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## **Zhejiang Cangnan Instrument Group Company Limited**

**浙江蒼南儀錶集團股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 1743)**

### **ANNOUNCEMENT IN RELATION TO**

**1. CONDITIONAL CASH OFFER BY HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED ON BEHALF OF ZHEJIANG CANGNAN INSTRUMENT GROUP COMPANY LIMITED TO BUY-BACK ALL THE ISSUED H SHARES AT HK\$22.00 PER H SHARE;**

**2. PROPOSED VOLUNTARY WITHDRAWAL OF LISTING OF THE H SHARES OF THE COMPANY ON THE STOCK EXCHANGE OF HONG KONG LIMITED;**

**3. SHARE BUY-BACK OFFER HAVING BECOME UNCONDITIONAL IN ALL RESPECTS**

**AND**

**4. SHARE BUY-BACK OFFER TO REMAIN OPEN FOR ACCEPTANCES**

**Financial Adviser to the Company**



**Independent Financial Adviser to the Independent H Shareholders**



## **SHARE BUY-BACK OFFER HAVING BECOME UNCONDITIONAL IN ALL RESPECTS**

As at 4:00 p.m. on the date of this announcement, valid acceptances of the Share Buy-back Offer had been received in respect of 17,700,600 H Shares, among which valid acceptances of the Share Buy-back Offer in respect of 17,700,600 H Shares were tendered by Independent H Shareholders, which represents approximately 98.88%, 98.88% and 25.36% of the H Shares held by the Independent H Shareholders, the entire H share capital and the total issued share capital of the Company, respectively, as at the date of this announcement. As valid acceptances of the Share Buy-back Offer, amounting to at least 90% of the H Shares held by the Independent H Shareholders, have been received by the Company, the condition as to acceptances of the Share Offer Buy-back Offer has therefore been fulfilled. Accordingly, all the conditions of the Share Buy-back Offer have now been satisfied. As such, the Company announces that as at the date of this announcement, the Share Buy-back Offer have become unconditional in all respects.

Save for the H Shares to be acquired under the Share Buy-back Offer, none of the Company, the Directors and parties acting in concert with any of them has (i) acquired or agreed to acquire any Shares or the rights over Shares during the Offer Period; or (ii) borrowed or lent any Shares during the Offer Period. Before commencement of the Offer Period, the Company and its concert parties which includes the Company's Directors, supervisors and senior management and parties acting in concert with any of them, held 32,548,700 Domestic Shares, representing approximately 62.73% of the total number of Domestic Shares and approximately 46.64% of the total issued share capital of the Company.

## **SHARE BUY-BACK OFFER TO REMAIN OPEN FOR ACCEPTANCES**

The Share Buy-back Offer should remain open for acceptance for a longer period than normally required by Rule 15.3 of the Takeovers Code after it has been declared unconditional. At least 14 days' notice in writing must be given before the Share Buy-back Offer is closed to the H Shareholders who have not accepted the Share Buy-back Offer. Hence, the latest time to receive acceptances under the Share Buy-back Offer will be 4:00 p.m. on 28 June 2021.

## **NO RIGHT OF COMPULSORY ACQUISITION**

The Company has no rights under the laws of the PRC and the Articles of Association of the Company to compulsorily acquire the H Shares that are not tendered for acceptance pursuant to the Share Buy-back Offer. **Accordingly, the Independent H Shareholders are reminded that if they do not accept the Share Buy-back Offer and the H Shares are delisted from the Stock Exchange, this will result in the Independent H Shareholders holding securities that are not listed on the Stock Exchange and the liquidity of the H Shares may be severely reduced. In addition, the Company will no longer be subject to the requirements under the Listing Rules and may or may not continue to be subject to the Takeovers Code after completion of the Share Buy-back Offer depending on whether it remains as a public company in Hong Kong for the purposes of the Takeovers Code thereafter.**

## **WITHDRAWAL OF LISTING**

The Company has made an application for the Voluntary Withdrawal in accordance with Rule 6.15(2) of the Listing Rules by way of a capital reorganization. It is currently expected that the Voluntary Withdrawal will take place with effect from 9:00 a.m. on Monday, 5 July 2021, subject to the satisfaction of any conditions for the Voluntary Withdrawal from the Stock Exchange, and receipt of any regulatory approvals required for such Voluntary Withdrawal. H Shareholders will be notified by way of an announcement of the dates of the last day for dealing in the H Shares and on which the Voluntary Withdrawal will become effective.

Reference is made to (i) the announcements of Zhejiang Cangnan Instrument Group Company Limited (the “**Company**”) dated 5 February 2021, 3 March 2021 and 12 March 2021 made pursuant to Rule 3.7 and Rule 3.5 respectively, of the Takeovers Code; (ii) the offer document (the “**Offer Document**”) dated 1 April 2021; and (iii) the announcements dated 13 April 2021, 30 April 2021 and 17 May 2021 issued by the Company, in relation to the Share Buy-back Offer and the Voluntary Withdrawal; and (iv) the announcement dated 17 May 2021 in relation to the poll results of the EGM, the H Shareholders Class Meeting and the Domestic Shareholders Class Meeting (the “**Poll Results Announcement**”). Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Offer Document.

## **SHARE BUY-BACK OFFER HAVING BECOME UNCONDITIONAL IN ALL RESPECTS**

Pursuant to the Poll Results Announcement, conditions (a), (b) and (c) of the Share Buy-back Offer and the Voluntary Withdrawal (being the conditions on the passing by the Shareholders of the special resolution approving the Share Buy-back Offer and the Voluntary Withdrawal at the EGM, the H Shareholders Class Meeting and the Domestic Shareholders Class Meeting), condition (e) of the Share Buy-back Offer and the Voluntary Withdrawal (being the condition on receiving the approvals from the Executive and the Stock Exchange, including but not limited to, a waiver under Rule 2.2(c) of the Takeovers Code), condition (f) of the Share Buy-back Offer and the Voluntary Withdrawal (being the condition where the registration with SAFE in relation to the Share Buy-back Offer remains in full-force and effect) and condition (g) of the Share Buy-back Offer and the Voluntary Withdrawal (being the condition that the Company is in compliance with the Listing Rules, the Takeovers Code, the Share Buy-backs Code, the statutory laws of Hong Kong and the PRC applicable to the Share Buy-back Offer and Voluntary Withdrawal) have been fulfilled.

As at 4:00 p.m. on the date of this announcement, valid acceptances of the Share Buy-back Offer had been received in respect of 17,700,600 H Shares, among which valid acceptances of the Share Buy-back Offer in respect of 17,700,600 H Shares were tendered by Independent H Shareholders which represents approximately 98.88%, 98.88% and 25.36% of the H Shares held by the Independent H Shareholders, the entire issued H share capital and the total issued share capital, respectively, as at the date of this announcement. As valid acceptances of the Share Buy-back Offer, amounting to at least 90% of the H Shares held by the Independent H Shareholders, have been received by the Company, condition (d) as to acceptances of the Share Buy-back Offer and the Voluntary Withdrawal has therefore been fulfilled. Accordingly, all the conditions of the Share Buy-back Offer have now been satisfied. As such, the Company announces that as at the date of this announcement, the Share Buy-back Offer and the Voluntary Withdrawal have become unconditional in all respects.

As at the date of this announcement, save for any Domestic Shares held by the Directors, supervisors and senior management of the Company, or under the direction of such supervisor, i.e. Domestic Shares held by Huashi LP as set out in the shareholding table on page 17 to 18 to the Offer Document, the Company, the Directors and parties acting in concert with any of them do not hold, own, control or have direction over any Shares or voting rights of the Company or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

Save for the Shares to be acquired under the Share Buy-back Offer, none of the Company, the Directors and parties acting in concert with any of them has (i) acquired or agreed to acquire any Shares or the rights over Shares during the Offer Period; or (ii) borrowed or lent any Shares of the Company during the Offer Period. Before commencement of the Offer Period, the Company and its concert parties which includes the Company’s Directors, supervisors and senior management and parties acting in concert with any of them, held 32,548,700 Domestic Shares, representing approximately 62.73% of the total number of Domestic Shares and approximately 46.64% of the total issued share capital of the Company.

## **SHARE BUY-BACK OFFER TO REMAIN OPEN FOR ACCEPTANCES**

The Share Buy-back Offer should remain open for acceptance for a longer period than normally required by Rule 15.3 of the Takeovers Code after it has been declared unconditional. At least 14 days' notice in writing must be given before the Share Buy-back Offer is closed to the H Shareholders who have not accepted the Share Buy-back Offer. Hence, the latest time to receive acceptances under the Share Buy-back Offer will be 4:00 p.m. on June 28, 2021.

Independent H Shareholders are advised to refer to the Offer Document and the Form of Acceptance for details of acceptance procedures if they wish to accept the Share Buy-back Offer.

## **SETTLEMENT OF THE SHARE BUY-BACK OFFER**

Pursuant to Rule 20.1 of the Takeovers Code, settlement in cash in respect of acceptances of the Share Buy-back Offer will be made within seven Business Days (as defined under the Takeovers Code) of the later of the date on which the Share Buy-back Offer has become or is declared unconditional and the date on which the H Shares are tendered for acceptance of the Share Buy-back Offer. Relevant documents of title must be received by the Share Registrar to render each acceptance of the Share Buy-back Offer complete and valid. Remittances in respect of the H Shares tendered for acceptance and taken up by the Company under the Share Buy-back Offer (after, if applicable, deducting the seller's ad valorem stamp duty arising therefrom) will be posted to the H Shareholders by ordinary post at their own risk.

## EXPECTED TIMETABLE

The expected timetable, as reproduced from the Offer Document, is set out below which is indicative only and may be subject to changes. Any changes to the timetable will be announced by the Company as soon as possible. Unless otherwise expressly stated, all references to dates and times contained in this announcement refer to Hong Kong dates and times.

Latest date for posting of remittances for the amounts due under the Share Buy-back Offer in respect of valid acceptances received at or before the latest time for acceptances of the Share Buy-back Offer on the First Closing Date <sup>(Note 1)</sup>	9 June 2021
Last day of trading in the H Shares on the Stock Exchange, assuming the Voluntary Withdrawal is approved	22 June 2021
Final Closing Date <sup>(Note 2)</sup>	28 June 2021
Latest time for the Share Buy-back Offer remaining opened for acceptance on the Final Closing Date and the closing of the Share Buy-back Offer	4:00 p.m. on 28 June 2021
Announcement of the results of the Share Buy-back Offer on the Final Closing Date	By 7:00 p.m. on 28 June 2021
Withdrawal of listing becoming effective	9:00 a.m. on 5 July 2021
Latest date for posting of remittances for the amounts due under the Share Buy-back Offer in respect of valid acceptances received at or before the latest time for acceptances of the Share Buy-back Offer on the Final Closing Date	8 July 2021

### Notes:

- Remittances in respect of the cash consideration under the Share Buy-back Offer will be posted to the accepting Independent H Shareholders by ordinary post at their own risk as soon as possible but in any event within seven Business Days of the later of the date of receipt by the Share Registrar, of duly completed acceptance, or on the date the Share Buy-back Offer and Voluntary Withdrawal become or are declared unconditional.*
  - The Share Buy-back Offer should remain open for acceptance for a longer period than normally required by Rule 15.3 of the Takeovers Code after it has been declared unconditional. At least 14 days' notice in writing must be given before the Share Buy-back Offer is closed to the H Shareholders who have not yet accepted the Share Buy-back Offer. Hence, the latest time to receive acceptances under the Share Buy-back Offer will be 4:00 p.m. on 28 June 2021.*
- \* As the Share Buy-back Offer has become unconditional in all respects, such offer will be open for acceptance for 28 days until the Final Closing Date, and Independent H Shareholders will be able to accept such offer by the Final Closing Date (or the corresponding internal deadline set by your nominee agents if your H Share(s) has/have been lodged with your licensed securities dealer or other registered dealer in securities or custodian bank through CCASS).*

## NO RIGHT OF COMPULSORY ACQUISITION

The Company has no rights under the laws of the PRC and the Articles of Association of the Company to compulsorily acquire the H Shares that are not tendered for acceptance pursuant to the Share Buy-back Offer. **Accordingly, the Independent H Shareholders are reminded that if they do not accept the Share Buy-back Offer and the H Shares are delisted from the Stock Exchange, this will result in the Independent H Shareholders holding securities that are not listed on the Stock Exchange and the liquidity of the H Shares may be severely reduced. In addition, the Company will no longer be subject to the requirements under the Listing Rules and may or may not continue to be subject to the Takeovers Code after completion of the Share Buy-back Offer depending on whether it remains as a public company in Hong Kong for the purposes of the Takeovers Code thereafter.**

## WITHDRAWAL OF LISTING

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By order of the Board  
**Zhejiang Cangnan Instrument Group Company Limited**  
**Hong Zuobin**  
*Chairman*

Hong Kong, 31 May 2021

*As of the date of this announcement, the Board comprises Mr. Hong Zuobin, Mr. Huang Youliang, Mr. Jin Wensheng, Mr. Yin Xingjing, Mr. Zhang Shengyi, Ms. Lin Zichan and Mr. Lin Zhongzhu as executive Directors, Mr. Ye Xiaosen and Mr. Hou Zukuan as non-executive Directors and Mr. Ng Jack Ho Wan, Mr. Wong Hak Kun, Mr. Wang Jingfu, Mr. Li Jing and Mr. Su Zhongdi as independent non-executive Directors.*

*All the directors of the Company jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*