

Unless otherwise defined herein, capitalised terms in this announcement shall have the same meanings as those defined in the prospectus dated 28 June 2018 (the “**Prospectus**”) issued by Zhejiang Cangnan Instrument Group Company Limited (the “**Company**”).

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Hong Kong Securities Clearing Company Limited (“**HKSCC**”) take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information purposes only and does not constitute an offer or an invitation to induce an offer by any person to acquire, purchase or subscribe for the H Shares or other securities of the Company. Potential investors should read the Prospectus for detailed information about the Hong Kong Public Offering and the International Offering described below before deciding whether or not to invest in the H Shares thereby offered.

This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. Securities may not be offered or sold in the United States except pursuant to registration or an exemption from registration requirements under the United States Securities Act of 1933, as amended from time to time (“**US Securities Act**”). The Offer Shares have not been, and will not be, registered under the US Securities Act or any state securities laws of the United States. There will not and it is not currently intended for there to be any public offering of securities of the Company in the United States.

In connection with the Global Offering, ABCI Securities Company Limited, as stabilising manager (the “**Stabilising Manager**”), 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 the H 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 Stabilising Manager, its affiliates or any person acting for it, to conduct any such stabilising action, which, if commenced, will be conducted at the absolute discretion of the Stabilising Manager, its affiliates or any person acting for it, and may be discontinued at any time. Any such stabilising activity is required to be brought to an end on the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. Such stabilisation action, if commenced, 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 Stabilising) Rules, as amended, made under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong). The details of the intended stabilisation and how it will be regulated under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) are set forth in the section headed “Structure of the Global Offering” in the Prospectus.

Potential investors should be aware that stabilising action cannot be taken to support the price of the H Shares for longer than the stabilisation period which begins on the Listing Date and is expected to expire on 5 August 2018, being the 30th day after the date of closing of the application lists under the Hong Kong Public Offering. After this date, no further stabilising action may be taken, demand for the H Shares, and therefore the price of the H Shares, could fall.



Zhejiang Cangnan Instrument Group Company Limited
浙江蒼南儀錶集團股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

Global Offering

Number of Offer Shares under the Global Offering	: 17,296,667 H Shares (subject to adjustment and the Over-allotment Option)
Number of International Offering Shares	: 15,566,967 H Shares (subject to adjustment and the Over-allotment Option)
Number of Hong Kong Offer Shares	: 1,729,700 H Shares (subject to adjustment)
Maximum Offer Price	: HK\$51.9 per H Share, plus brokerage of 1%, SFC transaction levy of 0.0027%, and Hong Kong Stock Exchange trading fee of 0.005% (payable in full on application in Hong Kong dollars and subject to refund)
Nominal Value	: RMB1.00 per H Share
Stock code	: 1743

Sole Sponsor, Sole Global Coordinator and Sole Bookrunner



Application has been made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the H Shares in issue and to be issued as described in the Prospectus pursuant to the Global Offering (including any Shares which may be issued pursuant to the exercise of the Over-allotment Option). Dealings in the H Shares on the Main Board of the Stock Exchange are expected to commence at 9:00 a.m. on Friday, 13 July 2018. In the event the Over-allotment Option is exercised, an announcement will be made by the Company on the Company's website at www.zjcnby.com and the website of the Stock Exchange at www.hkexnews.hk.

The Global Offering comprises the Hong Kong Public Offering of 1,729,700 H Shares (subject to adjustment), representing approximately 10% of the Offer Shares initially available under the Global Offering and the International Offering of 15,566,967 Offer Shares (subject to adjustment and the Over-allotment Option), representing approximately 90% of the Offer Shares initially available under the Global Offering. The allocation of the Offer Shares between the Hong Kong Public Offering and the International Offering will be subject to adjustment as described in the section "Structure of the Global Offering" in the Prospectus.

In connection with the Global Offering, the Company is expected to grant the Over-allotment Option to the International Underwriters, which is exercisable by the Sole Global Coordinator on behalf of the International Underwriters, to require the Company to allot and issue up to an aggregate of 2,594,500 additional H Shares, representing approximately 15% of the number of Offer Shares initially available under the Global Offering, at the Offer Price to, cover over-allocations in the International Offering, if any.

The allocation of Offer Shares between the Hong Kong Public Offering and the International Offering is subject to adjustment as detailed in the section headed “Structure of the Global Offering – The Hong Kong Public Offering – Reallocation” in the Prospectus. In particular, the Sole Bookrunner (for itself and on behalf of the Underwriters) may reallocate Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering. 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, the final Offer Price shall be fixed at the low-end of the indicative Offer Price range (i.e. HK\$37.1 per Offer Share) stated in the Prospectus and the maximum total number of Offer Shares that may be reallocated to the Hong Kong Public Offering following such reallocation shall be not more than double the initial allocation to the Hong Kong Public Offering (i.e. 3,459,400 Offer Shares).

Subject to the granting of the approval for listing of, and permission to deal in, the H Shares on the Main Board of the Stock Exchange and compliance with the stock admission requirements of HKSCC, the H 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 Exchange Participants (as defined in the Listing Rules) is required to take place in CCASS on the second Business 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. Investors should seek the advice of their stockbroker or other professional advisor for details of the settlement arrangements as such arrangements may affect their rights and interests. All necessary arrangements have been made enabling the H Shares to be admitted into CCASS.

The Offer Price will not be more than HK\$51.9 per Offer Share and is currently expected to be not less than HK\$37.1 per Offer Share, unless otherwise announced. Applicants for the Hong Kong Offer Shares are required to pay, on application, the maximum Offer Price of HK\$51.9 per Offer Share together with brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%. If an application is rejected, not accepted or accepted in part only, or if the Offer Price as finally determined is lower than the maximum Offer Price of HK\$51.9 per Offer Share, appropriate refund payments (including the brokerage fee, SFC transaction levy and Stock Exchange trading fee attributable to the excess application monies) will be made to applicants, without interest. Please refer to “How to Apply for Hong Kong Offer Shares – 13. Refund of Application Monies” in the Prospectus.

Applications for the Hong Kong Offer Shares will only be considered on the basis of the terms and conditions set out in the Prospectus, the WHITE or YELLOW Application Forms and the designated website (www.eipo.com.hk) for the White Form eIPO. Applicants who would like to have the allotted Hong Kong Offer Shares registered in their own names should either (i) complete and sign the **WHITE** Application Forms, or (ii) submit applications online through the designated website of the **White Form eIPO** Service Provider at www.eipo.com.hk under the **White Form eIPO** service. Applicants who would like to have the allotted Hong Kong Offer Shares registered in the name of HKSCC Nominees and deposited directly into CCASS for credit to their CCASS

Investor Participant stock accounts or the stock accounts of their designated CCASS Participants maintained in CCASS should either (i) complete and sign the **YELLOW** Application Forms, or (ii) give **electronic application instructions** to HKSCC via CCASS.

Copies of the Prospectus, together with the **WHITE** Application Form, may be obtained during normal business hours from 9:00 a.m. on Thursday, 28 June 2018, until 12:00 noon on Friday, 6 July 2018 from:

1. any of the following offices of the Hong Kong Underwriters:

ABCI Securities Company Limited	11/F, Agricultural Bank of China Tower, 50 Connaught Road Central, Central, Hong Kong
Changjiang Securities Brokerage (HK) Limited	Suite 1908, 19/F., Cosco Tower, 183 Queen's Road C., Central, Hong Kong
Dongxing Securities (Hong Kong) Company Limited	6805 – 6806A, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
First Capital Securities Limited	Unit 4512, 45/F, The Center, 99 Queen's Road, Central, Hong Kong
First Shanghai Securities Limited	19/F, Wing On House, 71 Des Voeux Road Central, Hong Kong
KGI Capital Asia Limited	41/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong
RHB Securities Hong Kong Limited	12/F, World-Wide House, 19 Des Voeux Road Central, Hong Kong
Well Link Securities Limited	Unit 16-18, 11/F China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong
Yue Xiu Securities Company Limited	13/F Yue Xiu Building, Lockhart Road, Wanchai, Hong Kong

2. any of the following branches of Bank of China (Hong Kong) Limited:

District	Branch	Address
Hong Kong Island	Shek Tong Tsui Branch	534 Queen's Road West, Shek Tong Tsui
Kowloon	Telford Plaza Branch	Shop Unit, P2-P7, Telford Plaza, No.33 Wai Yip Street, Kowloon Bay, Kowloon
	Whampoa Garden Branch	Shop G8B, Site 1, Whampoa Garden, Hung Hom
New Territories	Metro City Branch	Shop 209, Level 2, Metro City Phase 1, Tseung Kwan O

Copies of the Prospectus, together with the **YELLOW** Application Form, may be obtained during normal business hours from 9:00 a.m. on Thursday, 28 June 2018 until 12:00 noon on Friday, 6 July 2018 from the Depository Counter of HKSCC at 1/F, One & Two Exchange Square, 8 Connaught Place, Central, Hong Kong or your stockbroker, who may have such Application Forms and the Prospectus available.

The **WHITE** or **YELLOW** Application Form completed in all respects in accordance with the instructions printed thereon, together with a cheque or banker's cashier order attached and marked payable to "BANK OF CHINA (HONG KONG) NOMINEES LIMITED – CANGNAN INSTRUMENT PUBLIC OFFER" for payment, should be deposited in the special collection boxes provided at any of the branches of the receiving banks listed above at the following times:

- Thursday, 28 June, 2018 – 9:00 a.m. to 5:00 p.m.
- Friday, 29 June, 2018 – 9:00 a.m. to 5:00 p.m.
- Saturday, 30 June, 2018 – 9:00 a.m. to 1:00 p.m.
- Tuesday, 3 July, 2018 – 9:00 a.m. to 5:00 p.m.
- Wednesday, 4 July, 2018 – 9:00 a.m. to 5:00 p.m.
- Thursday, 5 July, 2018 – 9:00 a.m. to 5:00 p.m.
- Friday, 6 July, 2018 – 9:00 a.m. to 12:00 noon

Applicants applying by **White Form eIPO** may submit applications through the **White Form eIPO** service provider at www.eipo.com.hk (24 hours daily, except on the last application day) from 9:00 a.m. on Thursday, 28 June 2018 until 11:30 a.m. on Friday, 6 July 2018 and the latest time for completing full payment of application monies in respect of such applications will be 12:00 noon on Friday, 6 July 2018 or such later time as described in the section "How to Apply for Hong Kong Offer Shares – 10. Effect of Bad Weather on the Opening of the Application Lists" in the Prospectus. CCASS Clearing/Custodian Participants can input electronic application instructions at the following times on the following dates:⁽¹⁾

- Thursday, 28 June, 2018 – 9:00 a.m. to 8:30 p.m.⁽¹⁾
- Friday, 29 June, 2018 – 8:00 a.m. to 8:30 p.m.⁽¹⁾
- Tuesday, 3 July, 2018 – 8:00 a.m. to 8:30 p.m.⁽¹⁾
- Wednesday, 4 July, 2018 – 8:00 a.m. to 8:30 p.m.⁽¹⁾
- Thursday, 5 July, 2018 – 8:00 a.m. to 8:30 p.m.⁽¹⁾
- Friday, 6 July, 2018 – 8:00 a.m.⁽¹⁾ to 12:00 noon

Note:

- (1) These times are subject to change as HKSCC may determine from time to time with prior notification to CCASS Clearing/Custodian Participants.

CCASS Investor Participants can input **electronic application instructions** from 9:00 a.m. on Thursday, 28 June 2018 until 12:00 noon on Friday, 6 July 2018 or such later time as described in the section “How to Apply for Hong Kong Offer Shares – 10. Effect of Bad Weather on the Opening of the Application Lists” in the Prospectus (24 hours daily, except on the last application day).

Please refer to the sections “Structure of the Global Offering” and “How to Apply for Hong Kong Offer Shares” in the Prospectus for details of the conditions and procedures of the Hong Kong Public Offering.

The Company expects to publish the announcement on the final Offer Price, the level of indication of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares under the Hong Kong Public Offering (i) on The Standard (in English); (ii) on the Hong Kong Economic Times (in Chinese); (iii) on the website of the Stock Exchange (www.hkexnews.hk) and (iv) on the Company’s website (www.zjcnyc.com) on or before Thursday, 12 July 2018. 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 through a variety of channels from Thursday, 12 July 2018 as described in the section “How to Apply for Hong Kong Offer Shares – 11. Publication of Results” in the Prospectus.

The Company will not issue temporary documents of title. Share certificates will only become valid at 8:00 a.m. on Friday, 13 July 2018 provided that the Global Offering has become unconditional and the right of termination described in the section “Underwriting” in the Prospectus has not been exercised. No receipt will be issued for application monies received. Assuming the Global Offering becomes unconditional at 8:00 a.m. on Friday, 13 July 2018, dealings in the H Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Friday, 13 July 2018. The H Shares will be traded in board lots of 100 H Shares each. The stock code of the H Shares is 1743.

By order of the Board of Directors
Zhejiang Cangnan Instrument Group Company Limited
Mr. Hong Zuobin
Chairman

Hong Kong, 28 June 2018

As of the date of this announcement, the Board of the Company comprises Mr. Hong Zuobin, Mr. Huang Youliang, Mr. Yin Xingjing, Mr. Zhang Shengyi, Ms. Lin Zichan, Mr. Lin Zhongzhu and Mr. Lin Jingdian as executive Directors, Mr. Ye Xiaosen and Mr. Hou Zukuan as non-executive Directors and Mr. Ng Jack Ho Wan, Mr. Wong Hak Kun, Mr. Wang Jingfu, Mr. Li Jing and Mr. Su Zhongdi as independent non-executive Directors.

Please also refer to the published version of this announcement in The Standard (in English) and the Hong Kong Economic Times (in Chinese).