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Stock Abbreviation: CNGR

Stock Code: 300919

# CNGR Advanced Material Co., Ltd.

(Intersection of No. 2 and No. 1 Trunk Roads, Dalong Economic  
Development Zone, Tongren City, Guizhou Province)

# CNGR

## Announcement on Issuance of Shares to Specific Targets and Listing on GEM

Sponsor (Co-lead Underwriter)



(Room 401, Building B7, Qianhai Shenzhen-Hong Kong Fund Town, No. 128,  
Guiwan Fifth Road, Nanshan Street, Qianhai Shenzhen-Hong Kong Cooperation  
Zone, Shenzhen)

Co-Lead Underwriter



**Goldman Sachs** 高盛

Issued on: November 2022

## Special Notes

### **I. Number and Price of Shares Issued**

1. Number of shares issued: 60,966,688
2. Issue price: RMB 70.65/share
3. Total raised funds: RMB 4,307,296,507.20
4. Net amount of raised funds: RMB 4,272,871,066.92

### **II. Listing Arrangement for New Shares**

1. Number of shares listed: 60,966,688
2. Time of listing: November 30, 2022 (the first day of listing). On the listing date of new shares, the Company's share price is not ex-rights, and stock trading is subject to price limit.

### **III. Arrangement of Lock-up Period for Issuance Targets**

The shares issued to specific targets shall not be transferred within six months from the date of listing, starting from November 30, 2022. Upon the end of the lock-up period, it shall be implemented in accordance with relevant regulations of China Securities Regulatory Commission and Shenzhen Stock Exchange.

**IV. After the completion of this issuance, the Company's equity distribution meets the listing requirements of Shenzhen Stock Exchange and will not lead to non-compliance with the conditions for listing of shares.**

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## Definitions

Unless the context otherwise requires, the following terms shall have the following meanings in this Listing Announcement:

Item	Refers to	Content
CNGR/the Company/the Issuer/the Listed Company	Refers to	CNGR Advanced Material Co., Ltd.
The Listing Announcement	Refers to	Announcement of CNGR Advanced Material Co., Ltd. on Issuing Shares to Specific Targets and Listing on GEM
This issuance/this issuance to specific targets	Refers to	The issuance of shares to specific targets and listing on GEM by CNGR
Board of Directors	Refers to	CNGR's Board of Directors
General Meeting of Shareholders	Refers to	CNGR's General Meeting of Shareholders
Raised funds	Refers to	Funds raised in this issuance
A-shares	Refers to	RMB-denominated ordinary shares listed in China
China Securities Regulatory Commission and CSRC	Refers to	China Securities Regulatory Commission
The exchange and Shenzhen Stock Exchange	Refers to	Shenzhen Stock Exchange
Pricing base date	Refers to	The first date of the issuance period, i.e. November 09, 2022
<i>Company Law</i>	Refers to	<i>Company Law of the People's Republic of China</i>
<i>Securities Law</i>	Refers to	<i>Securities Law of the People's Republic of China</i>
<i>Articles of Association</i>	Refers to	<i>Articles of Association of CNGR Advanced Material Co., Ltd.</i>
<i>Detailed Implementation Rules</i>	Refers to	<i>Detailed Rules for the Implementation of Non-public Issuance by Listed Companies</i>
<i>Listing Rules</i>	Refers to	<i>Rules for Listing of Shares on GEM of Shenzhen Stock Exchange</i>
<i>Administrative Measures</i>	Refers to	<i>Measures for the Administration of Securities Issuance by Listed Companies</i>
<i>Measures for Registration</i>	Refers to	<i>Administrative Measures for the Registration of the Issuance of Securities by Listed Companies on GEM (Trial)</i>

Item	Refers to	Content
Huatai United Securities/the Sponsor/the Co-Lead Underwriter	Refers to	Huatai United Securities Co., Ltd.
Qiyuan's lawyer/domestic lawyer/the Issuer's lawyer	Refers to	Hunan Qiyuan Law Firm
Baker Tilly China/the auditor of the Listed Company/the capital verification institution	Refers to	Baker Tilly China Certified Public Accountants (Special General Partnership)
RMB / RMB 10,000 / RMB 100,000,000	Refers to	Legal currency unit of the People's Republic of China: RMB 10,000, RMB 10,000 and RMB 100 million

Some totals in this report differ from the sum of all addends in terms of mantissa, which is caused by rounding.

## I. Company Profile

<b>Chinese name</b>	中伟新材料股份有限公司
<b>English name</b>	CNGR Advanced Material Co., Ltd.
<b>Date of incorporation</b>	2014-09-15
<b>Date of listing</b>	2020-12-23
<b>Place of Listing</b>	Shenzhen Stock Exchange
<b>Stock code</b>	300919
<b>Stock abbreviation</b>	CNGR
<b>Total Share Capital (after issuance)</b>	670,633,576 shares
<b>Legal representative</b>	Deng Weiming
<b>Registered address</b>	Intersection of No. 2 and No. 1 Trunk Roads, Dalong Economic Development Zone, Tongren City, Guizhou Province
<b>Office address</b>	Intersection of No. 2 and No. 1 Trunk Roads, Dalong Economic Development Zone, Tongren City, Guizhou Province
<b>Tel</b>	0856-3238558
<b>Fax</b>	0856-3238558
<b>Company's website</b>	<a href="http://www.cnrgf.com.cn/">http://www.cnrgf.com.cn/</a>
<b>Unified Social Credit Identifier</b>	91520690314383681D
<b>Business scope</b>	The business prohibited by the laws, regulations and the decisions of the State Council cannot be operated; the permissible (approval) business as per the laws, regulations and the decisions of the State Council shall be operated with permission (approval) documents after being approved by the approval authority; for the business that requires no permission (approval) as per the laws, regulations and the decisions of the State Council, the market entities shall operate them independently. R&D, production, processing and sales of new materials, batteries and new energy; import and export of goods and technologies.

## II. Issuance of New Shares

## **(I) Class and par value of issued shares**

The classes of shares issued to specific targets this time are RMB-denominated ordinary shares (A-shares), with a par value of RMB 1.00 per share.

## **(II) Relevant decision-making procedures performed for this issuance**

### **1. Internal decision-making procedures of the Company**

On June 10, 2022, the Issuer held the 32<sup>nd</sup> meeting of the 1<sup>st</sup> Board of Directors. The directors reviewed and unanimously approved matters related to this issuance of shares to specific targets.

On June 27, 2022, the Company held the 2<sup>nd</sup> Extraordinary General Meeting of Shareholders in 2022 to review and approve matters related to this issuance of shares to specific targets.

### **2. Review and registration process performed by regulatory authorities for this issuance**

On August 24, 2022, the Company received from the Listing Review Center of Shenzhen Stock Exchange *the Notice of Opinions on the Application of CNGR Advanced Material Co., Ltd. for Issuance of Shares to Specific Targets*, which believed that the Company met the issuance conditions, listing conditions and information disclosure requirements.

On September 19, 2022, the Company received from China Securities Regulatory Commission *the Reply on Approval of CNGR Advanced Material Co., Ltd. to Issue Shares to Specific Targets* (ZJXX [2022] No. 2140). China Securities Regulatory Commission approved the registration application for raising funds by issuing shares to specific targets.



### **3. Issuance process**

On November 11, 2022, the Issuer and the Co-Lead Underwriter issued a *Payment Notice of CNGR Advanced Material Co., Ltd. for Issuing Shares to Specific Targets and Listing Them on GEM* (hereinafter referred to as the "Payment Notice") to 18 investors who obtained this placement, notifying the said issuance targets to transfer the subscription funds to the account designated by the Sponsor (the Lead Underwriter).

As of November 16, 2022, the 18 issuance targets allocated to this issuance remitted all funds subscribed for in this issuance into the account opened by Huatai United Securities at Shenzhen Zhenhua Sub-branch of Industrial and Commercial Bank of China Limited. This issuance does not involve the purchase of assets or payment by assets, and all subscription funds are paid in cash.

On November 17, 2022, according to the *Capital Verification Report of Huatai United Securities Co., Ltd.* (TZYZ [2022] No. 44941) issued by Baker Tilly China Certified Public Accountants (Special General Partnership), Huatai United Securities received a total amount of CNGR's subscription funds for issuing shares to specific targets (including the subscription deposits of allocated investors) of RMB 4,307,296,507.20 as of November 16, 2022. The above total subscription funds have been fully deposited in the account opened by Huatai United Securities at Zhenhua Sub-branch, Shenzhen Branch of Industrial and Commercial Bank of China Limited.

On November 17, 2022, Huatai United Securities transferred the remaining amount of the said subscription funds after deducting the sponsorship and underwriting fees to the designated deposit account of CNGR.

### **(III) Subscribers and subscription methods**

Based on the subscription quotation of investors and in strict accordance with the procedures and rules for issuance price, issuance targets and number of shares allocated as determined in the Invitation for Subscription, the issuance price is RMB 70.65/share, 60,966,688 shares are issued, and the total amount of raised funds is RMB 4,307,296,507.20. This issuance is finalized with 18 targets. The results of this issuance and placement are as follows:

<b>Name of Subscribers</b>	<b>Allocated Price (RMB/share)</b>	<b>Number of Allocated Shares (share)</b>	<b>Allocated Amount (RMB)</b>
J.P.Morgan Securities plc	70.65	1,712,668	120,999,994.20
CITIC Securities Company Limited (self-operated)	70.65	2,448,690	172,999,948.50
China Asset Management Co., Ltd.	70.65	1,953,290	137,999,938.50
Caitong Fund Management Co., Ltd.	70.65	3,637,650	256,999,972.50
Kong Qingfei	70.65	1,698,513	119,999,943.45
Ningxiang Economic and Technological Development Zone Construction Investment Co., Ltd.	70.65	1,698,513	119,999,943.45
GF Securities Co. Ltd.	70.65	4,416,135	311,999,937.75
China Life Asset Management Co., Ltd. (ZGRSZG - Bank of China - GSZC - PIPE 2020 Insurance Asset Management Products)	70.65	2,830,856	199,999,976.40
China Life Asset Management Co., Ltd. (China Life Insurance Co., Ltd. - Traditional-General Insurance Products -005L-CT001 S)	70.65	1,698,513	119,999,943.45
CITIC Securities Company Limited (ZG)	70.65	3,722,576	262,999,994.40
UBS AG	70.65	3,712,628	262,297,168.20
Guotai Junan Securities Co., Ltd.	70.65	1,712,668	120,999,994.20
Central Enterprise Rural Industry Investment Fund Co., Ltd.	70.65	3,397,027	239,999,957.55
First State Cinda Fund Management Co., Ltd.	70.65	1,698,513	119,999,943.45
Dajia Asset Management Co., Ltd. (Dajia Asset -Blue-chip Selected No. 5 Collective Asset Management	70.65	1,698,513	119,999,943.45

<b>Name of Subscribers</b>	<b>Allocated Price (RMB/share)</b>	<b>Number of Allocated Shares (share)</b>	<b>Allocated Amount (RMB)</b>
Products)			
Wuhu Cinda Deleverage Investment Management Partnership (Limited Partnership)	70.65	4,246,284	299,999,964.60
Nuode Asset Management Co., Ltd.	70.65	1,698,513	119,999,943.45
Fortune & Royal Asset Management Co., Ltd.	70.65	16,985,138	1,199,999,999.70
<b>Total</b>		<b>60,966,688</b>	<b>4,307,296,507.20</b>

#### **(IV) Issuance price and pricing principle**

The pricing base date of this issuance is the first day (November 9, 2022) of the issuance period of shares issued by the Company to specific targets.

Pricing principle: The issuance price shall not be less than 80% of the average transaction price of A-shares of the Company in 20 transaction days before the pricing base date. The average share transaction price in 20 transaction days before the pricing base date = total share transaction amount in the 20 transaction days before the pricing base date/total transaction volume in the 20 transaction days before the pricing base date.

Hunan Qiyuan Law Firm witnessed the whole process of subscription quotation. According to the results of investors' subscription quotations and the procedures and rules for determining the issuance price, issuance targets and number of shares allotted according to the Invitation for Subscription, the issuance price is determined as RMB 70.65/share, which is 1.10 times the base price.

#### **(V) Number of shares issued**

According to the Issuer's issuance plan, the number of A-shares issued this time shall not exceed 60,966,688 (including this number and the number disclosed in the

plan for issuing shares by the Issuer to specific targets), and the raised funds shall not exceed the total amount disclosed in the plan.

The final number of shares issued to specific targets was 60,966,688, which did not exceed the maximum number approved by the Board of Directors and the General Meeting of Shareholders and registered with the consent of China Securities Regulatory Commission, and the number of shares issued exceeded 70% of the number of shares proposed to be issued in this issuance plan.

#### **(VI) Raised funds and issuance expenses**

According to the Issuer's issuance plan, the total amount of funds to be raised by issuing shares to specific targets shall not exceed the total amount disclosed in the Plan.

After verification by Baker Tilly China Certified Public Accountants (Special General Partnership), the total amount of funds raised in this issuance is RMB 4,307,296,507.20. After deducting relevant issuance expenses of RMB 34,425,440.28 (excluding tax), the net amount of actually raised funds is RMB 4,272,871,066.92.

#### **(VII) Receipt and verification of raised funds in this issuance**

According to the *Capital Verification Report of Huatai United Securities Co., Ltd.* (TZYZ [2022] No. 44941) issued by Baker Tilly China Certified Public Accountants (Special General Partnership) on November 17, 2022, as of November 16, 2022, Huatai United Securities received a total amount of subscription funds of RMB 4,307,296,507.20 from CNGR for issuing shares to specific targets (including subscription deposits of allotted investors). The above total subscription funds have been fully deposited in the account opened by Huatai United Securities at Zhenhua Sub-branch, Shenzhen Branch of Industrial and Commercial Bank of China Limited.

On November 17, 2022, Huatai United Securities transferred the remaining amount of the said subscription funds after deducting the sponsorship and underwriting fees of the Sponsor (the Co-Lead Underwriter) to the deposit account designated by CNGR. According to the *Capital Verification Report of CNGR Advanced Material Co., Ltd.* (TZYZ [2022] No. 44942) issued by Baker Tilly China Certified Public Accountants (Special General Partnership) on November 17, 2022, as of November 17, 2022, CNGR issued 60,966,688 shares to specific targets this time. The issuance price is RMB 70.65/share, and the total amount of actually raised funds is RMB 4,307,296,507.20. After deducting the issuance expenses of RMB 34,425,440.28 (excluding tax), the net amount of actually raised funds is RMB 4,272,871,066.92, including new share capital of RMB 60,966,688.00 and capital reserve of RMB 4,211,904,378.92.

**(VIII) Establishment of a special account for raised funds and signing of an escrow agreement**

In accordance with the *Measures for the Administration of Registration of Securities Issuance by Listed Companies on GEM (Trial), No. 2 Guidelines for Supervision of Listed Companies - Regulatory Requirements for Management and Use of Funds Raised by Listed Companies*, the *Guidelines for Standardized Operation of Listed Companies on GEM of Shenzhen Stock Exchange*, the *Management System for Raised Funds* formulated by the Company and other relevant regulations, the Company has set up a special account for raised funds and will sign an escrow agreement within one month after the raised funds are in place according to regulations.

**(IX) Registration and custody of shares issued this time**

On November 23, 2022, Shenzhen Branch of China Securities Depository and Clearing Corporation Limited issued the *Confirmation Letter for Acceptance of Share*

*Registration Application* to the Company to confirm that it has accepted the application documents for registration of new shares in this issuance by the Company. After the relevant shares are registered in the account, the Company will be officially included in the register of shareholders of the listed company.

**(X) Issuance targets**

The issuance targets in this issuance are as follows:

**1. Introduction**

**(1) J.P. Morgan Securities plc**

Nature of enterprise: a qualified foreign institutional investor

No. of License for Securities Investment Business of Qualified Foreign Institutional Investors/License for Securities and Futures Business: QF2016EUS309

Registered address: No. 25, Bank Street, Canary Wharf, London, UKE14 5JP

Registered capital: USD 17,546,050,000

Legal representative (person in charge of the branch): Chi Ho Ron Chan

Number of shares subscribed: 1,712,668

Lock-up period: 6 months

**(2) CITIC Securities Company Limited (self-operated)**

Nature of enterprise: Other limited liability company (listed)

Registered address: North Block, Zhuoyue Times Square (Phase II), No. 8, Zhongxin 3rd Road, Futian District, Shenzhen City, Guangdong Province

Registered capital: RMB 14,820,546,829

Legal representative: Zhang Youjun

Scope of business: securities brokerage (limited to regions outside Shandong Province, Henan Province and Tiantai County and Cangnan County, Zhejiang Province); securities investment consulting; financial consulting in connection with securities transaction and investment activities; underwriting and sponsorship of securities; self-operated securities; securities asset management; securities margin trading; securities investment fund consignment; consignment of financial products; stock option market making; market making and transaction of listed securities.

Number of shares subscribed: 2,448,690

Lock-up period: 6 months

**(3) China Asset Management Co., Ltd.**

Nature of enterprise: limited liability company (Sino-foreign joint venture)

Registered address: No. A3 Courtyard, Anqing Avenue, Shunyi District, Beijing

Registered capital: RMB 238 million

Legal representative: Yang Minghui

Scope of business: (I) fund raising; (II) fund sales; (III) asset management; (IV) assets management for specific customers; (V) other businesses approved by China Securities Regulatory Commission. (The market entity shall independently choose the business items and perform the business activities according to law, and shall carry out business activities upon approval of applicable departments with regard to the items that are subject to approval according to law. The market entity shall not engage in business activities prohibited and restricted by the industrial policies of China and the city.)

Number of shares subscribed: 1,953,290

Lock-up period: 6 months

**(4) Caitong Fund Management Co., Ltd.**

Nature of enterprise: Other limited liability company

Registered address: Room 505, No. 619, Wusong Road, Hongkou District, Shanghai

Registered capital: RMB 200 million

Legal representative: Wu Linhui

Scope of business: fund raising, fund sales, asset management for specific customers, asset management and other businesses permitted by China Securities Regulatory Commission. (The items that are subject to approval by law shall be operated only after being approved by relevant departments.)

Number of shares subscribed: 3,637,650

Lock-up period: 6 months

**(5) Kong Qingfei**

ID card No.: 3301.....317

Gender: Male

Nationality: Chinese

Address: No. 5, Jiuhaopu, Dongjiangzui Village, Shuangpu Town, Xihu District, Hangzhou City, Zhejiang Province

Type of investor: ordinary investor

Number of shares subscribed: 1,698,513

Lock-up period: 6 months

**(6) Ningxiang Economic and Technological Development Zone Construction Investment Co., Ltd.**

Nature of enterprise: limited liability company (solely state-owned)



Registered address: 10F, Entrepreneurship Service Building, No. 2, Jinzhou Avenue, Ningxiang Economic and Technological Development Zone, Changsha City

Registered capital: RMB 2.3 billion

Legal representative: Zhang Tianri

Scope of business: urban construction and other industrial investment, shantytown renovation investment, construction, land consolidation, construction of water conservancy works and sales of building materials. (The items that are subject to approval by law shall be operated only after being approved by relevant departments.)

Number of shares subscribed: 1,698,513

Lock-up period: 6 months

**(7) GF Securities Co. Ltd.**

Nature of enterprise: Limited liability company (listed, invested or controlled by natural person)

Registered address: Room 618, No. 2, Tengfei First Street, Sino-Singapore Guangzhou Knowledge City, Huangpu District, Guangzhou City, Guangdong Province

Registered capital: RMB 7,621,087,664

Legal representative: Lin Chuanhui

Scope of business: securities brokerage; securities investment consulting; financial consulting in connection with securities trading and investment activities; underwriting and sponsorship of securities; self-operated securities; securities margin trading; consignment of securities investment funds; custody of securities investment funds; intermediate introduction services for futures companies; consignment of financial products; stock option market making. (The items that are subject to

approval by law shall be operated only after being approved by relevant departments.)

Number of shares subscribed: 4,416,135

Lock-up period: 6 months

**(8) China Life Asset Management Co., Ltd. (ZGRSZG - Bank of China - GSZC-PIPE2020 Insurance Asset Management Products Allocated)**

Nature of enterprise: Other limited liability company

Registered address: 14-18F, China Life Center, No. 17, Finance Avenue, Xicheng District, Beijing

Registered capital: RMB 4 billion

Legal representative: Wang Junhui

Scope of business: management and use of self-owned funds; entrusted or commissioned asset management business; consulting services related to the above businesses; other assets management businesses permitted by national laws and regulations. (The items that are subject to approval according to laws shall be operated only after relevant approvals are obtained from relevant departments) (The enterprise shall independently choose the business items and perform the business activities according to the law, and shall perform business activities upon approval of applicable departments with regard to the items operated upon approval according to the law. The enterprise shall not engage in business activities prohibited and restricted by the industrial policies of this city.)

Number of shares subscribed: 2,830,856

Lock-up period: 6 months

**(9) China Life Asset Management Co., Ltd. (China Life Insurance Co., Ltd. - Traditional-General Insurance Products -005L-CT001 S Allocated)**

Nature of enterprise: Other limited liability company

Registered address: 14-18F, China Life Center, No. 17, Finance Avenue, Xicheng District, Beijing

Registered capital: RMB 4 billion

Legal representative: Wang Junhui

Scope of business: management and use of self-owned funds; entrusted or commissioned asset management business; consulting services related to the above businesses; other assets management businesses permitted by national laws and regulations. (The items that are subject to approval according to laws shall be operated only after relevant approvals are obtained from relevant departments) (The enterprise shall independently choose the business items and perform the business activities according to the law, and shall perform business activities upon approval of applicable departments with regard to the items operated upon approval according to the law. The enterprise shall not engage in business activities prohibited and restricted by the industrial policies of this city.)

Number of shares subscribed: 1,698,513

Lock-up period: 6 months

**(10) CITIC Securities Company Limited (ZG)**

Nature of enterprise: Other limited liability company (listed)

Registered address: North Block, Zhuoyue Times Square (Phase II), No. 8, Zhongxin 3rd Road, Futian District, Shenzhen City, Guangdong Province

Registered capital: RMB 14,820,546,829

Legal representative: Zhang Youjun

Scope of business: securities brokerage (limited to regions outside Shandong

Province, Henan Province and Tiantai County and Cangnan County, Zhejiang Province); securities investment consulting; financial consulting in connection with securities transaction and investment activities; underwriting and sponsorship of securities; self-operated securities; securities asset management; securities margin trading; securities investment fund consignment; consignment of financial products; stock option market making; market making and transaction of listed securities.

Number of shares subscribed: 3,722,576

Lock-up period: 6 months

**(11) UBS AG**

Nature of enterprise: a qualified foreign institutional investor

No. of License for Securities Investment Business of Qualified Foreign Institutional Investors/License for Securities and Futures Business: QF2003EUSO01

Registered address: Bahnhofstrasse 45, 8001 Zurich, Switzerland and Aeschenvorstadt 1, 4051 Basel, Switzerland

Registered capital: CHF 385,840,847

Legal representative (person in charge of the branch): Fang Dongming

Number of shares subscribed: 3,712,628

Lock-up period: 6 months

**(12) Guotai Junan Securities Co., Ltd.**

Nature of enterprise: Other limited liability company (listed)

Registered address: No. 618 Shangcheng Road, China (Shanghai) Pilot Free Trade Zone

Registered capital: RMB 8,906,671,631

Legal representative: He Qing

Scope of business: securities brokerage; self-operated securities; underwriting and sponsorship of securities; securities investment consulting; financial consulting in connection with securities trading and investment activities; securities margin trading business; consignment of securities investment funds; consignment of financial products; intermediate introduction service for futures companies; stock option market making business; other businesses approved by China Securities Regulatory Commission. (The items that are subject to approval by law shall be operated only after being approved by relevant departments.)

Number of shares subscribed: 1,712,668

Lock-up period: 6 months

**(13) Central Enterprise Rural Industry Investment Fund Co., Ltd.**

Nature of enterprise: Limited liability company (unlisted, state-controlled)

Registered address: Room 1007, 10F, High-tech Building, No. 1, Nanbinhe Road, Guang'anmenwai, Xicheng District, Beijing

Registered capital: RMB 30,955,930,854

Legal representative: Li Ruge

Scope of business: fund management; investment in resource development, industrial park construction, new urbanization development and pension, medical treatment and health industries in poverty-stricken areas; investment consulting and investment management. (The market entity shall independently choose the business items and perform the business activities according to law, and shall carry out business activities upon approval of applicable departments with regard to the items that are subject to approval according to law. The market entity shall not engage in business activities prohibited and restricted by the industrial policies of China and the

city.)

Number of shares subscribed: 3,397,027

Lock-up period: 6 months

**(14) First State Cinda Fund Management Co., Ltd.**

Nature of enterprise: limited liability company (Sino-foreign joint venture)

Registered address: L1001, China Resources Tower, No. 2666, Keyuan South Road, Haizhu Community, Yuehai Street, Nanshan District, Shenzhen

Registered capital: RMB 100 million

Legal representative: Zhu Yongqiang

Scope of business: management of publicly offered securities investment funds, fund sales and asset management for specific customers.

Number of shares subscribed: 1,698,513

Lock-up period: 6 months

**(15) Dajia Asset Management Co., Ltd. (Dajia Asset -Blue-chip Selected No. 5 Collective Asset Management Products Allocated)**

Nature of enterprise: Limited liability company (solely invested by legal person)

Registered address: Room 1001-63, 10F, Building A9, Finance Avenue, Xicheng District, Beijing

Registered capital: RMB 600 million

Legal representative: He Xiaofeng

Scope of business: entrusted management of RMB and foreign-currency funds entrusted by the clients; management and use of self-owned RMB and foreign-currency funds; development of insurance asset management product business;

consulting services related to asset management business; other businesses approved by China Banking and Insurance Regulatory Commission (CBIRC); businesses approved by other departments under the State Council. (The enterprise shall independently choose the business items and perform the business activities according to the law, and shall perform business activities upon approval of applicable departments with regard to the items operated upon approval according to the law. The enterprise shall not engage in business activities those prohibited and restricted by the industrial policies of this city.)

Number of shares subscribed: 1,698,513

Lock-up period: 6 months

**(16) Wuhu Cinda Deleverage Investment Management Partnership (Limited Partnership)**

Nature of enterprise: limited partnership

Registered address: Room 17407, 17F, Binjiang Commercial Building, No. 1, Guanlan Road, Jinghu District, Wuhu City

Registered capital: RMB 5.001 billion

Executive partner: Cinda Capital Management Co., Ltd. (appointed representative: Zhou Liyan)

Scope of business: industrial investment, investment management and investment consulting. (Without the approval of financial and other regulatory authorities, it is not allowed to engage in financial services such as raising deposits from the public, financing guarantees and wealth management on behalf of the clients) (For items that are subject to approval according to law, business activities can be carried out only after being approved by relevant departments)

Number of shares subscribed: 4,246,284

Lock-up period: 6 months

**(17) Nuode Asset Management Co., Ltd.**

Nature of enterprise: Other limited liability company

Registered address: 18/F, No. 99 Fucheng Road, China (Shanghai) Pilot Free Trade Zone

Registered capital: RMB 100 million

Legal representative: Pan Fuxiang

Scope of business: (I) initiation, establishment and sales of securities investment funds; (II) management of securities investment funds; other businesses approved by China Securities Regulatory Commission. (The items that are subject to approval by law shall be operated only after being approved by relevant departments.)

Number of shares subscribed: 1,698,513

Lock-up period: 6 months

**(18) Fortune & Royal Asset Management Co., Ltd.**

Nature of enterprise: Other limited liability company

Registered address: Room J20 of 1101, 11F, Nansha Finance Building, No. 171 Haibin Road, Nansha District, Guangzhou City, Guangdong Province

Registered capital: RMB 200 million

Legal representative: Yang Xiaozhou

Scope of business: management of publicly offered securities investment funds, fund sales and asset management for specific customers.

Number of shares subscribed: 16,985,138

Lock-up period: 6 months



## **2. Relationship between issuance targets and the Issuer**

The issuance targets participating in the inquiry of shares issued to specific targets make commitments when submitting the *Quotation to Purchase*: The Company/I and the final subscriber do not include the controlling shareholder/largest shareholder, actual controller, directors, supervisors, senior executives of the Issuer and the Co-Lead Underwriter and their related parties that control or exert significant influence. The Company/I and the final subscriber do not accept the guaranteed income or disguised guaranteed income commitments made by the Issuer and its controlling shareholder/largest shareholder, actual controller and major shareholders, nor do they accept financial assistance or other compensation directly provided by the aforesaid entities or through stakeholders; and guarantee to cooperate with the Co-Lead Underwriter in verifying the Company's/my identity. If the Company belongs to a privately offered investment fund regulated by the *Securities Investment Fund Law of the People's Republic of China*, the *Interim Measures for Supervision and Administration of Privately Offered Investment Funds* and the *Measures for the Registration of Private Investment Fund Managers and Fund Filing (Trial)*, or is involved in a privately offered asset management plan regulated by the *Administrative Measures for Private Asset Management Business of Securities and Futures Institutions*, the registration of private equity fund managers and the establishment of private equity fund products or filing of private equity asset management plans have been completed in accordance with the above laws and regulations.

The Co-Lead Underwriter and the lawyers for this issuance have checked the relevant issuance targets for the proposed placement and the final investors. After verification, it is believed that, the controlling shareholder/largest shareholder, actual controller, directors, supervisors and senior executives of the Issuer and the Co-Lead Underwriter as well as their related parties that control or exert significant influence did not directly or indirectly participate in the issuance and subscription of shares

issued by CNGR to specific targets; the Issuer and its controlling shareholder/largest shareholder, actual controller and major shareholders made no guaranteed income or disguised guaranteed income commitment to the issuance targets, and provided no financial assistance or compensation to the issuance targets directly or through a stakeholder.

### **3. Major transactions between the issuance targets and their related parties and the Company in the last year**

In the last year, there was no major transaction between the issuance targets and their related parties and the Company. For possible future transactions, the Company will perform corresponding internal approval decision-making procedures and make full information disclosure in strict accordance with the requirements of the *Articles of Association* and relevant laws and regulations.

### **4. Future Transaction Arrangements between the Issuance Targets and its Related Parties and the Company**

After the completion of this Issuance, the business relationship between CNGR and its controlling shareholder/the first majority shareholder, actual controller and related parties and the listed company will not change. As of the signing date of this Listing Announcement, the Company has no new related party transaction arrangement with the Subscriber due to this Issuance. For possible future transactions, the Company will perform corresponding decision-making procedures and make full disclosure of information in strict accordance with the requirements of the *Articles of Association* and relevant laws and regulations.

## **(XI) Conclusive Opinions on Compliance of the Sponsor and the Co-Lead Underwriter**

### **1. Description of the Compliance of Pricing Process in this Issuance**

Upon verification, the Sponsor and the Co-Lead Underwriter believe that "The issuance process of this Issuance complies with relevant laws and regulations, as well as the requirements for approval of registration by the Board of Directors, General Meeting of Shareholders and China Securities Regulatory Commission; the inquiry, pricing and share allotment processes of this Issuance comply with the relevant provisions of laws, regulations, rules and normative documents such as the *Company Law*, the *Securities Law*, the *Measures for the Administration of the Offering and Underwriting of Securities*, the *Administrative Measures for the Registration of the Issuance of Securities by Listed Companies on GEM (Trial)*, and the *Detailed Rules for the Implementation of Issuance and Underwriting Business of Securities of Listed Companies on GEM of Shenzhen Stock Exchange*."

## 2. Description of the Compliance of Target Selection in this Issuance

Upon verification, the Sponsor and the Co-Lead Underwriter believe that "The selection of subscribers in this Issuance is fair and impartial, which conforms to the interests of the Company and all its shareholders, and complies with the provisions of relevant laws and regulations such as the *Administrative Measures for the Registration of the Issuance of Securities by Listed Companies on GEM (Trial)*, the *Measures for the Administration of the Offering and Underwriting of Securities*, and the *Detailed Rules for the Implementation of Issuance and Underwriting Business of Securities of Listed Companies on GEM of Shenzhen Stock Exchange*. The issuance target does not include the controlling shareholder/the first majority shareholder, actual controller, directors, supervisors, senior executives of the Co-Lead Underwriter and the Issuer and their related parties that control or exert significant influence. The listed company and its controlling shareholder/first majority shareholder, actual controller and major shareholders have not made a commitment or disguised commitment to guarantee the minimum guaranteed income to the issuance target, nor has they provided financial assistance or other compensation directly or through a

stakeholder to the issuance target. The matters of this Issuance are clearly in line with the requirements of the reported issuance plan."

## **(XII) Conclusive Opinions on Compliance of the Issuer's Counsel**

The Issuer's Counsel believes that:

1. The Issuer has obtained all necessary approvals and authorizations required by law in connection with this Issuance;

2. The process of this Issuance complies with the relevant provisions of laws, regulations and normative documents such as the *Measures for the Administration of the Underwriting*, the *Measures for the Administration of the Registration* and the *Detailed Implementation Rules*, and the issuance results are fair and impartial;

3. The issuance targets of this Issuance comply with the relevant provisions of laws, regulations and normative documents such as the *Measures for the Administration of the Underwriting*, the *Measures for the Administration of the Registration* and the *Detailed Implementation Rules*, as well as the relevant requirements of the issuance plan reviewed and approved by the General Meeting of Shareholders of the Company, and have the corresponding subject qualifications of subscribers;

4. The contents of the relevant documents such as the *Invitation to Subscribe*, the *Quotation to Purchase*, the *Payment Notice* and the *Subscription Contract* in this Issuance comply with the relevant provisions of laws, regulations and normative documents such as the *Measures for the Administration of the Underwriting*, the *Measures for the Administration of the Registration* and the *Detailed Implementation Rules*, which are legal and valid;

5. The Issuer shall also go through the formalities for securities registration of new shares involved in this Issuance, as well as the registration and filing for the industrial and commercial change to increase the registered capital and amend the *Articles of Association*.

## **III. Listing of New Shares in this Issuance**

### **(I) Approval for Listing of New Shares**

On November 23, 2022, China Securities Depository and Clearing Corporation Limited Shenzhen Branch issued the *Confirmation Letter for Acceptance of Share Registration Application* to the Company to confirm that it has accepted the application documents for registration of new shares in this issuance by the Company. After the relevant shares are registered in the account, the Company will be officially included in the register of shareholders of the listed company.

### **(II) Stock Abbreviation, Stock Code and Listing Location of New Shares**

The new shares have the stock abbreviation of CNGR, stock code of 300919, and the listing location at Shenzhen Stock Exchange.

### **(III) Listing Time of New Shares**

The new shares are listed on November 30, 2022.

### **(IV) Restricted Sale Arrangement of New Shares**

18 The lock-up period of the shares subscribed by 18 issuance targets is 6 months from the date of listing of the new shares, and the shares are expected to be listed on May 30, 2023.

## **IV. Listing of New Shares in this Issuance**

### **(I) Information on the Top Ten Shareholders of the Company before this Issuance**

As of September 30, 2022, the top ten shareholders of the Company are as follows:

No.	Name of Shareholder	Number of Shares (share)	Percentage of Shares (%)	Number of Restricted Shares (share)
1	Hunan CNGR Holding Group Co., Ltd.	344,000,000	56.42	344,000,000
2	Deng Weiming	20,911,000	3.43	20,911,000
3	Beijing Junlian Shengyuan Equity Investment Partnership (Limited Partnership)	16,569,342	2.72	3,380,000
4	Tongren Hongxin Chengda Enterprise Management Consulting Partnership (Limited Partnership)	12,180,000	2.00	12,180,000
5	Qianhai Equity Investment Fund (Limited Partnership)	11,470,000	1.88	11,470,000
6	Hong Kong Securities Clearing Company Limited	11,020,773	1.81	-
7	Xiamen Jianfa Xinxing Venture Capital Co., Ltd. - Xiamen Jianfa Emerging Industry Equity Investment No. 2 Partnership (Limited Partnership)	8,090,000	1.33	8,090,000
8	Industrial and Commercial Bank of China Limited - ABC-CA New Energy Themed Flexible Allocation Hybrid Securities Investment Fund	7,830,657	1.28	-
9	Guizhou Guixin Ruihe Venture Capital Management Co., Ltd. - Guizhou New Kinetic Energy Industry Investment Fund Partnership (Limited Partnership)	7,630,000	1.25	-
10	Tongren Hengsheng Lineng Enterprise Management Consulting Partnership (Limited Partnership)	6,698,900	1.10	-
<b>Total</b>		<b>446,400,672</b>	<b>73.22</b>	<b>400,031,000</b>

**(II) Information on the Top Ten Shareholders of the Company after this Issuance**

According to the *Detailed Data Sheet of Top 10 Consolidated General Accounts and Securities Margin Credit Accounts* issued by China Securities Depository and Clearing Corporation Limited Shenzhen Branch, the top ten shareholders of the Company and their shareholding are as follows as of November 23, 2022:

No.	Name of Shareholder	Number of Shares (share)	Percentage of Shares (%)	Number of Restricted Shares (share)
1	Hunan CNGR Holding Group Co., Ltd.	344,000,000	51.29%	344,000,000
2	Deng Weiming	20,911,000	3.12%	20,911,000
3	Beijing Junlian Shengyuan Equity Investment Partnership (Limited Partnership)	16,569,342	2.47%	3,380,000
4	Tongren Hongxin Chengda Enterprise Management Consulting Partnership (Limited Partnership)	12,180,000	1.82%	12,180,000
5	Qianhai Equity Investment Fund (Limited Partnership)	11,470,000	1.71%	11,470,000
6	Hong Kong Securities Clearing Company Limited	10,469,350	1.56%	-
7	Central Enterprise Rural Industry Investment Fund Co., Ltd.	9,487,027	1.41%	9,487,027
8	Xiamen Jianfa Xinxing Venture Capital Co., Ltd. - Xiamen Jianfa Emerging Industry Equity Investment No. 2 Partnership (Limited Partnership)	8,090,000	1.21%	8,090,000
9	Guizhou Guixin Ruihe Venture Capital Management Co., Ltd. - Guizhou New Kinetic Energy Industry Investment Fund Partnership (Limited Partnership)	7,630,000	1.14%	-
10	Industrial and Commercial Bank of China Limited -	6,966,457	1.04%	-

No.	Name of Shareholder	Number of Shares (share)	Percentage of Shares (%)	Number of Restricted Shares (share)
	ABC-CA New Energy Themed Flexible Allocation Hybrid Securities Investment Fund			
<b>Total</b>		<b>447,773,176</b>	<b>66.77%</b>	<b>409,518,027</b>

### (III) Changes in Shareholding by the Directors, Supervisors and Senior Management Personnel

The directors, supervisors and senior executives of the Company are not involved in this subscription, and the number of shares held by such directors, supervisors and senior executives remains unchanged before and after this Issuance.

### (IV) Effect of Changes in Shares on Earnings Per Share and Net Assets Per Share

Category	Before Issuance (RMB/share)		After Issuance (RMB/share)	
	January-September 2022/ September 30, 2022	End of 2021/2021	January-September 2022/ September 30, 2022	End of 2021/2021
Basic earnings per share	1.78	1.64	1.62	1.40
Net assets per share	18.11	16.23	22.83	21.03

Note 1: The data before issuance is derived from the Company's 2021 Annual Financial Report and 2022 Third Quarter Financial Report;

Note 2: The net assets per share after the issuance are calculated by dividing the equity attributable to shareholders of the parent company on December 31, 2021 and September 30, 2022 respectively plus the net funds raised in this Issuance by the total share capital after this issuance. The earnings per share after the issuance are calculated by dividing the net profits attributable to shareholders of the parent company in 2021 and January-September 2022 respectively by the total share capital after this Issuance.

## V. Analysis of Financial and Accounting Information

### (I) Main Financial Data



## 1. Consolidated Balance Sheet (Short Form)

Unit: RMB 10,000

Item	2022.9.30	2021.12.31	2020.12.31	2019.12.31
Current assets	2,397,630.88	1,962,969.00	654,775.16	387,833.23
Non-current assets	1,882,319.04	857,007.23	331,635.95	228,545.73
Total assets	4,279,949.92	2,819,976.23	986,411.11	616,378.96
Current liabilities	1,627,490.04	1,431,797.50	468,009.83	331,884.35
Non-current liabilities	1,271,256.13	325,922.64	134,732.55	73,079.62
Total liabilities	2,898,746.17	1,757,720.14	602,742.38	404,963.97
Shareholders' equity	1,381,203.75	1,062,256.09	383,668.72	211,415.00
Shareholders' equity attributable to shareholders of the listed company	1,103,894.71	983,249.30	383,668.72	211,415.00

## 2. Consolidated Income Statement (Short Form)

Unit: RMB 10,000

Item	January - September 2022	Year 2021	Year 2020	Year 2019
Operating income	2,228,581.21	2,007,249.13	743,962.41	531,121.28
Operating profit	129,986.16	106,704.22	46,787.07	21,230.94
Total profit	130,678.19	106,775.74	47,561.72	21,192.85
Net profit	108,603.69	93,819.92	42,015.94	17,982.70
Net profit attributable to shareholders of the listed company	108,469.86	93,895.21	42,015.94	17,982.70

## 3. Consolidated Cash Flow Statement (Short Form)

Unit: RMB 10,000

Item	January - September 2021	Year 2020	Year 2019	Year 2018
Net cash flow from operating activities	-581,398.00	-165,873.86	46,358.78	-25,064.24
Net cash flows from investing activities	-982,997.72	-517,142.20	-93,730.32	-60,466.23
Net cash flows from financing activities	1,491,885.11	1,126,457.26	196,343.56	112,318.07
Net increase in cash and cash equivalents	-67,528.39	443,242.80	148,749.56	27,018.43

#### 4. Key financial indicators

Project/Year	2021.9.30	2020.12.31	2019.12.31	2018.12.31
Current ratio	1.05	1.40	1.17	0.89
Quick ratio	0.73	1.09	0.86	0.67
Asset-liability ratio (parent company)	63.48%	42.03%	40.79%	82.27%
Asset-liability ratio (consolidated statement)	77.86%	61.10%	65.70%	88.00%
Project/Year	January - September 2021	Year 2020	Year 2019	Year 2018
Accounts receivable turnover (times)	8.02	7.21	8.26	8.72
Inventory turnover (times)	5.64	5.15	5.62	5.83
Weighted average return on net assets	18.22	17.97	16.00	18.81
Net assets per share (calculated according to the owner's equity attributable to the listed company, in RMB)	8.04	6.74	4.12	6.86
Basic earnings per share (RMB/share)	1.34	0.82	0.40	-
Net cash flow per share generated from operating activities	-1.27	0.81	-0.49	-2.92

(RMB)				
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Key Financial Indicators	2022.9.30	2021.12.31	2020.12.31	2019.12.31
Current ratio (times)	1.47	1.37	1.4	1.17
Quick ratio (times)	1.07	1.03	1.09	0.86
Asset-liability ratio (parent company)	59.70%	47.61%	42.03%	40.79%
Asset-liability ratio (consolidated standard)	67.73%	62.33%	61.10%	65.70%
Key Financial Indicators	January - September 2022	Year 2021	Year 2020	Year 2019
Accounts receivable turnover (times)	5.78	6.99	7.21	8.26
Inventory turnover (times)	4.63	5.65	5.15	5.62
Weighted average return on net assets	10.39	19.89	17.97	16.00
Net assets per share (calculated according to the owner's equity attributable to the listed company, in RMB)	18.11	16.23	6.74	4.12
Basic earnings per share (RMB/share)	1.78	1.64	0.82	0.40
Cash flow per share generated from operating activities (RMB/share)	-9.54	-2.74	0.81	-0.49

Note: The calculation formula of indicators is as follows:

1. Current ratio = current assets/current liabilities;
2. Quick ratio = quick assets/current liabilities = (current assets-inventory)/current liabilities;
3. Asset-liability ratio = total liabilities/total assets;
4. Accounts receivable turnover ratio = operating income/average balance of accounts receivable, with annualized data from January to September 2022, and the formula is as follows: Accounts receivable turnover ratio = (current operating income \*(4/3)) / average balance of accounts receivable;
5. Inventory turnover ratio = operating cost/average balance of inventory, with annualized data from January to September 2022, and the formula is as follows: Inventory turnover ratio = (current operating cost \*(4/3)) / average balance of inventory;

6. Cash flow per share generated from operating activities = net cash flow generated from operating activities / total equity at the end of the period.

## **(II) Management Discussion and Analysis**

### **1. Analysis of Overall Status of Assets and Liabilities**

At the end of each reporting period, the total assets of the Issuer were RMB 6,163,789,600, RMB 9,864,111,100, RMB 28,199,762,300 and RMB 42,799,499,200 respectively, showing an overall upward trend. At the end of each reporting period, the total liabilities of the Issuer were RMB 4,049,639,700, RMB 6,027,423,800, RMB 17,577,201,400 and RMB 28,987,461,700 respectively, showing an overall upward trend.

### **2. Analysis of Debt Repayment Ability**

At the end of each reporting period, the Company has the current ratio of 1.17, 1.40, 1.37 and 1.47 respectively, quick ratio of 0.86, 1.09, 1.03 and 1.07 respectively, and asset-liability ratio (consolidated standard) of 65.70%, 61.10%, 62.33% and 67.73% respectively. During the reporting period, the current ratio and quick ratio of the Company were basically consistent with those of comparable companies in the same industry. In 2020, the Company raised funds in place in IPO, with the sharp increase of the monetary capital. The growth rate of current assets was greater than that of current liabilities, and the current ratio and quick ratio increased accordingly.

During the reporting period, the Company had a relatively high asset-liability ratio, which decreased in 2020, mainly due to the fact that the funds raised by IPO of the Company in 2020 were in place, which reduced the asset-liability ratio through equity financing and optimized the Company's asset-liability structure. At the end of 2021 and the end of September 2022, the Company's asset-liability ratio increased compared with that at the end of 2020. The main reason is that with the expansion of business scale, the Company has invested more in new fixed assets, and supported business expansion through various debt

financing methods including short-term loans, long-term loans and issuance of banker's acceptance. As a result, the liabilities such as short-term borrowings, long-term borrowings, accounts payable and notes payable increased accordingly.

In the future, with the continuous improvement of the Company's profitability, expansion of financing channels and gradual reduction of financing costs after listing, various debt repayment indicators of the Company will show an overall trend of improvement.

### **3. Analysis of Operation Capacity**

During the reporting period, the Company's accounts receivable turnover ratio was relatively high, mainly due to the facts that the sales outstanding ability of the Company was strong and the Company's customers were of high quality, and the aging of accounts receivable of major customers was mostly within three months. During the reporting period, the accounts receivable turnover ratio decreased slightly, mainly due to the rapid growth of orders with the release of the Company's production capacity and the increase of downstream demand, resulting in the average balance of accounts receivable at the end of the period growing faster than the operating income in the current period.

During the reporting period, the Company's inventory turnover ratio was higher than the average level of the industry, mainly due to the effective control of inventory scale and reasonable arrangement of inventory level. In 2020, the Company's inventory turnover ratio showed a slight downward trend, mainly due to the rapid expansion of the Company's business scale and the corresponding increase in the stock volume of related raw materials and inventory goods.

## **VI. Relevant Institutions for the Issuance and Listing of New Shares**

### **(I) Sponsor (Co-lead Underwriter)**

<b>Huatai United Securities Co., Ltd.</b>	
Legal representative:	Jiang Yu
Sponsor Representative:	Dong Ruichao, Jia Guangyu
Project Co-organizer:	Xie Jing
Project members:	Jin Weifeng, Kan Ao, Chai Jun, Huang Peng, Wang Botao, Chen Ziqian, Niu Dongfeng
Office address:	27/F and 28/F, Fund Building, No. 5999 Yitian Road, Futian District, Shenzhen
Tel:	0755-81902000
Fax:	0755-81902020

**(II) Co-Lead Underwriter**

<b>China International Capital Corporation</b>	
Team leader:	Shen Rujun
Team members:	Lei Lei, Li Fei, Dong Licheng, Liu Lirui, Wen Pengchen, Liu Jiasi, Liu Qi, Xu Xiaoran
Office address:	27/F and 28/F, Block 2, China World Tower, No. 1, Jianguomenwai Avenue, Chaoyang District, Beijing
Tel:	010-65051166
Fax:	010-65051156

**(III) Co-Lead Underwriter**

<b>Goldman Sachs Gao Hua Securities Co., Ltd.</b>	
Team leader:	Suo Lihui
Team members:	Yuan Shuai, Wang Haoze, Zhang Jiaming, Zhao Tianyu
Office address:	Rooms 1807-1819, 18/F, Winland International Finance Centre, No. 7, Financial Street, Xicheng District, Beijing
Tel:	010-66273481
Fax:	010-66273300

**(IV) Issuer's Counsel**

<b>Hunan Qiyuan Law Firm</b>	
Team leader:	Ding Shaobo
Responsible lawyers:	Li Rong, Peng Li, Xu Ye
Office address:	63/F, Shimao Global Financial Center, No. 393, Jianxiang Road, Furong District, Changsha, Hunan Province
Tel:	0731-82953778
Fax:	0731-82953779

**(V) Auditor**

<b>Baker Tilly China Certified Public Accountants (Special General Partnership)</b>	
Team leader:	Qiu Jingzhi
Certified Public Accountant:	Liu Zhiqing, Zeng Chunwei, Chen Gui, Fu Chenggang, Bin Yin
Office address:	Building 12, Foreign Cultural and Creative Garden, No. 19 Chegongzhuang West Road, Haidian District, Beijing
Tel:	010-88827799
Fax:	010-88018737

**(VI) Capital Verification Institution**

<b>Baker Tilly China Certified Public Accountants (Special General Partnership)</b>	
Team leader:	Qiu Jingzhi
Certified Public Accountant:	Fu Chenggang, Bin Yin
Office address:	Building 12, Foreign Cultural and Creative Garden, No. 19 Chegongzhuang West Road, Haidian District, Beijing
Tel:	010-88827799
Fax:	010-88018737

**VII. Recommendations on Listing of the Sponsor**

**(I) Signature of Sponsorship Agreement and Appointment of Sponsor Representative**

The Company and Huatai United Securities Co., Ltd. have concluded the *Underwriting Agreement between CNGR Advanced Material Co., Ltd. and Huatai United Securities Co., Ltd., China International Capital Corporation Limited and Goldman Sachs Gao Hua Securities Co., Ltd. on Issuance of Shares to Specific Targets by CNGR Advanced Material Co., Ltd. in 2022* and the *Sponsorship Agreement between Huatai United Securities Co., Ltd. and CNGR Advanced Material Co., Ltd. on Issuance of Shares to Specific Targets in 2022*.

Huatai United Securities has appointed Dong Ruichao and Jia Guangyu as the sponsor representatives of CNGR Advanced Material Co., Ltd. and this Issuance to be responsible for the listing of this Issuance and continuous supervision after the issuance of shares.

Mr. Dong Ruichao: Director of Investment Banking Business Line of Huatai United Securities Co., Ltd., Sponsor Representative and Non-practicing Member of the Chinese Institute of Certified Public Accountants. The projects he has presided over or participated in include the IPO of CNGR, Shenzhen Dynanonic Co., Ltd., Beijing New Oriental Star Petrochemical Engineering Co., Ltd., Europol Intelligent Network, Beijing CTJ Information Technology Co., Ltd. and other projects. He has also participated in refinancing projects such as the issuance of convertible bonds by CNGR, Shenzhen Dynanonic Co., Ltd., Zhongke Electric, Ronbay Technology, Shenzhen Senior Technology Material to specific targets, non-public issuance of convertible bonds by GRG Banking, public issuance of convertible bonds by Qixiang Tengda, public issuance of corporate bonds by Guangzhou Radio Group, etc., as well as the financial consulting projects of M-grass Ecology and Environment (Group) Co., Ltd., GRG Banking, Jilin Jinguan Electric Co., Ltd. and CSCEC SCIMEE Sci.& Tech. Co., Ltd.

Ms. Jia Guangyu: Director of Investment Banking Business Line of Huatai United Securities Co., Ltd. and Sponsor Representative. As the on-site leader or main



member of the project team, she has participated in the IPO of Appotronics Corporation Limited, Shenzhen Yanmade Technology Co., Ltd. and HANVO Safety, and the non-public issuance by SF Holding, and issuance by CNGR, Zhongke Electric, Ronbay Technology and Shenzhen Jiang & Associates Creative Design Co., Ltd. to specific targets, as well as the financial consulting projects such as Shenyang Chemical Co., Ltd., SDIC Capital Co., Ltd., YOOZOO GAMES Co., Ltd. and M-grass Ecology and Environment (Group) Co., Ltd.

## **(II) Conclusive Opinions on the Listing of New Shares Issued by the Company Recommended by the Sponsor**

Huatai United Securities Co., Ltd., the Sponsor, believes that CNGR Advanced Material Co., Ltd.'s application for issuing shares to specific targets and listing on the Growth Enterprise Market in 2022 complies with the relevant provisions of laws and regulations such as the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Measures for the Administration of Sponsorship Business for Offering and Listing of Securities*, the *Administrative Measures for the Registration of the Issuance of Securities by Listed Companies on GEM (Trial)*, and the *Rules Governing the Review of Offering and Listing of Stocks by the Companies Listed on the Growth Enterprise Market of Shenzhen Stock Exchange*. The Issuer's securities are eligible for listing on the Shenzhen Stock Exchange. Huatai United Securities Co., Ltd. is willing to sponsor the listing and trading of the Issuer's securities, and assume relevant sponsorship responsibilities.

## **VIII. Other Significant Matters**

None.

## **IX. Documents for Reference**

1. Registration documents approved by China Securities Regulatory Commission;
2. Prospectus, Letter of Sponsorship for Issuance and Due Diligence Report of the Sponsor issued by the Sponsor;
3. Legal opinions and counsel's work reports issued by the counsel;
4. Report of the Sponsor and the Co-Lead Underwriter on the compliance of issuance process to specific targets and compliance of subscribers in this Issuance;
5. Legal opinions of the counsel on the compliance of issuance process to specific targets and compliance of subscribers in this Issuance;
6. Capital verification report issued by the accounting firm;
7. Other documents required by Shenzhen Stock Exchange and other important documents related to this Issuance.

(This page has no text and is the seal page of the Announcement of CNGR Advanced Material Co., Ltd. on Issuing Shares to Specific Targets and Listing on GEM)

CNGR Advanced Material Co., Ltd. (Seal)

November 28, 2022