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Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the prospectus dated December 17, 2021 (the “**Prospectus**”) issued by Chervon Holdings Limited (the “**Company**”). In this announcement, (i) China International Capital Corporation Hong Kong Securities Limited and Citigroup Global Markets Asia Limited are referred to as the “**Joint Sponsors**”; (ii) China International Capital Corporation Hong Kong Securities Limited and Citigroup Global Markets Asia Limited are referred to as the “**Joint Representatives**”; (iii) China International Capital Corporation Hong Kong Securities Limited, Citigroup Global Markets Asia Limited and The Hongkong and Shanghai Banking Corporation Limited are referred to as the “**Joint Global Coordinators**”; and (iv) China International Capital Corporation Hong Kong Securities Limited, Citigroup Global Markets Asia Limited, Citigroup Global Markets Limited, The Hongkong and Shanghai Banking Corporation Limited, BOCOM International Securities Limited and CMB International Capital Limited are referred to as the “**Joint Bookrunners**”, the “**Joint Lead Managers**”, and the “**Underwriters**”.

This announcement is for information purposes only and does not constitute an invitation or offer or an invitation to induce an offer by any person to acquire, purchase or subscribe for securities of the Company. This announcement is not a prospectus. Potential investors should read the Prospectus for detailed information about the Company and the Global Offering described below before deciding whether or not to invest in the Offer Shares. Any investment decision in relation to the Offer Shares should be taken solely in reliance on the information provided in the Prospectus.

This announcement is not for release, publication or distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia) or any jurisdiction where such distribution is prohibited by law. This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in Hong Kong, the United States or any other jurisdiction. The Offer Shares have not been and will not be registered under the United States Securities Act of 1933, as amended, supplemented or otherwise modified from time to time (the “**U.S. Securities Act**”). The securities may not be offered or sold in the United States except pursuant to registration or an exemption from the registration requirements of the U.S. Securities Act and in compliance with any applicable state securities laws, or outside the United States unless in compliance with Regulation S under the U.S. Securities Act. There will be no public offer of securities by the Company in the United States.

In connection with the Global Offering, China International Capital Corporation Hong Kong Securities Limited, as stabilization manager (the “**Stabilization Manager**”), its affiliates or any person acting for it, on behalf of the Underwriters, may, to the extent permitted by applicable laws and regulatory requirements of Hong Kong or elsewhere, over-allocate and effect transactions with a view to stabilizing or supporting the market price of the Shares at a level higher than that which might otherwise prevail for a limited period after the Listing Date. However, there is no obligation on the Stabilization Manager, its affiliates or any person acting for it to conduct any such stabilization action, which, if commenced, will be done at the absolute discretion of the Stabilization Manager, its affiliates or any person acting for it, and may be discontinued at any time. Any such stabilization activity is required to be brought to an end on Friday, January 21, 2022, being the 30th day after the last day for lodging of applications under the Hong Kong Public Offering. Such stabilization action, if taken, may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws, rules and regulatory requirements, including the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong), as amended, made under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Potential investors should be aware that stabilization action cannot be taken to support the price of the Shares for longer than the stabilization period which begins on the Listing Date and is expected to expire on Friday, January 21, 2022, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering. After this date, no further stabilization action may be taken, and demand for the Shares and the price of the Shares could fall.

Potential investors of the Offer Shares should note that the Joint Representatives (for themselves and on behalf of the Hong Kong Underwriters) shall be entitled to terminate their obligations under the Hong Kong Underwriting Agreement upon occurrence of any of the events set out in the section headed “Underwriting – Underwriting Arrangements and Expenses – Hong Kong Public Offering – Grounds for Termination” in the Prospectus at any time prior to 8:00 a.m. on the Listing Date (Hong Kong time) (which is currently expected to be on Thursday, December 30, 2021).



Chervon Holdings Limited
泉峰控股有限公司

(Incorporated in Hong Kong with limited liability)

GLOBAL OFFERING

Number of Offer Shares under the Global Offering	: 71,916,000 Shares (subject to the Over-allotment Option)
Number of Hong Kong Offer Shares	: 7,191,600 Shares
Number of International Offer Shares	: 64,724,400 Shares (subject to the Over-allotment Option)
Final Offer Price	: HK\$43.60 per Offer Share, excluding brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%
Stock Code	: 2285

Joint Sponsors, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers



Other Joint Global Coordinator, Joint Bookrunner and Joint Lead Manager



Other Joint Bookrunners and Joint Lead Managers



ANNOUNCEMENT OF OFFER PRICE AND ALLOTMENT RESULTS

SUMMARY

Offer Price

- The Offer Price has been determined at HK\$43.60 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).

Net Proceeds from the Global Offering

- Based on the Offer Price of HK\$43.60 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deduction of underwriting commissions and other estimated expenses payable by the Company in connection with the Global Offering and assuming the Over-allotment Option is not exercised, are estimated to be approximately HK\$2,957.15 million. The Company intends to apply such net proceeds in accordance with the purposes as 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\$452.66 million for 10,787,400 additional Shares to be allotted and issued, after deduction of underwriting commissions and other estimated expenses payable by the Company in connection with the Global Offering.

Applications under the Hong Kong Public Offering

- The Hong Kong Offer Shares initially offered under the Hong Kong Public Offering have been well over-subscribed. A total of 17,694 valid applications have been received under the Hong Kong Public Offering through the **HK eIPO White Form** service and the **CCASS EIPO** service for a total of 53,833,300 Hong Kong Offer Shares, representing approximately 7.49 times of the total number of 7,191,600 Offer Shares initially available for subscription under the Hong Kong Public Offering.
- As the number of Offer Shares validly applied for under the Hong Kong Public Offering represents less than 15 times of the number of Offer Shares initially available for subscription under the Hong Kong Public Offering, the reallocation procedures as described in the section headed “Structure of the Global Offering” in the Prospectus have not been effected.
- The total number of successful applicants under the Hong Kong Public Offering is 14,869, among which 9,394 Shareholders were allotted with one board lot of Offer Shares.

International Offering

- The Offer Shares initially offered under the International Offering were well over-subscribed, representing approximately 7.27 times of the total number of 64,724,400 Offer Shares initially available under the International Offering. The final number of Offer Shares under the International Offering is 64,724,400 Offer Shares, representing 90% of the Offer Shares initially available under the Global Offering (assuming the Over-allotment Option is not exercised). There has been an over-allocation of 10,787,400 Offer Shares in the International Offering and there are a total of 120 places under the International Offering, among which 28 places (representing approximately 23.33% of the total number of places under the International Offering) have been allotted five or fewer board lots of the Shares for a total of 4,800 Shares (representing approximately 0.0074% and 0.0067% of the total number of Shares under the International Offering and the Global Offering, respectively (in each case assuming the Over-allotment Option is not exercised)).

Cornerstone Investors

- Based on the Offer Price of HK\$43.60 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) and pursuant to the Cornerstone Investment Agreements as disclosed in the section headed “Cornerstone Investors” in the Prospectus, the Cornerstone Investors have subscribed for a total of 37,571,100 Offer Shares, representing (a) approximately 7.84% of the Company’s issued share capital immediately following the completion of the Global Offering and (b) approximately 52.24% of the Offer Shares initially available under the Global Offering, in each case assuming the Over-allotment Option is not exercised. Please refer to the section headed “Cornerstone Investors” in this announcement for further details.

Connected Client Places with Consent under Paragraph 5(1) of the Placing Guidelines

- Under the International Offering, 2,032,500 Offer Shares and 500,000 Offer Shares were placed to CICC Financial Trading Limited (“**CICC FT**”) and HSBC Global Asset Management (Hong Kong) Limited (“**HSBC GAM**”), respectively. CICC FT is a member of the same group of companies as China International Capital Corporation Hong Kong Securities Limited. HSBC GAM is a member of the same group of companies as The Hongkong and Shanghai Banking Corporation Limited. Therefore, each of CICC FT and HSBC GAM is a connected client of a Joint Bookrunner and Underwriter within the meaning of Appendix 6 to the Listing Rules (the “**Placing Guidelines**”). CICC FT holds the Offer Shares on a non-discretionary basis while HSBC GAM holds the Offer Shares on a discretionary basis. The Company has applied to the Stock Exchange for, and the Stock Exchange has granted to the Company, its consent under paragraph 5(1) of the Placing Guidelines to permit the Company to allocate Offer Shares in the International Offering to the above connected clients. The Offer Shares placed to the above connected clients are held by the connected clients on behalf of independent third parties and are in compliance with the Placing Guidelines and all the conditions under the consent granted by the Stock Exchange.

Confirmations of Cornerstone Investors, Public Shareholders in the Hong Kong Public Offering and Placees in the International Offering

- To the best knowledge of the Company, (i) each of the Cornerstone Investors is an independent third party and is not a connected person of the Company (as defined in the Listing Rules); (ii) none of the Cornerstone Investors is accustomed to take instructions from the Company or its subsidiaries, the Directors, chief executive, Controlling Shareholders, substantial Shareholders or existing Shareholders or their respective close associates; and (iii) none of the subscription of the relevant Offer Shares by any of the Cornerstone Investors is financed directly or indirectly by the Company or its subsidiaries, the Directors, chief executive, Controlling Shareholders, substantial Shareholders or existing Shareholders or their respective close associates. Each of the Cornerstone Investors has confirmed that all necessary approvals have been obtained with respect to the Cornerstone Investment and no specific approval from any stock exchange (if relevant) or its shareholder is required for the relevant cornerstone investment.
- Save as disclosed in the paragraph headed “Connected Client Placees with Consent under Paragraph 5(1) of the Placing Guidelines” in this announcement, to the best knowledge, information and belief of the Directors, no Offer Shares placed by or through the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers or the Underwriters under the Global Offering have been placed with any core connected persons (as defined in the Listing Rules) or directors of the Company, or to any connected clients (as set out in paragraph 5(1) of the Placing Guidelines), or persons set out in paragraph 5(2) of the Placing Guidelines, whether in their own names or through nominees. The International Offering is in compliance with the Placing Guidelines.
- The Directors confirm that (i) no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after the Global Offering; and (ii) there will not be any new substantial Shareholder (as defined in the Listing Rules) of the Company immediately after the Global Offering.
- The Directors confirm that, to the best of their knowledge, (i) none of the Offer Shares subscribed by the placees and the public has been financed directly or indirectly by any of the Directors, chief executive, Controlling Shareholders, substantial Shareholders or existing Shareholders of the Company or any of its subsidiaries or any of their respective close associates, and (ii) none of the placees and the public who has subscribed for the Offer Shares is accustomed to taking instructions from any of the Directors, chief executive, Controlling Shareholders, substantial Shareholders or 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 his/her/its name or otherwise held by him/her/it.

Over-allotment Option

- In connection with the Global Offering, the Company has granted to the International Underwriters the Over-allotment Option, exercisable by the Joint Representatives (for themselves and 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 Friday, January 21, 2022), to require the Company to issue and allot up to 10,787,400 additional Shares, representing approximately 15% of the Offer Shares initially available under the Global Offering, at the Offer Price to cover over-allocations in the International Offering. There has been an over-allocation of Offer Shares in the International Offering and such over-allocation will be settled using Shares to be borrowed under the Stock Borrowing Agreement between China International Capital Corporation Hong Kong Securities Limited and Panmercy. Such borrowed Shares will be covered by exercising the Over-allotment Option in full or in part, or by making purchases in the secondary market at prices that do not exceed the Offer Price, or by 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 and the Company's website at <https://global.chervongroup.com>. As of the date of this announcement, the Over-allotment Option has not been exercised.

Lock-up Undertakings

- The Company, the Controlling Shareholders, the other existing Shareholders and the Cornerstone Investors have provided certain lock-up undertakings as set out in the section headed "Lock-up Undertakings" in this announcement.

Results of Allocations

- 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 specified below:
 - in the announcement to be posted on the Company's website at <https://global.chervongroup.com> and the Stock Exchange's website at www.hkexnews.hk by no later than 9:00 a.m. on Wednesday, December 29, 2021. 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 Offer Shares through their brokers can consult their brokers to enquire about their application results;
 - from "IPO Results" function in the **IPO App** or the designated results of allocations website at www.tricor.com.hk/ipo/result or www.hkeipo.hk/IPOResult with a "search by ID" function on a 24-hour basis from 8:00 a.m. on Wednesday, December 29, 2021 to 12:00 midnight on Tuesday, January 4, 2022; and
 - from the allocation results telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. from Wednesday, December 29, 2021 to Monday, January 3, 2022 (excluding Saturday, Sunday and public holiday in Hong Kong).

- This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed “Results of Applications Made by **HK eIPO White Form**” refer to Hong Kong identity card numbers provided by the applicants whereas those displayed in the section headed “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” are provided by brokers 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 section headed “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.

Dispatch/Collection of Share Certificates and Refund Monies

- Applicants who applied for 1,000,000 Hong Kong Offer Shares or more through the **HK eIPO White Form** service and who have been successfully or partially successfully allocated Hong Kong Offer Shares and are eligible to collect Share certificate(s) in person may collect Share certificate(s) from the Hong Kong Share Registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong from 9:00 a.m. to 1:00 p.m. on Wednesday, December 29, 2021, or such other place or date as notified by the Company.
- Share certificates for Hong Kong Offer Shares allotted to applicants who applied through the **HK eIPO White Form** service, which are either not available for personal collection or which are available but are not collected in person within the time specified for collection are expected to be dispatched by ordinary post to the addresses specified in the relevant applications at their own risk on or before Wednesday, December 29, 2021.
- Wholly or partially successful applicants who applied by giving **electronic application instructions** to HKSCC via CCASS will have their Share certificate(s) 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 Participants who gave **electronic application instructions** on their behalf on Wednesday, December 29, 2021.
- 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 (if any) 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 the announcement made by the Company and report any discrepancies to HKSCC before 5:00 p.m. on Wednesday, December 29, 2021 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 number of Hong Kong Offer Shares allocated to them and the amount of refund monies (if any) payable to them via the CCASS Phone System and the CCASS Internet System (under the procedures contained in HKSCC’s “An Operating Guide for Investor Participants” in effect from time to time). Immediately following the credit of the Hong Kong Offer Shares to the CCASS Investor Participant stock accounts and the credit of refund monies to the CCASS Investor Participant 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 CCASS Investor Participant stock accounts and the amount of refund monies (if any) credited to their respective designated bank accounts (if any).
- Applicants who applied through the **HK eIPO White Form** service and paid the application monies from a single bank account will have refund monies (if any) dispatched to their application payment bank accounts in the form of e-Auto Refund payment instructions on Wednesday, December 29, 2021. Applicants who applied through the **HK eIPO White Form** service and paid the application monies from multiple bank accounts will have refund monies (if any) dispatched to the addresses as specified on their **HK eIPO White Form** applications in the form of refund check(s) by ordinary post at their own risk on or before Wednesday, December 29, 2021.
- 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, December 29, 2021.
- Share certificates will only become valid certificates of title at 8:00 a.m. on Thursday, December 30, 2021 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 – Grounds for Termination” in the Prospectus has not been exercised.
- The Company will not issue any temporary documents of title in respect of the Hong Kong Offer Shares and will not issue any receipt for application monies received.

Public Float

- Immediately after the Global Offering, approximately 18.43% of the total issued share capital of the Company will be held in the hands of the public, assuming the Over-allotment Option is not exercised. Although the number of Shares in the public hands represents less than 25% of the total issued share capital of the Company, the Company had applied to the Stock Exchange to request the Stock Exchange to exercise its discretion under Rule 8.08(1)(d) of the Listing Rules, and the Stock Exchange has granted to the Company, a waiver from strict compliance with the requirements under Rule 8.08(1)(a) of the Listing Rules and that the minimum percentage of the Shares from time to time held by the public will be the higher of: (i) 18.43%, being the percentage of Shares held by the public upon completion of the Global Offering (where the Over-allotment Option is not exercised) and (ii) such percentage of Shares held by the public after the full or partial exercise of the Over-allotment Option. Please refer to the section headed “Waivers from Strict Compliance with the Listing Rules” in the Prospectus for further details.
- The Directors confirm that there will not be any new substantial Shareholder of the Company immediately after the Global Offering. The Directors confirm that 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 Rule 8.08(3) of the Listing Rules. The Directors confirm that there will be at least 300 Shareholders at the time of the Listing in compliance with Rule 8.08(2) of the Listing Rules.

Commencement of Dealings

- Assuming that the Global Offering becomes unconditional in all respects at or before 8:00 a.m. on Thursday, December 30, 2021 (Hong Kong time), dealings in the Shares on the Main Board of the Stock Exchange are expected to commence at 9:00 a.m. on Thursday, December 30, 2021 (Hong Kong time). The Shares will be traded in board lots of 100 Shares each. The stock code of the Shares will be 2285.

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

OFFER PRICE

The Offer Price has been determined at HK\$43.60 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).

NET PROCEEDS FROM THE GLOBAL OFFERING

Based on the Offer Price of HK\$43.60 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deduction of underwriting commissions and other expenses payable by the Company in connection with the Global Offering and assuming the Over-allotment Option is not exercised, are estimated to be approximately HK\$2,957.15 million. The Company intends to apply such net proceeds for the following purposes:

- (i) approximately 66.5% or HK\$1,967.92 million will be used to expand and upgrade the production facilities in China including: (A) HK\$1,723.22 million for the *CHERVON* Smart Production Industrial Park (泉峰智能製造產業園), including HK\$706.09 million for purchasing and installing machinery and equipment; and (B) HK\$244.70 million for the *CHERVON* Green Power Industrial Park Phase II production facility (泉峰新能源工業園II期), including HK\$103.19 million for purchasing and installing machinery and equipment;
- (ii) approximately 9.0% or HK\$266.09 million will be used for research and development of our products, including (A) HK\$185.74 million for the compensation of additional research and development staff, including in the areas of advanced BMS, high-power vector electric control, intelligent parameter identification, robotics, AI and IoT and (B) HK\$80.35 million for other research and development costs, such as purchasing and upgrading research and development equipment, as well as purchasing research and development materials and consumables;
- (iii) approximately 7.0% or HK\$206.34 million will be used for enhancing sales and distribution channels including (A) HK\$19.90 million for the compensation of additional sales and marketing staff and (B) HK\$186.44 million for advertising and promotional activities in key markets such as North America, Europe and China;
- (iv) approximately 7.5% or HK\$221.12 million, will be used to pay interest-bearing bank borrowings; and
- (v) approximately 10.0% or HK\$295.69 million is expected to be used for working capital and other general corporate purposes.

The listing expenses in connection with the Global Offering include, among others, the underwriting commission of 3.0% of the aggregate Offer Price in respect of all Offer Shares and an additional discretionary incentive fee of 0.75% of the aggregate Offer Price in respect of all Offer Shares, as disclosed in the section headed “Underwriting – Underwriting Arrangements and Expenses – Commissions and Expenses” in the Prospectus.

If the Over-allotment Option is exercised in full, the Company will receive additional net proceeds of approximately HK\$452.66 million for 10,787,400 additional Shares to be allotted and issued, after deduction of underwriting commissions and other estimated expenses payable by the Company in connection with the Global Offering. The above allocation of the net proceeds will be adjusted on a pro rata basis in the event that the Over-allotment Option is exercised. For further details of the use of proceeds, please refer to the section headed “Future Plans and Use of Proceeds” in the Prospectus.

APPLICATIONS UNDER THE HONG KONG PUBLIC OFFERING

The Hong Kong Offer Shares initially offered under the Hong Kong Public Offering have been well over-subscribed. A total of 17,694 valid applications have been received under the Hong Kong Public Offering through the **HK eIPO White Form** service and the **CCASS EIPO** service for a total of 53,833,300 Hong Kong Offer Shares, representing approximately 7.49 times of the total number of 7,191,600 Offer Shares initially available for subscription under the Hong Kong Public Offering.

17,631 valid applications in respect of a total 30,137,500 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$43.60 per Offer Share (excluding the brokerage of 1%, SFC transaction levy of 0.0027% and the Stock Exchange trading fee of 0.005%) of HK\$5 million or less representing approximately 8.38 times of the 3,595,800 Hong Kong Offer Shares initially comprised in pool A.

63 valid applications in respect of a total of 23,695,800 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$43.60 per Offer Share (excluding the brokerage of 1%, SFC transaction levy of 0.0027% and the Stock Exchange trading fee of 0.005%) of more than HK\$5 million representing approximately 6.59 times of the 3,595,800 Hong Kong Offer Shares initially comprised in pool B.

10 multiple or suspected multiple applications have been identified and rejected. No application has been rejected due to dishonored payment. No application has been rejected due to invalid application. No application for more than approximately 50% of the Hong Kong Offer Shares initially available under the Hong Kong Public Offering (being 3,595,800 Shares) has been identified.

As the number of Offer Shares validly applied for under the Hong Kong Public Offering represents less than 15 times of the number of Offer Shares initially available for subscription under the Hong Kong Public Offering, the reallocation procedures as described in the section headed “Structure of the Global Offering” in the Prospectus have not been effected.

The total number of successful applicants under the Hong Kong Public Offering is 14,869 among which 9,394 Shareholder were allotted with one board lot of Offer Shares.

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

INTERNATIONAL OFFERING

The Offer Shares initially offered under the International Offering were well over-subscribed, representing approximately 7.27 times of the total number of 64,724,400 Offer Shares initially available under the International Offering. The final number of Offer Shares under the International Offering is 64,724,400 Offer Shares, representing 90% of the Offer Shares initially available under the Global Offering (assuming the Over-allotment Option is not exercised). There has been an over-allocation of 10,787,400 Offer Shares in the International Offering and there are a total of 120 places under the International Offering, among which 28 places (representing approximately 23.33% of the total number of places under the International Offering) have been allotted five or fewer board lots of the Shares for a total of 4,800 Shares (representing approximately 0.0074% and 0.0067% of the total number of Shares under the International Offering and the Global Offering, respectively (in each case assuming the Over-allotment Option is not exercised)).

CORNERSTONE INVESTORS

Based on the Offer Price of HK\$43.60 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) and pursuant to the Cornerstone Investment Agreements as disclosed in the section headed “Cornerstone Investors” in the Prospectus, the number of Offer Shares subscribed for by the Cornerstone Investors is determined as set out below:

Cornerstone Investor	Investment Amount	Number of Offer Shares ⁽¹⁾⁽²⁾	Approximate % of the Offer Shares initially available under the Global Offering		Approximate % of total Shares in issue immediately following the completion of the Global Offering	
			Assuming the Over-allotment Option is not exercised	Assuming the Over-allotment Option is exercised in full	Assuming the Over-allotment Option is not exercised	Assuming the Over-allotment Option is exercised in full
Value Partners Hong Kong	US\$50 million	8,945,700	12.44%	10.82%	1.87%	1.82%
Greenwoods	US\$20 million	3,578,300	4.98%	4.33%	0.75%	0.73%
Prime Capital Funds	US\$30 million	5,367,400	7.46%	6.49%	1.12%	1.09%
3W Fund	US\$30 million	5,367,400	7.46%	6.49%	1.12%	1.09%
IvyRock	US\$30 million	5,367,400	7.46%	6.49%	1.12%	1.09%
Ms. Luo	HK\$390 million	8,944,900 ⁽³⁾	12.44%	10.82%	1.87%	1.82%
Total	US\$210 million⁽¹⁾	37,571,100	52.24%	45.43%	7.84%	7.66%

Note:

- (1) Calculated based on an exchange rate of US\$1.00 to HK\$7.8007.
- (2) Subject to rounding down to the nearest whole board lot of 100 Shares.
- (3) Ms. Luo subscribed such number of Offer Shares through a designated entity which is a qualified domestic institutional investor.

The Offer Shares placed to the Cornerstone Investors will form 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 respect with the fully paid Shares in issue and will be counted towards the public float of the Company under Rule 8.08 of the Listing Rules. Immediately following the completion of the Global Offering, none of the Cornerstone Investors will have any Board representation in the Company and none of the Cornerstone Investors will become a substantial Shareholder of the Company. The Cornerstone Investors do not have any preferential rights under the Cornerstone Investment Agreements compared with other public Shareholders, other than a guaranteed allocation of the relevant Offer Shares at the Offer Price.

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

CONNECTED CLIENT PLACED WITH CONSENT UNDER PARAGRAPH 5(1) OF THE PLACING GUIDELINES

Certain Offer Shares were placed to connected clients of the Joint Bookrunners and the Underwriters (each a “**Connected Underwriter**”) within the meaning of the Placing Guidelines. CICC FT, a connected client of China International Capital Corporation Hong Kong Securities Limited, holds the Offer Shares on a non-discretionary basis while HSBC GAM, a connected client of The Hongkong and Shanghai Banking Corporation Limited, holds the Offer Shares on a discretionary basis. Details are set out below:

Connected Underwriter	Placee	Number of Offer Shares placed	Approximate % of the Offer Shares initially available under the Global Offering ⁽¹⁾	Approximate % of the total issued share capital immediately following the completion of the Global Offering ⁽¹⁾	Relationship with the Connected Underwriter
<i>Connected Client holding the Offer Shares on a non-discretionary basis</i>					
China International Capital Corporation Hong Kong Securities Limited	CICC FT ⁽²⁾	2,032,500	2.83%	0.42%	CICC FT is a member of the same group of companies as China International Capital Corporation Hong Kong Securities Limited
<i>Connected Client holding the Offer Shares on a discretionary basis</i>					
The Hongkong and Shanghai Banking Corporation Limited	HSBC GAM	500,000	0.70%	0.10%	HSBC GAM is a member of the same group as The Hongkong and Shanghai Banking Corporation Limited

Notes:

- (1) Assuming the Over-allotment Option is not exercised.
- (2) CICC FT and China International Capital Corporation Hong Kong Securities Limited have entered into a series of cross border delta-one OTC swap transactions with each other and with certain investors of CICC FT (the “**OTC Swaps**”), pursuant to which CICC FT will hold the Shares of the Company to hedge the OTC Swaps while the economic risks and returns of the underlying the Shares are passed to such investors, subject to customary fees and commissions.

The Shares placed to CICC FT (the “**CICC FT Offer Shares**”) will be held by CICC FT for the purpose of hedging the economic exposure under the OTC Swaps only, and CICC FT will pass through the economic exposure of the CICC FT Offer Shares to its ultimate clients (the “**CICC Ultimate Clients**”) subject to the terms and conditions of the OTC Swaps documents: (i) during the tenor of the OTC Swaps, all economic returns of the CICC FT Offer Shares will be passed to the CICC Ultimate Clients and all economic loss shall be borne by the CICC Ultimate Clients through the OTC Swaps, and CICC FT will not take part in any economic return or bear any economic loss in relation to the price of the CICC FT Offer Shares; (ii) the OTC Swaps are linked to the CICC FT Offer Shares and the CICC Ultimate Clients may request CICC FT to redeem it at their own discretions, upon which CICC FT shall dispose of the CICC FT Offer Shares and settle OTC Swaps in cash in accordance with the terms and conditions of the OTC Swap documents; (iii) despite that CICC FT will hold the title of the CICC FT Offer Shares by itself, it will not exercise the voting right of the relevant Shares during the terms of the OTC Swaps as per its internal policy; to the best of CICC FT’s knowledge, after making all reasonable inquiries, the CICC FT Ultimate Clients are a third party independent from each of the Company, CICC FT and China International Capital Corporation Hong Kong Securities Limited.

The Company has applied to the Stock Exchange for, and the Stock Exchange has granted to the Company, its consent under paragraph 5(1) of the Placing Guidelines to permit the Company to allocate Offer Shares in the International Offering to the connected clients as set above. The Offer Shares placed to the above connected clients are held by the connected clients on behalf of independent third parties and are in compliance with the Placing Guidelines and all the conditions under the consent granted by the Stock Exchange.

CONFIRMATIONS OF CORNERSTONE INVESTORS, PUBLIC SHAREHOLDERS IN THE HONG KONG PUBLIC OFFERING AND PLACEES IN THE INTERNATIONAL OFFERING

To the best knowledge of the Company, (i) each of the Cornerstone Investors is an independent third party and is not a connected person of the Company (as defined in the Listing Rules); (ii) none of the Cornerstone Investors is accustomed to take instructions from the Company or its subsidiaries, the Directors, chief executive, Controlling Shareholders, substantial Shareholders or existing Shareholders or their respective close associates; and (iii) none of the subscription of the relevant Offer Shares by any of the Cornerstone Investors is financed directly or indirectly by the Company or its subsidiaries, the Directors, chief executive, Controlling Shareholders, substantial Shareholders or existing Shareholders or their respective close associates. Each of the Cornerstone Investors has confirmed that all necessary approvals have been obtained with respect to the Cornerstone Investment and no specific approval from any stock exchange (if relevant) or its shareholder is required for the relevant cornerstone investment.

Save as disclosed in the paragraph headed “Connected Client Placees with Consent under Paragraph 5(1) of the Placing Guidelines” in this announcement, to the best knowledge, information and belief of the Directors, no Offer Shares placed by or through the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers or the Underwriters under the Global Offering have been placed with any core connected persons (as defined in the Listing Rules) or directors of the Company, or to any connected clients (as set out in paragraph 5(1) of the Placing Guidelines), or persons set out in paragraph 5(2) of the Placing Guidelines, whether in their own names or through nominees. The International Offering is in compliance with the Placing Guidelines.

The Directors confirm that (i) no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after the Global Offering; and (ii) there will not be any new substantial Shareholder (as defined in the Listing Rules) of the Company immediately after the Global Offering.

The Directors confirm that, to the best of their knowledge, (i) none of the Offer Shares subscribed by the placees and the public has been financed directly or indirectly by any of the Directors, chief executive, Controlling Shareholders, substantial Shareholders or existing Shareholders of the Company or any of its subsidiaries or any of their respective close associates, and (ii) none of the placees and the public who has subscribed for the Offer Shares is accustomed to taking instructions from any of the Directors, chief executive, Controlling Shareholders, substantial Shareholders or 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 his/her/its name or otherwise held by him/her/it.

OVER-ALLOTMENT OPTION

In connection with the Global Offering, the Company has granted to the International Underwriters the Over-allotment Option, exercisable by the Joint Representatives (for themselves and 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 Friday, January 21, 2022), to require the Company to issue and allot up to 10,787,400 additional Shares, representing approximately 15% of the Offer Shares initially available under the Global Offering, at the Offer Price to cover over-allocations in the International Offering. There has been an over-allocation of 10,787,400 Shares in the International Offering and such over-allocation will be settled using Shares to be borrowed under the Stock Borrowing Agreement between China International Capital Corporation Hong Kong Securities Limited and Panmercy. Such borrowed Shares will be covered by exercising the Over-allotment Option in full or in part, or by making purchases in the secondary market at prices that do not exceed the Offer Price, or by a confirmation 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 and the Company’s website at <https://global.chervongroup.com>. As of the date of this announcement, the Over-allotment Option has not been exercised.

LOCK-UP UNDERTAKINGS

The Company, the Controlling Shareholders, the other existing Shareholders and the Cornerstone Investors have provided certain lock-up undertakings (the “**Lock-up Undertakings**”) in respect of the Shares. The major terms of the Lock-up Undertakings are set out as follows:

Name	Number of Shares subject to the Lock-up Undertakings after Listing	% of shareholding in the Company subject to the Lock-up Undertakings 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	June 29, 2022 ⁽²⁾
The Controlling Shareholders <i>(subject to lock-up obligations pursuant to the Listing Rules and the Hong Kong Underwriting Agreement)</i>			
Mr. Pan	260,226,344	54.28%	June 29, 2022 (First Six-Month Period), December 29, 2022 (Second Six-Month Period) ⁽³⁾
Panmercy	260,226,344	54.28%	June 29, 2022 (First Six-Month Period), December 29, 2022 (Second Six-Month Period) ⁽³⁾
Other existing Shareholders <i>(subject to lock-up obligations pursuant to their respective lock-up undertakings in favor of the Company and the Joint Representatives)</i>	147,289,067	30.72%	June 29, 2022 ⁽⁴⁾
Cornerstone Investors <i>(subject to lock-up obligations pursuant to the Cornerstone Investment Agreements)</i>			
Value Partners Hong Kong	8,945,700	1.87%	June 29, 2022 ⁽⁵⁾
Greenwoods	3,578,300	0.75%	June 29, 2022 ⁽⁵⁾
Prime Capital Funds	5,367,400	1.12%	June 29, 2022 ⁽⁵⁾
3W Fund	5,367,400	1.12%	June 29, 2022 ⁽⁵⁾
IvyRock	5,367,400	1.12%	June 29, 2022 ⁽⁵⁾
Ms. Luo	8,944,900	1.87%	June 29, 2022 ⁽⁵⁾

Notes:

- (1) Assuming the Over-allotment Option is not exercised.
- (2) The Company may not issue any Shares on or before the indicated date except otherwise permitted by the Listing Rules.
- (3) Each of the Controlling Shareholders shall not (a) dispose of or transfer Shares during the First Six-Month Period; and (b) dispose of or transfer Shares during the Second Six-Month Period if immediately following such disposal the Controlling Shareholder would cease to be a Controlling Shareholder of the Company.
- (4) Each of the existing Shareholders (other than the Controlling Shareholders) may dispose of or transfer Shares without any lock-up obligation after the indicated date.
- (5) Each of the Cornerstone Investors shall not dispose of any of the Offer Shares acquired in the Global Offering on or before the indicated date.

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 – The Global Offering – Conditions of the Global Offering” in the Prospectus, valid applications made by the public through the **HK eIPO White Form** service and the **CCASS EIPO** service will be conditionally allocated on the basis set out below:

NUMBER OF SHARES APPLIED FOR	NUMBER OF VALID APPLICATIONS	BASIS OF ALLOTMENT/BALLOT	APPROXIMATE % ALLOTTED OF THE TOTAL NUMBER OF SHARES APPLIED FOR
POOL A			
100	9,418	6,593 out of 9,418 applicants to receive 100 shares	70.00%
200	2,428	100 shares plus 250 out of 2,428 applicants to receive an additional 100 shares	55.15%
300	489	100 shares plus 172 out of 489 applicants to receive an additional 100 shares	45.06%
400	293	100 shares plus 153 out of 293 applicants to receive an additional 100 shares	38.05%
500	375	100 shares plus 244 out of 375 applicants to receive an additional 100 shares	33.01%
600	163	100 shares plus 131 out of 163 applicants to receive an additional 100 shares	30.06%
700	85	100 shares plus 82 out of 85 applicants to receive an additional 100 shares	28.07%
800	83	200 shares plus 14 out of 83 applicants to receive an additional 100 shares	27.11%
900	70	200 shares plus 24 out of 70 applicants to receive an additional 100 shares	26.03%
1,000	1,424	200 shares plus 712 out of 1,424 applicants to receive an additional 100 shares	25.00%
2,000	715	300 shares plus 143 out of 715 applicants to receive an additional 100 shares	16.00%
3,000	271	300 shares plus 244 out of 271 applicants to receive an additional 100 shares	13.00%
4,000	713	400 shares plus 664 out of 713 applicants to receive an additional 100 shares	12.33%
5,000	267	500 shares plus 67 out of 267 applicants to receive an additional 100 shares	10.50%
6,000	140	600 shares	10.00%

NUMBER OF SHARES APPLIED FOR	NUMBER OF VALID APPLICATIONS	BASIS OF ALLOTMENT/BALLOT	APPROXIMATE % ALLOTTED OF THE TOTAL NUMBER OF SHARES APPLIED FOR
7,000	31	600 shares plus 23 out of 31 applicants to receive an additional 100 shares	9.63%
8,000	32	700 shares plus 7 out of 32 applicants to receive an additional 100 shares	9.02%
9,000	55	700 shares plus 41 out of 55 applicants to receive an additional 100 shares	8.61%
10,000	239	800 shares plus 48 out of 239 applicants to receive an additional 100 shares	8.20%
20,000	124	1,500 shares	7.50%
30,000	42	2,100 shares	7.00%
40,000	23	2,600 shares	6.50%
50,000	54	3,000 shares	6.00%
60,000	15	3,300 shares plus 12 out of 15 applicants to receive an additional 100 shares	5.63%
70,000	13	3,500 shares plus 10 out of 13 applicants to receive an additional 100 shares	5.11%
80,000	6	3,600 shares plus 5 out of 6 applicants to receive an additional 100 shares	4.60%
90,000	3	3,800 shares	4.22%
100,000	60	4,000 shares	4.00%
	<u>17,631</u>	Total number of Pool A successful applicants: 14,806	

POOL B

200,000	46	50,000 shares	25.00%
300,000	5	53,500 shares	17.83%
500,000	1	60,000 shares	12.00%
600,000	2	63,000 shares	10.50%
700,000	1	66,500 shares	9.50%
1,000,000	7	80,000 shares	8.00%
3,595,800	1	215,800 shares	6.00%
	<u>63</u>	Total number of Pool B successful applicants: 63	

The final number of Offer Shares comprising the Hong Kong Public Offering is 7,191,600 Offer Shares, representing 10% of the Offer Shares initially available under the Global Offering (assuming the Over-allotment Option is not exercised).

RESULTS OF ALLOCATIONS

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 specified below:

- in the announcement to be posted on the Company’s website at <https://global.chervongroup.com> and the Stock Exchange’s website at www.hkexnews.hk by no later than 9:00 a.m. on Wednesday, December 29, 2021. 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 Offer Shares through their brokers can consult their brokers to enquire about their application results;
- from “IPO Results” function in the **IPO App** or the designated results of allocations website at www.tricor.com.hk/ipo/result or www.hkeipo.hk/IPOResult with a “search by ID” function on a 24-hour basis from 8:00 a.m. on Wednesday, December 29, 2021 to 12:00 midnight on Tuesday, January 4, 2022; and
- from the allocation results telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. from Wednesday, December 29, 2021 to Monday, January 3, 2022 (excluding Saturday, Sunday and public holiday in Hong Kong).

This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed “Results of Applications Made by **HK eIPO White Form**” refer to Hong Kong identity card numbers provided by the applicants whereas those displayed in the section headed “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” are provided by brokers 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 section headed “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.

SHAREHOLDING CONCENTRATION ANALYSIS

We set out below the analysis of shareholding concentration in the Global Offering:

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

Placee(s)	Subscription	Number of Shares held upon Listing	Subscription as % of International Offering (assuming no exercise of the Over-allotment Option)	Subscription as % of International Offering (assuming the Over-allotment Option is exercised in full)	Subscription as % of total Offer Shares (assuming no exercise of the Over-allotment Option)	Subscription as % of Offer Shares (assuming the Over-allotment Option is exercised in full)	% 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 in full)
Top 1	8,945,700	8,945,700	13.82%	11.85%	12.44%	10.82%	1.87%	1.82%
Top 5	33,992,800	33,992,800	52.52%	45.02%	47.27%	41.10%	7.09%	6.93%
Top 10	52,759,100	52,759,100	81.51%	69.87%	73.36%	63.79%	11.00%	10.76%
Top 20	65,106,100	65,106,100	100.59%	86.22%	90.53%	78.72%	13.58%	13.28%
Top 25	67,681,100	67,681,100	104.57%	89.63%	94.11%	81.84%	14.12%	13.81%

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

Shareholder(s)	Subscription	Number of Shares held upon Listing	Subscription as % of International Offering (assuming no exercise of the Over-allotment Option)	Subscription as % of International Offering (assuming the Over-allotment Option is exercised in full)	Subscription as % of total Offer Shares (assuming no exercise of the Over-allotment Option)	Subscription as % of Offer Shares (assuming the Over-allotment Option is exercised in full)	% 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 in full)
Top 1	–	260,226,344	0.00%	0.00%	0.00%	0.00%	54.28%	53.08%
Top 5	8,945,700	404,401,316	13.82%	11.85%	12.44%	10.82%	84.35%	82.49%
Top 10	38,492,800	433,948,416	59.47%	50.98%	53.52%	46.54%	90.51%	88.52%
Top 20	58,841,600	464,360,130	90.91%	77.92%	81.82%	71.15%	96.86%	94.73%
Top 25	63,006,100	469,722,430	97.35%	83.44%	87.61%	76.18%	97.97%	95.82%

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

DISPATCH/COLLECTION OF SHARE CERTIFICATES AND REFUND MONIES

Applicants who applied for 1,000,000 Hong Kong Offer Shares or more through the **HK eIPO White Form** service and who have been successfully or partially successfully allocated Hong Kong Offer Shares and are eligible to collect Share certificate(s) in person may collect Share certificate(s) from the Hong Kong Share Registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong from 9:00 a.m. to 1:00 p.m. on Wednesday, December 29, 2021, or such other place or date as notified by the Company.

Share certificates for Hong Kong Offer Shares allotted to applicants who applied through the **HK eIPO White Form** service, which are either not available for personal collection or which are available but are not collected in person within the time specified for collection are expected to be dispatched by ordinary post to the addresses specified in the relevant applications at their own risk on or before Wednesday, December 29, 2021.

Wholly or partially successful applicants who applied by giving **electronic application instructions** to HKSCC via CCASS will have their Share certificate(s) 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 Participants who gave **electronic application instructions** on their behalf on Wednesday, December 29, 2021.

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 (if any) 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 the announcement made by the Company and report any discrepancies to HKSCC before 5:00 p.m. on Wednesday, December 29, 2021 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 number of Hong Kong Offer Shares allocated to them and the amount of refund monies (if any) payable to them via the CCASS Phone System and the CCASS Internet System (under the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time). Immediately following the credit of the Hong Kong Offer Shares to the CCASS Investor Participant stock accounts and the credit of refund monies to the CCASS Investor Participant 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 CCASS Investor Participant stock accounts and the amount of refund monies (if any) credited to their respective designated bank accounts (if any).

Applicants who applied through the **HK eIPO White Form** service and paid the application monies from a single bank account will have refund monies (if any) dispatched to their application payment bank accounts in the form of e-Auto Refund payment instructions on Wednesday, December 29, 2021. Applicants who applied through the **HK eIPO White Form** service and paid the application monies from multiple bank accounts will have refund monies (if any) dispatched to the addresses as specified on their **HK eIPO White Form** applications in the form of refund check(s) by ordinary post at their own risk on or before Wednesday, December 29, 2021.

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, December 29, 2021.

Share certificates will only become valid certificates of title at 8:00 a.m. on Thursday, December 30, 2021 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 – Grounds for Termination” in the Prospectus has not been exercised.

The Company will not issue any temporary documents of title in respect of the Hong Kong Offer Shares and will not issue any receipt for application monies received.

PUBLIC FLOAT

Immediately after the Global Offering, approximately 18.43% of the total issued share capital of the Company will be held in the hands of the public, assuming the Over-allotment Option is not exercised. Although the number of Shares in the public hands represents less than 25% of the total issued share capital of the Company, the Company had applied to the Stock Exchange to request the Stock Exchange to exercise its discretion under Rule 8.08(1)(d) of the Listing Rules, and the Stock Exchange has granted to the Company, a waiver from strict compliance with the requirements under Rule 8.08(1)(a) of the Listing Rules and that the minimum percentage of the Shares from time to time held by the public will be the higher of: (i) 18.43%, being the percentage of Shares held by the public upon completion of the Global Offering (where the Over-allotment Option is not exercised) and (ii) such percentage of Shares held by the public after the full or partial exercise of the Over-allotment Option. Please refer to the section headed “Waivers from Strict Compliance with the Listing Rules” in the Prospectus for further details.

The Directors confirm that there will not be any new substantial Shareholder of the Company immediately after the Global Offering. The Directors confirm that 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 Rule 8.08(3) of the Listing Rules. The Directors confirm that there will be at least 300 Shareholders at the time of the Listing in compliance with Rule 8.08(2) of the Listing Rules.

COMMENCEMENT OF DEALINGS

Assuming that the Global Offering becomes unconditional in all respects at or before 8:00 a.m. on Thursday, December 30, 2021 (Hong Kong time), dealings in the Shares on the Main Board of the Stock Exchange are expected to commence at 9:00 a.m. on Thursday, December 30, 2021 (Hong Kong time). The Shares will be traded in board lots of 100 Shares each. The stock code of the Shares will be 2285.

By order of the Board
Chervon Holdings Limited
PAN Longquan
Chairman

Hong Kong, December 29, 2021

As at the date of this announcement, the Board of Directors of the Company comprises Mr. PAN Longquan as the chairman and an executive Director, Ms. ZHANG Tong, Mr. KE Zuqian and Mr. Michael John CLANCY as executive Directors, Mr. TIAN Ming, Dr. LI Minghui and Mr. JIANG Li as independent non-executive Directors.