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Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the prospectus dated March 9, 2022 (the “**Prospectus**”) issued by Arrail Group Limited (the “**Company**”).

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities. This announcement is not a prospectus. Potential investors should read the Prospectus for detailed information about the Company and the Global Offering described below before deciding whether or not to invest in the Offer Shares.

This announcement is not for release, publication, distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia) or to any person (as defined in Regulation S under the U.S. Securities Act of 1933, as amended from time to time, (the “**U.S. Securities Act**”)) (“**U.S. Persons**”) or any other jurisdiction where such distribution is prohibited by law. This announcement does not constitute or form a part of any offer to sell or solicitation to purchase or subscribe for securities in the United States or in any other jurisdiction. The Offer Shares have not been and will not be registered under the U.S. Securities Act or securities law of any state or other jurisdiction of the United States and may not be offered, sold, pledged or transferred within the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. There will be no public offer of the Offer Shares in the United States. The Offer Shares are being offered and sold (1) solely to qualified institutional buyers as defined in Rule 144A under the U.S. Securities Act pursuant to an exemption from registration under the U.S. Securities Act and (2) outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act.

In connection with the Global Offering, Morgan Stanley Asia Limited, as the stabilizing manager (the “**Stabilizing Manager**”), or any person acting for it, on behalf of the Underwriters, may over-allocate or effect transactions with a view to stabilizing or supporting the market price of the Shares at a level higher than that which might otherwise prevail for a limited period after the Listing Date. However, there is no obligation on the Stabilizing Manager, or any person acting for it, to conduct any such stabilizing action, which, if taken, will be conducted 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 the 30th day after the last day for lodging applications under the Hong Kong Public Offering (being Wednesday, April 13, 2022). Such stabilization action, if taken, may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws, rules and regulatory requirements, including the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong), as amended, made under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Potential investors should be aware that 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 Wednesday, April 13, 2022, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering. After this date, no further stabilizing action may be taken, and demand for the Shares and the price of the Shares could fall.

Potential investors of the Offer Shares should note that the Joint Representatives (for themselves and on behalf of the Hong Kong Underwriters) shall be entitled to terminate the Hong Kong Underwriting Agreement with immediate effect upon the occurrence of any of the events set out in the section headed “Underwriting – Underwriting Arrangements and Expenses – Hong Kong Public Offering – Grounds for Termination” in the Prospectus at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date (which is currently expected to be on Tuesday, March 22, 2022).

In connection with the Global Offering, the Company is expected to grant the Over-allotment Option to the International Underwriters. Pursuant to the Over-allotment Option, the International Underwriters will have the right, exercisable by the Joint Representatives (on behalf of the International Underwriters) at any time from the Listing Date until 30th day after the last day for lodging applications under the Hong Kong Public Offering (being Wednesday, April 13, 2022), to require the Company to issue not more than 15% of the Offer Shares initially available under the Global Offering at the Offer Price to cover over-allocations in the International Offering, if any.



Arrail Group Limited
瑞爾集團有限公司

(Incorporated in the British Virgin Islands with limited liability and continued in the Cayman Islands)

GLOBAL OFFERING

Number of Offer Shares under the : 46,527,500 Shares (subject to the
Global Offering Over-allotment Option)
Number of Hong Kong Offer Shares : 4,653,000 Shares (subject to reallocation)
Number of International Offer Shares : 41,874,500 Shares (subject to reallocation
and the Over-allotment Option)
Offer Price : HK\$14.62 per Share, plus brokerage of
1.0%, SFC transaction levy of 0.0027%,
FRC transaction levy of 0.00015% and
Stock Exchange trading fee of 0.005%
(payable in full on application in
Hong Kong Dollars and subject to refund)
Nominal Value : US\$0.02 per Share
Stock Code : 6639

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

Morgan Stanley



Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers



Joint Bookrunners and Joint Lead Managers



**IMPORTANT NOTICE TO INVESTORS:
FULLY ELECTRONIC APPLICATION PROCESS**

We have adopted a fully electronic application process for the Hong Kong Public Offering. We will not provide printed copies of the Prospectus or printed copies of any application forms to the public in relation to the Hong Kong Public Offering.

The Prospectus is available at the website of the Stock Exchange at www.hkexnews.hk under the “HKEXnews > New Listings > New Listing Information” section, and our website at www.arrailgroup.com. If you require a printed copy of the Prospectus, you may download and print from the website addresses above.

To apply for the Hong Kong Offer Shares, you may:

- (1) apply online through the **White Form eIPO** service at www.eipo.com.hk; or
- (2) apply through the **CCASS EIPO** service to electronically cause HKSCC Nominees to apply on your behalf, including by:
 - (i) instructing 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; or
 - (ii) (if you are an existing **CCASS Investor Participant**) giving **electronic application instructions** through the CCASS Internet System (<https://ip.ccass.com>) or through the CCASS Phone System by calling +852 2979 7888 (using the procedures in HKSCC’s “An Operating Guide for Investor Participants” in effect from time to time). HKSCC can also input **electronic application instructions** for CCASS Investor Participants through HKSCC’s Customer Service Centre at 1/F, One & Two Exchange Square, 8 Connaught Place, Central, Hong Kong by completing an input request.

We will not provide any physical channels to accept any application for the Hong Kong Offer Shares by the public. The contents of the electronic version of the Prospectus are identical to the printed Prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

If you are an intermediary, broker or agent, please remind your customers, clients or principals, as applicable, that the Prospectus is available online at the website addresses above.

Please refer to the section headed “How to Apply for Hong Kong Offer Shares” in the Prospectus for further details of the procedures through which you can apply for the Hong Kong Offer Shares electronically.

Your application through the **White Form eIPO** service or **CCASS EIPO** Service must be for a minimum of 500 Hong Kong Offer Shares and in one of the numbers set out in the table. You are required to pay the amount next to the number you select.

Arrail Group Limited (Stock Code 6639)
(HK\$14.62 per Hong Kong Offer Share)

NUMBER OF HONG KONG OFFER SHARES THAT MAY BE APPLIED FOR AND PAYMENTS

No. of Hong Kong Offer Shares applied for	Amount payable on application <i>HK\$</i>	No. of Hong Kong Offer Shares applied for	Amount payable on application <i>HK\$</i>	No. of Hong Kong Offer Shares applied for	Amount payable on application <i>HK\$</i>	No. of Hong Kong Offer Shares applied for	Amount payable on application <i>HK\$</i>
500	7,383.68	8,000	118,138.79	70,000	1,033,714.34	1,000,000	14,767,347.67
1,000	14,767.34	9,000	132,906.13	80,000	1,181,387.81	1,200,000	17,720,817.21
1,500	22,151.02	10,000	147,673.48	90,000	1,329,061.29	1,400,000	20,674,286.74
2,000	29,534.69	15,000	221,510.22	100,000	1,476,734.76	1,600,000	23,627,756.27
2,500	36,918.37	20,000	295,346.95	200,000	2,953,469.54	1,800,000	26,581,225.80
3,000	44,302.04	25,000	369,183.70	300,000	4,430,204.30	2,000,000	29,534,695.34
3,500	51,685.72	30,000	443,020.43	400,000	5,906,939.07	2,326,500 ⁽¹⁾	34,356,234.35
4,000	59,069.39	35,000	516,857.18	500,000	7,383,673.84		
4,500	66,453.07	40,000	590,693.91	600,000	8,860,408.60		
5,000	73,836.74	45,000	664,530.65	700,000	10,337,143.37		
6,000	88,604.09	50,000	738,367.39	800,000	11,813,878.13		
7,000	103,371.43	60,000	886,040.86	900,000	13,290,612.91		

(1) Maximum number of Hong Kong Offer Shares you may apply for.

No application for any other number of the Hong Kong Offer Shares will be considered and any such application is liable to be rejected.

THE LISTING APPLICATION

We have applied to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in (i) the Shares in issue (including the Shares to be converted from the preferred shares of the Company); and (ii) the Shares to be issued pursuant to the Global Offering (including the additional Shares which may be issued pursuant to the exercise of the Over-allotment Option).

STRUCTURE OF THE GLOBAL OFFERING

The Global Offering comprises:

- the Hong Kong Public Offering of initially 4,653,000 Offer Shares (subject to reallocation) in Hong Kong, representing approximately 10% of the total number of Offer Shares initially available under the Global Offering; and
- the International Offering of initially 41,874,500 Offer Shares (subject to reallocation and the Over-allotment Option), representing approximately 90% of the total number of 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 reallocation as described in the section headed “Structure and Conditions of the Global Offering” in the Prospectus.

In particular, subject to the requirements under Practice Note 18 of the Listing Rules and Guidance Letter HKEX-GL91-18, the Joint Sponsors and the Joint Representatives may, at their discretion, reallocate the 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 allocation is done other than pursuant to the clawback mechanism as described in the section headed “Structure and Conditions of the Global Offering – The Hong Kong Public Offering – Reallocation and clawback”, the maximum total number of Offer Shares that may be allocated to the Hong Kong Public Offering following such reallocation shall be not more than double the number of Offer Shares initially available to the Hong Kong Public Offering (i.e. 9,306,000 Offer Shares, representing approximately 20% of the total number of Offer Shares initially available under the Global Offering).

In connection with the Global Offering, the Company is expected to grant the Over-allotment Option to the International Underwriters, exercisable by the Joint Representatives (on behalf of the International Underwriters), at any time from the Listing Date until 30th day after the last day for lodging applications under the Hong Kong Public Offering (being Wednesday, April 13, 2022), to require the Company to issue up to an aggregate of 6,979,000 additional Offer Shares, representing not more than 15% of the total number of Offer Shares initially available under the Global Offering, at the Offer Price under the International Offering to cover over-allocations in the International Offering, if any. In the event the Over-allotment Option is exercised, we will make an announcement which will be posted on the website of the Stock Exchange (www.hkexnews.hk) and on our website (www.arrailgroup.com), respectively.

PRICING

The Offer Price will be HK\$14.62 per Offer Share. Applicants for the Offer Shares are required to pay, on application, the Offer Price of HK\$14.62 per Offer Share together with brokerage of 1.0%, SFC transaction levy of 0.0027%, FRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.005%.

EXPECTED TIMETABLE

Hong Kong Public Offering commences 9:00 a.m. on Wednesday, March 9, 2022

Latest time for completing electronic applications
under **White Form eIPO** service through
the designated website www.eipo.com.hk 11:30 a.m. on
Monday, March 14, 2022

Application lists open 11:45 a.m. on
Monday, March 14, 2022

Latest time for (a) completing payment for
White Form eIPO applications by
effecting internet banking transfer(s) or PPS
payment transfer(s) and (b) giving **electronic**
application instructions to HKSCC 12:00 noon on
Monday, March 14, 2022

If you are instructing 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 are advised to contact your **broker** or **custodian** for the latest time for giving such instructions which may be different from the latest time as stated above.

Application lists close 12:00 noon on
Monday, March 14, 2022

Announcement of the level of indications 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 on our
website at www.arrailgroup.com and the
website of the Stock Exchange
at www.hkexnews.hk on or before Monday, March 21, 2022

The results of allocations in the Hong Kong Public Offering (with successful applicants' identification document numbers, where appropriate) to be available through a variety of channels, including:

- in the announcement to be posted on our website and the website of the Stock Exchange at www.arrailgroup.com and www.hkexnews.hk, respectively Monday, March 21, 2022
- from the designated results of allocations website at www.iporeresults.com.hk (alternatively: English <https://www.eipo.com.hk/en/Allotment>; Chinese <https://www.eipo.com.hk/zh-hk/Allotment>) with a "search by ID" function from 8:00 a.m. on Monday, March 21, 2022 to 12:00 midnight on Sunday, March 27, 2022
- from the allocation results telephone enquiry by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. on Monday, March 21, 2022 to Thursday, March 24, 2022

Share certificates in respect of wholly or partially successful applications to be dispatched/collected or deposited into CCASS on or before Monday, March 21, 2022

White Form e-Refund payment instructions/refund checks wholly or partially unsuccessful applications to be dispatched/collected on or before Monday, March 21, 2022

Dealings in the Shares on the Stock Exchange expected to commence at 9:00 a.m. on Tuesday, March 22, 2022

Note: All dates and times refer to Hong Kong local dates and times, except as otherwise stated.

SETTLEMENT

Subject to the granting of the approval for 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 as may be determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second settlement day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements have been made to enable the Shares to be admitted into CCASS.

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.

ELECTRONIC APPLICATION CHANNELS

White Form eIPO service

You may submit your application through the **White Form eIPO** service through the designated website at www.eipo.com.hk (24 hours daily, except on the last day for application) from 9:00 a.m. on Wednesday, March 9, 2022 until 11:30 a.m. on Monday, March 14, 2022 and the latest time for completing full payment of application monies in respect of such applications will be 12:00 noon on Monday, March 14, 2022, the last day for applications, or such later time as described in the section headed “How to Apply for Hong Kong Offer Shares – 10. Effect of bad weather on the opening and closing of the application lists” in the Prospectus.

CCASS EIPO

CCASS Clearing/Custodian Participants can input **electronic application instructions** at the following times on the following dates:⁽¹⁾

Wednesday, March 9, 2022	– 9:00 a.m. to 8:30 p.m.
Thursday, March 10, 2022	– 8:00 a.m. to 8:30 p.m.
Friday, March 11, 2022	– 8:00 a.m. to 8:30 p.m.
Monday, March 14, 2022	– 8:00 a.m. to 12:00 noon

CCASS Investor Participants can input **electronic application instructions** from 9:00 a.m. on Wednesday, March 9, 2022 until 12:00 noon on Monday, March 14, 2022 (24 hours daily, except on Monday, March 14, 2022, the last day for applications).

The latest time for inputting your **electronic application instructions** will be 12:00 noon on Monday, March 14, 2022, the last day for applications, or such later time as described in the section headed “How to Apply for Hong Kong Offer Shares – 10. Effect of bad weather on the opening and closing of the application lists” in the Prospectus.

Note:

- (1) The times in this subsection are subject to change as HKSCC may determine from time to time with prior notification to CCASS Clearing Participants, CCASS Custodian Participants and/or CCASS Investor Participants.

If you are instructing 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 are advised to contact your **broker** or **custodian** for the latest time for giving such instructions which may be different from the latest time as stated above.

The application monies (including the brokerage fees, SFC transaction levy, FRC transaction levy and the Stock Exchange trading fee) will be held by the receiving bank and on behalf of the Company after the closing of the application lists and the refund monies, if any, will be returned to the applicants without interest on or before Monday, March 21, 2022.

Please refer to the sections headed “Structure and Conditions 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.

PUBLICATION OF RESULTS

We expect to announce the level of indications 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 on Monday, March 21, 2022 on our website at www.arrailgroup.com and the website of the Stock Exchange at www.hkexnews.hk.

The results of allocations and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants (where applicable) under the Hong Kong Public Offering will be available through a variety of channels at the times and date and in the manner specified in the section headed “How to Apply for Hong Kong Offer Shares – Publication of Results” in the Prospectus.

If an application is rejected, not accepted or accepted in part only, or if the conditions of the Global Offering as set out in the section headed “Structure and Conditions of the Global Offering – The International Offering – Conditions of the Hong Kong Public Offering” in the Prospectus are not satisfied or if any application is revoked, the application monies, or the appropriate portion thereof, together with the related brokerage, SFC transaction levy, FRC transaction levy and the Stock Exchange trading fee, will be refunded, without interest. Any refund of the application monies will be made on or before Monday, March 21, 2022.

No temporary documents of title will be issued in respect of the Offer Shares and no receipt will be issued for sums paid on application. Share certificates will only become valid at 8:00 a.m. on Tuesday, March 22, 2022 (Hong Kong time), provided that the Global Offering has become unconditional in all respects and neither of the Underwriting Agreements has been terminated in accordance with their respective terms at or before that time.

Assuming the Global Offering becomes unconditional at or before 8:00 a.m. on Tuesday, March 22, 2022 (Hong Kong time), dealings in the Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Tuesday, March 22, 2022 (Hong Kong time). The Shares will be traded in board lots of 500 Shares each. The stock code of the Shares will be 6639.

By order of the Board
Arrail Group Limited
Zou Qifang
Chairman

Hong Kong, March 9, 2022

As at the date of this announcement, the Board comprises Mr. Zou Qifang as Chairman and executive Director, Ms. Qin Jessie Xin, Mr. Zhang Jincai and Mr. Zou Jianlong as executive Directors, and Ms. Liu Xiaomei Michelle, Mr. Sun Jian, and Mr. Zhang Bang as independent non-executive Directors.