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AQUILA ACQUISITION CORPORATION

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 7836)

(Warrant Code: 4836)

DE-SPAC TRANSACTION INVOLVING

(1) ISSUE OF UP TO 105,068,250 SUCCESSOR COMPANY CLASS A SHARES TO NON-REDEEMING AQUILA CLASS A SHAREHOLDERS AND 24,109,411 SUCCESSOR COMPANY CLASS A SHARES TO PROMOTERS; AND

(2) ISSUE OF 53,580,000 SUCCESSOR COMPANY CLASS A SHARES PURSUANT TO PIPE INVESTMENTS AND UP TO 100,000,000 SUCCESSOR COMPANY CLASS A SHARES PURSUANT TO PERMITTED EQUITY FINANCING BY THE SUCCESSOR COMPANY

NOTICE OF REDEMPTION OF AQUILA CLASS A SHARES AND AQUILA LISTED WARRANTS

The Successor Company



**Joint Sponsors to the deemed new listing application of the Successor Company,
and Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead
Managers for the PIPE Investments and the Permitted Equity Financing**



**Financial Advisors to the Target Company
(in alphabetical order)**

Moelis



Joint Lead Managers



This announcement is made by Aquila Acquisition Corporation (“**Aquila**”) pursuant to the Listing Rules. Unless defined herein or the context otherwise requires, capitalized terms used in this announcement shall have the same meaning as defined in the circular of Aquila dated February 5, 2025 (the “**Circular**”) in relation to the extraordinary general meeting of Aquila to be held on February 27, 2025 (the “**EGM**”).

AVAILABILITY OF THE LISTING DOCUMENT

Electronic copies of the Circular, which also constitutes the listing document of the Successor Company resulting from the completion of the De-SPAC Transaction, and the Warrantholder Circular are available on the websites of the Stock Exchange at www.hkexnews.hk and Aquila at www.aquilaacq.com.hk.

The EGM and the Listed Warrantholder Meeting will be convened and held on Thursday, February 27, 2025 to consider and, if appropriate, approve, among others, the De-SPAC Transaction and the Proposed Aquila Listed Warrant Amendment. Aquila Shareholders and Aquila Listed Warrantholders should refer to the Circular and the Warrantholder Circular for the purposes of considering the resolutions to be voted on at the EGM and the Listed Warrantholder Meeting.

THE LISTING APPLICATION

The Successor Company has applied to the Stock Exchange for the approval of the listing of, and permission to deal in, the Successor Company Class A Shares (including the Successor Company Class A Shares to be redesignated and reclassified from the Target Company Ordinary Shares, the Successor Company Class A Shares to be issued to the PIPE Investors, the Successor Company Class A Shares to be issued to the non-redeeming Aquila Class A Shareholders, the Successor Company Class A Shares to be issued to the Promoters, the Successor Company Class A Shares to be issued pursuant to the Permitted Equity Financing, the Successor Company Class A Shares to be issued pursuant to the exercise of outstanding options granted under the 2023 Pre-Listing Share Option Scheme, the Successor Company Class A Shares to be issued pursuant to the exercise of Successor Company Warrants and the Successor Company Class A Shares to be issued pursuant to the Promoter Earn-out Right) and the Successor Company Listed Warrants on the Main Board of the Stock Exchange. The approval in-principle has been granted by the Stock Exchange on February 5, 2025. Upon the Closing, the Successor Company Class A Shares and the Successor Company Listed Warrants will become listed on the Main Board of the Stock Exchange.

Assuming the approvals sought at the EGM are obtained and all Conditions are fulfilled or waived (where applicable), it is expected that:

- (1) the last day of dealings in the Aquila Class A Shares in board lots of 105,000 Aquila Class A Shares under the stock short name of “AQUILA ACQ-Z” and the Aquila Listed Warrants in board lots of 52,500 Warrants under the warrant short name of “AQUILA ACQ Z25” on the Main Board of the Stock Exchange will be **Friday, February 28, 2025**; and
- (2) dealings in the Successor Company Class A Shares (including the Successor Company Class A Shares to be redesignated and reclassified from the Target Company Ordinary Shares, the Successor Company Class A Shares to be issued to the PIPE Investors, the Successor Company Class A Shares to be issued to the non-redeeming Aquila Class A Shareholders, the Successor Company Class A Shares to be issued to the Promoters and the Successor Company Class A Shares to be issued pursuant to the Permitted Equity Financing) and the Successor Company Listed Warrants will commence on the Main Board of the Stock Exchange in board lots of 500 Successor Company Class A Shares under stock code 6676 and the stock short name of “ZG GROUP-W” in English and “找鋼集團-W” in Chinese and in board lots of 52,500 Successor Company Listed Warrants under warrant code 2572 and the warrant short name of “ZG GROUP W30” in English and “找鋼集團二零” in Chinese at 9:00 a.m. on **Monday, March 10, 2025**.

Certificates for the Successor Company Class A Shares and the Successor Company Listed Warrants are expected to be dispatched on Friday, March 7, 2025.

Subject to the granting of the listing of, and permission to deal in, the Successor Company Class A Shares and the Successor Company Listed Warrants on the Stock Exchange and the Successor Company's compliance with the stock admission requirements of HKSCC, the Successor Company Class A Shares and the Successor Company Listed Warrants will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in the CCASS with effect from the Listing Date or any other date as determined by HKSCC, and that all activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. All necessary arrangements have been made for enabling the Successor Company Class A Shares and the Successor Company Listed Warrants to be admitted into CCASS.

SHARE REDEMPTION AND WARRANT REDEMPTION

During the period starting on Wednesday, February 5, 2025 and ending at 9:15 a.m. on Thursday, February 27, 2025, the Aquila Class A Shareholders will have the opportunity to elect to redeem all or part of their holdings of Aquila Class A Shares at the Share Redemption Price. The Share Redemption Price is expected to be determined at HK\$10.00 per Aquila Class A Share, being the price at which the Aquila Class A Shares were issued pursuant to Aquila's initial offering. The final Share Redemption Price will be announced by Aquila on Tuesday, February 25, 2025, and payment of the Share Redemption Price to the Redeeming Aquila Shareholders will be completed by Monday, March 17, 2025. The Share Redemption is conditional upon the completion of the De-SPAC Transaction. If the De-SPAC Transaction is not approved or completed for any reason, Aquila will not redeem any Aquila Class A Shares and all Share Redemption requests will be canceled.

During the period starting on Wednesday, February 5, 2025 and ending at 9:00 a.m. on Thursday, February 27, 2025, the Aquila Listed Warrantholders will have the opportunity to elect to redeem all or part of their holdings of Aquila Listed Warrants at the Warrant Redemption Price of HK\$0.10 per Aquila Listed Warrant. Payment of the Warrant Redemption Price to the Redeeming Aquila Warrantholders will be completed by Monday, March 17, 2025. The Warrant Redemption is conditional upon (a) the passing of the ordinary resolution to approve the Proposed Aquila Listed Warrant Amendment by the vote of the holders of at least 50% of the then outstanding Aquila Listed Warrants at the Listed Warrantholder Meeting; and (b) the completion of the De-SPAC Transaction. If the Proposed Aquila Listed Warrant Amendment is not approved or the De-SPAC Transaction is not approved or completed for any reason, Aquila will not redeem any Aquila Listed Warrants and all Warrant Redemption requests will be canceled.

Aquila Shareholders and Warrantholders should refer to the section headed "Important Notice to Aquila Shareholders and Actions to be Taken" in the Circular, the section headed "Letter from the Aquila Board – I. Listed Warrantholder Meeting and Voting" in the Warrantholder Circular, the Share Redemption Election Form and the Warrant Redemption Election Form, which set out details of the actions to be taken and the procedures in relation to voting at the EGM and the Listed Warrantholder Meeting and in relation to the exercise of the right for Share Redemption and the right for Warrant Redemption.

BONUS SHARE ISSUE TO NON-REDEEMING AQUILA SHAREHOLDERS

Immediately following the Effective Time, (i) the Relevant Aquila Class A Shareholders (i.e. Aquila Class A Shareholders (excluding the holders of Aquila Class A Shares issued in connection with the Aquila Class B Conversion, the Redeeming Aquila Shareholders and, if applicable, the Dissenting Aquila Shareholders)) will receive one and five hundredths (1.05) of a newly issued Successor Company Class A Share for every Aquila Class A Share they held immediately prior to the Effective Time, and (ii) holders of Aquila Class A Shares issued in connection with the Aquila Class B Conversion will receive one newly issued Successor Company Class A Share for every Aquila Class A Share they held immediately prior to the Effective Time. No fraction of a Successor Company Class A Share will be issued and the entitlement of each Relevant Aquila Class A Shareholder to receive the Successor Company Class A Shares by virtue of the Merger will be rounded down to the nearest whole number.

The entitlement of the Relevant Aquila Class A Shareholders to receive the Bonus Share, being the additional five hundredths (0.05) of a newly issued Successor Company Class A Share for each Aquila Class A Share held by them, is intended to incentivize the Aquila Class A Shareholders not to exercise their Share Redemption Right and Appraisal Right in connection with the De-SPAC Transaction and to be shareholders of the Successor Company upon completion of the De-SPAC Transaction.

The Bonus Share Issue forms part of the transactions contemplated under the Business Combination Agreement as part of the De-SPAC Transaction, which is subject to the approval of the Aquila Shareholders at the EGM by ordinary resolution. Aquila Shareholders should refer to the section headed “Letter from the Aquila Board – F. The Business Combination Agreement – 2. Bonus Share Issue” in the Circular for details of the Bonus Share Issue and the expected timetable set out in the section headed “Expected Timetable” in the Circular for details of timing of determination of entitlement to the Bonus Shares.

EXPECTED TIMETABLE

Please refer to the expected timetable set out in the section headed “Expected Timetable” in the Circular for further details regarding the timetable.

THE PIPE INVESTMENTS AND THE PERMITTED EQUITY FINANCING

Aquila and the Target Company entered into PIPE Investment Agreements with eight PIPE Investors. Pursuant to the PIPE Investment Agreements, the PIPE Investors have agreed to, by themselves or through their respective Qualified Investment Schemes, subscribe for, and the Successor Company has agreed to issue to the PIPE Investors (or their respective Qualified Investment Schemes, if applicable), the PIPE Investment Shares at the price of HK\$10.00 per PIPE Investment Share. Please refer to the section headed “Letter from the Aquila Board – G. PIPE Investments” in the Circular for details regarding the terms of the PIPE Investments.

From the date of the Business Combination Agreement until the Effective Time, Aquila and the Target Company may (i) enter into one or more agreements with one or more investors for equity subscription on substantially the same terms as the PIPE Investments and/or (ii) enter into a placing agreement with the Overall Coordinators and additional third-party broker(s) for the placement of Successor Company Class A Shares at the price of HK\$10.00 per share to investors for an aggregate subscription amount of up to HK\$1 billion that would constitute a Permitted Equity Financing. The purpose of the Permitted Equity Financing is to satisfy the requirement under Rule 18B.65 of the Listing Rules for there to be a minimum number of 100 Professional Investors at the time of listing of the Successor Company. Details of any Permitted Equity Financing will be announced by Aquila.

WARNINGS

Aquila Class A Shareholders and Warrantholders and potential investors in the securities of Aquila should note that the De-SPAC Transaction and all transactions thereunder are subject to, among other things, compliance with applicable legal and regulatory requirements, including the requirements for approval by shareholders of the companies concerned at general meeting(s) and approval of the Stock Exchange and/or other regulators. Accordingly, there is no certainty as to whether, and if so when, any such proposed transactions will proceed and/or will become effective. If the De-SPAC Transaction is not completed, (i) Aquila will not redeem any Aquila Class A Shares or Aquila Listed Warrants and all Share Redemption and Warrant Redemption requests will be canceled; and (ii) subject to the deadlines under the Listing Rules, the listings of the Aquila Class A Shares and Aquila Listed Warrants on the Stock Exchange will be maintained; however, Aquila may not have sufficient time to identify another de-SPAC target and negotiate a de-SPAC transaction before it is required to wind up as provided for in the Listing Rules.

Aquila Class A Shareholders and Warrantholders and potential investors in the securities of Aquila should exercise caution when dealing in the shares or other securities of Aquila. Any person who is in doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional advisor(s).

By order of the Board
AQUILA ACQUISITION CORPORATION
Rongfeng JIANG
Chairman of the Aquila Board

Hong Kong, February 5, 2025

As at the date of this announcement, the Aquila Board comprises Mr. Rongfeng JIANG as Chairman and Executive Director, Ms. Di LE as Executive Director, Ms. Qian WU and Ms. Xiaoxiao QI as Non-Executive Directors, and Dr. Fangxiong GONG and Mr. Kim Lam NG and Ms. Wenjie WU as Independent Non-Executive Directors.