

PU'ER LANCANG ANCIENT TEA CO., LTD. / 普洱瀾滄古茶股份有限公司
ANNOUNCEMENT OF FINAL OFFER PRICE AND
ALLOTMENT RESULTS

Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the prospectus dated 14 December 2023 (the “Prospectus”) issued by Pu'er Lancang Ancient Tea Co., Ltd. (the “Company”).

SUMMARY

Company information

Stock code	6911
Stock short name	LANCANG TEA
Dealings commencement date	22 December 2023*

*see note at the end of the announcement

Price Information

Final Offer Price	HK\$10.700
Offer Price Range	HK\$10.400 - HK\$14.160
Offer Price Adjustment exercised	No

Offer Shares and Share Capital

Number of Offer Shares	21,000,000
Number of Offer Shares in Public Offer (after Offer Size Adjustment Option and reallocation)	2,100,000
Number of offer shares in International Offer (after Offer Size Adjustment Option and reallocation)	18,900,000
Number of issued shares upon Listing	84,000,000

The number of offer shares above is determined after taking into account the additional shares issued under the following Offer Size Adjustment Option

Offer Size Adjustment Option (Upsize option)

Number of additional shares issued under the option	-
- Public Offer	-
- International Offer	-

Over-allocation

No. of Offer Shares over-allocated	540,800
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Such over-allocation may be covered by exercising the Over-allotment Option or by making purchases in the secondary market at prices that do not exceed the Offer Price or through deferred delivery or a combination of these means. In the event the Over-allotment Option is exercised, an announcement will be made on the Stock Exchange's website.

Proceeds

Gross proceeds (Note)	HK\$ 230.49 million
Less: Estimated listing expenses payable based on Final Offer Price	HK\$ (70.61) million
Net proceeds	HK\$ 159.88 million

Note: Gross proceeds refers to the amount to which the issuer is entitled receive. For details of the use of proceeds, please refer to the Prospectus dated 14 December 2023.

ALLOTMENT RESULTS DETAILS

PUBLIC OFFER

No. of valid applications	5,922
No. of successful applications	3,163
Subscription level	13.23 times
Claw-back triggered	No
No. of Offer Shares initially available under the Public Offer	2,100,000
Final no. of Offer Shares under the Public Offer (after exercise of Offer Size Adjustment Option and reallocation)	2,100,000
% of Offer Shares under the Public Offer to the Global Offering	10%

Note: For details of the final allocation of shares to the Public Offer, investors can refer to <https://www.hkeipo.hk/iporesult> to perform a search by name or identification number or <https://www.hkeipo.hk/iporesult> for the full list of allottees.

INTERNATIONAL OFFER

No. of placees	142
Subscription Level	1.32 times
No. of Offer Shares initially available under the International Offer	18,900,000
Final no. of Offer Shares under the International Offer (after reallocation)	18,900,000
% of Offer Shares under the International Offer to the Global Offering	90.00%

The Directors confirm that, to the best of their knowledge, information and belief, (i) none of the Offer Shares subscribed by the placees and the public have been financed directly or indirectly by the Company, any of the Directors, chief executive of the Company, the Controlling Shareholder Group, substantial shareholders, existing shareholders of the Company or any of its subsidiaries or their respective close associates; and (ii) none of the placees and the public who have purchased the Offer Shares are accustomed to taking instructions from the Company, any of the Directors, chief executive of the Company, the Controlling Shareholder Group, substantial shareholders, existing shareholders of the Company or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of Shares registered in his/her/its name or otherwise held by him/her/it.

The places in the International Offer include the following:

Cornerstone Investors

<i>Investor</i>	<i>No. of Offer Shares allocated</i>	<i>% of Offer Shares (including over-allocated shares)</i>	<i>% of total issued H Shares after the Global Offering</i>	<i>% of total issued share capital after the Global Offering</i>	<i>Existing shareholders or their close associates</i>
Harvest	2,190,800	10.17%	10.43%	2.61%	No
ROSY DAY INVESTMENTS LIMITED	934,400	4.34%	4.45%	1.11%	No
Wang Chunyu	1,869,000	8.68%	8.90%	2.23%	No
Lancang Green Resource Investment Co., Ltd.	3,651,400	16.95%	17.39%	4.35%	No
China Ocean View Group Limited	2,190,800	10.17%	10.43%	2.61%	No
Total	10,836,400	50.31%	51.60%	12.90%	

Allottee who is an affiliate of a supplier of the issuer

<i>Investor</i>	<i>No. of shares allocated</i>	<i>% of offer shares (including over-allocated shares)</i>	<i>% of total issued H Shares after the Global Offering</i>	<i>% of total issued share capital after the Global Offering</i>	<i>Relationship*</i>
ROSY DAY INVESTMENTS LIMITED	934,400	4.34%	4.45%	1.11%	An affiliate of a supplier of the issuer
Total	934,400	4.34%	4.45%	1.11%	

LOCK-UP UNDERTAKINGS

Controlling Shareholder Group

<i>Name</i>	<i>Number of shares held in the Company subject to lock-up undertakings upon listing</i>	<i>% of shareholding in the Company subject to lock-up undertakings upon listing (assuming the Over-allotment Option is not exercised)</i>	<i>Last day subject to the lock-up undertakings</i>
Du Chunyi / 杜春嶧	11,383,660	13.55%	21 December 2024
Wang Juan / 王娟	8,328,599	9.91%	21 December 2024

<i>Name</i>	<i>Number of shares held in the Company subject to lock-up undertakings upon listing</i>	<i>% of shareholding in the Company subject to lock-up undertakings upon listing (assuming the Over-allotment Option is not exercised)</i>	<i>Last day subject to the lock-up undertakings</i>
Guangzhou Tiansu Information Technology Co., Ltd. / 廣州天速信息科技有限公司	4,968,000	5.91%	21 December 2024
Shi Ailing / 石艾靈	3,857,537	4.59%	21 December 2024
Shi Yue / 石躍	1,677,760	2.00%	21 December 2024
Subtotal	30,215,556	35.97%	

The expiry date of the lock-up period shown in the table above is pursuant to the PRC Company Law.

Pre-IPO Investors (as defined in the “History and Corporate Structure” section of the Prospectus)

<i>Name</i>	<i>Number of shares held in the Company subject to lock-up undertakings upon listing</i>	<i>% of shareholding in the Company subject to lock-up undertakings upon listing (assuming the Over-allotment Option is not exercised)</i>	<i>Last day subject to the lock-up undertakings</i>
Kaiyi Hengzheng / 凱易恆正	2,850,000	3.39%	21 December 2024
Zheng Wenping / 鄭文平	2,850,000	3.39%	21 December 2024
Shenzhen Jingmai New Industry Partnership (Limited Partnership) / 深圳景邁新實業合夥企業 (有限合夥)	2,700,000	3.21%	21 December 2024
Wu Zhize / 吳志澤	1,620,000	1.93%	21 December 2024
Pingyang Junquan Xinben Investment Partnership (Limited Partnership) / 平陽浚泉信本投資合夥企業 (有限合夥)	1,500,000	1.79%	21 December 2024
Foshan Huijia Industrial Co., Ltd. / 佛山市薈嘉實業有限公司	1,027,872	1.22%	21 December 2024
Pu'er Guming Management Partnership (Limited Partnership) / 普洱古茗管理合夥企業 (有限合夥)	600,000	0.71%	21 December 2024

<i>Name</i>	<i>Number of shares held in the Company subject to lock-up undertakings upon listing</i>	<i>% of shareholding in the Company subject to lock-up undertakings upon listing (assuming the Over-allotment Option is not exercised)</i>	<i>Last day subject to the lock-up undertakings</i>
Pingyang Junquan Shenshi Equity Investment Partnership (Limited Partnership) / 平陽浚泉慎始股權投資合夥企業（有限合夥）	600,000	0.71%	21 December 2024
Xinyu Xinzhonghe Investment Management Center (Limited Partnership) / 新余信中共投資管理中心（有限合夥）	600,000	0.71%	21 December 2024
Subtotal	14,347,872	17.08%	
<i>The expiry date of the lock-up period shown in the table above is pursuant to the PRC Company Law.</i>			

Existing Shareholders (other than the Pre-IPO Investors as defined in the “History and Corporate Structure” section of the Prospectus)

<i>Name</i>	<i>Number of shares held in the Company subject to lock-up undertakings upon listing</i>	<i>% of shareholding in the Company subject to lock-up undertakings upon listing (assuming the Over-allotment Option is not exercised)</i>	<i>Last day subject to the lock-up undertakings</i>
Others / 其他	9,953,658	11.85%	21 December 2024
Guangzhou Wujin Investment Partnership (Limited Partnership) / 廣州烏金投資合夥企業（有限合夥）	3,000,000	3.57%	21 December 2024
Yang Xiu / 楊秀	1,500,000	1.79%	21 December 2024
Xu Weixian / 徐維仙	1,240,000	1.48%	21 December 2024
Zhou Rongchang / 周榮昌	1,232,761	1.47%	21 December 2024
Xiao Minghuan / 肖明煥	810,153	0.96%	21 December 2024
Li Congmei / 李從妹	700,000	0.83%	21 December 2024
Subtotal	18,436,572	21.95%	
<i>The expiry date of the lock-up period shown in the table above is pursuant to the PRC Company Law.</i>			

Cornerstone Investors

<i>Name</i>	<i>Number of shares held in the Company subject to lock-up undertakings upon listing</i>	<i>% of total issued H-shares after the Global Offering subject to lock-up undertakings upon listing</i>	<i>% of shareholding in the Company subject to lock-up undertakings upon listing (assuming the Over-allotment Option is not exercised)</i>	<i>Last day subject to the lock-up undertakings</i>
Lancang Green Resource Investment Co., Ltd. / 瀾滄綠色資源投資有限公司	3,651,400	17.39%	4.35%	21 June 2024
HARVEST / 嘉實	2,190,800	10.43%	2.61%	21 June 2024
China Ocean View Group Limited / 中國海景集團有限公司	2,190,800	10.43%	2.61%	21 June 2024
Wang Chunyu / 王春宇	1,869,000	8.90%	2.23%	21 June 2024
ROSY DAY INVESTMENTS LIMITED / 興日投資有限公司	934,400	4.45%	1.11%	21 June 2024
Subtotal	10,836,400	51.60%	12.90%	
<i>In accordance with the relevant Listing Rule/guidance materials, the required lock-up ends on 21 June 2024.</i>				

PLACEE CONCENTRATION ANALYSIS

Placees	Number of H Shares allotted	Allotment as % of International Offering (assuming no exercise of the Over-allotment Option)	Allotment as % of International Offering (assuming the Over-allotment Option is exercised and new H Shares are issued)	Allotment as % of total Offer Shares (assuming no exercise of the Over-allotment Option)	Allotment as % of total Offer Shares (assuming the Over-allotment Option is exercised and new H Shares are issued)	Number of Shares held upon Listing	% of total issued share capital upon Listing (assuming no exercise of the Over-allotment Option)	% of total issued share capital upon Listing (assuming the Over-allotment Option is exercised and new H Shares are issued)
Top 1	4,191,600	22.18%	21.56%	19.96%	19.46%	4,191,600	4.99%	4.96%
Top 5	14,093,600	74.57%	72.49%	67.11%	65.43%	14,093,600	16.78%	16.67%
Top 10	18,662,600	98.74%	96.00%	88.87%	86.64%	18,662,600	22.22%	22.08%
Top 25	19,417,200	102.74%	99.88%	92.46%	90.14%	19,417,200	23.12%	22.97%

Notes

* Ranking of placees is based on the number of H Shares allotted to the placees.

H SHAREHOLDERS CONCENTRATION ANALYSIS

H Shareholders*	Number of H Shares allotted	Allotment as % of International Offering (assuming no exercise of the Over-allotment Option)	Allotment as % of International Offering (assuming the Over-allotment Option is exercised and new H Shares issued)	Allotment as % of total Offer Shares (assuming no exercise of the Over-allotment Option)	Allotment as % of total Offer Shares (assuming the Over-allotment Option is exercised and new H Shares are issued)	Number of H Shares held upon Listing	% of total issued H Shares capital upon Listing (assuming no exercise of the Over-allotment Option)	% of total issued H Shares capital upon Listing (assuming the Over-allotment Option is exercised and new H Shares are issued)	Number of Shares held upon Listing
Top 1	4,191,600	22.18%	21.56%	19.96%	19.46%	4,191,600	19.96%	19.46%	4,191,600
Top 5	14,093,600	74.57%	72.49%	67.11%	65.43%	14,093,600	67.11%	65.43%	14,093,600
Top 10	18,662,600	98.74%	96.00%	88.87%	86.64%	18,662,600	88.87%	86.64%	18,662,600
Top 25	20,083,000	106.26%	103.30%	95.63%	93.23%	20,083,000	95.63%	93.23%	20,083,000

Notes

* Ranking of H Shareholders is based on the number of H Shares held by the H Shareholders upon Listing.

SHAREHOLDER CONCENTRATION ANALYSIS

Shareholders*	Number of H Shares allotted	Allotment as % of International Offering (assuming no exercise of the Over-allotment Option)	Allotment as % of International Offering (assuming the Over-allotment Option is exercised and new H Shares are issued)	Allotment as % of total Offer Shares (assuming no exercise of the Over-allotment Option)	Allotment as % of total Offer Shares (assuming the Over-allotment Option is exercised and new H Shares are issued)	Number of H Shares held upon Listing	Number of Shares held upon Listing	% of total issued share capital upon Listing (assuming no exercise of the Over-allotment Option)	% of total issued share capital upon Listing (assuming the Over-allotment Option is exercised and new H Shares are issued)
Top 1	0	0.00%	0.00%	0.00%	0.00%	0	30,215,556	35.97%	35.74%
Top 5	7,843,000	41.50%	40.34%	37.35%	36.41%	7,843,000	43,908,556	52.27%	51.94%
Top 10	14,093,600	74.57%	72.49%	67.11%	65.43%	14,093,600	55,709,156	66.32%	65.90%
Top 25	18,292,600	96.79%	94.09%	87.11%	84.92%	18,292,600	71,338,942	84.93%	84.38%

Notes

* Ranking of Shareholders is based on the number of Shares (of all classes) held by the Shareholder upon Listing.

BASIS OF ALLOCATION UNDER THE HONG KONG PUBLIC OFFERING

Subject to the satisfaction of the conditions set out in the Prospectus, valid applications made by the public will be conditionally allocated on the basis set out below:

Pool A			
NO. OF H SHARES APPLIED FOR	NO. OF VALID APPLICATIONS	BASIS OF ALLOTMENT/BALLOT	APPROXIMATE PERCENTAGE ALLOTTED OF THE TOTAL NO. OF H SHARES APPLIED FOR
200	2,639	528 out of 2,639 applicants to receive 200 H Shares	20.01%
400	275	99 out of 275 applicants to receive 200 H Shares	18.00%
600	758	370 out of 758 applicants to receive 200 H Shares	16.27%
800	72	44 out of 72 applicants to receive 200 H Shares	15.28%
1,000	134	94 out of 134 applicants to receive 200 H Shares	14.03%
1,200	36	29 out of 36 applicants to receive 200 H Shares	13.43%
1,400	36	31 out of 36 applicants to receive 200 H Shares	12.30%
1,600	24	21 out of 24 applicants to receive 200 H Shares	10.94%
1,800	16	15 out of 16 applicants to receive 200 H Shares	10.42%
2,000	263	200 H Shares	10.00%
3,000	965	200 H Shares plus 193 out of 965 applicants to receive an additional 200 H Shares	8.00%
4,000	66	200 H Shares plus 27 out of 66 applicants to receive an additional 200 H Shares	7.05%
5,000	29	200 H Shares plus 19 out of 29 applicants to receive an additional 200 H Shares	6.62%
6,000	136	200 H Shares plus 117 out of 136 applicants to receive an additional 200 H Shares	6.20%
7,000	30	400 H Shares	5.71%
8,000	29	400 H Shares plus 6 out of 29 applicants to receive an additional 200 H Shares	5.52%
9,000	5	400 H Shares plus 2 out of 5 applicants to receive an additional 200 H Shares	5.33%
10,000	153	400 H Shares plus 92 out of 153 applicants to receive an additional 200 H Shares	5.20%
20,000	97	800 H Shares	4.00%
30,000	38	1,000 H Shares	3.33%
40,000	23	1,200 H Shares	3.00%
50,000	16	1,400 H Shares	2.80%
60,000	15	1,600 H Shares	2.67%
70,000	11	1,800 H Shares	2.57%
80,000	11	2,000 H Shares	2.50%
90,000	1	2,200 H Shares	2.44%
100,000	12	2,400 H Shares	2.40%
120,000	2	2,800 H Shares	2.33%
160,000	1	3,600 H Shares	2.25%
180,000	1	4,000 H Shares	2.22%

200,000	6	4,400 H Shares	2.20%
300,000	5	6,400 H Shares	2.13%
Total	5,905	Total number of Pool A successful applicants: 3,146	

Pool B			
NO. OF H SHARES APPLIED FOR	NO. OF VALID APPLICATIONS	BASIS OF ALLOTMENT/BALLOT	APPROXIMATE PERCENTAGE ALLOTTED OF THE TOTAL NO. OF H SHARES APPLIED FOR
400,000	14	54,400 H Shares	13.60%
500,000	1	67,200 H Shares	13.44%
600,000	1	80,600 H Shares	13.43%
1,050,000	1	140,600 H Shares	13.39%
Total	17	Total number of Pool B successful applicants: 17	

As of the date of this announcement, the relevant subscription monies previously deposited in the designated nominee accounts have been remitted back to the accounts of all HKSCC participants. Investors should contact their relevant brokers for any inquiries.

COMPLIANCE WITH LISTING RULES AND GUIDANCE

The Directors confirm that, except for the Listing Rules that have been waived and/or in respect of which consent has been obtained, the Company has complied with the Listing Rules and guidance materials in relation to the placing, allotment and listing of the Company's shares.

The Directors confirm that, to the best of their knowledge, the consideration paid by the places or the public (as the case may be) directly or indirectly for each Offer Share subscribed for or purchased by them was the same as the final Offer Price in addition to any brokerage, AFRC transaction levy, SFC transaction levy and trading fee payable.

OTHERS / ADDITIONAL INFORMATION

1. "Others" in Lock-up Undertaking includes 48 shareholders as detailed in the section headed "History and Corporate Structure - Major changes in our Company's shareholding structure and registered capital - (3) The 2021 Capital Increase and Share transfers" in the Prospectus.
2. "Kaiyi Hengzheng" in Lock-up Undertaking refers to Gongqingcheng Kaiyi Hengzheng Investment Management Partnership (Limited Partnership).
3. "Harvest" in Lock-up Undertaking refers to HARVEST INTERNATIONAL PREMIUM VALUE (SECONDARY MARKET) FUND SPC acting on behalf of and for the account of HARVEST PROSPERITY II SP.

DISCLAIMERS

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The Offer Shares are being offered and sold (1) solely to qualified institutional buyers as defined in Rule 144A under the U.S. Securities Act pursuant to an exemption from registration under the U.S. Securities Act and (2) outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities. This announcement is not a prospectus. Potential investors should read the Prospectus dated 14 December 2023 issued by Pu'er Lancang Ancient Tea Co., Ltd. for detailed information about the Global Offering described below before deciding whether or not to invest in the Shares thereby being offered.

**Potential investors of the Offer Shares should note that the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) shall be entitled to terminate their obligations under the Hong Kong Underwriting Agreement with immediate effect upon the occurrence of any of the events set out in the paragraph headed “Underwriting – Underwriting Arrangements and Expenses – Hong Kong Public Offering – Hong Kong Underwriting Agreement – Grounds for Termination” in the Prospectus at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date (which is currently expected to be on 22 December 2023).*

By Order of the Board

Pu'er Lancang Ancient Tea Co., Ltd.

Ms. Du Chunyi

Chairlady and Executive Director

Hong Kong, December 21, 2023

As at the date of this announcement, the Board comprises Ms. Du Chunyi, Ms. Wang Juan, Mr. Zhang Muheng, Ms. Shi Yijing, Mr. Fu Gang and Mr. Liu Jiajie as executive Directors; and Ms. Cao Wei, Dr. Xie Xiaoyao and Mr. Tang Zhangliang as independent non-executive Directors.