

ANNOUNCEMENT OF OFFER PRICE AND ALLOTMENT RESULTS

SUMMARY

FINAL OFFER PRICE

- The final Offer Price has been set at HK\$29.00 per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).

NET PROCEEDS FROM THE GLOBAL OFFERING

- Based on the final Offer Price of HK\$29.00 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deduction of the underwriting commissions and other estimated expenses payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$705.1 million. The Company intends to apply such net proceeds in accordance with the purposes as set out in the section headed “Net Proceeds from the Global Offering” in this announcement.
- If the Over-allotment Option is exercised in full, we will receive additional net proceeds of approximately HK\$114.0 million for 4,181,700 additional Shares to be issued upon the exercise of the Over-allotment Option.

APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED

Hong Kong Public Offering

- The Hong Kong Offer Shares initially offered under the Hong Kong Public Offering have been moderately over-subscribed. A total of 11,087 valid applications have been received pursuant to the Hong Kong Public Offering through the **HK eIPO White Form** service and through the **CCASS EIPO** service for a total of 7,917,400 Hong Kong Offer Shares, representing approximately 2.84 times of the total number of 2,787,800 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering. A total number of 7,659 Shareholders have been allocated Offer Shares under the Hong Kong Public Offering, 6,304 of which have been allocated one board lot of Shares.
- As the over-subscription in the Hong Kong Public Offering is less than 15 times of the number of the Offer Shares initially available for subscription under the Hong Kong Public Offering, the reallocation procedure as disclosed in the section headed “*Structure of the Global Offering – Pricing and Allocation – Reallocation*” in the Prospectus has not been applied.
- The final number of Offer Shares under the Hong Kong Public Offering is 2,787,800 Offer Shares, representing 10% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option), and being allocated to 7,659 successful applicants under the Hong Kong Public Offering.

INTERNATIONAL OFFERING

- The Offer Shares initially offered under the International Offering were moderately over-subscribed, representing approximately 4.4 times of the total number of Offer Shares initially available under the International Offering. The final number of Offer Shares under the International Offering is 25,090,200 Shares, representing 90% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option).
- There has been an over-allocation of 4,181,700 Offer Shares in the International Offering and the total number of placees under the International Offering is 106. A total number of 69 placees have been allotted five board lots of Shares or less, representing approximately 65.10% of the total number of placees under the International Offering. These placees have been allotted 16,000 Shares in total, representing approximately 0.06% of the Offer Shares available under the International Offering (before any exercise of the Over-allotment Option) and 0.06% of the Offer Shares under the Global Offering (before any exercise of the Over-allotment Option). The Directors confirm that no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after completion of the Global Offering.

Cornerstone Investors

- Based on the final Offer Price of HK\$29.00 per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) and pursuant to the cornerstone investment agreements with the Cornerstone Investors as set out in the section headed “*Cornerstone Investors*” in the Prospectus, the Cornerstone Investors have subscribed for a total of 11,241,300 Offer Shares at the final Offer Price with an aggregate subscription amount of US\$42 million (approximately HK\$326 million), representing (a) approximately 4.88% of the Company’s issued share capital immediately upon completion of the Global Offering and (b) 40.32% of the number of Offer Shares under the Global Offering, in each case assuming the Over-allotment Option is not exercised and no Share is issued under the Pre-IPO Share Option Plan. For details of the information about the identities of the Cornerstone Investors, the number of Offer Shares subscribed for by them, the confirmation about their independence and the lock-up arrangement, please refer to the section headed “International Offering – Cornerstone Investors” below.

Placees with the Consent under Paragraph 5(1) of Placing Guidelines

- The Company has applied to the Stock Exchange for, and the Stock Exchange has granted to the Company, a consent under paragraph 5(1) of Appendix 6 to the Listing Rules (the “**Placing Guidelines**”) to permit the Company to allocate Offer Shares under the International Offering to the placees set out in the section headed “International Offering – Placees with the Consent under Paragraph 5(1) of Placing Guidelines” in this announcement.

Over-allotment Option

- In connection with the Global Offering, the Company has granted to the International Underwriters the Over-allotment Option, exercisable by the Joint Representatives for themselves and on behalf of the International Underwriters, within 30 days from the last day for lodging applications under the Hong Kong Public Offering (the last day for exercise of the Over-allotment Option being Sunday, January 2, 2022) to require us to allot and issue up to an aggregate of 4,181,700 additional Offer Shares, representing not more than 15% of the Offer Shares initially available under the Global Offering, at the final Offer Price, to cover over-allocations in the International Offering, if any. There has been an over-allocation of 4,181,700 Offer Shares in the International Offering and such over-allocation will be settled using Shares to be borrowed under the Stock Borrowing Agreement. Such borrowed Shares will be covered by exercising the Over-allotment Option or by making purchases in the secondary market at prices that do not exceed the Offer Price or by a combination of these means. In the event the Over-allotment Option is exercised, an announcement will be made on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.gstzy.cn. As of the date of this announcement, the Over-allotment Option has not been exercised.

LOCK-UP UNDERTAKINGS

- The Company, the Controlling Shareholders, the Principal Shareholders, the Pre-IPO Investors (except Celestial City, Wumianshan Ltd., Ershisimianshan Holdings Limited and Ershijiumianshan Holdings Limited) and the Cornerstone Investors are subject to certain lock-up undertakings as set out in the section headed "Lock-up Undertakings" in this announcement.

RESULTS OF ALLOCATIONS

- The level of indications of interests 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 will be published on Thursday, December 9, 2021 in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) and on the websites of the Company at www.gstzy.cn and the Stock Exchange at www.hkexnews.hk.
- The results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offering successfully applied for through the **HK eIPO White Form** service or through the **CCASS EIPO** service, including the Hong Kong identity card numbers, passport numbers, Hong Kong business registration numbers, certificate of incorporation numbers or beneficial owner identification codes of successful applicants (where supplied) and the number of the Hong Kong Offer Shares successfully applied for, will be made available at the times and dates and in the manner specified below:

- in the announcement to be posted on the Company’s website at www.gstzy.cn and the Stock Exchange’s website at <http://www.hkexnews.hk>, respectively, by no later than 9:00 a.m. on Thursday, December 9, 2021. Please note that the list of identification document numbers in this announcement may not be a complete list of successful applicants since only successful applicants whose identification document numbers are provided to HKSCC by CCASS Participants are disclosed. Applicants with beneficial names only but not identification document numbers are not disclosed due to personal privacy issue as elaborated below. Applicants who applied for the Offer Shares through their brokers can consult their brokers to enquire about their application result;
 - from the “IPO Results” function in the **IPO App** and the designated results of allocations website at www.tricor.com.hk/ipo/result or www.hkeipo.hk/IPOResult with a “search by ID function” on a 24 hour basis from 8:00 a.m. on Thursday, December 9, 2021 to 12:00 midnight on Wednesday, December 15, 2021; and
 - from the allocation results telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. from Thursday, December 9, 2021 to Tuesday, December 14, 2021 (excluding Saturday, Sunday and public holiday in Hong Kong).
- This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed “Results of Applications Made by **HK eIPO White Form**” refer to Hong Kong identity card numbers/passport numbers/Hong Kong business registration numbers/certificate of incorporation numbers/beneficial owner identification codes (if such applications are made by nominees as agent for the benefit of another person) whereas those displayed in the section headed “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” are provided by CCASS Participants via CCASS. Therefore, the identification document numbers shown in the two sections are different in nature.
 - Since applications are subject to personal information collection statements, beneficial owner identification codes displayed in the sections headed “Results of Applications Made by **HK eIPO White Form**” and “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” are redacted and not all details of applications are disclosed in this announcement.

DISPATCH/COLLECTION OF SHARE CERTIFICATES/e-AUTO REFUND PAYMENT INSTRUCTIONS/REFUND CHEQUES

- Applicants who have applied for 1,000,000 Hong Kong Offer Shares or more through the **HK eIPO White Form** service and who have been wholly successfully or partially successfully allocated Hong Kong Offer Shares may collect Share certificate(s) (where applicable) in person from the Hong Kong Share Registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong from 9:00 a.m. to 1:00 p.m. on Thursday, December 9, 2021 or any other place or date notified by the Company in the newspapers as the date of dispatch or collection of Share certificates.

- Applicants being individuals who are eligible for personal collection cannot authorize any other person to make collection on their behalf. Corporate applicants which are eligible for personal collection must attend by their authorised representatives bearing letters of authorisation from their corporations stamped with the corporations' chops. Both individuals and authorised representatives (if applicable) must produce, at the time of collection, evidence of identity acceptable to Tricor Investor Services Limited.
- Applicants who apply for less than 1,000,000 Hong Kong Offer Shares through the **HK eIPO White Form** service, will have their Share certificate(s) (where applicable) sent to the address specified in their application instructions on or before Thursday, December 9, 2021 by ordinary post and at their own risk.
- Share certificates for Hong Kong Offer Shares allotted to applicants who applied through the **HK eIPO White Form** service, which are either not eligible for personal collection, or which are eligible but are not collected in person within the time specified for collection, are expected to be despatched by ordinary post to those entitled to the addresses specified in the relevant applications at their own risk on or before Thursday, December 9, 2021.
- Wholly or partially successful applicants who applied by giving **electronic application instructions** to HKSCC will have their Share certificate(s) issued in the name of HKSCC Nominees Limited and deposited directly into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participant who gave **electronic application instructions** on their behalf on Thursday, December 9, 2021 or on any other date determined by HKSCC or HKSCC Nominees.
- Applicants who applied through a designated CCASS Participant (other than a CCASS Investor Participant) should check the number of Hong Kong Offer Shares allocated to them with that CCASS Participant.
- Applicants who applied as a CCASS Investor Participant by giving **electronic application instructions** to HKSCC via CCASS should check the announcement made by the Company and report any discrepancies to HKSCC before 5:00 p.m. on Thursday, December 9, 2021 or such other date as shall be determined by HKSCC or HKSCC Nominees. Applicants who applied as a CCASS Investor Participant may also check the number of Hong Kong Offer Shares allocated to them and the amount of refund monies (if any) payable to them via the CCASS Phone System and the CCASS Internet System (under the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time). Immediately after the crediting of the Hong Kong Offer Shares to the CCASS Investor Participants stock accounts and the credit of refund monies to the CCASS Investor Participants bank accounts, HKSCC will also make available to the CCASS Investor Participants an activity statement showing the amount of Hong Kong Offer Shares credited to their CCASS Investor Participant stock accounts and the refund amount credited to their respective designated bank accounts (if any).

- For applicants who have applied for the Hong Kong Offer Shares through the **HK eIPO White Form** service and paid the application monies through a single bank account, refund monies (if any) will be despatched to their application payment bank account in the form of e-Auto Refund payment instructions on or before Thursday, December 9, 2021. For applicants who have applied for the Hong Kong Offer Shares through the **HK eIPO White Form** service and paid the application monies through multiple bank accounts, refund monies (if any) will be despatched to the addresses specified on the **HK eIPO White Form** applications in the form of refund cheque(s) in favour of the applicant (or, in the case of joint applications, the first-named applicant) by ordinary post and at their own risk on or before Thursday, December 9, 2021.
- Refund monies (if any) for applicants who applied by giving **electronic application instructions** to HKSCC via CCASS are expected to be credited to the relevant applicants' designated bank accounts or the designated bank accounts of their broker or custodian on Thursday, December 9, 2021.
- Share certificates will only become valid certificates of title at 8:00 a.m. on Friday, December 10, 2021 provided that the Global Offering has become unconditional in all respects at or before that time and the right of termination as described in the paragraph headed "*Underwriting – Underwriting Arrangements and Expenses – Hong Kong Public Offering – Grounds for Termination*" in the Prospectus has not been exercised. Investors who trade Shares on the basis of publicly available allocation details or prior to the receipt of the Share certificates or prior to the Share certificates becoming valid do so entirely at their own risk.
- The Company will not issue any temporary documents of title in respect of the Hong Kong Offer Shares. No receipt will be issued for application monies received.

PUBLIC FLOAT

- The Company confirms that immediately after the completion of the Global Offering, 133,514,426 Shares, representing approximately 57.95% of the issued share capital of the Company will count towards the public float (assuming the Over-allotment Option is not exercised) and is expected to satisfy the minimum percentage prescribed by Rule 8.08 of the Listing Rules.

COMMENCEMENT OF DEALINGS IN THE SHARES

- Assuming that the Global Offering becomes unconditional in all aspects at or before 8:00 a.m. on Friday, December 10, 2021, dealings in the Shares on the Main Board of the Stock Exchange are expected to commence at 9:00 a.m. on Friday, December 10, 2021. The Shares will be traded in board lots of 100 Shares each. The stock code of the Shares is 2273.

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could move substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.

FINAL OFFER PRICE

The final Offer Price has been set at HK\$29.00 per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).

NET PROCEEDS OF THE GLOBAL OFFERING

Based on the final Offer Price of HK\$29.00 per Share, the net proceeds from the Global Offering to be received by the Company, after deduction of the underwriting commissions and other estimated expenses payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$705.1 million (assuming the Over-allotment Option is not exercised). The Company currently intends to apply such net proceeds for the following purposes:

- approximately HK\$492.0 million (or approximately 69.8% of the net proceeds) to expand our offline and online operations and enhance the integration between them;
- approximately HK\$68.0 million (or approximately 9.6% of the net proceeds) will be used to enhance our research and development capabilities, including the research and development of in-hospital preparation and TCM solution packages;
- approximately HK\$68.0 million (or approximately 9.6% of the net proceeds) will be used to strengthen our supply chain capability, including upgrading our existing decocting centers and establishing new decocting centers according to our business expansion plan and setting up our own GMP facility in mid to long term based on business needs;
- approximately HK\$34.8 million (or approximately 4.9% of the net proceeds) for marketing and branding activities; and
- Approximately HK\$42.3 million (or approximately 6.0% of the net proceeds) for working capital and general corporate purposes.

If the Over-allotment Option is exercised in full, the Company will receive additional net proceeds of approximately HK\$114.0 million for the 4,181,700 additional Shares to be issued upon the exercise of the Over-allotment Option.

For further information, please refer to the section headed “*Future Plans and Use of Proceeds*” in the Prospectus.

APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED

The Hong Kong Public Offering

The Hong Kong Offer Shares initially offered under the Hong Kong Public Offering have been moderately over-subscribed. A total of 11,087 valid applications have been received pursuant to the Hong Kong Public Offering through the **HK eIPO White Form** service and through the **CCASS EIPO** service for a total of 7,917,400 Hong Kong Offer Shares, representing approximately 2.84 times of the total number of 2,787,800 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering, among which:

- 11,077 valid applications in respect of a total of 4,917,400 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$29.00 per Offer Share (excluding brokerage of 1%, SFC transaction levy of 0.0027% and Hong Kong Stock Exchange trading fee of 0.005%) of HK\$5,000,000 or less, representing approximately 3.53 times of the 1,393,900 Hong Kong Offer Shares initially comprised in Pool A of the Hong Kong Public Offering; and
- 10 valid applications in respect of a total of 3,000,000 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$29.00 per Offer Share (excluding brokerage of 1%, SFC transaction levy of 0.0027% and Hong Kong Stock Exchange trading fee of 0.005%) of more than HK\$5,000,000, representing approximately 2.15 times of the 1,393,900 Hong Kong Offer Shares initially comprised in Pool B of the Hong Kong Public Offering.

8 multiple or suspected multiple applications have been identified and rejected. No application has been rejected due to dishonored payments. No application has been rejected due to invalid application. No application for more than 50% of the Hong Kong Offer Shares initially available under the Hong Kong Public Offering (that is, more than 1,393,900 Hong Kong Offer Shares) has been identified. A total number of 7,659 Shareholders have been allocated Offer Shares under the Hong Kong Public Offering, 6,304 of which have been allocated one board lot of Shares.

As the over-subscription in the Hong Kong Public Offering is less than 15 times of the number of the Offer Shares initially available for subscription under the Hong Kong Public Offering, the reallocation procedure as disclosed in the section headed “*Structure of the Global Offering – Pricing and Allocation – Reallocation*” in the Prospectus has not been applied. The final number of Offer Shares under the Hong Kong Public Offering is 2,787,800 Offer Shares, representing 10% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option), and being allocated to 7,659 successful applicants under the Hong Kong Public Offering.

The Hong Kong Offer Shares offered in the Hong Kong Public Offering were conditionally allocated on the basis set out in the paragraph headed “Basis of allotment under the Hong Kong Public Offering” below.

INTERNATIONAL OFFERING

The Offer Shares initially offered under the International Offering were moderately over-subscribed, representing approximately 4.4 times of the total number of Offer Shares initially available under the International Offering. The final number of Offer Shares under the International Offering is 25,090,200 Shares, representing 90% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option). There has been an over-allocation of 4,181,700 Offer Shares in the International Offering and the total number of placees under the International Offering is 106. A total number of 69 placees have been allotted five board lots of Shares or less, representing approximately 65.10% of the total number of placees under the International Offering. These placees have been allotted 16,000 Shares in total, representing approximately 0.06% of the Offer Shares available under the International Offering (before any exercise of the Over-allotment Option) and 0.06% of the Offer Shares under the Global Offering (before any exercise of the Over-allotment Option). The Directors confirm that no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after completion of the Global Offering.

Cornerstone Investors

Based on the final Offer Price of HK\$29.00 per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) and pursuant to the relevant cornerstone investment agreements as disclosed in the section headed “*Cornerstone Investors*” in the Prospectus, the number of Offer Shares subscribed for by the Cornerstone Investors is determined as set out below:

Placee	Number of Offer Shares subscribed	Approximate percentage of Offer Shares in the Global Offering⁽¹⁾	Approximate percentage of total issued share capital immediately following the completion of the Global Offering⁽¹⁾
Foresight Funds	4,014,800	14.40%	1.74%
Boyu	3,211,800	11.52%	1.39%
Sage Partners	2,676,500	9.60%	1.16%
UBS AM Singapore	1,338,200	4.80%	0.58%
Total	11,241,300	40.32%	4.88%

Note:

- (1) Assuming that the Over-allotment Option is not exercised and no Share is issued under the Pre-IPO Share Option Plan.

The Cornerstone Placing will form part of the International Offering and the Cornerstone Investors will not subscribe for any Offer Shares under the Global Offering (other than pursuant to the cornerstone investment agreements). The Offer Shares to be subscribed by the Cornerstone Investors will rank *pari passu* in all respects with the fully paid Shares in issue and will be counted towards the public float of our Company.

To the best knowledge of the Company, (i) each Cornerstone Investor is an independent third party, is not a connected person of the Company and is not an existing Shareholder; (ii) none of the Cornerstone Investors is accustomed to taking instructions from the Company, the Controlling Shareholders, the Directors, chief executive, substantial shareholders, existing Shareholders or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of securities of the issuer; and (iii) none of the subscription of the relevant Offer Shares by any of the Cornerstone Investors is financed by the Company, the Controlling Shareholders, the Directors, chief executive, substantial shareholders, existing Shareholders or any of its subsidiaries or their respective close associates. Immediately following the completion of the Global Offering, none of the Cornerstone Investors will become a substantial shareholder of the Company, and none of the Cornerstone Investors will have any representation on the Board. There are no side arrangements between the Company and the Cornerstone Investors or any benefit, direct or indirect, conferred on the Cornerstone Investors by virtue of or in relation to the Cornerstone Placing other than the guaranteed allocation of the relevant Offer Shares at the final Offer Price.

Each Cornerstone Investor has agreed that without the prior written consent of each of the Company, the Joint Sponsors and the Joint Global Coordinators, it will not, whether directly or indirectly, at any time during the period of six months following the Listing Date (the “**Lock-up Period**”), dispose of any of the relevant Offer Shares or any interest in any company or entity holding any of the relevant Offer Shares including any securities convertible into or exchangeable or exercisable for or that represent the right to receive any of the foregoing securities, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries or affiliates who will be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restrictions.

Please refer to the section headed “*Cornerstone Investors*” in the Prospectus for further details relating to the Cornerstone Investors.

Placees with the Consent under Paragraph 5(1) of Placing Guidelines

Under the International Offering, a total of 1,989,000 the Offer Shares, representing approximately 7.13% of the Offer Shares initially available under the Global Offering, were placed to connected clients of the Joint Global Coordinators, Joint Bookrunners and/or the Underwriters within the meaning of the Placing Guidelines for equity securities as set out in Appendix 6 to the Listing Rules. Each of the connected clients hold the Offer Shares on a discretionary basis on behalf of independent third parties. Details are set out below:

Placee	Bookrunner/ Connected Underwriter	Relationship with the Bookrunner/ Connected Underwriter	Number of Offer Shares Placed	Approximate percentage of Offer Shares in the Global Offering ⁽¹⁾	Approximate percentage of the total issued share capital immediately following completion of the Global Offering ⁽¹⁾
GF Fund Management Co., Ltd.	GF Securities (Hong Kong) Brokerage Limited (“GF Securities”)	GF Fund Management Co., Ltd. is a member of the same group of companies as GF Securities	1,064,000	3.82%	0.46%
E Fund Management Co., Ltd.	GF Securities	GF Securities owns approximately 22.65% interest in E Fund Management Co., Ltd.	800,000	2.87%	0.35%
E Fund Management (Hong Kong) Co., Limited	GF Securities	GF Securities indirectly owns approximately 22.65% interest in E Fund Management (Hong Kong) Co., Ltd.	125,000	0.45%	0.05%

Note:

- (1) Assuming that the Over-allotment Option is not exercised and no Share is issued under the Pre-IPO Share Option Plan.

The Company has applied to the Stock Exchange for, and the Stock Exchange has granted the Company, consent under paragraph 5(1) of the Placing Guidelines to permit the Company to allocate Offer Shares in the International Offering to the above placees. The Shares placed to the above connected clients are held by the connected clients on behalf of independent third parties and are in compliance with all the conditions under the consent granted by the Stock Exchange.

To the best knowledge, information and belief of the Directors, no Offer Shares placed by or through the Joint Sponsors, Joint Global Coordinators, the Joint Bookrunners or the Underwriters under the Global Offering have been placed with applicants who are core connected persons (as defined in the Listing Rules) or directors of the Company, or (save as disclosed above) to any connected clients (as set out in paragraph 5(1) of the Placing Guidelines), or persons set out in paragraph 5(2) of the Placing Guidelines, or their respective close associates, whether in their own names or through nominees. The International Offering is in compliance with the Placing Guidelines.

The Directors confirm that, to the best of their knowledge, information and belief, none of the Offer Shares subscribed by the placees and the public has been financed directly or indirectly by the Company, the Controlling Shareholders, the Directors, chief executive, substantial shareholders, existing Shareholders or any of its subsidiaries or their respective close associates, and none of the placees and the public who has purchased the Offer Shares is accustomed to taking instructions from the Company, the Controlling Shareholders, the Directors, chief executive, substantial shareholders, existing Shareholders or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of Shares registered in his/her/its name or otherwise held by him/her/it.

Over-allotment Option

In connection with the Global Offering, the Company has granted the Over-allotment Option to the International Underwriters, exercisable by the Joint Representatives (for themselves and on behalf of the International Underwriters), at any time from the Listing Date until Sunday, January 2, 2022, the 30th day after the last day for lodging applications under the Hong Kong Public Offering, to require the Company to issue up to an aggregate of 4,181,700 additional Shares, representing not more than 15% of the total number of Offer Shares initially available under the Global Offering, at the final Offer Price under the International Offering to cover over-allocations in the International Offering, if any. The settlement of such over-allocation will be covered by using Shares to be borrowed under the Stock Borrowing Agreement between Action Thrive and the Stabilizing Manager. Such borrowed Shares may be covered by exercising the Over-allotment Option or by making purchases in the secondary market at prices that do not exceed the Offer Price or a combination of these means. There has been an over-allocation of 4,181,700 Shares in the International Offering. As of the date of this announcement, the Over-allotment Option has not been exercised. If the Over-allotment Option is exercised, an announcement will be made on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.gstzy.cn.

LOCK-UP UNDERTAKINGS

The Company, the Controlling Shareholders, the Principal Shareholders, the Pre-IPO Investors (except Celestial City, Wumianshan Ltd., Ershisimianshan Holdings Limited and Ershijiumianshan Holdings Limited) and the Cornerstone Investors have provided certain lock-up undertakings (the “**Lock-up Undertakings**”) in respect of the Shares. The major terms of the Lock-up Undertakings are set out as follows:

Name	Number of Shares subject to the Lock-up Undertakings after Listing ⁽¹⁾	Approximate % of the total issued share capital of the Company following the completion of the Global Offering which are subject to the Lock-up Undertakings after Listing ⁽¹⁾	Last day of the lock-up period
The Company (subject to lock-up obligations pursuant to the Listing Rules, the Hong Kong Underwriting Agreement and the International Underwriting Agreement)	N/A	N/A	June 10, 2022 ⁽²⁾
Controlling Shareholders (subject to lock-up obligations pursuant to the Listing Rules, the Hong Kong Underwriting Agreement and the International Underwriting Agreement)	48,777,572	21.17%	June 10, 2022
The Principal Shareholders	34,872,955	15.14%	June 10, 2022
The Pre-IPO Investors (except Celestial City, Wumianshan Ltd., Ershisimianshan Holdings Limited and Ershijiumianshan Holdings Limited)	116,736,864	50.67%	June 10, 2022
Cornerstone Investors (subject to lock-up obligations pursuant to the relevant cornerstone investment agreements)	11,241,300	4.88%	June 10, 2022 ⁽³⁾

(1) Assuming the Over-allotment Option is not exercised and no Share is issued under the Pre-IPO Share Option Plan.

(2) The Company may issue Shares without any lock-up obligations after the indicated date.

(3) The Cornerstone Investors shall not dispose of their respective the relevant Offer Shares or any interest in any company or entity holding any of the relevant Offer Shares including any securities convertible into or exchangeable or exercisable for or that represent the right to receive any of the foregoing securities for a period of six months from the Listing Date, save for certain special circumstances.

BASIS OF ALLOTMENT UNDER THE HONG KONG PUBLIC OFFERING

Subject to the satisfaction of the conditions set out in the section headed “*Structure of the Global Offering — The Hong Kong Public Offering – Conditions of the Hong Kong Public Offering*” in the Prospectus, applications made by the public through the **HK eIPO White Form** service and the **CCASS EIPO** service will be conditionally allocated on the basis set out below:

Number of Shares applied for	Number of valid applications	Basis of allocation/ballot	Approximate percentage allotted of the total number of shares applied for
POOL A			
100	8,570	5,142 out of 8,570 applicants to receive 100 shares	60.00%
200	518	100 shares	50.00%
300	785	100 shares plus 233 out of 785 applicants to receive an additional 100 shares	43.23%
400	162	100 shares plus 98 out of 162 applicants to receive an additional 100 shares	40.12%
500	183	100 shares plus 155 out of 183 applicants to receive an additional 100 shares	36.94%
600	94	200 shares	33.33%
700	75	200 shares plus 24 out of 75 applicants to receive an additional 100 shares	33.14%
800	51	200 shares plus 29 out of 51 applicants to receive an additional 100 shares	32.11%
900	12	200 shares plus 10 out of 12 applicants to receive an additional 100 shares	31.48%
1,000	174	300 shares	30.00%
1,500	123	400 shares	26.67%
2,000	66	500 shares	25.00%
2,500	12	600 shares	24.00%
3,000	42	700 shares	23.33%
3,500	26	800 shares	22.86%
4,000	21	900 shares	22.50%
4,500	6	1,000 shares	22.22%
5,000	27	1,100 shares	22.00%
6,000	37	1,300 shares	21.67%
7,000	5	1,500 shares	21.43%
8,000	6	1,700 shares	21.25%
9,000	4	1,900 shares	21.11%
10,000	42	2,100 shares	21.00%

Number of Shares applied for	Number of valid applications	Basis of allocation/ballot	Approximate percentage allotted of the total number of shares applied for
POOL A			
20,000	13	3,100 shares	15.50%
30,000	5	4,100 shares	13.67%
40,000	4	5,100 shares	12.75%
50,000	4	6,100 shares	12.20%
60,000	1	7,100 shares	11.83%
70,000	1	8,100 shares	11.57%
80,000	2	9,100 shares	11.38%
100,000	6	11,100 shares	11.10%
Total	<u>11,077</u>	Total number of Pool A successful applicants: 7,649	

POOL B			
200,000	8	93,000 shares	46.50%
400,000	1	185,900 shares	46.48%
1,000,000	1	464,000 shares	46.40%
Total	<u>10</u>	Total number of Pool B successful applicants: 10	

The final number of Offer Shares comprised in the Hong Kong Public Offering is 2,787,800 Offer Shares, representing 10% of the total number of the Offer Shares under the Global Offering (before any exercise of the Over-allotment Option).

The number of Offer Shares comprised in the International Offering is 25,090,200 Offer Shares, which were allocated in full (subject to the Over-allotment Option), representing 90% of the total number of the Offer Shares under the Global Offering (before any exercise of the Over-allotment Option).

RESULTS OF ALLOCATIONS

The results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offering successfully applied for through the **HK eIPO White Form** service or through the **CCASS EIPO** service, including the Hong Kong identity card numbers, passport numbers, Hong Kong business registration numbers, certificate of incorporation numbers or beneficial owner identification codes of successful applicants (where supplied) and the number of the Hong Kong Offer Shares successfully applied for, will be made available at the times and dates and in the manner specified below:

- in the announcement to be posted on the Company’s website at www.gstzy.cn and the Stock Exchange’s website at <http://www.hkexnews.hk>, respectively, by no later than 9:00 a.m. on Thursday, December 9, 2021. Please note that the list of identification document numbers in this announcement may not be a complete list of successful applicants since only successful applicants whose identification document numbers are provided to HKSCC by CCASS Participants are disclosed. Applicants with beneficial names only but not identification document numbers are not disclosed due to personal privacy issue as elaborated below. Applicants who applied for the Offer Shares through their brokers can consult their brokers to enquire about their application result;
- from the “IPO Results” function in the **IPO App** and the designated results of allocations website at www.tricor.com.hk/ipo/result or www.hkeipo.hk/IPOResult with a “search by ID function” on a 24 hour basis from 8:00 a.m. on Thursday, December 9, 2021 to 12:00 midnight on Wednesday, December 15, 2021; and
- from the allocation results telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. from Thursday, December 9, 2021, to Tuesday, December 14, 2021 (excluding Saturday, Sunday and public holiday in Hong Kong).

This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed “Results of Applications Made by **HK eIPO White Form**” refer to Hong Kong identity card numbers/passport numbers/Hong Kong business registration numbers/certificate of incorporation numbers/beneficial owner identification codes (if such applications are made by nominees as agent for the benefit of another person) whereas those displayed in the section headed “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” are provided by CCASS Participants via CCASS. Therefore, the identification document numbers shown in the two sections are different in nature.

Since applications are subject to personal information collection statements, beneficial owner identification codes displayed in the sections headed “Results of Applications Made by **HK eIPO White Form**” and “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” are redacted and not all details of applications are disclosed in this announcement.

SHAREHOLDING CONCENTRATION ANALYSIS

The tables below set out the analysis of shareholding concentration in the International Offering:

Top 1, 5, 10, 20 and 25 of the places in the International Placing:

Placee	Number of shares subscribed for	Number of Shares held upon Listing	Number of Shares subscribed for as percentage of the total number of the International Offer Shares ⁽¹⁾	Number of Shares subscribed for as percentage of the total number of the International Offer Shares ⁽²⁾	Number of Shares subscribed for as percentage of the total number of the Offer Shares ⁽¹⁾	Number of Shares subscribed for as percentage of the total number of the Offer Shares ⁽²⁾	Number of Shares held upon Listing as percentage of the total issued share capital upon Listing ⁽¹⁾	Number of Shares held upon Listing as percentage of the total issued share capital upon Listing ⁽²⁾
Top 1	4,014,800	4,014,800	16.00%	13.72%	14.40%	12.52%	1.74%	1.71%
Top 5	13,533,100	13,533,100	53.94%	46.23%	48.54%	42.21%	5.87%	5.77%
Top 10	20,040,900	20,040,900	79.88%	68.46%	71.89%	62.51%	8.70%	8.54%
Top 20	26,952,300	26,952,300	107.42%	92.08%	96.68%	84.07%	11.70%	11.49%
Top 25	28,394,900	28,394,900	113.17%	97.00%	101.85%	88.57%	12.32%	12.10%

(1) Assuming the Over-allotment Option is not exercised and no Share is issued under the Pre-IPO Share Option Plan.

(2) Assuming the Over-allotment Option is exercised in full and no Share is issued under the Pre-IPO Share Option Plan.

Top 1, 5, 10, 20 and 25 of the Shareholders upon Listing:

Shareholders	Number of shares subscribed for	Number of Shares held upon Listing ⁽¹⁾	Number of Shares held upon Listing ⁽²⁾	Number of Shares subscribed for as percentage of the total number of the International Offer Shares ⁽¹⁾	Number of Shares subscribed for as percentage of the total number of the International Offer Shares ⁽²⁾	Number of Shares subscribed for as percentage of the total number of the Offer Shares ⁽¹⁾	Number of Shares subscribed for as percentage of the total number of the Offer Shares ⁽²⁾	Number of Shares held upon Listing as percentage of the total issued share capital upon Listing ⁽¹⁾	Number of Shares held upon Listing as percentage of the total issued share capital upon Listing ⁽²⁾
Top 1	0	87,891,994	87,891,994	0.00%	0.00%	0.00%	0.00%	38.15%	37.47%
Top 5	0	155,742,061	155,742,061	0.00%	0.00%	0.00%	0.00%	67.60%	66.39%
Top 10	0	196,692,429	196,692,429	0.00%	0.00%	0.00%	0.00%	85.37%	83.85%
Top 20	17,571,300	217,636,912	217,636,912	70.03%	60.03%	63.03%	54.81%	94.46%	92.78%
Top 25	22,044,900	223,046,606	223,046,606	87.86%	75.31%	79.08%	68.76%	96.81%	95.08%

(1) Assuming the Over-allotment Option is not exercised and no Share is issued under the Pre-IPO Share Option Plan.

(2) Assuming the Over-allotment Option is exercised in full and no Share is issued under the Pre-IPO Share Option Plan.

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could move substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.