

ANNOUNCEMENT OF OFFER PRICE AND ALLOTMENT RESULTS

SUMMARY

OFFER PRICE

- The Offer Price has been determined at HK\$3.60 per Offer Share (exclusive of brokerage of 1%, 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\$3.60 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deduction of the underwriting fees and commissions and estimated expenses payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$187.5 million. The Company intends to use the net proceeds from the Global Offering in accordance with the purposes as set out in the section headed “Net Proceeds from the Global Offering” in this announcement.
- 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 moderately over-subscribed. A total of 1,373 valid applications have been received pursuant to the Hong Kong Public Offering through the **White Form eIPO** service and through the **CCASS EIPO** service for a total of 11,619,000 Hong Kong Offer Shares, representing approximately 1.54 times of the total number of 7,560,000 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering.
- As the over-subscription in the Hong Kong Public Offering is less than 15 times of the total number of the Offer Shares initially available for subscription under the Hong Kong Public Offering, the reallocation procedure as described in the section headed “Structure of the Global Offering — Hong Kong Public Offering – Reallocation” in the Prospectus has not taken place. The final number of Offer Shares under the Hong Kong Public Offering is 7,560,000 Offer Shares, representing 10% of the total number of Offer Shares initially available under the Global Offering, which have been allocated to 1,373 successful applicants under the Hong Kong Public Offering.

INTERNATIONAL OFFERING

- The Offer Shares initially offered under the International Offering have been slightly over-subscribed, representing approximately 1.35 times of the total number of Offer Shares initially available under the International Offering. The final number of International Offer Shares available under the International Offering is 68,040,000 Shares, representing 90% of the total number of Offer Shares initially available under the Global Offering (given that the Over-allotment Option has not been and will not be exercised).
- There are a total of 153 places under the International Offering. A total of 100 places have been allotted five board lots of International Offer Shares or less, representing approximately 65.36% of the total number of places under the International Offering. A total of 96 places have been allotted one board lot of International Offer Shares, representing approximately 62.75% of the total number of places under the International Offering.
- The International Offering has been conducted in compliance with the Placing Guidelines for Equity Securities as set out in Appendix 6 to the Listing Rules (the “**Placing Guidelines**”). None of the Offer Shares were allocated to any core connected person as defined in the Listing Rules, Directors or existing Shareholders, or their respective close associates (as such term is defined in the Listing Rules), or persons set out in paragraphs 5(1) and 5(2) of the Placing Guidelines, whether in their own names or through nominees. None of the Sole Sponsor, the Sponsor-OC, the Overall Coordinator, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers, the Co-Managers, the Underwriters, the Capital Market Intermediaries or their respective affiliated companies and connected clients (as set out in Appendix 6 to the Listing Rules) has taken up any Offer Shares for its own benefit under the Global Offering.

CONFIRMATIONS OF PUBLIC SHAREHOLDERS IN THE HONG KONG PUBLIC OFFERING AND PLACES IN THE INTERNATIONAL OFFERING

- 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 directly or indirectly financed by the Company, any of the Directors, supervisors, chief executive, Controlling Shareholders, substantial Shareholders, existing Shareholders of the Company or any of its subsidiaries or any of their respective close associates; and (ii) none of the public Shareholders in the Hong Kong Public Offering and places in the International Offering who have subscribed for the Offer Shares is accustomed to taking instructions from the Company, any of the Directors, supervisors, chief executive, Controlling Shareholders, substantial Shareholders, existing Shareholders of the Company or any of its subsidiaries or any of their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in their name or otherwise held by them.

Over-allotment Option

- No over-allocation of International Offer Shares has been made. Accordingly, the Over-allotment Option has not been and will not be exercised. In view of the fact that there has been no over-allocation in the International Offering, there has been no delayed delivery arrangement with any investor under the International Offering, and no stabilisation activities as described in the Prospectus are expected to take place during the stabilising period (which will begin on the Listing Date and end on the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering, i.e. Wednesday, 2 August 2023).

Cornerstone Investor

- Based on the Offer Price of HK\$3.60 per Offer Share (inclusive of brokerage fee, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee), pursuant to the Cornerstone Investment Agreement, the Cornerstone Investor has agreed to subscribe for a total of 14,823,000 H Shares, representing in aggregate approximately (i) 19.6% of the Offer Shares, given that the Over-allotment Option has not been and will not be exercised; (ii) 4.9% of the total Shares in issue upon completion of the Global Offering, given that the Over-allotment Option has not been and will not be exercised.
- Please refer to the section headed “Cornerstone Investor” in the Prospectus for further details of the Cornerstone Investor.

LOCK-UP OBLIGATIONS

- The Company, each of the Controlling Shareholders, the existing Shareholders and the Cornerstone Investor are subject to certain lock-up obligations as set out in the section headed “Lock-up Obligations” in this announcement.

SHAREHOLDING CONCENTRATION ANALYSIS

- A shareholding concentration analysis based on the allotment results under the Global Offering is set out in the section headed “Shareholding Concentration Analysis” in this announcement.

RESULTS OF ALLOCATIONS

- The final Offer Price, the level of indication of interest in the International Offering and the results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offering successfully applied for through the **White Form eIPO** service or through the **CCASS EIPO** service, including the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants under the Hong Kong Public Offering will be available at the times and dates and in the manner specified below:
- in this announcement posted on the Company's website at <http://www.hjkj.cn> and the Stock Exchange's website at www.hkexnews.hk by no later than 8:00 a.m. on Friday, 7 July 2023. Please note that the list of identification document numbers 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 H Shares through their brokers can consult their brokers to enquire about their application result;
- 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. on Friday, 7 July 2023 to 12:00 midnight on Thursday, 13 July 2023; and
- from the allocation results telephone enquiry line by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. on Friday, 7 July 2023, Monday, 10 July 2023, Tuesday, 11 July 2023 and Wednesday, 12 July 2023.
- This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed "Results of Applications Made by **White Form eIPO**" 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" are provided by CCASS Participants via CCASS. Therefore, the identification document numbers shown in the two sections are different in nature.
- Since applications are subject to personal information collection statements, beneficial owner identification codes displayed in the sections headed "Results of Applications Made by **White Form eIPO**" 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 H SHARE CERTIFICATES/e-REFUND PAYMENT INSTRUCTIONS/REFUND CHEQUES

- Applicants who applied for 1,000,000 Hong Kong Offer Shares or more through the **White Form eIPO** service and who have been successfully or partially successfully allocated Hong Kong Offer Shares and are eligible to collect H Share certificates in person may collect H Share certificates from the H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong from 9:00 a.m. to 1:00 p.m. on Friday, 7 July 2023, or any other place or date notified by the Company as the date of despatch/collection of H Share certificates/e-Refund payment instructions/refund cheques.
- If an applicant does not collect his/her/its H Share certificate(s) and/or refund cheque(s) (where applicable) personally within the time specified for collection, they will be sent to the address specified in his/her/its application instructions by ordinary post at his/her/its own risk.
- H Share certificates for Hong Kong Offer Shares allotted to applicants who applied for less than 1,000,000 Hong Kong Offer Shares through the **White Form eIPO** service are expected to be despatched to those entitled to the address specified in the relevant application instructions through the **White Form eIPO** service by ordinary post at their own risk on or before Friday, 7 July 2023.
- H Share certificates for Hong Kong Offer Shares allotted to applicants who applied through the **White Form eIPO** service, which are either not available for personal collection, or which are available but are not collected in person by 1:00 p.m. on Friday, 7 July 2023, 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 Friday, 7 July 2023.
- Wholly or partially successful applicants who applied by giving electronic application instructions to HKSCC via CCASS will have their H Share certificate(s) 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 Friday, 7 July 2023, or 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 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 Friday, 7 July 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 after the crediting of the Hong Kong Offer Shares to the CCASS Investor Participants stock accounts and the crediting of the refund monies to the CCASS Investor Participants bank accounts. HKSCC will also make available to the CCASS Investor Participants an activity statement showing the number of Hong Kong Offer Shares credited to their stock accounts and the refund amount credited to their respective designated bank accounts (if any).
- Applicants who applied through the **White Form eIPO** service and paid the application monies through a single bank account will have refund monies (if any) despatched to their application payment bank account in the form of e-Refund payment instructions. Applicants who have applied through the **White Form eIPO** service and paid the application monies through multiple bank accounts will have refund monies (if any) despatched to the addresses specified on the **White Form eIPO** application 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 Friday, 7 July 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 Friday, 7 July 2023.
- H Share certificates will only become valid evidence of title at 8:00 a.m. on Monday, 10 July 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 paragraph 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 following the completion of the Global Offering, (a) no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after the Global Offering; (b) there will not be any new substantial shareholder (as defined in the Listing Rules) of the Company immediately after the Global Offering; (c) the total number of H Shares of the Company held by the public represents at least 25% of the Company's total number of issued Shares, and the Company will have a market capitalisation of at least HK\$125 million held by the public, satisfying Rules 8.08(1) and 8.09(1) of the Listing Rules; (d) the three largest public Shareholders do not hold more than 50% of the H 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 (e) 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 at or before 8:00 a.m. in Hong Kong on Monday, 10 July 2023, it is expected that dealings in the H Shares on the Stock Exchange will commence at 9:00 a.m. in Hong Kong on Monday, 10 July 2023. The H Shares will be traded in board lots of 1,000 H Shares each and the stock code of the H Shares will be 2481.

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 H Shares could move substantially even with a small number of H Shares traded, and should exercise extreme caution when dealing in the H Shares.

OFFER PRICE

The Offer Price has been determined at HK\$3.60 per Offer Share (exclusive of brokerage of 1%, 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\$3.60 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deduction of the underwriting fees and commissions and estimated expenses payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$187.5 million. The Company intends to use the net proceeds for the following purposes:

- approximately HK\$93.7 million (equivalent to approximately RMB85.3 million), representing approximately 50.0% of the net proceeds from the Global Offering, will be used for construction of new peak-shaving boiler (which will be a coal-fired boiler) in our heat source peak-shaving station for our Lanzhou New Area Project (蘭州新區供熱調峰鍋爐建設項目) (the “**Lanzhou Peak-shaving Boiler Construction**”). The construction activities mainly consist of (i) construction of new coal-fired boiler and relevant supporting equipment; (ii) construction of heat source peak-shaving station and supporting infrastructure; and (iii) other ancillary construction activities such as installation of transmission line.

- approximately HK\$75.0 million (equivalent to approximately RMB68.2 million), representing approximately 40.0% of the net proceeds from the Global Offering, will be used for the construction of primary distribution pipelines and heat service facilities, procurement of relevant equipment and devices for our heat service operation and future expansion of our Xinmi Project (新密供熱準備及擴展項目) (the “**Xinmi Project Preparation and Expansion**”). The Xinmi Project Preparation and Expansion includes (i) construction of primary distribution pipeline networks; (ii) procurement of raw materials for the construction of primary distribution pipeline networks; and (iii) engagement of third-party contractors for construction related services including design and consultancy services.
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- approximately HK\$18.8 million (equivalent to approximately RMB17.1 million), representing approximately 10.0% of the net proceeds from the Global Offering, will be used as working capital and other general corporate purposes.

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 moderately over-subscribed. A total of 1,373 valid applications have been received pursuant to the Hong Kong Public Offering through the **White Form eIPO** service and through the **CCASS EIPO** service for a total of 11,619,000 Hong Kong Offer Shares, representing approximately 1.54 times of the total number of 7,560,000 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering, among which:

- 1,370 valid applications in respect of a total of 6,619,000 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$4.20 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, representing approximately 1.75 times of the 3,780,000 Hong Kong Offer Shares initially comprised in Pool A of the Hong Kong Public Offering; and
- 3 valid applications in respect of a total of 5,000,000 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$4.20 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 approximately 1.32 times of the 3,780,000 Hong Kong Offer Shares initially comprised in Pool B of the Hong Kong Public Offering.

No application has been rejected due to invalid application. No multiple or suspected multiple application has been identified and rejected. No application has been rejected due to dishonored payments. No application for more than 3,780,000 Hong Kong Offer Shares (being 50% of the Hong Kong Offer Shares initially available under the Hong Kong Public Offering) has been identified.

As the over-subscription in the Hong Kong Public Offering is less than 15 times of the total number of the Offer Shares initially available for subscription under the Hong Kong Public Offering, and the Overall Coordinator and the Sole Global Coordinator have decided not to exercise their authority to reallocate Offer Shares originally included in the International Offering to the Hong Kong Public Offering in accordance with the Guidance Letter HKEX-GL91-18, no reallocation procedure as described in the section headed “Structure of the Global Offering — Hong Kong Public Offering – Reallocation” in the Prospectus has taken place. The final number of Offer Shares under the Hong Kong Public Offering is 7,560,000 Offer Shares, representing 10% of the total number of Offer Shares initially available under the Global Offering, which have been allocated to 1,373 successful applicants under the Hong Kong Public Offering. A total of 921 applicants have been allotted with one board lot of Offer Shares.

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

INTERNATIONAL OFFERING

The Offer Shares initially offered under the International Offering have been slightly over-subscribed. A total of 91,656,000 International Offer Shares have been subscribed, representing approximately 1.35 times of the total number of Offer Shares initially available under the International Offering. The final number of International Offer Shares available under the International Offering is 68,040,000 Shares, representing 90% of the total number of Offer Shares initially available under the Global Offering.

There are a total of 153 places under the International Offering. No over-allocation of International Offer Shares has been made. A total of 100 places have been allotted five board lots of International Offer Shares or less, representing approximately 65.36% of the total number of places under the International Offering. These places have been allotted approximately 0.15% of the International Offer Shares initially available under the International Offering. A total of 96 places have been allotted one board lot of International Offer Shares, representing approximately 62.75% of the total number of places under the International Offering. These places have been allotted approximately 0.14% of the International Offer Shares initially available under the International Offering.

The International Offering has been conducted in compliance with the Placing Guidelines. None of the Offer Shares were allocated to any core connected person as defined in the Listing Rules, Directors or existing Shareholders, or their respective close associates (as such term is defined in the Listing Rules), or persons set out in paragraphs 5(1) and 5(2) of the Placing Guidelines, whether in their own names or through nominees. None of the Sole Sponsor, the Sponsor-OC, the Overall Coordinator, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers, the Co-Managers, the Underwriters, the Capital Market Intermediaries or their respective affiliated companies and connected clients (as set out in Appendix 6 to the Listing Rules) has taken up any Offer Shares for its own benefit under the Global Offering.

CONFIRMATIONS OF PUBLIC SHAREHOLDERS IN THE HONG KONG PUBLIC OFFERING AND PLACES IN THE INTERNATIONAL OFFERING

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 directly or indirectly financed by the Company, any of the Directors, supervisors, chief executive, Controlling Shareholders, substantial Shareholders, existing Shareholders of the Company or any of its subsidiaries or any of their respective close associates; and (ii) none of the public Shareholders in the Hong Kong Public Offering and places in the International Offering who have subscribed for the Offer Shares is accustomed to taking instructions from the Company, any of the Directors, supervisors, chief executive, Controlling Shareholders, substantial Shareholders, existing Shareholders of the Company or any of its subsidiaries or any of their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in their name or otherwise held by them.

Over-allotment Option

In connection with the Global Offering, the Company has granted the Over-allotment Option to the International Underwriters, exercisable by the Overall Coordinator and the Sole Global Coordinator on behalf of the International Underwriters, at any time within 30 days from the last day for lodging applications under the Hong Kong Public Offering (the last day for exercise of the Over-allotment Option being Wednesday, 2 August 2023), to require the Company to allot and issue up to 11,340,000 additional H Shares, representing 15% of the number of H Shares initially being offered under the Global Offering, at the Offer Price to solely cover over-allocations in the International Offering.

No over-allocation of International Offer Shares has been made. Accordingly, the Over-allotment Option has not been and will not be exercised. In view of the fact that there has been no over-allocation in the International Offering, there has been no delayed delivery arrangement with any investor under the International Offering, and no stabilisation activities as described in the Prospectus are expected to take place during the stabilising period (which will begin on the Listing Date and end on the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering, i.e. Wednesday, 2 August 2023).

The Company will ensure or procure that a public announcement in compliance with the Securities and Futures (Price Stabilizing) Rules will be issued within seven days after the end of the stabilising period.

Cornerstone Investor

Based on the Offer Price of HK\$3.60 per Offer Share (exclusive of 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 pursuant to the Cornerstone Investment Agreement as disclosed in the section headed “Cornerstone Investor” in the Prospectus, the number of Offer Shares placed to the Cornerstone Investor is set out below:

	Investment Amount ⁽¹⁾	Number of Offer Shares (rounded down to nearest whole board lot of 1,000 H Shares)	Approximate % of the Offer Shares ⁽²⁾	Approximate % of the total Shares in issue immediately following the completion of Global Offering ⁽²⁾
Jiang Gang International Investment Company Limited	RMB50,000,000	14,823,000	19.6	4.9

Note:

- ⁽¹⁾ Including brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee.
- ⁽²⁾ The Overall Coordinator and the Sole Global Coordinator confirm that no over-allocation of International Offer Shares has been made and the Over-allotment Option has not been and will not be exercised.

To the best knowledge of the Company, (i) the Cornerstone Investor is an Independent Third Party; (ii) the subscriptions of the Offer Shares by the Cornerstone Investor is not financed directly or indirectly by the Company, the Directors, supervisors, Controlling Shareholders, substantial Shareholders and existing Shareholders of the Company, or any of their subsidiaries or respective close associates; and (iii) the Cornerstone Investor is not accustomed to take instructions from the Company, Directors, supervisors, Controlling Shareholders, substantial Shareholders and existing Shareholders of the Company or any of their subsidiaries or respective close associates in relation to the acquisition, disposal, voting or other disposition of the Offer Shares. The Cornerstone Placing will form part of the International Offering and the Cornerstone Investor will not subscribe for any Offer Shares under the Global Offering (other than pursuant to the Cornerstone Investment Agreement). The Offer Shares to be subscribed by the Cornerstone Investor will rank *pari passu* in all respects with the other fully paid H Shares in issue immediately upon completion of the Global Offering and will be counted towards the public float of the Company under Rule 8.08 of the Listing Rules and in compliance with the requirement under Rule 8.08(3) of the Listing Rules. Immediately following the completion of the Global Offering, the Cornerstone Investor will not become a substantial shareholder of the Company, nor will the Cornerstone Investor have any Board representation in the Company.

As confirmed by the Cornerstone Investor, (i) its subscription under the Cornerstone Placing would be financed by its internal resources and/or the financial resources of its shareholders; (ii) there are no side agreements/arrangement between the Company and the Cornerstone Investor or any benefit, direct or indirect, conferred on the Cornerstone Investor by virtue of or in relation to the Cornerstone Placing, other than a guaranteed allocation of the relevant Offer Shares at the Offer Price; and (iii) neither the Cornerstone Investor nor any of its shareholders is listed on any stock exchange, and all necessary approvals (including approvals from its shareholders, if relevant) have been obtained with respect to its subscription under the Cornerstone Placing.

The Cornerstone Investor has agreed that without the prior written consent of each of our Company, the Sponsor-OC, the Overall Coordinator and the Sole Global Coordinator (for themselves and on behalf of the Underwriters) and the Sole Sponsor, it will not, whether directly or indirectly, at any time during the period of six months starting from and inclusive of the Listing Date (the “**Lock-up Period**”), dispose of any of the Offer Shares it purchased pursuant to the Cornerstone Investment Agreement, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries/companies which will be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restriction.

Other than a guaranteed allocation of the relevant Offer Shares at the final Offer Price, the Cornerstone Investor does not have any preferential rights in the Cornerstone Investment Agreement compared with other public Shareholders.

Please refer to the section headed “Cornerstone Investor” in the Prospectus for further details relating to the Cornerstone Investor.

BASIS OF ALLOCATION UNDER THE HONG KONG PUBLIC OFFERING

Subject to the satisfaction of the conditions set out in the paragraph headed “Structure of the Global Offering — Conditions of the Global Offering” in the Prospectus, 1,373 valid applications made by the public through the **White Form eIPO** service and the **CCASS EIPO** service will be conditionally allocated on the basis set out below:

NO. OF SHARES APPLIED FOR	NO. OF VALID APPLICATIONS	BASIS OF ALLOTMENT/BALLOT	APPROXIMATE PERCENTAGE ALLOTTED OF THE TOTAL NO. OF SHARES APPLIED FOR
POOL A			
1,000	921	1,000 Shares	100.00%
2,000	212	2,000 Shares	100.00%
3,000	51	3,000 Shares	100.00%
4,000	20	4,000 Shares	100.00%
5,000	35	5,000 Shares	100.00%
6,000	8	6,000 Shares	100.00%
7,000	8	6,000 Shares plus 2 out of 8 to receive additional 1,000 Shares	89.29%
8,000	3	7,000 Shares	87.50%
9,000	2	7,000 Shares plus 1 out of 2 to receive additional 1,000 Shares	83.33%
10,000	54	8,000 Shares	80.00%
15,000	6	10,000 Shares	66.67%
20,000	11	12,000 Shares	60.00%
25,000	5	14,000 Shares	56.00%
30,000	8	16,000 Shares	53.33%
35,000	3	18,000 Shares	51.43%
40,000	1	20,000 Shares	50.00%
45,000	8	22,000 Shares	48.89%

NO. OF SHARES APPLIED FOR	NO. OF VALID APPLICATIONS	BASIS OF ALLOTMENT/BALLOT	APPROXIMATE PERCENTAGE ALLOTTED OF THE TOTAL NO. OF SHARES APPLIED FOR
POOL A			
50,000	3	24,000 Shares	48.00%
60,000	1	27,000 Shares	45.00%
70,000	1	30,000 Shares	42.86%
80,000	1	33,000 Shares	41.25%
90,000	1	36,000 Shares	40.00%
100,000	2	39,000 Shares	39.00%
350,000	2	98,000 Shares	28.00%
450,000	1	104,000 Shares	23.11%
500,000	1	105,000 Shares	21.00%
700,000	1	140,000 Shares	20.00%
	1,370	Total number of Pool A successful applicants: 1,370	

NO. OF SHARES APPLIED FOR	NO. OF VALID APPLICATIONS	BASIS OF ALLOTMENT/BALLOT	APPROXIMATE PERCENTAGE ALLOTTED OF THE TOTAL NO. OF SHARES APPLIED FOR
POOL B			
1,500,000	2	1,135,000 Shares	75.67%
2,000,000	1	1,510,000 Shares	75.50%
	3	Total number of Pool B successful applicants: 3	

The final number of Offer Shares comprising the Hong Kong Public Offering is 7,560,000 Offer Shares, representing 10% of the total number of Offer Shares initially available under the Global Offering.

LOCK-UP OBLIGATIONS

The Company, each of the Controlling Shareholders, the existing Shareholders and the Cornerstone Investor are subject to lock-up obligations (the “**Lock-up Obligations**”) in respect of our Shares. The major terms of the Lock-up Obligations are set out as follows:

Name	Class of shares	Number of Shares subject to the Lock-up Obligations after Listing	Percentage of shareholding in the Company subject to the Lock-up Obligations after Listing ⁽¹⁾	Last day of the lock-up period
The Company <i>(subject to lock-up obligations pursuant to the Listing Rules and the Hong Kong Underwriting Agreement)</i>	N/A	N/A	N/A	9 January 2024 ⁽²⁾
Controlling Shareholders <i>(subject to lock-up obligations pursuant to the Listing Rules, the Hong Kong Underwriting Agreement and applicable PRC laws)</i>				
Shuangliang Technology ⁽³⁾	Unlisted Shares (Domestic Shares)	150,000,000	49.75%	9 July 2024 ⁽⁵⁾
Jiangsu Lichuang ⁽⁴⁾	Unlisted Shares (Domestic Shares)	51,000,000	16.91%	9 July 2024 ⁽⁵⁾
All other existing Shareholders <i>(excluding Controlling Shareholders) (subject to lock-up obligations pursuant to the applicable PRC laws)</i>				
Mr. Li Baoshan	Unlisted Shares (Domestic Shares)	6,000,000	1.99%	9 July 2024 ⁽⁵⁾
Mr. Gu Dongsheng	Unlisted Shares (Domestic Shares)	2,500,000	0.83%	9 July 2024 ⁽⁵⁾
Mr. Liu Jiansheng	Unlisted Shares (Domestic Shares)	2,500,000	0.83%	9 July 2024 ⁽⁵⁾
Mr. Liu Jing	Unlisted Shares (Domestic Shares)	2,000,000	0.66%	9 July 2024 ⁽⁵⁾
Mr. Shan Yulin	Unlisted Shares (Domestic Shares)	2,000,000	0.66%	9 July 2024 ⁽⁵⁾
Mr. Li Fenglin	Unlisted Shares (Domestic Shares)	2,000,000	0.66%	9 July 2024 ⁽⁵⁾

Name	Class of shares	Number of Shares subject to the Lock-up Obligations after Listing	Percentage of shareholding in the Company subject to the Lock-up Obligations after Listing ⁽¹⁾	Last day of the lock-up period
Mr. Liu Guoyin	Unlisted Shares (Domestic Shares)	2,000,000	0.66%	9 July 2024 ⁽⁵⁾
Mr. Wang Xiaosong	Unlisted Shares (Domestic Shares)	2,000,000	0.66%	9 July 2024 ⁽⁵⁾
Mr. Geng Ming	Unlisted Shares (Domestic Shares)	2,000,000	0.66%	9 July 2024 ⁽⁵⁾
Mr. Jiang Shaojun	Unlisted Shares (Domestic Shares)	2,000,000	0.66%	9 July 2024 ⁽⁵⁾
Cornerstone Investor (<i>subject to lock-up obligations pursuant to the Cornerstone Investment Agreement</i>)	H shares	14,823,000	4.90%	9 January 2024 ⁽⁶⁾

Notes:

- (1) The Overall Coordinator and the Sole Global Coordinator confirm that no over-allocation of International Offer Shares has been made and the Over-allotment Option has not been and will not be exercised.
- (2) The Company may not issue Shares on or before the indicated date except otherwise permitted by the Listing Rules.
- (3) The registered capital of Shuangliang Technology is held as to 20% by Mr. Miao Shuangda, 15% by Mr. Miao Wenbin, 10% by Mr. Miao Zhiqiang, 10% by Ms. Miao Shuya, 10% by Mr. Miao Heida, 15% by Mr. Jiang Rongfang, 10% by Mr. Ma Peilin and 10% by Mr. Ma Fulin.
- (4) The registered capital of Jiangsu Lichuang is held as to 20% by Mr. Miao Shuangda, 15% by Mr. Miao Wenbin, 10% by Mr. Miao Zhiqiang, 10% by Ms. Miao Shuya, 10% by Mr. Miao Heida, 15% by Mr. Jiang Rongfang, 10% by Mr. Ma Peilin and 10% by Mr. Ma Fulin.
- (5) Pursuant to the applicable PRC laws, within the 12 months following the Listing Date, each of the existing Shareholders (including the Controlling Shareholders) could not dispose of any of the Shares held by them.
- (6) The Cornerstone Investor shall not dispose of, in any way, any of the Offer Shares it has subscribed for pursuant to the Cornerstone Investment Agreement (the “**Cornerstone Shares**”) or any interest in any company or entity holding any of such Cornerstone Shares on or before the indicated date. For details of the Cornerstone Investor, please see the section headed “Cornerstone Investor” in the Prospectus.

SHAREHOLDING CONCENTRATION ANALYSIS

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

- Top 1, 5, 10, 20 and 25 of the placees in the International Offering:

Placee	Subscription	Number of H Shares held upon Listing	Number of Shares held upon Listing	Subscription as % of International Offering	Subscription as % of total Offer Shares	Number of H Shares as % of total H Shares	Number of Shares as % of total share capital in issue
Top 1	15,660,000	15,660,000	15,660,000	23.02%	20.71%	20.71%	5.19%
Top 5	40,547,000	40,547,000	40,547,000	59.59%	53.63%	53.63%	13.44%
Top 10	52,948,000	52,948,000	52,948,000	77.82%	70.04%	70.04%	17.56%
Top 20	61,019,000	61,019,000	61,019,000	89.68%	80.71%	80.71%	20.23%
Top 25	63,318,000	63,318,000	63,318,000	93.06%	83.75%	83.75%	20.99%

- Top 1, 5, 10, 20 and 25 Shareholders upon Listing:

Shareholder	Subscription	Number of H Shares held upon Listing	Number of Shares held upon Listing	Subscription as % of International Offering	Subscription as % of total Offer Shares	Number of H Shares as % of total H Shares	Number of Shares as % of total share capital in issue
Top 1	0	0	150,000,000	0	0	0	49.73%
Top 5	30,483,000	30,483,000	237,483,000	44.80%	40.32%	40.32%	78.74%
Top 10	46,541,000	46,541,000	253,541,000	68.40%	61.56%	61.56%	84.07%
Top 20	51,298,000	51,298,000	275,298,000	75.39%	67.85%	67.85%	91.28%
Top 25	56,968,000	56,968,000	282,968,000	83.73%	75.35%	75.35%	93.82%

- Top 1, 5, 10, 20 and 25 of all the holders of the H Shares of the Company upon Listing:

Shareholder	Subscription	Number of H Shares held upon Listing	Number of Shares held upon Listing	Subscription as % of International Offering	Subscription as % of total Offer Shares	Number of H Shares as % of total H Shares	Number of Shares as % of total share capital in issue
Top 1	15,660,000	15,660,000	15,660,000	23.02%	20.71%	20.71%	5.19%
Top 5	40,547,000	40,547,000	40,547,000	59.59%	53.63%	53.63%	13.44%
Top 10	52,948,000	52,948,000	52,948,000	77.82%	70.04%	70.04%	17.56%
Top 20	62,906,000	62,906,000	62,906,000	92.45%	83.21%	83.21%	20.86%
Top 25	65,877,000	65,877,000	65,877,000	96.82%	87.14%	87.14%	21.84%

RESULTS OF ALLOCATIONS

The final Offer Price, the level of indication of interest in the International Offering and the results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offering successfully applied for through the **White Form eIPO** service or through the **CCASS EIPO** service, including the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants under the Hong Kong Public Offering will be available at the times and dates and in the manner specified below:

- in this announcement posted on the Company’s website at www.hjkj.cn and the Stock Exchange’s website at www.hkexnews.hk by no later than 8:00 a.m. on Friday, 7 July 2023. Please note that the list of identification document numbers 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 H Shares through their brokers can consult their brokers to enquire about their application result;
- 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. on Friday, 7 July 2023 to 12:00 midnight on Thursday, 13 July 2023; and
- from the allocation results telephone enquiry line by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. on Friday, 7 July 2023, Monday, 10 July 2023, Tuesday, 11 July 2023 and Wednesday, 12 July 2023.

This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed “Results of Applications Made by **White Form eIPO**” 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” are provided by CCASS Participants via CCASS. Therefore, the identification document numbers shown in the two sections are different in nature.

Since applications are subject to personal information collection statements, beneficial owner identification codes displayed in the sections headed “Results of Applications Made by **White Form eIPO**” 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.