

Unless otherwise defined in this announcement, terms defined in the prospectus dated October 12, 2020 (the “**Prospectus**”) issued by Canggang Railway Limited (the “**Company**”) have the same meanings when used in this announcement.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Hong Kong Securities Clearing Company Limited (the “**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 invitation or offer or an invitation to induce and offer by any person to acquire, purchase or subscribe for securities or any Shares under the Global Offering.

This announcement is not, and is not intended to be, an offer of securities of the Company for sale in or into the United States. The Offer Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended from time to time (the “**U.S. Securities Act**”), or the securities laws of any state of the United States, and may not be offered, sold, pledged or transferred within the United States (as defined in Regulation S under the U.S. Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state or local securities law. The Offer Shares are being offered and sold outside of the United States in offshore transactions in accordance with Regulation S under the U.S. Securities Act. There will not be any public offering of securities in the United States. This announcement and the information contained herein are not for release, publication or distribution, directly or indirectly, in or into the United States.

In connection with the Global Offering, Innovax Securities Limited, as the stabilizing manager (the “**Stabilizing Manager**”), or any person acting for it, may over-allocate or effect any other transactions with a view to stabilizing or maintaining the market price of the Shares at a level higher than that which might otherwise prevail in the open market for a limited period after the Listing Date. However, there is no obligation on the Stabilizing Manager or any person acting for it to conduct any such stabilizing activity, which if commenced, will be done at the absolute discretion of the Stabilizing Manager and may be discontinued at any time. Any such stabilizing activity is required to be brought to an end on November 14, 2020, being the 30th day from the last day for lodging applications under the Hong Kong Public Offering. Such stabilization 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 Stabilizing) Rules (Cap. 571W of the Laws of Hong Kong), as amended, made under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Potential investors should be aware that stabilizing 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 November 14, 2020, being the 30th day from the last day for lodging applications under the Hong Kong Public Offering. After this date, no further stabilizing action may be taken. Demand for the Shares, and therefore the price of the Shares, could fall.

Potential investors should read the Prospectus for detailed information about the Global Offering described below before deciding whether or not to invest in the Shares thereby being offered. Any investment decision in relation to the Offer Shares should be taken solely in reliance on the information provided in the Prospectus.

Canggang Railway Limited 滄港鐵路有限公司

(Incorporated in the Cayman Islands with limited liability)

GLOBAL OFFERING

Total Number of Offer Shares under the Global Offering : 250,000,000 Shares (subject to the Over-allotment Option)
Number of Hong Kong Offer Shares : 25,000,000 Shares (subject to reallocation)
Number of International Placing Shares : 225,000,000 Shares (subject to the Over-allotment Option and reallocation)
Offer Price : Not more than HK\$1.10 per Offer Share, and expected to be not less than HK\$0.85 per Offer Share, plus brokerage of 1.00%, SFC transaction levy of 0.0027% and a Stock Exchange trading fee of 0.005% (payable in full on application in Hong Kong dollars and subject to refund) (If the Offer Price is set at 10% below the bottom end of the indicative Offer Price range after making the Downward Offer Price Adjustment, the Offer Price will be at HK\$0.77 per Offer Share)
(Subject to a Downward Offer Price Adjustment)
Nominal value : HK\$0.01 per share
Stock Code : 2169

Sole Sponsor



Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers



Joint Bookrunner and Joint Lead Manager



Application has been made by the Company to the Listing Committee for the listing of, and permission to deal in, the Shares in issue and to be issued as described in the Prospectus (including the Shares which may be issued pursuant to the exercise of the Over-allotment Option and the Shares to be issued upon the exercise of options that may be granted under the Share Option Scheme). Assuming the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. on Friday, October 23, 2020, it is expected that dealings in the Shares on the Stock Exchange will commence at 9:00 a.m. on Friday, October 23, 2020. In the event the Over-allotment Option is exercised, an announcement will be made by the Company on the Company's website at www.czcgtl.com and the website of the Stock Exchange at www.hkexnews.hk.

The Global Offering comprises: (i) the Hong Kong Public Offering of 25,000,000 Shares (subject to reallocation), representing 10% of the Offer Shares initially available under the Global Offering; and (ii) the International Placing of 225,000,000 Shares (subject to reallocation and the Over-allotment Option pursuant to which the Company may be required to allot and issue up to an aggregate of 37,500,000 additional Shares (representing 15% of the Offer Shares initially available under the Global Offering) at the Offer Price, for the sole purpose of covering any over-allocations in the International Placing, if any), representing 90% of the Offer Shares initially available under the Global Offering. The allocation of Offer Shares between the Hong Kong Public Offering and the International Placing will be subject to adjustment as described in “Structure of the Global Offering” of the Prospectus.

In addition, the Joint Global Coordinators may, at their sole discretion, reallocate Offer Shares from the International Placing 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 maximum total number of Offer Shares that may be allocated to the Hong Kong Public Offering following such allocation shall be not more than double the initial allocation to the Hong Kong Public Offering (i.e. 50,000,000 Offer Shares) and the final Offer Price shall be fixed at the low-end of the indicative Offer Price range (i.e. HK\$0.85 per Offer Share) or the downward adjusted final Offer Price if a Downward Offer Price Adjustment is made, as stated in the section headed “Structure of the Global Offering – Hong Kong Public Offering – Reallocation and clawback” 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 Stabilizing Manager (on behalf of the International Underwriters) from the date of the International Underwriting Agreement until November 14, 2020, being the 30th day from the date of the last day for the lodging of applications under the Hong Kong Public Offering, to require the Company to allot and issue up to an aggregate of 37,500,000 additional Offer Shares, representing 15% of the number of Offer Shares initially available under the Global Offering, at the Offer Price to cover over-allocations in the International Placing, if any.

Subject to the granting of the approval for the listing of, and permission to deal in, the Shares on the Stock Exchange and 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 date of commencement of dealings in the Shares on the Stock Exchange or on any other date HKSCC chooses. Settlement of transactions between participants of the Stock Exchange 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. All necessary arrangements have been made to enable the Shares to be admitted into CCASS. Investors should seek the advice of their stockbrokers or other professional advisers for details of the settlement arrangements as such arrangements may affect their rights and interests.

The Offer Price will not be more than HK\$1.10 per Offer Share and is currently expected to be not less than HK\$0.85 per Offer Share (subject to a reduction of up to 10% below the bottom end of the indicative Offer Price range) through making a Downward Offer Price Adjustment as set out in the Prospectus, unless otherwise announced. If the Offer Price is set after making a 10% Downward Offer Price Adjustment, the Offer Price will be HK\$0.77 per Offer Share. Applicants for the Hong Kong Offer Shares are required to pay, on application, the maximum Offer Price of HK\$1.10 per Offer Share together with brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%, subject to refund if the Offer Price as finally determined is less than HK\$1.10 per Offer Share.

If the Company decides to reduce the Offer Price by making a Downward Offer Price Adjustment (a reduction of up to 10% below the bottom end of the indicative Offer Price range), the Company will separately announce the final Offer Price no later than Thursday, October 22, 2020 on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.czcgtl.com.

If an application is rejected, not accepted or accepted in part only, or if the Offer Price as finally determined is less than the maximum offer price of HK\$1.10 per Offer Share (excluding brokerage, SFC transaction levy and the Stock Exchange trading fee thereon), or if the conditions of the Hong Kong Public Offering set out in "Structure of the Global Offering – Conditions of the Global Offering" in the Prospectus are not fulfilled or if any application is revoked, the application monies, or the appropriate portion thereof, together with the related brokerage, SFC transaction levy and the Stock Exchange trading fee, will be refunded, without interest or the cheque or banker's cashier order will not be cleared. Any refund of your application monies will be made on or before Thursday, October 22, 2020.

Applications for the Hong Kong Offer Shares will only be considered on the basis of the terms and conditions set out in the Prospectus and the related Application Forms and the designated website www.eipo.com.hk for White Form eIPO.

Applicants who wish to be allotted the Hong Kong Offer Shares 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 wish to have the Hong Kong Offer Shares allotted and issued 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 should (i) complete and sign the **YELLOW** Application Forms; or (ii) give **electronic application instructions** to HKSCC via CCASS to cause HKSCC Nominees to apply for you.

Copies of the Prospectus, together with the **WHITE** Application Forms, can be obtained during normal business hours from 9:00 a.m. on Monday, October 12, 2020 until 12:00 noon on Thursday, October 15, 2020 from:

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

Innovax Securities Limited Unit A-C, 20/F, Neich Tower
128 Gloucester Road
Wan Chai
Hong Kong

**Guotai Junan Securities
(Hong Kong) Limited** 27/F, Low Block
Grand Millennium Plaza
181 Queen's Road Central
Hong Kong

**China Everbright Securities
(HK) Limited** 12/F, Everbright Centre
108 Gloucester Road
Wanchai
Hong Kong

**Ever-Long Securities
Company Limited** Rooms 1101-02 & 1111-12
11/F., Wing On Centre
111 Connaught Road Central
Sheung Wan
Hong Kong

Maxa Capital Limited Unit 1908, Harbour Center
25 Harbour Road
Wanchai
Hong Kong

Zhong Jia Securities Limited Unit D – F, 15/F, Neich Tower
128 Gloucester Road
Wan Chai
Hong Kong

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

District	Branch Name	Address
Hong Kong Island	Central District (Wing On House) Branch	B/F-2/F, Wing On House, 71 Des Voeux Road Central, Hong Kong
Kowloon	Kwun Tong Plaza Branch	G1 Kwun Tong Plaza, 68 Hoi Yuen Road, Kwun Tong, Kowloon
New Territories	Texaco Road Branch	Shop A112, East Asia Gardens, 36 Texaco Road, Tsuen Wan, New Territories

Copies of the Prospectus, together with the **YELLOW** Application Forms, may be obtained during normal business hours from 9:00 a.m. on Monday, October 12, 2020 until 12:00 noon on Thursday, October 15, 2020 at the Depository Counter of HKSCC at 1/F, One & Two Exchange Square, 8 Connaught Place, Central, Hong Kong or from your stockbroker, who may have such **YELLOW** 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 marked payable to "BANK OF CHINA (HONG KONG) NOMINEES LIMITED – CANGGANG RAILWAY PUBLIC OFFER" attached, should be deposited in the special collection boxes provided at any of the branches of the receiving bank listed above at the following times:

- Monday, October 12, 2020 – 9:00 a.m. to 5:00 p.m.
- Tuesday, October 13, 2020 – 9:00 a.m. to 5:00 p.m.
- Wednesday, October 14, 2020 – 9:00 a.m. to 5:00 p.m.
- Thursday, October 15, 2020 – 9:00 a.m. to 12:00 noon

The latest time for lodging your application is 12:00 noon on Thursday, October 15, 2020. The application lists will be open from 11:45 a.m. to 12:00 noon on Thursday, October 15, 2020, the last application day or such later times as described in "How to apply for Hong Kong Offer Shares – 10. Effect of bad weather on the opening of the application lists" of the Prospectus.

Applicants applying by **White Form eIPO** may submit their applications to the **White Form eIPO** Service Provider at www.eipo.com.hk (24 hours daily, except on Thursday, October 15, 2020, the last application day) from 9:00 a.m. on Monday, October 12, 2020 until 11:30 a.m. on Thursday, October 15, 2020 and the latest time for completing full payment of application monies in respect of such applications will be 12:00 noon on Thursday, October 15, 2020 or such later time as described in “How to apply for Hong Kong Offer Shares – 10. Effect of bad weather on the opening of the application lists” of the Prospectus.

Time for Inputting Electronic Application Instructions ^{Note}

CCASS Clearing/Custodian Participants can input **electronic application instructions** at the following times on the following dates:

- Monday, October 12, 2020 – 9:00 a.m. to 8:30 p.m.
- Tuesday, October 13, 2020 – 8:00 a.m. to 8:30 p.m.
- Wednesday, October 14, 2020 – 8:00 a.m. to 8:30 p.m.
- Thursday, October 15, 2020 – 8:00 a.m. to 12:00 noon

CCASS Investor Participants can input **electronic application instructions** from 9:00 a.m. on Monday, October 12, 2020 until 12:00 noon on Thursday, October 15, 2020 (24 hours daily, except on Thursday, October 15, 2020, the last application day).

The latest time for inputting your **electronic application instructions** will be 12:00 noon on Thursday, October 15, 2020, the last application day or such later time as described in “How to apply Hong Kong Offer Shares – 10. Effect of bad weather on the opening of the application lists” of the Prospectus.

Note: These times are subject to change as HKSCC may determine from time to time with prior notification to CCASS Clearing/Custodian Participants and/or CCASS Investor Participants.

If you are not a **CCASS Investor Participant**, you may instruct your broker or custodian who is a CCASS Clearing Participant or a CCASS Custodian Participant to give **electronic application instructions** via CCASS terminals to apply for the Hong Kong Offer Shares on your behalf.

You will be deemed to have authorized HKSCC and/or HKSCC Nominees to transfer the details of your application, whether submitted by you or through your broker or custodian, to the Company, the Joint Global Coordinators, and the Hong Kong Branch Share Registrar.

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

Irrespective of whether a Downward Offer Price Adjustment is made, the Company expects to announce the final Offer Price, the level of indication of interest in the International Placing, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares on Thursday, October 22, 2020 on the Stock Exchange’s website at **www.hkexnews.hk** and the Company’s website at **www.czcgtl.com**.

The results of allocations under the Hong Kong Public Offering (with successful applicants’ identification document number) will be made available through a variety of channels, including the Stock Exchange’s website at **www.hkexnews.hk** and the Company’s website at **www.czcgtl.com**, from Thursday, October 22, 2020 in the manner described in “How to apply for Hong Kong Offer Shares – 11. Publication of results” of the Prospectus.

The Company will not issue temporary documents of title in respect of the Shares. No receipt will be issued for sums paid on application. Share certificates will only become valid at 8:00 a.m. on Friday, October 23, 2020 provided that the Global Offering has become unconditional and the right of termination as described in “Underwriting – Underwriting arrangements and expenses – Hong Kong Public Offering – Grounds for termination” of the Prospectus has not been exercised. Dealings in the Shares on the Stock Exchange is expected to commence at 9:00 a.m. on Friday, October 23, 2020. The Shares will be traded in board lots of 4,000 each. The stock code of the Shares is 2169.

By order of the Board
Canggang Railway Limited
Liu Yongliang
Chairman

Hong Kong, Monday, October 12, 2020

As at the date of this announcement, the executive Directors are Mr. Liu Yongliang, Mr. Yi Weiming, the non-executive Directors are Mr. Xu Zhihua, Mr. Qin Shaobo, and the independent non-executive Directors are Mr. Liu Changchun, Mr. Zhao Changsong and Ms. Lyu Qinghua.