
STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING

THE GLOBAL OFFERING

The Global Offering comprises:

- (a) the Hong Kong Public Offering of 25,000,000 Shares (subject to reallocation as mentioned below) for subscription by the public in Hong Kong as described in “The Hong Kong Public Offering” in this section; and
- (b) the International Offering of an aggregate of 225,000,000 Shares (comprising 165,000,000 new Shares and 60,000,000 Sale Shares to be offered by the Selling Shareholder, subject to reallocation as mentioned below and the Over-allotment Option) outside the United States (including to professional and institutional investors within Hong Kong) in offshore transactions in reliance on Regulation S, as described in “- The International Offering” below.

Investors may either apply for Offer Shares under the Hong Kong Public Offering or apply for or indicate an interest for Offer Shares under the International Offering, but may not do both. References in this prospectus to applications, GREEN Application Form, application monies or the procedures for application relate solely to the Hong Kong Public Offering.

The Offer Shares will represent 25.0% of the total issued share capital of our Company immediately after completion of the Global Offering (assuming that the Over-allotment Option is not exercised).

THE HONG KONG PUBLIC OFFERING

Number of Shares initially offered

We are initially offering 25,000,000 Shares for subscription by the public in Hong Kong at the Offer Price, representing 10.0% of the total number of Shares initially available under the Global Offering. Subject to the reallocation of Shares between the Hong Kong Public Offering and the International Offering, the Hong Kong Offer Shares will initially represent 2.5% of the total issued share capital of our Company immediately following the completion of the Capitalisation Issue and the Global Offering (assuming that the Over-allotment Option is not exercised). The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to professional, institutional and/or other investors. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealings in shares and other securities and corporate entities which regularly invest in shares and other securities.

STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING

Completion of the Hong Kong Public Offering is subject to the conditions as set out in the paragraphs headed “Conditions of the Global Offering” in this section.

Allocation

The allocation of the Offer Shares to investors under the Hong Kong Public Offering will be based solely on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary, depending on the number of Hong Kong Offer Shares validly applied for by applicants. Such allocation could, where appropriate, consist of balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares, and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

For allocation purposes only, the total number of Offer Shares available under the Hong Kong Public Offering is to be divided equally into two pools:

- Pool A: The Hong Kong Offer Shares in pool A will be allocated on an equitable basis to applicants who have applied for the Hong Kong Offer Shares with an aggregate subscription price of HK\$5 million or less (excluding brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee); and
- Pool B: The Hong Kong Offer Shares in pool B will be allocated on an equitable basis to applicants who have applied for the Hong Kong Offer Shares with an aggregate subscription price of more than HK\$5 million and up to the total value of pool B (excluding brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee payable).

Investors should be aware that applications in Pool A and applications in Pool B may receive different allocation ratios. If Hong Kong Offer Shares in one (but not both) of the pools are under-subscribed, the surplus Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly. For the purpose of this paragraph only, the “price” for Offer Shares means the price payable on application therefore (without regard to the Offer Price as finally determined). Applicants can only receive an allocation of Hong Kong Offer Shares from either Pool A or Pool B but not from both pools.

Multiple applications or suspected multiple applications within either pool or between pools and any application for more than 12,500,000 Hong Kong Offer Shares are liable to be rejected.

STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING

Reallocation

The allocation of Offer Shares between the Hong Kong Public Offering and the International Offering is subject to adjustment. Paragraph 4.2 of Practice Note 18 of the Listing Rules requires a clawback mechanism to be put in place which would have the effect of increasing the number of Offer Shares under the Hong Kong Public Offering to a certain percentage of the total number of Offer Shares offered under the Global Offering if the International Offering is fully subscribed or oversubscribed and certain prescribed total demand levels are reached under the Hong Kong Public Offering as further described below:

- if the number of Offer Shares validly applied for under the Hong Kong Public Offering represents 15 times or more but less than 50 times the number of Offer Shares initially available for subscription under the Hong Kong Public Offering, then Offer Shares will be reallocated to the Hong Kong Public Offering from the International Offering so that the total number of Offer Shares available under the Hong Kong Public Offering will be 75,000,000 Offer Shares, representing 30% of the Offer Shares initially available under the Global Offering;
- if the number of Offer Shares validly applied for under the Hong Kong Public Offering represents 50 times or more but less than 100 times the number of Offer Shares initially available for subscription under the Hong Kong Public Offering, then the number of Offer Shares to be reallocated to the Hong Kong Public Offering from the International Offering will be increased so that the total number of Offer Shares available under the Hong Kong Public Offering will be 100,000,000 Offer Shares, representing 40% of the Offer Shares initially available under the Global Offering; and
- if the number of Offer Shares validly applied for under the Hong Kong Public Offering represents 100 times or more the number of Offer Shares initially available for subscription under the Hong Kong Public Offering, then the number of Offer Shares to be reallocated to the Hong Kong Public Offering from the International Offering will be increased so that the total number of Offer Shares available under the Hong Kong Public Offering will be 125,000,000 Offer Shares, representing 50% of the Offer Shares initially available under the Global Offering.

In addition, the Offer Shares to be offered in the Hong Kong Public Offering and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Sole Sponsor, subject to the requirements of Guidance Letter HKEX-GL91-18. If the Hong Kong Public Offering is not fully subscribed for, the Overall Coordinator have the authority to reallocate all or any unsubscribed Hong Kong Offer Shares to the International Offering. In addition, the Overall Coordinator may in its discretion reallocate

STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING

Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering. In particular, if (i) the International Offering is not fully subscribed and the Hong Kong Public Offering is fully subscribed or oversubscribed irrespective of the number of times; or (ii) the International Offering is fully subscribed or oversubscribed and the Hong Kong Public Offering is fully subscribed or oversubscribed with the number of Offer Shares validly applied for in the Hong Kong Public Offering representing less than 15 times of the number of Shares initially available for subscription under the Hong Kong Public Offering, the Overall Coordinator have the authority to reallocate International Offer Shares originally included in the International Offering to the Hong Kong Public Offering, subject to the requirements of Guidance Letter HKEX-GL91-18. In accordance with Guidance Letter HKEX-GL91-18 issued by the Stock Exchange, if such reallocation is done other than pursuant to Practice Note 18 of the Listing Rules, (i) the number of International Offer Shares reallocated to the Hong Kong Public Offering must not exceed 25,000,000 Offer Shares, representing 10% of the Offer Shares initially available under the Global Offering, increasing the total number of Offer Shares available under the Hong Kong Public Offering to 50,000,000 Offer Shares, representing double of the initial allocation to the Hong Kong Public Offering and 20% of the Offer Shares initially available under the Global Offering, and (ii) the final Offer Price shall be fixed at HK\$1.05 per Offer Share, the low-end of the Offer Price range stated in this prospectus (subject to a Downward Offer Price Adjustment).

In each case, the additional Offer Shares reallocated to the Hong Kong Public Offering will be allocated between Pool A and Pool B and the number of Offer Shares allocated to the International Offering will be correspondingly reduced in such manner as the Sole Sponsor in its discretion considers appropriate.

In the event that both the Hong Kong Public Offering and International Offering are undersubscribed, the Global Offering will not proceed unless the Underwriters would subscribe or procure subscribers for their respective applicable proportions of the Offer Shares being offered which are not taken up under the Global Offering on the terms and conditions of this prospectus, the **GREEN** Application Form and the Underwriting Agreements.

Any such clawback and reallocation between the International Offering and the Hong Kong Public Offering will be completed prior to any adjustments of the number of the Offer Shares pursuant to the exercise of the Over-allotment Option, if any.

Applications

Each applicant under the Hong Kong Public Offering will also be required to give an undertaking and confirmation in the application submitted by him/her/it that he/she/it and any person(s) for whose benefit he is making the application have not applied for or taken up, or

STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING

indicated an interest for, and will not apply for or take up, or indicate an interest for, any Offer Shares under the International Offering, and such applicant's application is liable to be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be) or it has been or will be placed or allocated Offer Shares under the International Offering. Multiple or suspected multiple applications within either pool or between pools and any application for more than 50% of the Hong Kong Offer Shares initially comprised in the Hong Kong Public Offering are liable to be rejected.

Applicants under the Hong Kong Public Offering are required to pay, on application, the maximum price of HK\$1.35 per Offer Share in addition to the brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee, amounting to a total of HK\$2,727.22 per board lot of 2,000 Offer Shares⁽¹⁾. If the Offer Price, as finally determined in the manner described in the "Price Determination of the Global Offering" in this section, is less than the maximum price of HK\$1.35 per Offer Share, appropriate refund payments (including the brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee attributable to the surplus application monies) will be made to successful applicants, without interest. Please refer to the section headed "How to Apply for the Hong Kong Offer Shares" in this prospectus for further details.

Note:

- (1) As set out in the "Guide on Trading Arrangements for Selected Types of Corporate Actions" issued by Hong Kong Exchanges and Clearing Limited, it is required that the value of each board lot shall be no less than HK\$2,000. Notwithstanding the Downward Offer Price Adjustment, the Board will ensure the value of each board lot shall be more than HK\$2,000.

THE INTERNATIONAL OFFERING

Number of Offer Shares offered

The International Offering will consist of an initial offering of 225,000,000 Shares (comprising 165,000,000 new Shares and 60,000,000 Sale Shares to be offered by the Selling Shareholder, subject to reallocation and the Over-allotment Option), representing 90.0% of the total number of Offer Shares initially available under the Global Offering and 22.5% of the total issued share capital immediately after completion of the Capitalisation Issue and the Global Offering (assuming that the Over-allotment Option is not exercised). The International Offering will be offered by us to professional, institutional and/or other investors in Hong Kong.

STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING

Allocation

The International Offering will include selective marketing of the International Offer Shares to professional, institutional and/or other investors anticipated to have a sizeable demand for the International Offer Shares. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealings in shares and other securities and corporate entities which regularly invest in shares and other securities. Allocation of the International Offer Shares pursuant to the International Offering will be effected in accordance with the “book-building” process described in “Price Determination of the Global Offering” below and based on a number of factors, including the level and timing of demand, and whether or not it is expected that the relevant investor is likely to buy further Offer Shares, and/or hold or sell its Offer Shares, after the listing of the Offer Shares on the Stock Exchange. Such allocation is intended to result in a distribution of the Offer Shares on a basis which would lead to the establishment of a solid shareholder base to the benefit of our Company and the Shareholders as a whole.

The Overall Coordinator (for itself and on behalf of the Underwriters) may require any investor who has been offered International Offer Shares under the International Offering, and who has made an application under the Hong Kong Public Offering to provide sufficient information to the Overall Coordinator so as to allow them to identify the relevant applications under the Hong Kong Public Offering and to ensure that it is excluded from any application of the Hong Kong Offer Shares under the Hong Kong Public Offering.

Reallocation

The total number of Offer Shares to be issued pursuant to the International Offering may change as a result of the clawback arrangement as described in “The Hong Kong Public Offering — Reallocation” in this section and/or the exercise of the Over-allotment Option in whole or in part. In addition, the Overall Coordinator may reallocate International Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy the valid applications under the Hong Kong Public Offering that exceeds the number of Hong Kong Offer Shares initially offered. The Offer Shares to be offered in the Hong Kong Public Offering and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Overall Coordinator, subject to the requirements of Guidance Letter HKEX-GL91-18.

PRICE DETERMINATION OF THE GLOBAL OFFERING

The International Underwriters will be soliciting from prospective investors’ indications of interest in acquiring Offer Shares in the International Offering. Prospective investors will be required to specify the number of International Offer Shares under the International Offering they

STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING

would be prepared to acquire either at different prices or at a particular price. This process, known as “book-building”, is expected to continue up to, and to cease on or around, the last day for lodging applications under the Hong Kong Public Offering.

Pricing for the Offer Shares for the purpose of the various offerings under the Global Offering will be fixed on the Price Determination Date, which is expected to be on or about Friday, 24 March 2023 by agreement between the Overall Coordinator (for itself and on behalf of the Underwriters) and our Company (for ourselves and on behalf of the Selling Shareholder), and the number of Offer Shares to be allocated or sold under various offerings will be determined shortly thereafter.

The Offer Price will not be more than HK\$1.35 per Offer Share and is expected to be not less than HK\$1.05 per Offer Share unless otherwise announced, as further explained below, not later than the morning of the last day for lodging applications under the Hong Kong Public Offering. Prospective investors should be aware that the Offer Price to be determined on the Price Determination Date may be, but is not expected to be, lower than the indicative Offer Price range stated in this prospectus (subject to a Downward Offer Price Adjustment). If you apply for the Offer Shares under the Hong Kong Public Offering, you must pay the maximum price of HK\$1.35 per Offer Share, plus brokerage of 1%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%.

If the Offer Price, as finally determined in the manner described below, is lower than HK\$1.35, we will refund the respective difference, including brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee attributable to the surplus application monies. We will not pay interest on any refunded amounts. For more details, please refer to the section headed “How to Apply for the Hong Kong Offer Shares” in this prospectus.

The Overall Coordinator (for itself and on behalf of the Underwriters) may, where considered appropriate, based on the level of interest expressed by prospective professional, institutional and/or other investors during the book-building process, and with of our consent (for ourselves and on behalf of the Selling Shareholder), reduce the number of Offer Shares offered in the Global Offering and/or the indicative Offer Price range below that stated in this prospectus at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, we will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the day which is the last day for lodging applications under the Hong Kong Public Offering, cause there to be published on the website of our Company (www.jl-ks.cn) and the website of the Stock Exchange (www.hkexnews.hk) a notice of the reduction and to be issued a supplemental prospectus updating investors of the change in the number of Offer Shares being offered under the Global Offering and/or the indicative Offer Price range, extend the period under which the Hong Kong Public Offering was opened for acceptance

STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING

to allow potential investors sufficient time to consider their subscriptions or reconsider their submitted subscriptions, and give potential investors who had applied for the Hong Kong Offer Shares the right to withdraw their applications under the Hong Kong Public Offering. Upon issue of such a notice, the number of Offer Shares offered in the Global Offering and/or the revised Offer Price range will be final and conclusive and the Offer Price, if agreed upon by the Overall Coordinator (for itself and on behalf of the Underwriters) and our Company (for ourselves and on behalf of the Selling Shareholder), will be fixed within such revised Offer Price range.

Before submitting applications for the Hong Kong Offer Shares, applicants should have regard to the possibility that any announcement of a reduction in the number of Offer Shares being offered under the Global Offering and/or the indicative Offer Price range may not be made until the day which is the last day for lodging applications under the Hong Kong Public Offering. In the event there is a reduction in the Offer Shares and/or indicative Offer Price range, if the applicants have already submitted an application for the Hong Kong Offer Shares under the Hong Kong Public Offering, they will be allowed to subsequently withdraw their applications. However, if the Offer Shares and/or the Offer Price range is reduced, applicants will be notified that they are required to confirm their applications. If applicants have been notified but have not confirmed their applications in accordance with the procedure to be notified, all unconfirmed applications will be deemed revoked. In the absence of any such notice so published, the Offer Price, if agreed upon by the Overall Coordinator (for itself and on behalf of the Underwriters) and our Company (for ourselves and on behalf of the Selling Shareholder), will under no circumstances be set outside the Offer Price range as stated in this prospectus.

In the event of a reduction in the number of Offer Shares, the Overall Coordinator may, at their discretion, reallocate the number of Offer Shares to be offered in the Hong Kong Public Offering and the International Offering, provided that the number of Offer Shares comprised in the Hong Kong Public Offering shall not be less than 50% of the total number of Offer Shares available under the Global Offering (assuming the Over-allotment Option is not exercised).

The net proceeds of the Global Offering accruing to our Company (after deduction of underwriting fees and estimated expenses payable by our Company in relation to the Global Offering) are estimated to be approximately HK\$181.0 million, assuming an Offer Price per Offer Share of HK\$1.20 (being the mid-point of the stated indicative Offer Price range of HK\$1.05 to HK\$1.35 per Offer Share).

STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING

Announcement of Offer Price Reduction

The Overall Coordinator (for itself and on behalf of the Underwriters) may, where considered appropriate, based on the level of interest expressed by prospective investors during the book-building process, and with our consent (for ourselves and on behalf of the Selling Shareholder), determine the final Offer Price to be no more than 10% below the bottom end of the indicative Offer Price range, at any time on or prior to the Price Determination Date.

In such situation, the Company will, as soon as practicable following the decision to set the final Offer Price below the bottom end of the indicative Offer Price range, publish on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.jl-ks.cn) an announcement of the final Offer Price after making a Downward Offer Price Adjustment. Such announcement will be issued before and separate from the announcement of the results of allocations expected to be announced on Thursday, 30 March 2023. The Offer Price announced following making of a Downward Offer Price Adjustment shall be the final Offer Price and shall not be subsequently changed.

In the absence of an announcement that a Downward Offer Price Adjustment has been made, the final Offer Price will not be outside the indicative Offer Price range as disclosed in this prospectus unless the Withdrawal Mechanism is utilised.

If the Overall Coordinator (for itself and on behalf of the Underwriters) and our Company (for ourselves and on behalf of the Selling Shareholder) are unable to reach an agreement on the Offer Price on or before Monday, 27 March 2023, the Global Offering will not become unconditional and will lapse immediately.

Announcement of Final Offer Price

Irrespective of whether a Downward Offer Price Adjustment is made, the final Offer Price, the indications of interest in the Global Offering, the results of applications and the basis of allotment of the Hong Kong Offer Shares available under the Hong Kong Public Offering, are expected to be announced on Thursday, 30 March 2023 on the website of our Company (www.jl-ks.cn) and the website of the Stock Exchange (www.hkexnews.hk).

UNDERWRITING AGREEMENTS

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriter(s) under the terms of the Hong Kong Underwriting Agreement and is conditional upon the International Underwriting Agreement being signed and becoming unconditional.

STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING

Our Company, our Selling Shareholder, our Controlling Shareholders, our executive Directors, the Sole Sponsor, the Overall Coordinator, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and the International Underwriters expect to enter into the International Underwriting Agreement relating to the International Offering on or about the Price Determination Date. These underwriting arrangements, and the respective Underwriting Agreements, are summarised in “Underwriting” in this prospectus.

SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the approval of the listing of, and permission to deal in, the Shares on the Stock Exchange and the compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or any other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second settlement day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements have been made for the Shares to be admitted into CCASS.

OVER-ALLOTMENT OPTION

In connection with the Global Offering, it is expected that our Company will grant to the Overall Coordinator (for itself and on behalf of the Underwriters), the Over-allotment Option, exercisable by the Overall Coordinator (for itself and on behalf of the Underwriters)/Stabilising Manager to cover over-allocations under the International Offering (if any). Pursuant to the Over-allotment Option, the Overall Coordinator (for itself and on behalf of the Underwriters)/Stabilising Manager will have the right, exercisable at any time within the period commencing on the Listing Date and ending on the 30th day after the last date for lodging applications under the Hong Kong Public Offering, to require our Company to issue up to 37,500,000 Shares, representing 15.0% of the Offer Shares initially available under the Global Offering, at the Offer Price under the International Offering to cover over-allocation in the International Offering, if any.

If the Over-allotment Option is exercised in full, the additional Offer Shares will represent approximately 3.61% of the enlarged issued share capital of our Company in issue following completion of the Capitalisation Issue, the Global Offering and the exercise of the Over-allotment Option.

STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING

The additional net proceeds that we would receive if the Over-allotment Option is exercised in full (assuming the Offer Price of HK\$1.20 per Share (being the mid-point of the indicative Offer Price range)) are estimated to be approximately HK\$42.3 million, which would be applied to the respective uses on a pro-rata basis as disclosed in “Future Plans and Use of Proceeds” in this prospectus.

STABILISATION

Stabilisation is a practise used by underwriters in some markets to facilitate the distribution of securities. To stabilise, the underwriters may bid for, or purchase, the securities in the secondary market, during a specified period of time, to retard and, if possible, prevent a decline in the initial public market price of the securities below the Offer Price. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements, including those of Hong Kong. In Hong Kong, the price at which stabilisation is effected is not permitted to exceed the Offer Price.

In connection with the Global Offering, the Stabilising Manager, or its affiliates or any person acting for it, on behalf of the Underwriters, may over-allocate or effect transactions with a view to stabilising or supporting the market price of our Shares at a level higher than that which might otherwise prevail in the open market for a limited period commencing on the Listing Date and ending on the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. However, there is no obligation on the Stabilising Manager or any persons acting for it, to conduct any such stabilising action. Such stabilising action, if taken, will be conducted at the sole and absolute discretion of the Stabilising Manager or its affiliates or any person acting for it and may be discontinued at any time, and is required to be brought to an end on the 30th day after the last day for lodging applications under the Hong Kong Public Offering.

Stabilisation action permitted in Hong Kong under the Securities and Futures (Price Stabilising) Rules of the SFO includes (i) over-allocating for the purpose of preventing or minimising any reduction in the market price of our Shares, (ii) selling or agreeing to sell our Shares so as to establish a short position in them for the purpose of preventing or minimising any reduction in the market price of our Shares, (iii) purchasing, or agreeing to purchase, our Shares pursuant to the Over-allotment Option in order to close out any position established under (i) or (ii) above, (iv) purchasing, or agreeing to purchase, any of our Shares for the sole purpose of preventing or minimising any reduction in the market price of our Shares, (v) selling or agreeing to sell any Shares in order to liquidate any position established as a result of those purchases, and (vi) offering or attempting to do anything as described in (ii), (iii), (iv) or (v) above.

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Specifically, prospective applicants for and investors in the Shares should note that:

- (a) the Stabilising Manager (or any person acting for it) may, in connection with the stabilising action, maintain a long position in the Shares;
- (b) there is no certainty as to the extent to which and the time or period for which the Stabilising Manager (or any person acting for it) will maintain such a long position;
- (c) liquidation of any such long position by the Stabilising Manager (or any person acting for it) and selling in the open market, may have an adverse impact on the market price of the Shares;
- (d) no stabilising action can be taken to support the price of the Shares for longer than the stabilising period which will begin on the Listing Date and end on the 30th day after the last day for lodging applications under the Hong Kong Public Offering. After such date, when no further action may be taken to support the price of the Shares, demand for the Shares, and therefore the price of the Shares, could fall;
- (e) the price of the Shares cannot be assured to stay at or above the Offer Price by the taking of any stabilising action; and
- (f) stabilising bids or transactions effected in the course of the stabilising action may be made at any price at or below the Offer Price, which means that stabilising bids or transactions effected may be made at a price below the price paid by applicants for, or investors in, the Offer Shares.

Our Company will ensure or procure that an announcement in compliance with the Securities and Futures (Price Stabilising) Rules of the SFO will be made within seven days of the expiration of the stabilisation period.

Over-allocation

Following any over-allocation of Shares in connection with the Global Offering, the Stabilising Manager (or any person acting for it) may cover such over-allocations by (among other methods) exercising the Over-allotment Option in full or in part, using Shares purchased by the Stabilising Manager (or any person acting for it) in the secondary market at prices that do not exceed the Offer Price, or through the stock borrowing arrangement as detailed below or a combination of these means.

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Stock Borrowing Agreement

In order to facilitate the settlement of over-allocations in connection with the Global Offering, the Stabilising Manager (or any person acting for it) may choose to enter into an agreement with CPEP Holdings, our Controlling Shareholder, to borrow, whether on its own or through its affiliates, up to 37,500,000 Shares, representing 15.0% of the total number of the Offer Shares initially available for the Global Offering. The stock borrowing arrangement under such an agreement, if entered into, will not be subject to the restrictions of Rule 10.07(1)(a) of the Listing Rules, provided that the requirements set forth in Rule 10.07(3) of the Listing Rules are complied with as follows:

- (a) such stock borrowing arrangement is fully described in this prospectus and must be for the sole purpose of covering any short position prior to the exercise of the Over-allotment Option;
- (b) the maximum number of Shares to be borrowed from CPEP Holdings by the Stabilising Manager (or any person acting for it) is the maximum number of Shares that may be issued upon full exercise of the Over-allotment Option;
- (c) the same number of Shares so borrowed must be returned to CPEP Holdings or its nominee(s) within three business days following the earlier of (a) the last day on which the Over-allotment Option may be exercised, and (b) the day on which the Over-allotment Option is exercised in full; and
- (d) no payment will be made to CPEP Holdings and/or our Controlling Shareholder by the Underwriters and the Stabilising Manager in relation to such stock borrowing arrangement.

CONDITIONS OF THE GLOBAL OFFERING

Acceptance of all applications for the Hong Kong Offer Shares pursuant to the Hong Kong Public Offering will be conditional on:

- (a) the Listing Division granting the listing of, and permission to deal in, the Shares being offered pursuant to the Global Offering (including any Shares to be issued upon the exercise of the Over-allotment Option);
- (b) the Offer Price having been fixed on or about the Price Determination Date;

STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING

- (c) the execution and delivery of the International Underwriting Agreement on or about the Price Determination Date; and
- (d) the obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement and those of the International Underwriters under the International Underwriting Agreement becoming and remaining unconditional and not having been terminated in accordance with its terms, on or before the dates and times specified in the respective agreements.

If, for any reason, the Offer Price is not agreed between our Company (for ourselves and on behalf of the Selling Shareholder) and Overall Coordinator (for itself and on behalf of the Underwriters), or the International Underwriting Agreement is not entered into, the Global Offering will not proceed.

The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon, among other things, the other offering becoming unconditional and not having been terminated in accordance with its terms.

If the above conditions are not fulfilled or waived prior to the times and dates specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Global Offering will be published on our Company's website (www.jl-ks.cn) and the Stock Exchange's website (www.hkexnews.hk) on the next day following such lapse. In such eventuality, all application monies will be returned, without interest, on the terms set out in the section headed "How to Apply for the Hong Kong Offer Shares" in this prospectus. In the meantime, all application monies will be held in separate bank account(s) with the receiving banks or other licensed bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) (as amended).

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Share certificates for the Shares are expected to be issued on Thursday, 30 March 2023 but will only become valid evidence of title at 8:00 a.m. on Friday, 31 March 2023 provided that (i) the Global Offering has become unconditional in all respects and (ii) the right of termination as described in “Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for termination” in this prospectus has not been exercised.

DEALINGS

Assuming that the Global Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Friday, 31 March 2023, it is expected that dealings in the Shares on the Stock Exchange will commence at 9:00 a.m. on Friday, 31 March 2023.

The Shares will be traded in board lots of 2,000 Shares each⁽¹⁾. The stock code of the Shares is 2439.

Note:

- (1) As set out in the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by Hong Kong Exchanges and Clearing Limited, it is required that the value of each board lot shall be no less than HK\$2,000. Notwithstanding the Downward Offer Price Adjustment, the Board will ensure the value of each board lot shall be more than HK\$2,000.