

## **SUMMARY**

### **Offer Price**

- The Offer Price has been determined at HK\$1.05 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%).

### **Net Proceeds from the Global Offering**

- Based on the Offer Price of HK\$1.05 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deducting the underwriting commission and other expenses paid and payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$154.0 million. The Company intends to apply such net proceeds in the manner as set out in the section headed “Net Proceeds from the Global Offering” in this announcement.
- Based on the Offer Price of HK\$1.05 per Offer Share, the net proceeds to be received by the Selling Shareholder from the sale of the Sale Shares (after deduction of the proportionate share of underwriting commissions payable by the Selling Shareholder in relation to the Global Offering) will be approximately HK\$59.2 million. The Company will not receive any of the proceeds from the Sale Shares.
- As no over-allocation of International Offer Shares has been made, the Over-allotment Option has not been and will not be exercised, and no additional proceeds are expected to be received by the Company in this connection.

### **Applications and Indications of Interest Received**

#### **Hong Kong Public Offering**

- The Hong Kong Offer Shares initially offered under the Hong Kong Public Offering have been over-subscribed. A total of 3,810 valid applications have been received pursuant to the Hong Kong Public Offering through the **HK eIPO White Form** service and through the **CCASS EIPO** service for a total of 158,272,000 Hong Kong Offer Shares, representing approximately 6.33 times of the total number of 25,000,000 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering.

- Due to the over-subscription in the Hong Kong Public Offering by less than 15 times and the undersubscription in the International Offering, the clawback mechanism as described in the section headed “Structure and Conditions of the Global Offering — The Hong Kong Public Offering — Reallocation” in the Prospectus has been applied. As the number of the Hong Kong Offer Shares validly applied for in the Hong Kong Public Offering represents less than 15 times of the total number of the Hong Kong Offer Shares initially available under the Hong Kong Public Offering, a total number of 25,000,000 Offer Shares have been reallocated from the International Offering to the Hong Kong Public Offering in accordance with Guidance Letter HKEX-GL91-18.
- As a result of such reallocation, the final number of the Offer Shares allocated to the Hong Kong Public Offering has been increased to 50,000,000 Offer Shares, representing 20% of the total number of the Offer Shares initially available under the Global Offering, and being allocated to 3,810 successful applicants under the Hong Kong Public Offering. The Sole Sponsor, the Overall Coordinator, the Company and each of the Directors confirm that the Allocation Cap (as defined below) has not been exceeded.

### **International Offering**

- The International Offer Shares initially offered under the International Offering have been under-subscribed. The final number of Offer Shares allocated to the 158 places under the International Offering is 200,000,000 Offer Shares, representing 80% of the total number of Offer Shares initially available under the Global Offering.
- No over-allocation of International Offer Shares has been made. A total of 49 places have been allotted five board lots of International Offer Shares or less, representing approximately 31.01% of the total number of places under the International Offering. These places have been allotted 114,000 Shares in total, representing approximately 0.057% of the International Offer Shares initially available under the International Offering and 0.0456% of the total number of Offer Shares initially available under the Global Offering. A total of 41 places have been allotted one board lot of International Offer Shares, representing approximately 25.95% of the total number of places under the International Offering. These places have been allotted 82,000 Shares in total, representing approximately 0.041% of the International Offer Shares initially available under the International Offering and 0.0328% of the total number of Offer Shares initially available under the Global Offering.

## **Confirmations regarding public shareholders in the Hong Kong Public Offering and places in the International Offering**

- To the best knowledge, information and belief of the Directors, no Offer Shares placed by or through the Overall Coordinator, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers or the Underwriters under the Global Offering have been placed with applicants and their respective ultimate beneficial owners who are core connected persons (as defined in the Listing Rules) of the Company, or Directors or to any connected clients (as set out in paragraph 5(1) of the Placing Guidelines under Appendix 6 of the Listing Rules (the “**Placing Guidelines**”)) or persons set out in paragraph 5(2) of the Placing Guidelines, whether in their own names or through nominees. The International Offering is in compliance with the Placing Guidelines.
- The Directors confirm that, to the best of their knowledge, information and belief, (i) none of the Offer Shares subscribed by public Shareholders in the Hong Kong Public Offering and places in the International Offering has been financed directly or indirectly by the Company, the Directors, chief executive of the Company, Controlling Shareholders, substantial Shareholders of the Company, existing Shareholders of the Company or any of their subsidiaries or their respective close associates; (ii) no rebate has been, directly or indirectly, provided by the Company, the Directors, chief executive of the Company, Controlling Shareholders, substantial Shareholders of the Company, existing Shareholders of the Company or any of their subsidiaries or their respective close associates or syndicate members or any other brokers or underwriters to any public Shareholders in the Hong Kong Public Offering or places in the International Offering; (iii) none of the public Shareholders in the Hong Kong Public Offering and places in the International Offering who has subscribed for the Offer Shares is accustomed to taking instructions from the Company, the Directors, chief executive of the Company, Controlling Shareholders, substantial Shareholders of the Company, existing Shareholders of the Company or any of their 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; (iv) the consideration payable by the public Shareholders in the Hong Kong Public Offering and places in the International Offering for each Share subscribed for or purchased by them is the same as the final Offer Price as determined by the Company, in addition to brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%; and (v) there is no side agreement or arrangement between the Company, any of the Directors, chief executive of the Company, Controlling Shareholders, substantial Shareholders of the Company, existing Shareholders of the Company or any of their subsidiaries or their respective close associates or syndicate members or any other brokers or underwriters, on one hand, and the public subscribers or the placee who has subscribed for the Offer Shares, on the other hand.

### **Over-allotment Option**

- The Overall Coordinator confirmed that no over-allocation of International Offer Shares has been made. Therefore, the Stock Borrowing Agreement will not be entered into and the Over-allotment Option will not be exercised. In view of the fact that there has been no over-allocation in the International Offering, no stabilising action as described in the Prospectus will take place during the stabilisation period. As of the date of this announcement, the Over-allotment Option has not been exercised and the Over-allotment Option will be lapsed and will not be exercised as no over-allocation of the Offer Shares was made in the International Offering.

### **Cornerstone Investor**

- Based on the Offer Price of HK1.05 per Offer Share and pursuant to the Cornerstone Investment Agreement with the Cornerstone Investor as disclosed in the section headed “Cornerstone Investor” in the Prospectus, the number of Offer Shares subscribed for by the Cornerstone Investor has now been determined. The Cornerstone Investor has subscribed for 97,402,000 Offer Shares, representing approximately 38.96% of the total number of Offer Shares initially available under the Global Offering and approximately 9.74% of the total number of issued Shares immediately following the completion of the Global Offering. Immediately following the completion of the Global Offering, the Cornerstone Investor will not have any board representation in the Company nor enjoy any preferential rights in the Company as compared with other public Shareholders, nor will it become a substantial shareholder (as defined in the Listing Rules) of the Company.
- To the best of the knowledge of the Company, the Cornerstone Investor is independent of the Company, its connected persons and their respective associates (as defined in the Listing Rules). The Offer Shares to be subscribed for by the Cornerstone Investor will rank pari passu in all respects with the other fully paid Offer Shares in issue and the shareholding of the Cornerstone Investor will be counted towards the public float of the Shares. Further, the Cornerstone Investor has agreed that, without the prior written consent of the Company and the Overall Coordinator, it will not, whether directly or indirectly, at any time during the period of six months following the Listing Date (the “**Lock-up Period**”), dispose of any of the Offer Shares it has purchased pursuant to the cornerstone investment agreement, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of the Cornerstone Investor, including the Lock-up Period restriction.

## **Lock-up Undertakings**

- Each of the Company, the Controlling Shareholders, the Pre-IPO Investors and the Cornerstone Investor are subject to certain lock-up undertakings as set out in the section headed “Lock-up Undertakings” in this announcement.

## **Shareholding Concentration Analysis**

- We set out a shareholding concentration analysis based on the allotment results under the Global Offering. Please refer to the section headed “Shareholding Concentration Analysis” of this announcement for further details.

## **Results of Allocation**

- The level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocations of the Hong Kong Offer Shares will be published on Thursday, 30 March 2023 on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company’s website at [www.jl-ks.cn](http://www.jl-ks.cn).
- The results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offering successfully applied for through the **HK eIPO White Form** service or through the **CCASS EIPO** service, including the Hong Kong identity card/passport/Hong Kong business registration/certificate of incorporation numbers of successful applicants, and the number of Hong Kong Offer Shares successfully applied for, will be available at the times and dates and in the manner specified below:
  - in the announcement to be posted at the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and our website at [www.jl-ks.cn](http://www.jl-ks.cn) on Thursday, 30 March 2023;
  - from the “IPO Results” function in the **IPO App** or at [www.hkeipo.hk/IPOResult](http://www.hkeipo.hk/IPOResult) (or [www.tricor.com.hk/ipo/result](http://www.tricor.com.hk/ipo/result)) with a “search by ID” function from 8:00 a.m. on Thursday, 30 March 2023 to 12:00 midnight on Wednesday, 5 April 2023; and
  - from the allocation results telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. from Thursday, 30 March 2023 to Tuesday, 4 April 2023 on a business day (excluding Saturday, Sunday and public holiday in Hong Kong).

- This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed “Results of Applications Made by **HK eIPO White Form**” in this announcement refer to Hong Kong identity card numbers/passport numbers/Hong Kong business registration numbers/certificate of incorporation numbers/beneficial owner identification codes (if such applications are made by nominees as agent for the benefit of another person) whereas those displayed in the section headed “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” in this announcement are provided by CCASS Participants via CCASS. Therefore, the identification document numbers shown in the two sections are different in nature. Please note that the list of identification document numbers set out in this announcement may not be a complete list of successful applicants since only successful applicants whose identification document numbers are provided to HKSCC by CCASS participants are disclosed. Applicants with beneficial names only but not identification document numbers are not disclosed due to personal privacy issue as elaborated below. Applicants who applied for the Hong Kong Offer Shares through their brokers can consult their brokers to enquire about their application results.
- Since applications are subject to personal information collection statements, beneficial owner identification codes displayed in the sections headed “Results of Applications Made by **HK eIPO White Form**” and “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” are redacted and not all details of applications are disclosed in this announcement.

#### **Despatch/Collection of Share Certificates/e-Auto Refund Payment Instructions/Refund Cheques**

- Applicants who applied for 1,000,000 Hong Kong Offer Shares or more through the **HK eIPO White Form** service and who have been wholly successfully or partially successfully allocated Hong Kong Offer Shares and are eligible to collect the Share certificates in person may collect the Share certificates from the Hong Kong Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Thursday, 30 March 2023 or any other place or date notified by the Company as the place or date of despatch/collection of Share certificates/e-Auto Refund payment instructions/refund cheques.

- Applicants being individuals who are eligible for personal collection cannot authorize any other person to make collection on their behalf. Corporate applicants which are eligible for personal collection must attend by their authorised representatives bearing letters of authorisation from their corporations stamped with the corporations' chops. Both individuals and authorised representatives (if applicable) must produce, at the time of collection, evidence of identity acceptable to the Hong Kong Share Registrar.
- Share certificates for Hong Kong Offer Shares allotted to applicants who applied for less than 1,000,000 Hong Kong Offer Shares through the **HK eIPO White Form** service are expected to be despatched to those entitled to the addresses specified in the relevant application instructions by ordinary post at their own risk on or before Thursday, 30 March 2023.
- Share certificates for Hong Kong Offer Shares allotted to applicants who applied through the **HK eIPO White Form** 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 at their own risk on or before Thursday, 30 March 2023.
- Wholly or partially successful applicants who applied by giving **electronic application instructions** to HKSCC via CCASS will have their Share certificates issued in the name of HKSCC Nominees Limited and deposited into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participants who gave **electronic application instructions** on their behalf on Thursday, 30 March 2023.
- 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 and the amount of refund monies payable to them with that CCASS Participant.

- Applicants who applied as a CCASS Investor Participant by giving electronic application instructions to HKSCC via CCASS should check and report any discrepancies to HKSCC before 5:00 p.m. on Thursday, 30 March 2023 or such other date as shall be determined by HKSCC or HKSCC Nominees. Applicants who applied as a CCASS Investor Participant by giving **electronic application instructions** to HKSCC via CCASS may also check the results of their applications and the amount of refund monies payable to them via the CCASS Phone System and the CCASS Internet System (under the procedures contained in HKSCC’s “An Operating Guide for Investor Participants” in effect from time to time). Immediately following the credit of the Hong Kong Offer Shares to the CCASS Investor Participants stock accounts and the credit of the refund monies to their respective designated bank account (if any), HKSCC will also make available to the CCASS Investor Participants an activity statement showing the number of the Hong Kong Offer Shares credited to their stock accounts and the amount of refund monies (if any) credited to their respective designated bank account.
- Applicants who applied through the **HK eIPO White Form** service and paid the application monies through a single bank account, refund monies (if any) will be despatched to their application payment bank account in the form of e-Auto Refund payment instructions on Thursday, 30 March 2023. Applicants who applied through the **HK eIPO White Form** service and paid the application monies through multiple bank accounts, will have refund monies (if any) despatched to the addresses specified in their applications instructions, in the form of refund cheque(s) in favour of the applicant (or, in the case of joint applications, the first-named applicant), by ordinary post at their own risk on or before Thursday, 30 March 2023.
- 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 Thursday, 30 March 2023.
- Share certificates will only become valid evidence of title at 8:00 a.m. (Hong Kong time) on Friday, 31 March 2023 provided that the Global Offering has become unconditional in all respects at or before that time and the right of termination as described in the section headed “Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — *Grounds for termination*” in the Prospectus has not been exercised.
- The Company will not issue any temporary documents of title in respect of the Offer Shares and will not issue any receipt for application monies received.



## **Public Float**

- The Directors confirm that immediately after the Global Offering, (i) at least 25% of the Company's enlarged issued share capital would be held by the public hands in compliance with Rule 8.08(1) of the Listing Rules; (ii) no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company and hence, none of the placees will become a substantial shareholder (as defined in the Listing Rules) of the Company immediately following completion of the International Offering; (iii) there will not be any new substantial shareholder (as defined in the Listing Rules) of the Company; (iv) the three largest public Shareholders do not hold more than 50% of the Shares held in public hands at the time of the Listing in compliance with Rules 8.08(3) and 8.24 of the Listing Rules; and (v) there will be at least 300 Shareholders at the time of the Listing in compliance with Rule 8.08(2) of the Listing Rules.

## **Commencement of Dealings**

- Assuming that the Global Offering becomes unconditional in all respects at or before 8:00 a.m. (Hong Kong time) on Friday, 31 March 2023, dealings in the Shares on the Main Board of the Stock Exchange are expected to commence at 9:00 a.m. (Hong Kong time) on Friday, 31 March 2023. The Shares will be traded in board lots of 2,000 Shares each. The stock code of the Shares is 2439.

**In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should beware of the risks that the price of the Shares could fluctuate significantly 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\$1.05 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%).

## NET PROCEEDS FROM THE GLOBAL OFFERING

Based on the Offer Price of HK\$1.05 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deducting the underwriting commission and other expenses paid and payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$154.0 million (equivalent to RMB139.3 million).

The Company intends to apply such net proceeds as follows:

- approximately 33.3%, or approximately HK\$51.3 million (equivalent to RMB46.4 million), will be used to expand and establish new production lines in our Changchun Production Base;
- approximately 33.2%, or approximately HK\$51.1 million (equivalent to approximately RMB46.3 million), will be used to establish a new production base in Huizhou;
- approximately 4.3%, or approximately HK\$6.6 million (equivalent to approximately RMB6.0 million), will be used to strengthen our R&D capabilities and upgrade our existing R&D equipment;
- approximately 21.4%, or approximately HK\$33.0 million (equivalent to approximately RMB29.8 million), will be used to finance our R&D projects;
- approximately 3.0%, or approximately HK\$4.6 million (equivalent to approximately RMB4.2 million), will be used to strengthen our IT system; and
- approximately 4.8%, or approximately HK\$7.4 million (equivalent to approximately RMB6.6 million), will be used for general working capital.

For further information, please refer to the section headed “Future Plans and Use of Proceeds” in the Prospectus.

- Based on the Offer Price of HK\$1.05 per Offer Share, the net proceeds to be received by the Selling Shareholder from the sale of the Sale Shares (after deduction of the proportionate share of underwriting commissions payable by the Selling Shareholder in relation to the Global Offering) will be approximately HK\$59.2 million. The Company will not receive any of the proceeds from the Sale Shares.

- As no over-allocation of International Offer Shares has been made, the Over-allotment Option has not been and will not be exercised, and no additional proceeds are expected to be received by the Company in this connection.

## **APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED IN THE HONG KONG PUBLIC OFFERING**

The Hong Kong Offer Shares initially offered under the Hong Kong Public Offering have been over-subscribed. At the close of the application lists at 12:00 noon on Friday, 24 March 2023, a total of 3,810 valid applications have been received pursuant to the Hong Kong Public Offering through the **HK eIPO White Form** service and through the **CCASS EIPO** service for a total of 158,272,000 Hong Kong Offer Shares, representing approximately 6.33 times of the total number of 25,000,000 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering, among which:

- 3,802 valid applications in respect of a total of 125,272,000 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$1.35 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%) of HK\$5 million or less (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and the Stock Exchange trading fee of 0.00565%), representing approximately 10.02 times of the 12,500,000 Hong Kong Offer Shares initially comprised in Pool A; and
- 8 valid applications in respect of a total of 33,000,000 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$1.35 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%) of more than HK\$5 million, representing 2.64 times of the 12,500,000 Hong Kong Offer Shares initially comprised in Pool B.

No multiple applications or suspected multiple applications have been identified and rejected. No application has been rejected due to dishonored payment. No application has been rejected due to invalid application. No application for more than 12,500,000 Hong Kong Offer Shares (being 50% of the Hong Kong Offer Shares initially available under the Hong Kong Public Offering) has been identified.

Due to the over-subscription in the Hong Kong Public Offering by less than 15 times and under-subscription in the International Offering, the clawback mechanism as described in the section headed “Structure and Conditions of the Global Offering — The Hong Kong Public Offering — Reallocation” in the Prospectus has been applied.

As the number of the Hong Kong Offer Shares validly applied for in the Hong Kong Public Offering represents less than 15 times of the total number of the Hong Kong Offer Shares initially available under the Hong Kong Public Offering, a total number of 25,000,000 Offer Shares have been reallocated from the International Offering to the Hong Kong Public Offering in accordance with Guidance Letter HKEX-GL91-18.

The final number of the Hong Kong Offer Shares is 50,000,000, representing 20% of the total number of the Offer Shares initially available under the Hong Kong Public Offering, and being allocated to 3,810 successful applicants under the Hong Kong Public Offering. The Sole Sponsor, the Overall Coordinator, the Company and each of the Directors confirm that the maximum total number of Shares that may be allocated to the Hong Kong Public Offering following the reallocation (the “**Allocation Cap**”) has not been exceeded. The Offer Shares offered in the Hong Kong Public Offering were conditionally allocated on the basis set out in the paragraph headed “Basis of allocation under the Hong Kong Public Offering” below.

## **INTERNATIONAL OFFERING**

The International Offer Shares initially offered under the International Offering have been under-subscribed. The final number of Offer Shares allocated to the 158 placees under the International Offering is 200,000,000 Offer Shares, representing 80% of the total number of Offer Shares initially available under the Global Offering.

No over-allocation of International Offer Shares has been made. A total of 49 placees have been allotted five board lots of International Offer Shares or less, representing approximately 31.01% of the total number of placees under the International Offering. These placees have been allotted 114,000 Shares in total, representing approximately 0.057% of the International Offer Shares initially available under the International Offering and 0.0456% of the total number of Offer Shares initially available under the Global Offering. A total of 41 placees have been allotted one board lot of International Offer Shares, representing approximately 25.95% of the total number of placees under the International Offering. These placees have been allotted 82,000 Shares in total, representing approximately 0.041% of the International Offer Shares initially available under the International Offering and 0.0328% of the total number of Offer Shares initially available under the Global Offering.

The International Offering is in compliance with the Placing Guidelines under Appendix 6 of the Listing Rules (the “**Placing Guidelines**”), and to the best knowledge of the Directors, no other Offer Shares have been placed with any core connected person (as such term is defined in the Listing Rules) of the Company or any connected clients (as set out in paragraph 5(1) of the Placing Guidelines), or persons set out in paragraph 5(2) of the Placing Guidelines, whether in their own names or through nominees.

The Directors confirm that (a) there will not be any new substantial Shareholder (as defined in the Listing Rules) of the Company immediately after the Global Offering, (b) the number of Shares in public hands will satisfy the minimum percentage of 25% as required under Rule 8.08(1) of the Listing Rules, (c) the three largest public shareholders of the Company will not hold more than 50% of the Shares held in public hands at the time of the Listing in compliance with Rules 8.08(3) and 8.24 of the Listing Rules, and (d) there will be at least 300 Shareholders at the time of the Listing in compliance with Rules 8.08(2) of the Listing Rules.

## **CORNERSTONE INVESTOR**

Based on the Offer Price of HK\$1.05 per Offer Share and pursuant to the Cornerstone Investment Agreement with the Cornerstone Investor as disclosed in the section headed “Cornerstone Investor” in the Prospectus, the number of Offer Shares subscribed for by the Cornerstone Investor has now been determined. The Cornerstone Investor has subscribed for 97,402,000 Offer Shares, representing approximately 38.96% of the total number of Offer Shares initially available under the Global Offering and approximately 9.74% of the total number of issued Shares immediately following the completion of the Global Offering. Immediately following the completion of the Global Offering, the Cornerstone Investor will not have any board representation in the Company nor enjoy any preferential rights in the Company as compared with other public Shareholders, nor will it become a substantial shareholder (as defined in the Listing Rules) of the Company. To the best of the knowledge of the Company, the Cornerstone Investor is independent of the Company, its connected persons and their respective associates (as defined in the Listing Rules). The Offer Shares to be subscribed for by the Cornerstone Investor will rank pari passu in all respects with the other fully paid Offer Shares in issue and the shareholding of the Cornerstone Investor will be counted towards the public float of the Shares. Further, the Cornerstone Investor has agreed that, without the prior written consent of the Company and the Overall Coordinator, it will not, whether directly or indirectly, at any time during Lock-up Period, dispose of any of the Offer Shares it has purchased pursuant to the cornerstone investment agreement, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of the Cornerstone Investor, including the Lock-up Period restriction. Please refer to the section headed “Cornerstone Investor” in the Prospectus for further details relating to the Cornerstone Investor.

## **CONFIRMATIONS REGARDING PUBLIC SHAREHOLDERS IN THE HONG KONG PUBLIC OFFERING AND PLACES IN THE INTERNATIONAL OFFERING**

- To the best knowledge, information and belief of the Directors, no Offer Shares placed by or through the Overall Coordinator, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers or the Underwriters under the Global Offering have been placed with applicants and their respective ultimate beneficial owners who are core connected persons (as defined in the Listing Rules) of the Company, or Directors or to any connected clients (as set out in paragraph 5(1) of the Placing Guidelines) or persons set out in paragraph 5(2) of the Placing Guidelines, whether in their own names or through nominees. The International Offering is in compliance with the Placing Guidelines.
- The Directors confirm that, to the best of their knowledge, information and belief, (i) none of the Offer Shares subscribed by public Shareholders in the Hong Kong Public Offering and places in the International Offering has been financed directly or indirectly by the Company, the Directors, chief executive of the Company, Controlling Shareholders, substantial Shareholders of the Company, existing Shareholders of the Company or any of their subsidiaries or their respective close associates; (ii) no rebate has been, directly or indirectly, provided by the Company, the Directors, chief executive of the Company, Controlling Shareholders, substantial Shareholders of the Company, existing Shareholders of the Company or any of their subsidiaries or their respective close associates or syndicate members or any other brokers or underwriters to any public Shareholders in the Hong Kong Public Offering or places in the International Offering; (iii) none of the public Shareholders in the Hong Kong Public Offering and places in the International Offering who has subscribed for the Offer Shares is accustomed to taking instructions from the Company, the Directors, chief executive of the Company, Controlling Shareholders, substantial Shareholders of the Company, existing Shareholders of the Company or any of their 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; (iv) the consideration payable by the public Shareholders in the Hong Kong Public Offering and places in the International Offering for each Share subscribed for or purchased by them is the same as the final Offer Price as determined by the Company, in addition to brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%; and (v) there is no side agreement or arrangement between the Company, any of the Directors, chief executive of the Company, Controlling Shareholders, substantial Shareholders of the Company, existing Shareholders of the Company or any of their subsidiaries or their respective close associates or syndicate members or any other brokers or underwriters, on one hand, and the public subscribers or the placee who has subscribed for the Offer Shares, on the other hand.

## OVER-ALLOTMENT OPTION

The Overall Coordinator confirmed that no over-allocation of International Offer Shares has been made. Therefore, the Stock Borrowing Agreement will not be entered into and the Over-allotment Option will not be exercised. In view of the fact that there has been no over-allocation in the International Offering, no stabilising action as described in the Prospectus will take place during the stabilisation period. As of the date of this announcement, the Over-allotment Option has not been exercised and the Over-allotment Option will be lapsed and will not be exercised as no over-allocation of the Offer Shares was made in the International Offering.

## LOCK-UP UNDERTAKINGS

Each of the Company, the Controlling Shareholders, the Pre-IPO Investors and the Cornerstone Investor has given certain undertakings in relation to the issue or disposal of Shares (the “**Lock-up Undertakings**”). The major terms of the Lock-Up Undertakings are set out as follows:

Name	Number of Lock-up Shares held in the Company subject to the Lock-up Undertakings upon Listing	Approximate percentage of shareholding in the Company subject to the Lock-up Undertakings upon Listing	Last day subject to the Lock-up Undertakings
<b>The Company</b> <i>(subject to lock-up obligations pursuant to the Listing Rules and the Underwriting Agreements)</i>	N/A	N/A	30 September 2023 <sup>(1)</sup>
<b>Controlling Shareholders</b> <i>(subject to lock-up obligations pursuant to the Listing Rules and the Underwriting Agreements)<sup>(2)</sup></i>	671,903,040	67.19%	30 September 2023 (First Six-month Period) 31 March 2024 (Second Six-month Period)
<b>Pre-IPO Investors<sup>(3)</sup></b>	78,096,960	7.81%	30 September 2023
<b>Cornerstone Investor<sup>(4)</sup></b>	97,402,000	9.74%	30 September 2023

Notes:

- (1) The Company may not issue Shares on or prior to the indicated date except otherwise permitted by the Listing Rules.

- (2) The Controlling Shareholder shall not (a) dispose of any of the relevant securities of the Company in the First Six-month Period; and (b) dispose of any of the relevant securities of the Company in the Second Six-month Period if immediately following such disposal the Controlling Shareholder would cease to be a controlling shareholder (as defined in the Listing Rules) of the Company. For further details, please refer to the paragraphs headed “Underwriting — Underwriting Arrangements and Expenses — Undertakings pursuant to the Hong Kong Underwriting Agreement — Undertakings by the Controlling Shareholders and the Selling Shareholder” and “Underwriting — Underwriting Arrangements and Expenses — Undertakings pursuant to the Listing Rules — Undertakings by our Controlling Shareholders” in the Prospectus.
- (3) For details of the lock-up arrangement, please refer to the section headed “History, Reorganisation and Corporate Structure — Pre-IPO Investment” in the Prospectus.
- (4) For details of the lock-up arrangement, please refer to the section headed “Cornerstone Investor — Restrictions on Disposal by the Cornerstone Investor” in the Prospectus.

## **BASIS OF ALLOCATION UNDER THE HONG KONG PUBLIC OFFERING**

Subject to satisfaction of the conditions set out in the section headed “Structure and Conditions of the Global Offering — Conditions of the Global Offering” in the Prospectus, 3,810 valid applications made by the public through the **HK eIPO White Form** service and the **CCASS EIPO** service will be conditionally allocated on the basis set out below:

### **POOL A**

<b>Number of Shares applied for</b>	<b>Number of valid applications</b>	<b>Basis of allocation/ballot</b>	<b>Approximate percentage allotted of the total number of Shares applied for</b>
2,000	2,338	2,000 shares	100.00%
4,000	237	2,000 shares plus 181 out of 237 applicants to receive an additional 2,000 shares	88.19%
6,000	454	2,000 shares plus 407 out of 454 applicants to receive an additional 2,000 shares	63.22%
8,000	94	4,000 shares	50.00%
10,000	114	4,000 shares plus 35 out of 114 applicants to receive an additional 2,000 shares	46.14%
12,000	20	4,000 shares plus 13 out of 20 applicants to receive an additional 2,000 shares	44.17%



<b>Number of Shares applied for</b>	<b>Number of valid applications</b>	<b>Basis of allocation/ballot</b>	<b>Approximate percentage allotted of the total number of Shares applied for</b>
14,000	18	6,000 shares	42.86%
16,000	17	6,000 shares plus 5 out of 17 applicants to receive an additional 2,000 shares	41.18%
18,000	6	6,000 shares plus 4 out of 6 applicants to receive an additional 2,000 shares	40.74%
20,000	111	8,000 shares	40.00%
30,000	141	10,000 shares	33.33%
40,000	40	12,000 shares	30.00%
50,000	25	14,000 shares	28.00%
60,000	22	16,000 shares	26.67%
70,000	12	18,000 shares	25.71%
80,000	8	20,000 shares	25.00%
90,000	4	22,000 shares	24.44%
100,000	74	24,000 shares	24.00%
200,000	16	40,000 shares	20.00%
300,000	5	56,000 shares	18.67%
400,000	6	72,000 shares	18.00%
500,000	2	88,000 shares	17.60%
600,000	4	104,000 shares	17.33%
700,000	4	120,000 shares	17.14%
1,000,000	4	168,000 shares	16.80%
2,000,000	1	228,000 shares	11.40%
3,000,000	25	298,000 shares	9.93%
<b>Total</b>	<b>3,802</b>	<b>Total number of Pool A successful applicants: 3,802</b>	

## 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
4,000,000	7	3,032,000 shares	75.80%
5,000,000	1	3,776,000 shares	75.52%
<b>Total</b>	<b>8</b>	<b>Total number of Pool B successful applicants: 8</b>	

The final number of Offer Shares under the Hong Kong Public Offering is 50,000,000 Shares, representing 20% of the total number of Offer Shares initially available under the Global Offering.

## SHAREHOLDING CONCENTRATION ANALYSIS

A summary of allotment results under the Global Offering is set out below:

- subscription and number of Shares held by the top 1, 5, 10, 20 and 25 of the places out of the International Offer Shares, total Offer Shares and our total issued share capital of the Company upon Listing:

Places	Number of Shares subscribed for	Number of Shares held upon Listing	Subscription as % of International Offering	Subscription as % of total Offer Shares	Number of Shares held as % of the total issued share capital upon Listing
Top 1	97,402,000	97,402,000	48.70%	38.96%	9.74%
Top 5	126,730,000	126,730,000	63.37%	50.69%	12.67%
Top 10	143,058,000	143,058,000	71.53%	57.22%	14.31%
Top 20	164,434,000	164,434,000	82.22%	65.77%	16.44%
Top 25	170,830,000	170,830,000	85.42%	68.33%	17.08%

- subscription and number of Shares held by the top 1, 5, 10, 20 and 25 of the Shareholders out of the Hong Kong Offer Shares, International Offer Shares, total Offer Shares and our total issued share capital of the Company upon Listing:

Shareholders	Subscription of total Offer		Subscription of total Offer		Subscription of Hong Kong Offer Shares		Subscription of International Offer Shares		Number of Shares held as % of total issued share capital upon Listing
	Subscription of Hong Kong Offer Shares	Subscription of International Offer Shares	Subscription of Shares in the Global Offering	Total number of Shares held upon Listing	Subscription of Hong Kong Offer Shares as % of Hong Kong Public Offering	Subscription of International Offer Shares as % of International Offering	Subscription of International Offer Shares as % of total Offer Shares		
Top 1	—	—	—	671,903,040	—	—	—	67.19%	
Top 5	—	112,162,000	112,162,000	843,464,770	—	56.08%	44.86%	84.35%	
Top 10	—	126,730,000	126,730,000	876,730,000	—	63.37%	50.69%	87.67%	
Top 20	25,000,000	134,346,000	159,346,000	909,346,000	50.00%	67.17%	63.74%	90.93%	
Top 25	25,000,000	148,620,000	173,620,000	923,620,000	50.00%	74.31%	69.45%	92.36%	

**In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should beware of the risks that the price of the Shares could fluctuate significantly even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.**

## RESULTS OF ALLOCATION

The results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offering successfully applied for through the **HK eIPO White Form** service or through the **CCASS EIPO** service, including the Hong Kong identity card/passport/Hong Kong business registration/certificate of incorporation numbers of successful applicants, and the number of Hong Kong Offer Shares successfully applied for, will be 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.jl-ks.cn](http://www.jl-ks.cn) and the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk) by no later than 8:00 a.m. on Thursday, 30 March 2023;
- from the “IPO Results” function the **IPO App** or at [www.hkeipo.hk/IPOResult](http://www.hkeipo.hk/IPOResult) (or [www.tricor.com.hk/ipo/result](http://www.tricor.com.hk/ipo/result)) with a “search by ID” function from 8:00 a.m. on Thursday, 30 March 2023 to 12:00 midnight on Wednesday, 5 April 2023; and
- from the allocation results telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. on Thursday, 30 March 2023 to Tuesday, 4 April 2023 on a business day (excluding Saturday, Sunday and Hong Kong public holidays).

This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed “Results of Applications Made by **HK eIPO White Form**” in this announcement refer to Hong Kong identity card numbers/passport numbers/Hong Kong business registration numbers/certificate of incorporation numbers/beneficial owner identification codes (if such applications are made by nominees as agent for the benefit of another person) whereas those displayed in the section headed “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” in this announcement are provided by CCASS Participants via CCASS. Therefore, the identification document numbers shown in the two sections are different in nature. Please note that the list of identification document numbers set out in this announcement may not be a complete list of successful applicants since only successful applicants whose identification document numbers are provided to HKSCC by CCASS participants are disclosed. Applicants with beneficial names only but not identification document numbers are not disclosed due to personal privacy issue as elaborated below. Applicants who applied for the Hong Kong Offer Shares through their brokers can consult their brokers to enquire about their application results.

Since applications are subject to personal information collection statements, beneficial owner identification codes displayed in the sections headed “Results of Applications Made by **HK eIPO White Form**” and “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” are redacted and not all details of applications are disclosed in this announcement.

The level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocations of the Hong Kong Offer Shares will be published on Thursday, 30 March 2023 on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company’s website at [www.jl-ks.cn](http://www.jl-ks.cn).