offer, no reallocation of the Offer Shares as described in the section headed “Structure and Conditions of the Global Offering — The Hong Kong Public Offer — Reallocation” in the Prospectus has been applied. The final number of Offer Shares allocated to the Hong Kong Public Offer is 9,840,000 Offer Shares, representing 10% of the Offer Shares initially available under the Global Offering.

The Offer Shares offered in the Hong Kong Public Offer were conditionally allocated on the basis set out in the paragraph headed “Basis of Allocation under the Hong Kong Public Offer” below.

International Placing

The International Placing Shares initially offered under the International Placing have been slightly over-subscribed by approximately 0.21 times of the total number of 88,560,000 Offer Shares initially available for subscription under the International Placing. The final number of Offer Shares allotted to a total of 139 places under the International Placing is 88,560,000 Offer Shares, representing approximately 90% of the total number of Offer Shares initially available under the Global Offering.

A total of 69 places have been allotted two board lots or less of the International Placing Shares, representing approximately 49.6% of the total number of places under the International Placing. These places have been placed approximately 0.3% of the total number of the International Placing Shares under the International Placing.

Cornerstone Investor

Pursuant to the Cornerstone Investment Agreements entered into by, among others, the Company, the Sole Global Coordinator, Zhongtai International Securities Limited, the Cornerstone Investor and the Guarantor as disclosed in the section headed “Cornerstone

Investor” in the Prospectus, the Cornerstone Investor has subscribed for 22,000,000 Offer Shares, representing approximately 22.4% of the number of Offer Shares offered pursuant to the Global Offering or approximately 5.1% of the Company’s total issued share capital immediately upon completion of the Capitalisation Issue and the Global Offering. Based on the Offer Prices of HK\$2.28 per Offer Share, the aggregate subscription price was approximately HK\$50.2 million. Please see “Cornerstone Investor” in the Prospectus for further details of the Cornerstone Investor.

The Cornerstone Investor has not subscribed for any Offer Shares under the Global Offering other than pursuant to the Cornerstone Investment Agreement. The shareholding of the Cornerstone Investor will be counted towards the public float of the Company.

To the best knowledge and belief of the Directors and the Company, the Cornerstone Investor and its ultimate beneficial owners are Independent Third Parties and are independent of the Company, its connected persons and their respective associates (as defined in the Listing Rules). The Cornerstone Investor makes its own independent investment decisions. The Cornerstone Investor will not subscribe for any Offer Shares under the Global Offering (other than pursuant to the Cornerstone Investment Agreement). Immediately upon completion of the Capitalisation Issue and the Global Offering, the Cornerstone Investor will neither have any representation on the Board nor enjoy any preferential rights in the Company as compared with other public Shareholders, and the Cornerstone Investor will not become a substantial shareholder (as defined in the Listing Rules) of the Company.

The Offer Shares to be subscribed for by the Cornerstone Investor will rank *pari passu* in all respects with the other fully paid Shares in issue and will be counted towards the public float of the Company under Rule 8.08 of the Listing Rules. Further, the Cornerstone Investor has agreed without the prior written consent of each of the Company and the Sole Global Coordinator, he will not at any time during the period of six months following the Listing Date dispose of (as defined in the Cornerstone Investment Agreement) any of the Shares to be subscribed for by the Cornerstone Investor pursuant to the Cornerstone Investment Agreement (including any Shares which are derived from the Cornerstone Investors Shares pursuant to any rights issue, capitalisation issue or any other form of capital reorganisation), nor will it agree or contract to, or publicly announce any intention to enter into a transaction with a third party for disposal thereof, as described in “Cornerstone Investor” in the Prospectus.

Set out below is an analysis of shareholding concentration of the placees of the International Placing immediately following the Global Offering:

- top 1, 5, 10 and 25 of the placees out of the International Placing, the Global Offering and the total issued share capital of the Company upon Listing:

Placees	Shares held following the Global Offering	Approximate aggregate percentage of the total number of International Placing Shares allocated under the International Placing	Approximate aggregate percentage of the total number of Offer Shares under the Global Offering	Approximate aggregate percentage of the total issued Shares upon Listing
Top 1	22,000,000	24.8%	22.4%	5.1%
Top 5	47,162,000	53.3%	47.9%	10.9%
Top 10	60,150,000	67.9%	61.1%	13.9%
Top 25	75,090,000	84.8%	76.3%	17.3%

- top 1, 5, 10 and 25 of all the Shareholders out of the International Placing, the Global Offering and the total issued share capital of the Company upon Listing:

Shareholders	Subscription	Shares held following the Global Offering	Approximate aggregate percentage of the total number of International Placing Shares allocated under the International Placing	Approximate aggregate percentage of the total number of Offer Shares under the Global Offering	Approximate aggregate percentage of the total issued Shares upon Listing
Top 1	—	172,600,000	—	—	39.8%
Top 5	22,000,000	335,440,000	24.8%	22.4%	77.3%
Top 10	43,312,000	378,712,000	48.9%	44.0%	87.3%
Top 25	71,124,000	406,524,000	80.3%	72.3%	93.7%

Note:

1. any discrepancies in the table between the totals and the sums of amounts listed therein are due to rounding.

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could move substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.

The Directors confirm that, to the best of their knowledge, information and belief and having made all reasonable enquiries, all placees and the public, including the Cornerstone Investor, who has subscribed for the Offer Shares and their ultimate beneficial owners are independent of and not connected with the Company and any of the Directors, chief executive, Controlling Shareholders, substantial shareholders or existing Shareholders (as defined under the Listing Rules) of the Company or any of its subsidiaries or their respective close associates (as defined under the Listing Rules), and are not any person or group of persons stated in paragraph 5 of Appendix 6 to the Listing Rules or any nominees of the foregoing, and none of the Offer Shares subscribed by the placees and the public, including the Cornerstone Investor, who has subscribed for the Offer Shares have been financed directly or indirectly by any of the Directors, chief executive, Controlling Shareholders, substantial shareholders or existing Shareholders (as defined under the Listing Rules) of the Company or any of its subsidiaries or their respective close associates, and none of the placees and the public, including the Cornerstone Investor, who has subscribed for the Offer Shares is accustomed to taking instructions from any of the Directors, chief executive, Controlling Shareholders, substantial shareholders or existing Shareholders (as defined under the Listing Rules) of the Company or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in his/her/its name or otherwise held by him/her/it. None of the Sole Sponsor, the Sole Global Coordinator, the Joint Lead Managers, the Joint Bookrunners, the Co-Lead Manager, the Underwriters or their respective affiliate companies and connected clients of the lead broker or of any distributors (as defined in Appendix 6 of the Listing Rules) has taken up any Offer Shares for its own benefit under the Global Offering. No placee, individually, has been or will be placed more than 10% of the total number of issued shares of the Company immediately after completion of the Global Offering. The Directors also confirm that there will not be any new substantial Shareholder of the Company within the meaning of the Listing Rules immediately after completion of the Global Offering and there will be at least 300 Shareholders at the time of Listing in compliance with Rule 8.08(2) of the Listing Rules. The International Placing has been conducted in compliance with the Placing Guidelines under the Appendix 6 of the Listing Rules.

To the best knowledge of the Directors, no Offer Shares have been allocated to participants who are (i) core connected persons (as defined in the Listing Rules) of the Company, or (ii) Directors or existing Shareholders of the Company or their respective close associates (as defined in the Listing Rules), whether in their own names or through nominees.

BASIS OF ALLOCATION UNDER THE HONG KONG PUBLIC OFFER

Subject to the satisfaction of the conditions set out in the paragraph headed “Structure and Conditions of the Global Offering — Conditions of the Global Offering” in the Prospectus, valid applications made by the public on **WHITE** and **YELLOW** Application Forms and through giving **electronic application instructions** to HKSCC via CCASS and to the **White Form eIPO** Service Provider under the **White Form eIPO** service will be conditionally allocated on the basis set out below:

<u>Pool A</u>			Approximate percentage allotted of the total number of Shares applied for
Number of Shares applied for	Number of valid applications	Basis of allocation/ballot	
2,000	4,014	801 out of 4,014 to receive 2,000 Shares	19.96%
4,000	814	272 out of 814 to receive 2,000 Shares	16.71%
6,000	188	70 out of 188 to receive 2,000 Shares	12.41%
8,000	131	60 out of 131 to receive 2,000 Shares	11.45%
10,000	94	53 out of 94 to receive 2,000 Shares	11.28%
12,000	48	32 out of 48 to receive 2,000 Shares	11.11%
14,000	17	13 out of 17 to receive 2,000 Shares	10.92%
16,000	15	12 out of 15 to receive 2,000 Shares	10.00%
18,000	14	12 out of 14 to receive 2,000 Shares	9.52%
20,000	368	318 out of 368 to receive 2,000 Shares	8.64%
30,000	645	581 out of 645 to receive 2,000 Shares	6.01%
40,000	34	2,000 Shares plus 1 out of 34 to receive additional 2,000 Shares	5.15%
50,000	29	2,000 Shares plus 8 out of 29 to receive additional 2,000 Shares	5.10%
60,000	8	2,000 Shares plus 4 out of 8 to receive additional 2,000 Shares	5.00%
70,000	6	2,000 Shares plus 4 out of 6 to receive additional 2,000 Shares	4.76%
80,000	15	2,000 Shares plus 12 out of 15 to receive additional 2,000 Shares	4.50%
90,000	1	4,000 Shares	4.44%
100,000	19	4,000 Shares plus 2 out of 19 to receive additional 2,000 Shares	4.21%
200,000	11	4,000 Shares plus 2 out of 11 to receive additional 2,000 Shares	2.18%
300,000	3	6,000 Shares	2.00%
400,000	4	6,000 Shares plus 1 out of 4 to receive additional 2,000 Shares	1.63%
500,000	4	6,000 Shares plus 2 out of 4 to receive additional 2,000 Shares	1.40%
1,200,000	1	8,000 Shares	0.67%
1,600,000	2	8,000 Shares plus 1 out of 2 to receive additional 2,000 Shares	0.56%
TOTAL	6,485		

Pool B

Number of Shares applied for	Number of valid applications	Basis of allocation/ballot	Approximate percentage allotted of the total number of Shares applied for
2,200,000	7	516,000 Shares	23.45%
2,800,000	<u>2</u>	654,000 Shares	23.36%
TOTAL	<u><u>9</u></u>		

The final number of Offer Shares under the Hong Kong Public Offer is 9,840,000 Offer Shares, representing 10% of the total number of the Offer Shares initially available under the Global Offering.

RESULTS OF ALLOCATIONS

The results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offer successfully applied for under **WHITE** and **YELLOW** Application Forms and by giving **electronic application instructions** to HKSCC or through the designated **White Form eIPO** service, including the Hong Kong identity card numbers, passport numbers or Hong Kong business registration numbers of successful applicants (where supplied) and the number of the Hong Kong Offer Shares successfully applied for, will be made available at the times and dates and in the manner specified below:

- in the announcement to be posted on the Company's website at www.mechpipingtech.com and the Stock Exchange's website at www.hkexnews.hk by no later than 9:00 a.m., on Tuesday, 17 December 2019;
- from the designated results of allocations website at www.iporeresults.com.hk <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., Tuesday, 17 December 2019 to 12:00 midnight, Monday, 23 December 2019;
- by telephone enquiry line by calling 2862 8669 between 9:00 a.m. and 10:00 p.m. from Tuesday, 17 December 2019 to Friday, 20 December 2019;

- in the special allocation results booklets which will be available for inspection during opening hours from Tuesday, 17 December 2019 to Thursday, 19 December 2019 at all the receiving bank's designated branches at the addresses set out below:

Bank of China (Hong Kong) Limited

District	Branch Name	Address
Hong Kong Island	Causeway Bay Branch	505 Hennessy Road, Causeway Bay, Hong Kong
Kowloon	To Kwa Wan Branch	80N To Kwa Wan Road, To Kwa Wan, Kowloon
	Yu Chau Street Branch	42–46 Yu Chau Street, Sham Shui Po, Kowloon
New Territories	Castle Peak Road (Yuen Long) Branch	162 Castle Peak Road, Yuen Long, New Territories

The final Offer Price, the level of indications of interests in the International Placing, level of applications in the Hong Kong Public Offer, the results of applications and the basis of allocation of the Hong Kong Offer Shares are also published on Tuesday, 17 December 2019 on the website of the Stock Exchange at www.hkexnews.hk and the Company at www.mechpipingtech.com.