

## ANNOUNCEMENT OF ALLOTMENT RESULTS

### SUMMARY

#### NET PROCEEDS FROM THE GLOBAL OFFERING

- Based on the Offer Price of HK\$5.98 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 other estimated expenses payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$356.5 million, assuming the Over-allotment Option is not exercised. Listing expenses to be borne by the Company are estimated to be approximately HK\$79.8 million (including underwriting commission, at the Offer Price of HK\$5.98 per H Share), which represent 19.4% of the gross proceeds from the Global Offering, comprising underwriting-related fees of HK\$16.5 million, and non-underwriting-related expenses of HK\$63.3 million. The Company intends to apply such net proceeds from the Global Offering in the manner set out in the section headed “Net Proceeds from the Global Offering” in this announcement.
- If the Over-allotment Option is exercised in full, the Company will receive additional net proceeds of approximately HK\$59.2 million for 10,320,400 additional Offer Shares to be issued and allotted upon the exercise of the Over-allotment Option, which will be allocated on a pro rata basis according to the use of proceeds as set out in the paragraph headed “Net Proceeds from the Global Offering” in this announcement.

#### 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 slightly over-subscribed. A total of 6,404 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 29,894,000 Hong Kong Offer Shares, representing approximately 4.34 times of the total number of 6,880,800 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering.

- As the over-subscription in the Hong Kong Public Offering less than 15 times, the reallocation procedures as described in the section headed “Structure of the Global Offering – The Hong Kong Public Offering – Reallocation” in the Prospectus have not been applied and no International Offer Shares have been reallocated from the International Offering to the Hong Kong Public Offering. The final number of Hong Kong Offer Shares under the Hong Kong Public Offering is 6,880,800 Offer Shares, representing approximately 10% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option). There are a total number of 2,540 Shareholders who were allocated Offer Shares under the Hong Kong Public Offering, among which 1,746 Shareholders were allocated with one board lot of the Offer Shares.

## **INTERNATIONAL OFFERING**

- The International Offer Shares initially offered under the International Offering have been slightly over-subscribed, representing approximately 1.33 times of the total number of Offer Shares initially available under the International Offering. The final number of International Offer Shares under the International Offering is 61,922,000 Offer Shares, representing approximately 90% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option).
- There has been an over-allocation of 10,320,400 Offer Shares and there are a total of 119 placees under the International Offering, among which 41 placees, representing approximately 34.45% of the total number of placees under the International Offering, have been allotted one board lot of Offer Shares, totaling 16,400 Offer Shares, representing approximately 0.03% of the total number of Offer Shares available under the International Offering (before any exercise of the Over-allotment Option).

## **CORNERSTONE INVESTORS**

- Based on the Offer Price of HK\$5.98 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 Agreements entered into with the Cornerstone Investors as disclosed in the section headed “Cornerstone Investors” in the Prospectus, the Cornerstone Investors have subscribed for a total of 37,002,800 Offer Shares, representing approximately 1.35% of the total issued share capital of the Company immediately upon the completion of the Global Offering and approximately 53.78% of the number of Offer Shares under the Global Offering (before any exercise of the Over-allotment Option).

- Please refer to the section headed “Cornerstone Investors” in the Prospectus for further details of the Cornerstone Investors.

#### **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 (for themselves and on behalf of the International Underwriters), at any time from the Listing Date to Saturday, November 25, 2023, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering, to require the Company to issue and allot up to an aggregate of 10,320,400 additional Offer Shares, representing not more than approximately 15.0% of the total number of Offer Shares initially available under the Global Offering, at the Offer Price to cover the over-allocations in the International Offering.
- There has been an over-allocation of 10,320,400 Offer Shares in the International Offering. Such over-allocation may be covered by exercising the Over-allotment Option in part or by making purchases in the secondary market 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 at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company’s website at [www.zzgqsh.com](http://www.zzgqsh.com). As of the date of this announcement, the Over-allotment Option has not been exercised.

## **CONFIRMATIONS OF PUBLIC SHAREHOLDERS IN THE HONG KONG PUBLIC OFFERING AND PLACEEES IN THE INTERNATIONAL OFFERING**

- The Company has applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with Rule 10.04 of the Listing Rules and its consent under paragraph 5(2) of the Placing Guidelines to permit the Company to allocate H Shares under the International Offering to the Anti-Diluting Shareholders and Minority Existing Shareholders and/or their respective close associates. To the best knowledge of the Company, no Offer Shares have been placed to the Anti-Diluting Shareholders, Minority Existing Shareholders or their respective close associates in the International Offering.
- To the best knowledge, information and belief of the Directors, no Offer Shares placed by or through the Overall Coordinators or the Underwriters/distributors under the Global Offering have been placed to applicants who are core connected persons (as defined in the Listing Rules) or Directors, or to any connected clients (as set out in paragraph 5(1) of the Placing Guidelines), nor to any existing Shareholder and its close associates (as set out in paragraph 5(2) of the Placing Guidelines) whether in their own names or through nominees.
- To the best knowledge of the Company, none of the Offer Shares subscribed for by the placees and the public has been financed directly or indirectly by any of the Directors, Supervisors, chief executive, Controlling Shareholders, substantial Shareholders, existing Shareholders of the Company or any of their subsidiaries or any of their respective close associates, and none of the placees and the public who has subscribed for Offer Shares is accustomed to taking instructions from any of the Directors, Supervisors, chief executive, Controlling Shareholders, substantial Shareholders, existing Shareholders of the Company or any of their subsidiaries or any of 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, and the International Offering is in compliance with the Placing Guidelines.

## LOCK-UP UNDERTAKINGS

- Each of the Company, the Warranting Shareholders, the other Controlling Shareholders, the other existing Shareholders and the Cornerstone Investors is subject to certain lock-up undertakings set out in the section headed “Lock-up Undertakings” in this announcement.

## RESULTS OF ALLOCATIONS

- The Company expects to announce 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 on Wednesday, November 1, 2023 on its website at [www.zzgqsh.com](http://www.zzgqsh.com) and the website of Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk).
- The results of allocations and 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 set out below:
  - in the announcement to be posted on the Company’s website and the website of Stock Exchange at [www.zzgqsh.com](http://www.zzgqsh.com) and [www.hkexnews.hk](http://www.hkexnews.hk), respectively, by no later than 9:00 a.m. on Wednesday, November 1, 2023;
  - from the designated results of allocations website at [www.iporesults.com.hk](http://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 Wednesday, November 1, 2023 to 12:00 midnight on Tuesday, November 7, 2023; and
  - from the allocation results telephone enquiry line by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. from Wednesday, November 1, 2023 to Monday, November 6, 2023 on a business day (excluding Saturday, Sunday and public holidays).
- 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**” 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.

- 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 AND REFUND MONIES**

- Applicants who applied for 1,000,000 Hong Kong Offer Shares or more through the **White Form eIPO** service and who have been wholly or partially successfully allocated Hong Kong Offer Shares may collect H Share certificates and/or refund cheques (where applicable) in person from the Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong from 9:00 a.m. to 1:00 p.m. on Wednesday, November 1, 2023 or any other place or date as notified by the Company.
- Applicants being individuals who are eligible for personal collection must not authorize any other person to make collection on their behalf. Corporate applicants which are eligible for personal collection must attend by their authorized representatives bearing letters of authorization from their corporations stamped with the corporations’ chops. Both individuals and authorized representatives (if applicable) must produce, at the time of collection, evidence of identity acceptable to Computershare Hong Kong Investor Services Limited.
- 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 (including applicants who applied for less than 1,000,000 Hong Kong Offer Shares through the **White Form eIPO** service) or which are available but are not collected in person by 1:00 p.m. on Wednesday, November 1, 2023 are expected to be despatched by ordinary post to the addresses specified in the relevant applications at their own risk on or before Wednesday, November 1, 2023.
- Wholly or partially successful applicants who applied by giving **electronic application instructions** to HKSCC via CCASS will have their H Share certificates issued in the name of HKSCC Nominees Limited and deposited directly into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participant who gave **electronic application instructions** on their behalf on Wednesday, November 1, 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 Wednesday, November 1, 2023 or such other date as shall be determined by HKSCC. 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 their respective designated bank account, 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 amount of refund monies (if any) credited to their respective designated bank accounts.
- 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 on or before Wednesday, November 1, 2023. Applicants who 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 their **White Form eIPO** applications in the form of refund cheque(s) by ordinary post at their own risk on or before Wednesday, November 1, 2023.
- Refund monies (if any) for applicants who applied by giving **electronic application instructions** to HKSCC via CCASS are expected to be credited to their designated bank accounts or the designated bank accounts of their brokers or custodians on Wednesday, November 1, 2023.
- H Share certificates will only become valid evidence of title at 8:00 a.m. (Hong Kong time) on Thursday, November 2, 2023 provided that the Global Offering has become unconditional in all respects at or before that time and the right of termination described in the section headed “Underwriting – Underwriting Arrangements and Expenses – Hong Kong Public Offering – Hong Kong Underwriting Agreement – 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**

- Immediately following completion of the Global Offering and before the exercise of the Over-allotment Option, approximately 50.11% of the total issued share capital of the Company will be counted towards the public float, satisfying the minimum percentage prescribed by Rule 8.08 of the Listing Rules.
- The Directors also confirm that (i) no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after the Global Offering; (ii) there will not be any new substantial Shareholder of the Company upon Listing; (iii) 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 (iv) 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 IN THE H SHARES**

- Assuming that the Global Offering becomes unconditional in all respects at or before 8:00 a.m. on Thursday, November 2, 2023 (Hong Kong time), dealings in the H Shares on the Main Board of the Stock Exchange are expected to commence at 9:00 a.m. on Thursday, November 2, 2023 (Hong Kong time). The H Shares will be traded in board lots of 400 H Shares each. The stock code of the H Shares is 2517.

## **NET PROCEEDS FROM THE GLOBAL OFFERING**

Based on the Offer Price of HK\$5.98 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 other estimated expenses payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$356.5 million (assuming the Over-allotment Option is not exercised). Listing expenses to be borne by the Company are estimated to be approximately HK\$79.8 million (including underwriting commission, at the Offer Price of HK\$5.98 per H Share), which represent 19.4% of the gross proceeds from the Global Offering, comprising underwriting-related fees of HK\$16.5 million, and non-underwriting related expenses of HK\$63.3 million.



The Company intends to apply such net proceeds as follows:

- approximately 40.0% of the net proceeds, or HK\$142.6 million, to improve our supply chain capabilities by enhancing our production capacity and efficiency.
- approximately 40.0% of the net proceeds, or HK\$142.6 million will be used for opening and operating our self-operated stores.
- approximately 10.0% of the net proceeds, or HK\$35.6 million will be used to build product R&D centers as well as upgrade and purchase related equipment.
- approximately 10.0% of the net proceeds, or HK\$35.6 million, as working capital and for general corporate uses.

If the Over-allotment Option is exercised in full, the Company will receive additional net proceeds of approximately HK\$59.2 million for 10,320,400 additional Offer Shares to be issued and allotted upon the exercise of the Over-allotment Option, which will be allocated on a pro rata basis according to the use of proceeds as set out above.

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

## **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 slightly over-subscribed. A total of 6,404 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 29,894,000 Hong Kong Offer Shares, representing approximately 4.34 times of the total number of 6,880,800 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering, among which:

- 6,397 valid applications in respect of a total of 19,694,000 Hong Kong Offer Shares were for the Hong Kong Public Offering with a total subscription price of HK\$5 million or less at the Offer Price of HK\$5.98 per H 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%), representing approximately 5.72 times of the 3,440,400 Hong Kong Offer Shares initially comprised in Pool A of the Hong Kong Public Offering; and
- 7 valid applications in respect of a total of 10,200,000 Hong Kong Offer Shares were for the Hong Kong Public Offering with a total subscription price of more than HK\$5 million at the Offer Price of HK\$5.98 per H 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%), representing 2.96 times of the 3,440,400 Hong Kong Offer Shares initially comprised in Pool B of the Hong Kong Public Offering.

No application has been rejected due to invalid application. Eight multiple or suspected multiple applications have been identified and rejected. One application has been rejected due to dishonored payment. No application for more than 3,440,400 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, the reallocation procedures as described in the section headed “Structure of the Global Offering – The Hong Kong Public Offering – Reallocation” in the Prospectus have not been applied and no International Offer Shares have been reallocated from the International Offering to the Hong Kong Public Offering. The final number of Hong Kong Offer Shares under the Hong Kong Public Offering is 6,880,800 Offer Shares, representing approximately 10% of the total number of Offer Shares initially available under the Global Offering. There are a total number of 2,540 Shareholders who were allocated Offer Shares under the Hong Kong Public Offering, among which 1,746 Shareholders were allocated with one board lot of the 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 International Offer Shares initially offered under the International Offering have been slightly over-subscribed, representing approximately 1.33 times of the total number of Offer Shares initially available under the International Offering. The final number of International Offer Shares under the International Offering is 61,922,000 Offer Shares, representing approximately 90% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option).

There has been an over-allocation of 10,320,400 Offer Shares and there are a total of 119 placees under the International Offering, among which 41 placees, representing approximately 34.45% of the total number of placees under the International Offering, have been allotted one board lot of Offer Shares, totaling 16,400 Offer Shares, representing approximately 0.03% of the total number of Offer Shares available under the International Offering (before any exercise of the Over-allotment Option).

## CORNERSTONE INVESTORS

Based on the Offer Price of HK\$5.98 per H 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 Agreements entered into with the Cornerstone Investors as disclosed in the section headed “Cornerstone Investors” in the Prospectus, the number of Offer Shares subscribed for by the Cornerstone Investors is set out below:

Cornerstone Investor	Investment amount <sup>(1)</sup>	Hong Kong dollar equivalent <sup>(1)</sup> (approximate)	Number of Offer Shares <sup>(2)</sup>	Assuming the Over-Allotment Option is not exercised		Assuming the Over-Allotment Option is fully exercised	
				Approximate % of the Offer Shares	Approximate % of the issued share capital <sup>(3)</sup>	Approximate % of the Offer Shares	Approximate % of the issued share capital <sup>(3)</sup>
Hengshun Group							
Hengshun Vinegar	USD6.5 million	50.8 million	8,498,800	12.35	0.31	10.74	0.31
Profit Joy	USD3.5 million	27.4 million	4,576,400	6.65	0.17	5.78	0.17
Jinding Capital	USD10.0 million	78.2 million	13,075,200	19.00	0.48	16.53	0.48
COFCO Capital Fund	USD8.3 million	64.9 million	10,852,400	15.77	0.40	13.72	0.39
<b>Total</b>	<b>USD28.3 million</b>	<b>221.3 million</b>	<b>37,002,800</b>	<b>53.78</b>	<b>1.35</b>	<b>46.77</b>	<b>1.35</b>

*Note:*

- (1) The total investment amount excludes brokerage, SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee and is calculated based on the exchange rates as described in the section headed “Information about this Prospectus and the Global Offering — Currency Translations” of the Prospectus.
- (2) Subject to rounding down to the nearest whole board lot of 400 H Shares. Calculated based on the exchange rate set out in the section headed “Information about this Prospectus and the Global Offering — Currency Translations” of the Prospectus.
- (3) Immediately following the completion of the Global Offering.
- (4) Any discrepancies in the table above between the total shown and the sum of the amounts listed are due to rounding.

The Cornerstone Placing forms part of the International Offering, and the Cornerstone Investors will not acquire any Offer Shares under the Global Offering (other than pursuant to the Cornerstone Investment Agreements). The Offer Shares to be subscribed by the Cornerstone Investors will rank *pari passu* in all respects with the fully paid Shares in issue and will be counted towards the public float of our Company for the purpose of Rule 8.08 of the Listing Rules. The three largest public Shareholders will not hold more than 50% of the shares held in public hands at the time of the Listing in compliance with Rule 8.08(3) and Rule 8.24 of the Listing Rules. Other than a guaranteed allocation of the relevant Offer Shares at the Offer Price, the Cornerstone Investors do not have any preferential rights in the Cornerstone Investment Agreements compared with other public Shareholders.

Immediately following the completion of the Global Offering, the Cornerstone Investors will not become a substantial Shareholder or connected person (as defined in the Listing Rules) of our Company and will not have any Board representation in our Company. To the best knowledge of our Company, each of Cornerstone Investors (i) is an Independent Third Party and is not our connected person (as defined under the Listing Rules), (ii) is independent of other Cornerstone Investors (save for the fact that both of Hengshun Vinegar and Profit Joy are controlled by Hengshun Group), (iii) is not directly or indirectly financed by our Company, our subsidiaries, our Directors, Supervisors, chief executive, our Controlling Shareholders, substantial Shareholders, existing Shareholders or any of their respective close associates, and (iv) is not accustomed to taking instructions from our Company, our subsidiaries, our Directors, Supervisors, chief executive, our Controlling Shareholders, substantial Shareholders, existing Shareholders 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. There are no side agreements or arrangements between us and the Cornerstone Investors or any benefit, direct or indirect, conferred on the Cornerstone Investors by virtue of or in relation to the Cornerstone Placing, other than a guaranteed allocation of the relevant Offer Shares at the Offer Price.

As confirmed by each Cornerstone Investor, its subscription under the Cornerstone Placing would be financed by its own internal financial resources or the financial resources of its parent company or the funds under its management. Each of the Cornerstone Investors has confirmed that all necessary approvals have been obtained with respect to the Cornerstone Placing. Save for Hengshun Vinegar, a company listed on the Shanghai Stock Exchange which has obtained the approval from its board of directors, none of the Cornerstone Investors or their holding companies is listed on any stock exchange, and each of the Cornerstone Investors has confirmed that no specific approval from any stock exchange (if relevant) or its shareholders is required for the relevant cornerstone investment.

Each of the Cornerstone Investors has agreed that it will not, whether directly or indirectly, at any time during the period of six (6) months following the Listing Date (the “**Lock-up Period**”), dispose of any of the Offer Shares they have purchased pursuant to the relevant 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 such Cornerstone Investor, including the Lock-up Period restriction.

Please refer to the section headed “Cornerstone Investors” in the Prospectus for further details of the Cornerstone Investors.

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

The Company has applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with Rule 10.04 of the Listing Rules and its consent under paragraph 5(2) of the Placing Guidelines to permit the Company to allocate H Shares under the International Offering to the Anti-Diluting Shareholders and Minority Existing Shareholders and/or their respective close associates. To the best knowledge of the Company, no Offer Shares have been placed to the Anti-Diluting Shareholders, Minority Existing Shareholders or their respective close associates in the International Offering.

To the best knowledge, information and belief of the Directors, no Offer Shares placed by or through the Overall Coordinators or the Underwriters/distributors under the Global Offering have been placed to applicants who are core connected persons (as defined in the Listing Rules) or Directors, or to any connected clients (as set out in paragraph 5(1) of the Placing Guidelines), nor to any existing Shareholder and its close associates (as set out in paragraph 5(2) of the Placing Guidelines) whether in their own names or through nominees.

To the best knowledge of the Company, none of the Offer Shares subscribed for by the places and the public has been financed directly or indirectly by any of the Directors, Supervisors, chief executive, Controlling Shareholders, substantial Shareholders, existing Shareholders of the Company or any of their subsidiaries or any of their respective close associates, and none of the places and the public who has subscribed for Offer Shares is accustomed to taking instructions from any of the Directors, Supervisors, chief executive, Controlling Shareholders, substantial Shareholders, existing Shareholders of the Company or any of their subsidiaries or any of 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, and the International Offering is in compliance with the Placing Guidelines.

### **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 (for themselves and on behalf of the International Underwriters), at any time from the Listing Date to Saturday, November 25, 2023, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering, to require the Company to issue and allot up to an aggregate of 10,320,400 additional Offer Shares, representing not more than approximately 15.0% of the total number of Offer Shares initially available under the Global Offering, at the Offer Price to cover the over-allocations in the International Offering.

There has been an over-allocation of 10,320,400 Offer Shares in the International Offering. Such over-allocation may be covered by exercising the Over-allotment Option in part or by making purchases in the secondary market 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 at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's website at [www.zzgqsh.com](http://www.zzgqsh.com). As of the date of this announcement, the Over-allotment Option has not been exercised.

## LOCK-UP UNDERTAKINGS

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

Name	Number of Shares subject to the Lock-up Undertakings upon Listing	Approximate percentage of shareholding in the Company subject to the Lock-up Undertakings upon Listing <sup>(3)</sup>	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 Hong Kong Underwriting Agreement)</i>			
	N/A	N/A	May 1, 2024 <sup>(1)</sup>
<b>Warranting Shareholders</b>			
<i>(subject to lock-up obligations pursuant to the Listing Rules, the Hong Kong Underwriting Agreement and applicable PRC laws and regulations)</i>			
Yang Mingchao, Meng Xianjin, Li Xinhua and Guoquan Industry	881,420,916	32.18%	November 1, 2024 <sup>(2)</sup>
<b>Other Controlling Shareholders</b>			
<i>(subject to lock-up obligations pursuant to the Listing Rules, the applicable PRC laws and regulations)</i>			
Guoxiaoquan EM	331,595,457	12.11%	November 1, 2024 <sup>(2)</sup>
Guoxiaoquan Tech	85,587,242	3.12%	November 1, 2024 <sup>(2)</sup>
<b>Other existing Shareholders<sup>(4)</sup></b>			
<i>(subject to lock-up obligations pursuant to applicable PRC laws and regulations)</i>			
	1,371,396,385	50.08%	November 1, 2024 <sup>(2)</sup>
<b>Cornerstone Investors</b>			
<i>(subject to lock-up obligations pursuant to the Cornerstone Investment Agreements)</i>			
Hengshun Group			
Hengshun Vinegar	8,498,800	0.31%	May 1, 2024 <sup>(2)</sup>
Profit Joy	4,576,400	0.17%	May 1, 2024 <sup>(2)</sup>
Jinding Capital	13,075,200	0.48%	May 1, 2024 <sup>(2)</sup>
COFCO Capital Fund	10,852,400	0.40%	May 1, 2024 <sup>(2)</sup>
<b>Total</b>	<b>2,707,002,800</b>	<b>98.84%</b>	



*Notes:*

- (1) The Company may not allot or issue Shares prior to the indicated date except otherwise permitted by the Listing Rules and the Stock Exchange.
- (2) The Shareholder(s) and Cornerstone Investor(s) may dispose of or transfer Shares without any lock-up obligation after the indicated date.
- (3) Assuming the Over-allotment Option is not exercised.
- (4) For identities and details of other existing Shareholders, see the section headed “History, Development and Corporate Structure” in the Prospectus.

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

Subject to the satisfaction of the conditions set out in the section headed “Structure of the Global Offering – Conditions of the Global Offering” in the Prospectus, 6,404 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:

<b>NO. OF SHARES APPLIED FOR</b>	<b>NO. OF VALID APPLICATIONS</b>	<b>BASIS OF ALLOTMENT/BALLOT</b>	<b>APPROXIMATE PERCENTAGE ALLOTTED OF THE TOTAL NO. OF SHARES APPLIED FOR</b>
<b>POOL A</b>			
400	3,977	756 out of 3,977 to receive 400 Shares	19.01%
800	507	191 out of 507 to receive 400 Shares	18.84%
1,200	634	356 out of 634 to receive 400 Shares	18.72%
1,600	126	94 out of 126 to receive 400 Shares	18.65%
2,000	241	224 out of 241 to receive 400 Shares	18.59%
2,400	52	400 Shares plus 6 out of 52 to receive additional 400 Shares	18.59%
2,800	27	400 Shares plus 8 out of 27 to receive additional 400 Shares	18.52%
3,200	50	400 Shares plus 24 out of 50 to receive additional 400 Shares	18.50%
3,600	18	400 Shares plus 11 out of 18 to receive additional 400 Shares	17.90%
4,000	124	400 Shares plus 97 out of 124 to receive additional 400 Shares	17.82%
6,000	52	800 Shares plus 34 out of 52 to receive additional 400 Shares	17.69%
8,000	286	1,200 Shares plus 149 out of 286 to receive additional 400 Shares	17.60%
10,000	41	1,600 Shares plus 16 out of 41 to receive additional 400 Shares	17.56%
12,000	19	2,000 Shares plus 5 out of 19 to receive additional 400 Shares	17.54%
14,000	10	2,400 Shares plus 1 out of 10 to receive additional 400 Shares	17.43%
16,000	57	2,400 Shares plus 53 out of 57 to receive additional 400 Shares	17.32%
18,000	39	2,800 Shares plus 31 out of 39 to receive additional 400 Shares	17.32%
20,000	37	3,200 Shares plus 24 out of 37 to receive additional 400 Shares	17.30%
30,000	42	4,800 Shares plus 40 out of 42 to receive additional 400 Shares	17.27%
40,000	11	6,800 Shares plus 3 out of 11 to receive additional 400 Shares	17.27%
50,000	6	8,400 Shares plus 3 out of 6 to receive additional 400 Shares	17.20%
60,000	4	10,000 Shares plus 3 out of 4 to receive additional 400 Shares	17.17%



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			
70,000	6	11,600 Shares plus 5 out of 6 to receive additional 400 Shares	17.05%
80,000	2	13,600 Shares	17.00%
100,000	8	16,800 Shares plus 4 out of 8 to receive additional 400 Shares	17.00%
120,000	3	20,400 Shares	17.00%
160,000	4	26,800 Shares plus 3 out of 4 to receive additional 400 Shares	16.94%
180,000	1	30,400 Shares	16.89%
200,000	3	33,200 Shares plus 2 out of 3 to receive additional 400 Shares	16.73%
300,000	6	50,000 Shares plus 2 out of 6 to receive additional 400 Shares	16.71%
400,000	1	66,800 Shares	16.70%
600,000	2	100,000 Shares plus 1 out of 2 to receive additional 400 Shares	16.70%
800,000	1	133,600 Shares	16.70%
	<hr/>		
	6,397	Total number of Pool A successful applicants: 2,533	

### **POOL B**

NO. OF SHARES APPLIED FOR	NO. OF VALID APPLICATIONS	BASIS OF ALLOTMENT/BALLOT	APPROXIMATE PERCENTAGE ALLOTTED OF THE TOTAL NO. OF SHARES APPLIED FOR
900,000	4	304,000 Shares	33.78%
1,000,000	1	337,200 Shares	33.72%
2,800,000	2	943,600 Shares	33.70%
	<u>7</u>	Total number of Pool B successful applicants: 7	

The final number of Hong Kong Offer Shares under the Hong Kong Public Offering is 6,880,800 Offer Shares, representing approximately 10% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option).

## RESULTS OF ALLOCATIONS

The Company expects to announce 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 on Wednesday, November 1, 2023 on its website at [www.zzgqsh.com](http://www.zzgqsh.com) and the website of Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk).

The results of allocations and 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 set out below:

- in the announcement to be posted on the Company's website and the website of Stock Exchange at [www.zzgqsh.com](http://www.zzgqsh.com) and [www.hkexnews.hk](http://www.hkexnews.hk), respectively, by no later than 9:00 a.m. on Wednesday, November 1, 2023;
- from the designated results of allocations website at [www.iporesults.com.hk](http://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 Wednesday, November 1, 2023 to 12:00 midnight on Tuesday, November 7, 2023; and
- from the allocation results telephone enquiry line by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. from Wednesday, November 1, 2023 to Monday, November 6, 2023 on a business day (excluding Saturday, Sunday and public holidays).

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**" 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.

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.

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 Offer Shares (assuming the Over-allotment Option is not exercised)	Subscription as % of International Offer Shares (assuming the Over-allotment Option is exercised in full)	Subscription as % of total Offer Shares (assuming the Over-allotment Option is not exercised)	Subscription as % of total Offer Shares (assuming the Over-allotment Option is exercised in full)	Number of H Shares as % of total H Shares (assuming the Over-allotment Option is not exercised)	Number of H Shares as % of total H Shares (assuming the Over-allotment Option is exercised in full)	Number of Shares as % of total Shares upon Listing (assuming the Over-allotment Option is not exercised)	Number of Shares as % of total Shares upon Listing (assuming the Over-allotment Option is exercised in full)
Top 1	13,075,200	13,075,200	13,075,200	21.12%	18.10%	19.00%	16.53%	0.73%	0.73%	0.48%	0.48%
Top 5	55,946,400	55,946,400	55,946,400	90.35%	77.44%	81.31%	70.71%	3.13%	3.11%	2.04%	2.04%
Top 10	70,466,800	70,466,800	70,466,800	113.80%	97.54%	102.42%	89.06%	3.94%	3.92%	2.57%	2.56%
Top 20	72,115,600	72,115,600	72,115,600	116.46%	99.82%	104.81%	91.14%	4.03%	4.01%	2.63%	2.62%
Top 25	72,127,600	72,127,600	72,127,600	116.48%	99.84%	104.83%	91.16%	4.03%	4.01%	2.63%	2.62%

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 Offer Shares (assuming the Over-allotment Option is not exercised)	Subscription as % of International Offer Shares (assuming the Over-allotment Option is exercised in full)	Subscription as % of total Offer Shares (assuming the Over-allotment Option is not exercised)	Subscription as % of total Offer Shares (assuming the Over-allotment Option is exercised in full)	Number of H Shares as % of total H Shares (assuming the Over-allotment Option is not exercised)	Number of H Shares as % of total H Shares (assuming the Over-allotment Option is exercised in full)	Number of Shares as % of total Shares upon Listing (assuming the Over-allotment Option is not exercised)	Number of Shares as % of total Shares upon Listing (assuming the Over-allotment Option is exercised in full)
Top 1	–	417,182,699	1,298,603,615	0.00%	0.00%	0.00%	0.00%	23.31%	23.18%	47.42%	47.24%
Top 5	–	1,167,434,122	2,105,382,470	0.00%	0.00%	0.00%	0.00%	65.24%	64.86%	76.87%	76.58%
Top 10	–	1,583,056,876	2,521,005,224	0.00%	0.00%	0.00%	0.00%	88.46%	87.96%	92.05%	91.70%
Top 20	37,002,800	1,757,534,516	2,706,836,440	59.76%	51.22%	53.78%	46.77%	98.21%	97.65%	98.83%	98.46%
Top 25	68,332,400	1,788,864,116	2,738,166,040	110.35%	94.59%	99.32%	86.36%	99.96%	99.39%	99.98%	99.60%

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

H Shareholder	Subscription	Number of H Shares held upon Listing	Number of Shares held upon Listing	Subscription as % of International Offer Shares (assuming the Over-allotment Option is not exercised)	Subscription as % of International Offer Shares (assuming the Over-allotment Option is exercised in full)	Subscription as % of total Offer Shares (assuming the Over-allotment Option is not exercised)	Subscription as % of total Offer Shares (assuming the Over-allotment Option is exercised in full)	Number of H Shares as % of total H Shares (assuming the Over-allotment Option is not exercised)	Number of H Shares as % of total H Shares (assuming the Over-allotment Option is exercised in full)	Number of Shares as % of total Shares upon Listing (assuming the Over-allotment Option is not exercised)	Number of Shares as % of total Shares upon Listing (assuming the Over-allotment Option is exercised in full)
Top 1	–	417,182,699	1,298,603,615	0.00%	0.00%	0.00%	0.00%	23.31%	23.18%	47.42%	47.24%
Top 5	–	1,202,725,825	2,084,146,741	0.00%	0.00%	0.00%	0.00%	67.21%	66.82%	76.10%	75.81%
Top 10	–	1,583,056,876	2,521,005,224	0.00%	0.00%	0.00%	0.00%	88.46%	87.96%	92.05%	91.70%
Top 20	46,816,400	1,767,348,116	2,705,296,464	75.61%	64.80%	68.04%	59.17%	98.76%	98.20%	98.78%	98.41%
Top 25	69,636,400	1,790,168,116	2,728,116,464	112.46%	96.39%	101.21%	88.01%	100.04%	99.46%	99.61%	99.24%