This section presents certain information regarding our share capital prior to and upon the completion of the [REDACTED].

BEFORE THE [REDACTED]

As of the Latest Practicable Date and immediately prior to the [REDACTED], the registered capital of our Company is RMB360,249,960, comprising 360,249,960 Unlisted Shares with a nominal value of RMB1.00 each.

UPON COMPLETION OF THE [REDACTED]

Assuming that the [REDACTED] is not exercised, the share capital of our Company immediately following the completion of the [REDACTED] and the [REDACTED] of Unlisted Shares into H Shares will be as follows:

Description of Shares	Number of Shares	Approximate %
Unlisted Shares in issue	[REDACTED]	[REDACTED]%
H Shares to be [REDACTED] from Unlisted Shares	[REDACTED]	[REDACTED]%
H Shares to be issued under the [REDACTED]	[REDACTED]	[REDACTED]%
Total	**[REDACTED]**	**[REDACTED]%**

The [REDACTED] of Unlisted Shares into H Shares will involve an aggregate of [REDACTED] Unlisted Shares, representing approximately [REDACTED]% of total issued Shares of the Company upon completion of the [REDACTED] of Unlisted Shares into H Shares and the [REDACTED] (assuming the [REDACTED] is not exercised).

Assuming that the [REDACTED] is fully exercised, the share capital of our Company immediately following the [REDACTED] and the [REDACTED] of certain Unlisted Shares into H Shares will be as follows:

Description of Shares	Number of Shares	Approximate %
Unlisted Shares in issue	[REDACTED]	[REDACTED]%
H Shares to be [REDACTED] from Unlisted Shares	[REDACTED]	[REDACTED]%
H Shares to be issued under the [REDACTED]	[REDACTED]	[REDACTED]%
H Shares to be issued upon full exercise of the [REDACTED]	[REDACTED]	[REDACTED]%
Total	**[REDACTED]**	**[REDACTED]%**

UNLISTED SHARES AND H SHARES

Upon the completion of the [REDACTED] and the [REDACTED] of Unlisted Shares into H Shares, the Shares will consist of Unlisted Shares and H Shares. Unlisted Shares and H Shares are all ordinary Shares in the share capital of our Company and are considered as one class of Shares.

However, apart from certain qualified domestic institutional investors in the PRC, qualified PRC investors under the Shanghai-Hong Kong Stock Connect, the Shenzhen-Hong Kong Stock Connect or other persons who are entitled to hold our H Shares pursuant to the relevant PRC laws and regulations or upon approvals of any competent authorities, including our existing Shareholders who may [REDACTED] their Unlisted Shares into H Shares upon completion of filing with the CSRC, H Shares generally cannot be subscribed for by or traded between legal or natural persons of the PRC. Unlisted Shares can only be subscribed for by and traded between legal or natural PRC persons, qualified foreign institutional investors and foreign strategic investors. H Shares may only be subscribed for and traded in Hong Kong dollars. Unlisted Shares, on the other hand, may only be subscribed for and transferred in Renminbi.

RANKING

The Unlisted Shares and H Shares will rank *pari passu* with each other in all respects and, in particular, will rank equally for all dividends or distributions declared, paid or made after the date of this document. All dividends for H Shares will be denominated and declared in Renminbi, and paid in Hong Kong dollars or Renminbi, whereas all dividends for Unlisted Shares will be paid in Renminbi. Other than cash, dividends could also be paid in the form of shares.

[REDACTED] OF OUR UNLISTED SHARES INTO H SHARES

Our Unlisted Shares are unlisted Shares which are currently not listed or traded on any stock exchange.

According to stipulations by the State Council securities regulatory authority and the Articles, the Unlisted Shares may be [REDACTED] into H Shares. Such [REDACTED] Shares may be [REDACTED] or [REDACTED] on an overseas stock exchange provided that prior to the [REDACTED] and [REDACTED] of such [REDACTED] Shares, the requisite internal approval processes have been duly completed and the approvals from the relevant PRC regulatory authorities, including the CSRC, and the relevant overseas [REDACTED] have been obtained. In addition, such [REDACTED], [REDACTED] and [REDACTED] shall in all respects comply with the regulations prescribed by the State Council securities regulatory authority and the regulations, requirements and procedures prescribed by the relevant overseas stock exchange.

If any of the Unlisted Shares are to be [REDACTED] to H Shares and to be traded on the Stock Exchange, such [REDACTED] requires the approval of the relevant PRC regulatory authorities, including the CSRC. Approval of the Stock Exchange is required for the [REDACTED] of such [REDACTED] Shares on the Stock Exchange. Subject to fulfilling the procedures set out in this section, our Company may apply for the [REDACTED] of all or any portion of the Unlisted Shares on the Stock Exchange as H Shares in advance of any proposed [REDACTED] to ensure that the [REDACTED] process can be completed promptly upon notice to the Stock Exchange and delivery of Shares for entry on the H Share register. As any [REDACTED] of additional Shares after our Company's initial [REDACTED] on the Stock Exchange is ordinarily considered by the Stock Exchange to be a purely administrative matter, it does not require prior application for [REDACTED] as at the time of our Company's initial [REDACTED] in Hong Kong.

No class Shareholder voting is required for the [REDACTED] and [REDACTED] of the [REDACTED] Shares on the Stock Exchange. Any application for [REDACTED] of the [REDACTED] Shares on the Stock Exchange after our initial [REDACTED] is subject to prior notification by way of announcement to inform Shareholders and the public of any proposed [REDACTED].

After all the requisite approvals have been obtained, the relevant Unlisted Shares will be withdrawn from the Unlisted Share register, and our Company will re-register such Shares on the H Share register maintained in Hong Kong and instruct the [REDACTED] to issue H Share certificates. Registration on the H Share register of our Company will be on the conditions that (i) the [REDACTED] lodges with the Stock Exchange a letter confirming the entry of the relevant H Shares on the H Share register and the due dispatch of H Share certificates; and (ii) the admission of the H Shares to be traded on the Stock Exchange complies with the Listing Rules and the General Rules of HKSCC and the HKSCC Operational Procedures in force from time to time.

Until the [REDACTED] Shares are re-registered on the H Share register of our Company, such Shares would not be [REDACTED] as H Shares. For details of our existing Shareholders' proposed [REDACTED] of Unlisted Shares into H Shares, see "History and Development — Capitalization of our Company."

INCREASE IN SHARE CAPITAL

As advised by our PRC Legal Advisers, pursuant to the Articles and subject to the requirements of the relevant PRC laws and regulations, our Company, upon the [REDACTED] of our H Shares, is eligible to enlarge its share capital by issuing either new H Shares or new Unlisted Shares on condition that such proposed issuance shall be approved by a special resolution of Shareholders in general meeting conducted in accordance with the provisions of the Articles and that such issuance complies with the Listing Rules and other relevant laws and regulations of Hong Kong. To adopt a special resolution of Shareholders in general meeting, more than the two thirds votes represented by the Shareholders (including proxies) present at the general meeting must be exercised in favour of the resolution.

RESTRICTIONS OF SHARE TRANSFER

The PRC Company Law provides that in relation to the public offering of a company, the shares issued prior to any public offering of shares by a company shall not be transferred within one year from the date on which such publicly offered shares are listed and traded on the relevant stock exchange. Accordingly, the Shares issued by our Company prior to the [REDACTED] will be subject to such statutory restriction on transfer within a period of one year from the [REDACTED].

Shares transferred by our Directors and members of the senior management each year during their term of office as determined at the time of their assumption of office shall not exceed 25% of their total respective shareholdings in our Company unless otherwise permitted by applicable laws and regulations. The Shares that the aforementioned persons hold in our Company cannot be transferred within half a year after they leave their positions as Directors and members of the senior management in our Company.

REGISTRATION OF SHARES NOT LISTED ON THE OVERSEAS STOCK EXCHANGE

According to the Guidelines for the "Full Circulation" Program for Domestic Unlisted Shares of H-share Listed Companies (H股公司境內未上市股份申請「全流通」業務指引) announced by the CSRC, the domestic shareholders of Unlisted Shares shall handle share transfer registration business in accordance with the relevant business rules of the China Securities Depository and Clearing Corporation Limited (中國證券登記結算有限責任公司) (the "**CSDC**"). Further, H-share companies should submit the relevant status reports to the CSRC within 15 days after the transfer registration with the CSDC of the shares involved in the application is completed.

CIRCUMSTANCES UNDER WHICH GENERAL MEETINGS ARE REQUIRED

Pursuant to the PRC Company Law and the terms of the Articles of Association, our Company may from time to time by special resolution of shareholders, among others, increase its capital or decrease its capital or repurchase of shares. See "Appendix V — Summary of Articles of Association" in this document.